

88R156 TJB-D

By: Muñoz, Jr.

H.B. No. 1294

A BILL TO BE ENTITLED
AN ACT

relating to the selection of the board of directors of an appraisal district; authorizing the imposition of a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 5.12(b), Tax Code, is amended to read as follows:

(b) At the written request of the governing bodies of a majority of all the taxing units participating in an appraisal district or of a majority of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district [~~entitled to vote on the appointment of appraisal district directors~~], the comptroller shall audit the performance of the appraisal district. The governing bodies may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other appraisal district matters.

SECTION 2. Section 5.13(h), Tax Code, is amended to read as follows:

(h) At any time after the request for an audit is made, the comptroller may discontinue the audit in whole or in part if requested to do so by:

(1) the governing bodies of a majority of all the taxing units participating in the district, if the audit was requested by a majority of those taxing units;

(2) the governing bodies of a majority of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district [~~entitled to vote on the appointment of appraisal district directors~~], if the audit was requested by a majority of those taxing units; or

(3) the taxpayers who requested the audit, if the audit was requested under Section 5.12(c) [~~of this code, by the taxpayers who requested the audit~~].

SECTION 3. Section 6.03, Tax Code, is amended by amending Subsections (a) and (l) and adding Subsections (a-1) and (m) to read as follows:

(a) The appraisal district is governed by a board of five directors. One director is elected from each of the four commissioners precincts of the county for which the appraisal district is established. The county assessor-collector is a director by virtue of the person's office. The directors other than the county assessor-collector are elected at the general election for state and county officers and serve two-year terms beginning on January 1 of odd-numbered years. [Five directors are appointed by the taxing units that participate in the district as provided by this section. If the county assessor-collector is not appointed to the board, the county assessor-collector serves as a nonvoting director.] The county assessor-collector is ineligible to serve if the board enters into a contract under Section 6.05(b) or if the

commissioners court of the county enters into a contract under Section 6.24(b). If the county assessor-collector is ineligible to serve, the appraisal district is governed by the four directors elected from the commissioners precincts and a director elected from the county at large. The director elected from the county at large is elected at the same election and serves the same term of office as the four directors elected from the commissioners precincts.

(a-1) To be eligible to serve on the board of directors, an individual other than the [a] county assessor-collector [~~serving as a nonvoting director~~] must:

(1) be a resident of:

(A) the commissioners precinct from which the office is elected, in the case of a director elected from a commissioners precinct; or

(B) the county for which the appraisal district is established, in the case of a director elected from the county at large; [district] and

(2) [~~must~~] have resided in the appraisal district for at least two years immediately preceding the date the individual takes office. [~~An individual who is otherwise eligible to serve on the board is not ineligible because of membership on the governing body of a taxing unit. An employee of a taxing unit that participates in the district is not eligible to serve on the board unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the district.~~]

(1) A [If a] vacancy [occurs] on the board of directors other than a vacancy in the position held by the [a] county assessor-collector is filled for the remainder of the unexpired term by appointment by the commissioners court of the county for which the appraisal district is established. A person appointed to fill a vacancy on the board of directors must meet the qualifications of the vacated position [serving as a nonvoting director, each taxing unit that is entitled to vote by this section may nominate by resolution adopted by its governing body a candidate to fill the vacancy. The unit shall submit the name of its nominee to the chief appraiser within 45 days after notification from the board of directors of the existence of the vacancy, and the chief appraiser shall prepare and deliver to the board of directors within the next five days a list of the nominees. The board of directors shall elect by majority vote of its members one of the nominees to fill the vacancy].

(m) If as a result of a change in the boundaries of a commissioners precinct an individual serving as a director no longer resides in the precinct from which the office is elected, the individual is not for that reason disqualified from office during the remainder of the term of office being served at the time the boundary change takes effect. If as a result of a change in the boundaries of a commissioners precinct an individual elected as a director before the boundary change to a term that begins after the boundary change no longer resides in the precinct from which elected, the individual is not for that reason disqualified from serving the term to which elected.

