
SUBJECT: Revising the process to remove appraisal review board members

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Burrows, Guillen, Bohac, Cole, Martinez Fischer, Murphy, Noble, Sanford, Shaheen, Wray

0 nays

1 absent — E. Rodriguez

WITNESSES: For — Paul Pennington, Citizens for Appraisal Reform; (*Registered, but did not testify*: James Harris, Citizens for Appraisal Reform; Michael Henry and Matt Grabner, Ryan, LLC; Ray Head, Texas Association of Property Tax Professionals; Daniel Gonzalez and Julia Parenteau, Texas Realtors; David Kaplan; James Popp)

Against — (*Registered, but did not testify*: Adam Cahn, Cahnman's Musings; Alexis Tatum, Travis County Commissioners Court)

BACKGROUND: Tax Code sec. 6.41(f) allows an appraisal review board (ARB) member to be removed from the board by a majority vote of the appraisal district board of directors or by the local administrative district judge that appointed the member. Grounds for removal include clear and convincing evidence of repeated bias or misconduct.

Tax Code sec. 6.41(i) makes it an offense for a chief appraiser or employee of an appraisal district, member of an ARB, member of the board of directors, property tax consultant, or agent of a property owner to communicate with the local administrative district judge regarding the appointment of ARB members, with certain communications exempted. This section applies to an appraisal district in a county with a population of 120,000 or more, in which ARB members are appointed by the local administrative district judge.

DIGEST: HB 2179 would remove the requirement that evidence of repeated bias or

misconduct be clear and convincing as grounds to remove an appraisal review board (ARB) member. This change would apply to a proceeding to remove a member that began after the effective date of this bill.

The bill would exempt from the offense under Tax Code sec. 6.41(i) communications between a property tax consultant, property owner, or agent of a property owner and the local administrative district judge on information related to the removal of an ARB member. The exemption would apply to an offense committed before, on, or after the effective date of the bill but not to an offense finally convicted before that date.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

**SUPPORTERS
SAY:**

HB 2179 would make positive changes to the process for removing appraisal review board (ARB) members who engage in misconduct. While most ARB members are upstanding citizens, it currently is difficult to remove members who misbehave or have conflicts of interest. If taxpayers have a concern regarding an ARB member, their only recourse is to take it to the board of directors of the appraisal district, which lacks impartiality, or to pursue a lawsuit.

The current evidentiary standard to remove an ARB member is too high. These cases often become drawn out and unresolved, so bad actors receive no punishment. The bill would remove the clear and convincing standard for evidence of misconduct, meaning the burden of proof would be lowered to a preponderance of the evidence, the standard for civil proceedings.

HB 2179 also would allow a tax consultant or taxpayer to communicate with a local administrative district judge about the removal of an ARB member in large counties where a district judge had oversight. This would create an avenue other than litigation for taxpayers to pursue when they encountered issues with an ARB member.

The bill would affect only ARB members who misbehaved or had conflicts of interest. The bill would not add new grounds for removal, but would help an ARB identify and remove their bad actors.

OPPONENTS
SAY:

HB 2179 would go too far in reducing the burden of proof necessary to remove an ARB member. It also would open up a new line of communication between tax consultants or property owners and the local administrative district judge, which could be taken advantage of by some consultants. These changes could lead to members mistakenly being removed from the appraisal review board with insufficient evidence.

OTHER
OPPONENTS
SAY:

The bill should be amended to make it clear that a preponderance of the evidence would be needed to remove an ARB member from office.