

SUBJECT: Penalty for *ex parte* communication with appraisal board members

COMMITTEE: Local Government Ways and Means — favorable, without amendment

VOTE: 4 ayes — Hill, Hegar, Laubenberg, Mowery
0 nays
3 absent — McReynolds, Puente, Quintanilla

SENATE VOTE: On final passage, May 6 — 31-0, on Local and Uncontested Calendar

WITNESSES: No public hearing

BACKGROUND: Tax Code, ch. 41 allows a property owner to appear before the county’s appraisal review board (ARB) to protest the determination of value or unequal appraisal of property, inclusion of property on the local tax roll, or denial of a whole or partial exemption from property taxes. Sec. 41.66(f) prohibits an ARB member from communicating with another person about the evidence, argument, facts, merits, or any other matter related to the property owner’s protest or about the property under protest, except during the ARB hearing on the protest.

DIGEST: SB 1452 would make it a Class C misdemeanor (punishable by a maximum fine of \$500) for an ARB member to communicate with the chief appraiser or another employee of the county appraisal district in violation of Tax Code, sec. 41.66(f), or for the chief appraiser or an appraisal district employee to communicate with an ARB member in similar circumstances. The bill would not apply to communications that did not involve the specific evidence, argument, facts, merits, or property under protest, nor to communications between the board and its legal counsel.

The bill would take effect September 1, 2003.

SUPPORTERS SAY: SB 1452 would correct an oversight in current law that prohibits *ex parte* communication between ARB members and the chief appraiser or appraisal district staff but provides no penalties for violations. A Class C misdemeanor,

which does not include jail time, should be a sufficient penalty to deter such communication.

Property owners should be assured of the fairness of the appraisal review process, and they need to know that appraisal district representatives cannot discuss the merits of the case with ARB members before the public hearing. Technically, the ARB is independent of the appraisal district. However, the chief appraiser and appraisal district staff can have much more access to the ARB members through their daily operations than can the average property owner. This bill would prevent the appraisal district from reaping the benefit of this continuing contact with ARB members.

**OPPONENTS
SAY:**

To ensure fairness of the appraisal review process, the bill should apply the same penalty to property owners or their representatives for making *ex parte* contacts with ARB members.