SECTION 4. Section 6.036(a), Tax Code, is amended to read as follows:

(a) An individual is not eligible to be a candidate for, to

be appointed to, or to serve on the board of directors of an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with:

- (1) the appraisal district; or
- (2) a taxing unit that participates in the appraisal district, if the contract relates to the performance of an activity governed by this title.

SECTION 5. Section 6.051(b), Tax Code, is amended to read as follows:

(b) The acquisition or conveyance of real property or the construction or renovation of a building or other improvement by an appraisal district must be approved by the governing bodies of three-fourths of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district ~~[entitled to vote on the appointment of board members]~~. The board of directors by resolution may propose a property transaction or other action for which this subsection requires approval of those ~~[the]~~ taxing units. The chief appraiser shall notify the presiding officer of each governing body entitled to vote on the approval of the proposal by delivering a copy of the board's resolution, together with information showing the costs of other available alternatives to the proposal. On or before the 30th day after the date the presiding officer receives notice of the proposal, the governing body of a taxing unit by resolution may approve or disapprove the proposal. If a governing body fails to act on or before that 30th day or fails to file its resolution with the chief appraiser on or before the 10th day after that 30th day, the proposal is treated as if it were disapproved by the governing body.

SECTION 6. Sections 6.06(a), (b), and (i), Tax Code, are amended to read as follows:

(a) Each year the chief appraiser shall prepare a proposed budget for the operations of the district for the following tax year and shall submit copies to each taxing unit participating in the district and to the district board of directors before June 15. The chief appraiser ~~[He]~~ shall include in the budget a list showing each proposed position, the proposed salary for the position, all benefits proposed for the position, each proposed capital expenditure, and an estimate of the amount of the budget that will be allocated to each taxing unit. Each municipality, each school district, each junior college district, and the county participating in the appraisal district ~~[taxing unit entitled to vote on the appointment of board members]~~ shall maintain a copy of the proposed budget for public inspection at its principal administrative office.

(b) The board of directors shall hold a public hearing to consider the budget. The secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district not later than the 10th day before the date of the hearing a written notice of the date, time, and place fixed for the hearing. The board shall complete its hearings, make any amendments to the proposed budget it desires, and finally approve a budget before September 15. If governing bodies of a majority of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district ~~[taxing units]~~

~~entitled to vote on the appointment of board members]~~ adopt resolutions disapproving a budget and file them with the secretary of the board within 30 days after its adoption, the budget does not take effect, and the board shall adopt a new budget within 30 days of the disapproval.

(i) The fiscal year of an appraisal district is the calendar year unless the governing bodies of three-fourths of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district ~~[taxing units entitled to vote on the appointment of board members]~~ adopt resolutions proposing a different fiscal year and file them with the secretary of the board not more than 12 and not less than eight months before the first day of the fiscal year proposed by the resolutions. If the fiscal year of an appraisal district is changed under this subsection, the chief appraiser shall prepare a proposed budget for the fiscal year as provided by Subsection (a) ~~[of this section]~~ before the 15th day of the seventh month preceding the first day of the fiscal year established by the change, and the board of directors shall adopt a budget for the fiscal year as provided by Subsection (b) ~~[of this section]~~ before the 15th day of the fourth month preceding the first day of the fiscal year established by the change. Unless the appraisal district adopts a different method of allocation under Section 6.061 ~~[of this code]~~, the allocation of the budget to each taxing unit shall be calculated as provided by Subsection (d) ~~[of this section]~~ using the amount of property taxes imposed by each participating taxing unit in the most recent tax year preceding the fiscal year established by the change for which the necessary information is available. Each taxing unit shall pay its allocation as provided by Subsection (e) ~~[of this section]~~, except that the first payment shall be made before the first day of the fiscal year established by the change and subsequent payments shall be made quarterly. In the year in which a change in the fiscal year occurs, the budget that takes effect on January 1 of that year may be amended as necessary as provided by Subsection (c) ~~[of this section]~~ in order to accomplish the change in fiscal years.

