

## **BILL ANALYSIS**

C.S.H.B. 3564  
By: Howard  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties note that county administrative district judges appoint the members of appraisal review boards in counties with certain populations. In addition, the parties note that certain communications with the judge regarding the appointment of board members is an offense. The parties suggest that this offense, however well-intentioned, is preventing appointing judges from learning about poor behavior on the part of appraisal review board members. C.S.H.B. 3564 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3564 amends the Tax Code to make the offense relating to prohibited communications between certain parties and a local administrative district judge regarding the appointment of appraisal review board members inapplicable to a communication between a chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, or a member of the board of directors of the appraisal district and the local administrative district judge regarding information described by the statutory provision establishing grounds for the removal of an appraisal review board member or described by the statutory provision requiring the appraisal district to provide to the local administrative judge the number of appraisal review board positions that require appointment and whatever reasonable assistance is requested by the judge. The bill also makes the offense inapplicable to communication between those parties regarding information relating to the same statutory provisions, as well as the statutory provision concerning the appointment of board members in a county with a population of 120,000 or more by the local administrative judge and Government Code provisions relating to an appraisal district's entitlement to criminal history record information that relates to a person who is an applicant for employment by the appraisal district or for appointment to the district's appraisal review board.

### **EFFECTIVE DATE**

September 1, 2015.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3564 may differ from the original in minor or nonsubstantive ways, the

following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### INTRODUCED

SECTION 1. Section 6.04(a), Tax Code, is amended to read as follows:

(a) A majority of the appraisal district board of directors constitutes a quorum. At its first meeting each calendar year, the board shall elect from its members a chairman and a secretary. The board may elect from its members any other officers or assistant officers the board considers necessary.

SECTION 2. Section 6.41, Tax Code, is amended by amending Subsections (f) and (i) and adding Subsections (f-1), (f-2), and (f-3) to read as follows:

(f) A member of the appraisal review board appointed by the appraisal district board of directors may be removed from the board by a majority vote of the appraisal district board of directors. A member of the appraisal review board or an appraisal review board commissioner appointed by a local administrative district judge may be removed ~~[, or]~~ by the local administrative district judge ~~[or the judge's designee, as applicable, that appointed the member]~~. Grounds for removal are:

(1) a violation of Section 6.412, 6.413, 41.66(f), or 41.69;

(2) failure to attend a ~~[good cause relating to the attendance of members at]~~ called meeting ~~[meetings]~~ of the board as established by written policy adopted by a majority of the appraisal district board of directors; ~~[or]~~

(3) failure to conduct hearings as scheduled by the appraisal review board as established by written policy adopted by a majority of the appraisal district board of directors;

(4) ~~[clear and convincing]~~ evidence of ~~[repeated]~~ bias or misconduct; or

(5) physical or verbal abuse of a member of the public appearing before the board, a member of the board, a member of the appraisal district board of directors, or the staff of the appraisal district that occurs during the course of the member's official duties or on the premises of the appraisal office.

(f-1) For purposes of Subsection (f)(4), failure by a board member to perform the member's duties in accordance with the

#### HOUSE COMMITTEE SUBSTITUTE

**No equivalent provision.**

SECTION 1. Section 6.41(i), Tax Code, is amended to read as follows:

guidelines set forth in the Code of Judicial Conduct is evidence of misconduct by the board member.

(f-2) The chief appraiser or another employee or agent of an appraisal district, a member of the appraisal review board for the appraisal district, or a member of the board of directors of the appraisal district who has knowledge that a potential ground for removal of a board member or board commissioner exists shall notify the chairman of the appraisal district board of directors or the local administrative district judge who appointed the board member or commissioner, as appropriate, of the potential ground for removal. Providing notice under this subsection is not a violation of Subsection (i) or Section 6.411(b).

(f-3) The validity of a board action is not affected by the fact that the action is taken when a ground for removal of a board member or board commissioner exists.

(i) This subsection applies only to an appraisal district described by Subsection (d-1). A chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, or an agent of a property owner commits an offense if the person communicates with the local administrative district judge regarding the appointment or removal of appraisal review board members. This subsection does not apply to:

(1) a communication between a member of the appraisal review board and the local administrative district judge regarding the member's reappointment to or removal from the board;

(2) a communication between the taxpayer liaison officer for the appraisal district and the local administrative district judge in the course of the performance of the officer's clerical duties [~~so long as the officer does not offer an opinion or comment regarding the appointment of appraisal review board members~~]; or

(3) a communication between a chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, the general counsel or other attorney for the appraisal review board, or a member of the board of directors of the appraisal

(i) This subsection applies only to an appraisal district described by Subsection (d-1). A chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, or an agent of a property owner commits an offense if the person communicates with the local administrative district judge regarding the appointment of appraisal review board members. This subsection does not apply to:

(1) a communication between a member of the appraisal review board and the local administrative district judge regarding the member's reappointment to the board;

(2) a communication between the taxpayer liaison officer for the appraisal district and the local administrative district judge in the course of the performance of the officer's clerical duties so long as the officer does not offer an opinion or comment regarding the appointment of appraisal review board members; or

(3) a communication between a chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, or a member of the board of directors of the appraisal district and the local administrative district judge regarding

district and the local administrative district judge regarding information described by Subsection (d-1) or (f-2) of this section or Section 411.1296, Government Code.

information relating to or described by Subsection (d-1), (d-5), or (f) of this section or Section 411.1296, Government Code.

SECTION 3. Section 6.411(c-1), Tax Code, is amended to read as follows:

No equivalent provision.

(c-1) This section does not apply to communications with a member of an appraisal review board by the chief appraiser or another employee or a member of the board of directors of an appraisal district or a property tax consultant or attorney representing a party to a proceeding before the appraisal review board:

(1) during a hearing on a protest or other proceeding before the appraisal review board;

(2) that constitute social conversation;

(3) that are specifically limited to and involve administrative, clerical, or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation, appointment, reappointment, removal, composition, or attendance at training of the appraisal review board; or

(4) that are necessary and appropriate to enable the board of directors of the appraisal district to determine whether to appoint, reappoint, or remove a person as a member, commissioner, or officer [~~the chairman or secretary~~] of the appraisal review board.

SECTION 4. Section 6.42(a), Tax Code, is amended to read as follows:

No equivalent provision.

(a) A majority of the appraisal review board constitutes a quorum. The board of directors of the appraisal district by resolution shall select a chairman and a secretary from among the members of the appraisal review board, and may select from among those members any other officers or assistant officers the appraisal review board considers necessary. The board of directors of the appraisal district is encouraged to select as chairman of the appraisal review board a member of the appraisal review board, if any, who has a background in law and property appraisal.

SECTION 5. An appraisal district board of directors or an appraisal review board that, on the effective date of this Act, has not adopted a rule or bylaw governing its

No equivalent provision.

members' attendance of scheduled meetings and hearings shall adopt such a rule or bylaw as soon as practicable after the effective date of this Act.

SECTION 6. This Act takes effect September 1, 2015.

SECTION 2. Same as introduced version.