

- SUBJECT:** Allowing two or more adjoining appraisal review boards to consolidate
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 10 ayes — Oliveira, Otto, Bohac, Hartnett, Hilderbran, C. Howard, P. King, Paxton, Taylor, Villarreal
- 0 nays
- 1 absent — Peña
- WITNESSES:** For — (*Registered, but did not testify:* Kathy Barber, Texas Retailers Assoc.; Justin Bragiel, Texas Hotel & Lodging Association; John Brusniak, Brusniak / Blackwell; George Christian, Texas Taxpayers and Research Association; Brent Connett, Texas Conservative Coalition; Jeff Crozier, Rural Rental Housing Association of Texas; June Deadrick, Center Point Energy; Doug DuBois, TX Petroleum Marketers and C-Store Assoc.; Aurora Flores-Ortiz, Texas Association of Counties; Daniel Gonzalez, Texas Association of Realtors; Chris Hughes, Total Services, Inc.; James LeBas, Texas Oil and Gas Association, Texas Chemical Council, Koch Companies, Association of Electric Companies of Texas; Donald Lee, Texas Conference of Urban Counties; Lance Lively, NFIB Texas; Mark Mendez, Tarrant County; Julie W. Moore, Occidental Petroleum; Ned Muñoz, Texas Association of Builders; Ken Nolan, Dallas CAD, Texas Association of App. Dists.; Royce Poinsett, Exxon Mobil; Jim Robinson, Texas Assoc. of Appraisal Dists.; Marc Ross, Texas Apartment Assoc.; Cindy Segovia, Bexar County Commissioners' Court; Jason Skaggs, Texas and Southwestern Cattle Raisers Assoc.; David Thompson, Houston Independent School District; Donna Warndof, Texas Independent Producers & Royalty Owners Association; Josh Winegarner, Texas Cattle Feeders Assoc.)
- Against — None
- BACKGROUND:** Art. 8, sec. 18(c) of the Constitution requires the Legislature to provide for a single board of equalization for each appraisal entity. Tax Code, sec. 6.41 establishes an appraisal review board for each appraisal district. An appraisal review board is authorized to resolve disputes between taxpayers and the appraisal district. Their primary function is to hear appeals of the

appraised value of taxable property. Most Texas counties are covered by their own central appraisal districts.

DIGEST:

HB 3611 would amend Tax Code, sec. 6.41 to allow the boards of directors of two or more adjoining central appraisal districts to form a consolidated appraisal review board by interlocal contract.

If two or more adjoining central appraisal districts formed a consolidated appraisal review board:

- a reference in the Tax Code to the appraisal district would mean the adjoining appraisal districts;
- a reference in the Tax Code to the appraisal district board of directors would mean the boards of directors of the adjoining appraisal districts;
- a provision or a reference in the Tax Code that applied to an appraisal review board would also apply or refer to the consolidated appraisal review board.

HB 3611 would take effect only if a constitutional amendment that would allow the Legislature to authorize a single board of equalization for two or more adjoining appraisal entities that elect to provide for consolidated equalizations were approved by the voters.

The bill would take effect on January 1, 2010.

**SUPPORTERS
SAY:**

HB 3611 would allow rural counties to form consolidated appraisal review boards. Many rural counties have a difficult time finding enough qualified and willing candidates to sit on their appraisal review boards. HB 3611 would allow counties to join together and pool their talent. Having fully staffed and qualified appraisal review boards would help to ensure a more professional, equitable, and timely appraisal review process.

**OPPONENTS
SAY:**

HB 3611 would not go far enough in allowing opportunities for appraisal districts to combine their efforts. The Legislature should allow and encourage these districts to consolidate some or all of their functions by interlocal agreements. Many rural counties have a difficult time staffing all levels and aspects of their central appraisal districts. If the counties see benefits and want to form these agreements, the state should let them.

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NOTES:

HB 3611 is enabling legislation for HJR 36 by Otto, which is on today's Constitutional Amendments Calendar. The companion to HJR 36, SJR 48 by Williams, was adopted by the Senate by 30-0 on April 24.

SB 20 by Williams, which contains a provision identical to HB 3611, was reported favorably, as substituted, by the Senate Finance Committee on April 22.