SECTION 7. Sections 6.061(b) and (e), Tax Code, are amended to read as follows:

(b) The taxing units participating in an appraisal district may adopt a different method of allocating the costs of operating the district if the governing bodies of three-fourths of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district ~~[taxing units that are entitled to vote on the appointment of board members]~~ adopt resolutions providing for the other method. However, a change under this subsection is not valid if it requires any taxing unit to pay a greater proportion of the appraisal district's costs than the taxing unit would pay under Section 6.06 ~~[of this code]~~ without the consent of the governing body of that taxing unit.

(e) A change in allocation of district costs made as provided by this section remains in effect until changed in a manner provided by this section or rescinded by resolution of a majority of the governing bodies of the group of taxing units composed of the municipalities, school districts, junior college districts, and county participating in the appraisal district ~~[that are entitled~~

~~to vote on appointment of board members under Section 6.03 of this code].~~

SECTION 8. Section 6.063(b), Tax Code, is amended to read as follows:

(b) The report of the audit is a public record. A copy of the report shall be delivered to the presiding officer of the governing body of each municipality, each school district, each junior college district, and the county participating in the appraisal district ~~[taxing unit eligible to vote on the appointment of district directors]~~, and a reasonable number of copies shall be available for inspection at the appraisal office.

SECTION 9. Section 6.15(c), Tax Code, is amended to read as follows:

(c) Subsections (a) and (b) do not apply to a routine communication between the chief appraiser and the county assessor-collector that relates to the administration of an appraisal roll, including a communication made in connection with the certification, correction, or collection of an account, regardless of whether the county assessor-collector serves on ~~[was appointed to]~~ the board of directors of the appraisal district ~~[or serves as a nonvoting director]~~.

SECTION 10. Section 172.024(a), Election Code, is amended to read as follows:

(a) The filing fee for a candidate for nomination in the general primary election is as follows:

- (1) United States senator \$5,000
- (2) office elected statewide, except United States senator 3,750
- (3) United States representative 3,125
- (4) state senator 1,250
- (5) state representative 750
- (6) member, State Board of Education 300
- (7) chief justice or justice, court of appeals, other than a justice specified by Subdivision (8) 1,875
- (8) chief justice or justice of a court of appeals that serves a court of appeals district in which a county with a population of more than one million is wholly or partly situated 2,500
- (9) district judge or judge specified by Section 52.092(d) for which this schedule does not otherwise prescribe a fee 1,500
- (10) district or criminal district judge of a court in a judicial district wholly contained in a county with a population of more than 1.5 million 2,500
- (11) judge, statutory county court, other than a judge specified by Subdivision (12) 1,500
- (12) judge of a statutory county court in a county with a population of more than 1.5 million 2,500
- (13) district attorney, criminal district attorney, or county attorney performing the duties of a district attorney 1,250
- (14) county commissioner, district clerk, county clerk, sheriff, county tax assessor-collector, county treasurer, or judge, constitutional county court:
 - (A) county with a population of 200,000 or more 1,250
 - (B) county with a population of under 200,000 750

- (15) justice of the peace or constable:
 (A) county with a population of 200,000 or more 1,000
 (B) county with a population of under 200,000 375
- (16) county surveyor75
- (17) office of the county government for which this schedule does not otherwise prescribe a fee750
- (18) appraisal district director:
(A) county with a population of 200,000 or more 400
(B) county with a population of under 200,000 200

SECTION 11. The following provisions of the Tax Code are repealed:

- (1) Sections 6.03(b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (k-1);
- (2) Section 6.031;
- (3) Section 6.033;
- (4) Section 6.034;
- (5) Section 6.037; and
- (6) Section 6.10.

SECTION 12. (a) Appraisal district directors shall be elected as provided by Section 6.03, Tax Code, as amended by this Act, beginning with the primary and general elections conducted in 2024. Members then elected take office January 1, 2025.

(b) The change in the manner of selection of appraisal district directors made by this Act does not affect the selection of directors who serve on the board before January 1, 2025.

(c) The term of an appraisal district director serving on December 31, 2024, expires on January 1, 2025.

SECTION 13. (a) Except as otherwise provided by this section, this Act takes effect January 1, 2025.

(b) This section and Sections 10 and 12 of this Act take effect September 1, 2023.