

## **BILL ANALYSIS**

Senate Research Center  
82R20263 ALL-F

H.B. 1887  
By: Villarreal (Hinojosa)  
Finance  
5/6/2011  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 1887 amends current law relating to the procedures for property tax protests and appeals.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 41.44, Tax Code, by adding Subsection (e), as follows:

(e) Prohibits a notice of protest, notwithstanding any other provision of this section, from being found to be untimely or insufficient based on the fact that the notice is filed by or identifies as the property owner a person who is not the property owner if:

- (1) the person is shown on the appraisal records as the property owner;
- (2) the person is an affiliate of the property owner; or
- (3) the identification of the property owner is not materially misleading.

SECTION 2. Amends Section 41.47, Tax Code, by adding Subsection (c), as follows:

(c) Requires the appraisal review board (board), if the protest is of the determination of the appraised value of the owner's property, to state in the order the appraised value of the property:

- (1) as shown in the appraisal records submitted to the board by the chief appraiser under Section 25.22 (Submission for Review and Protest) or 25.23 (Supplemental Appraisal Records); and
- (2) as finally determined by the board.

SECTION 3. Amends Subchapter A, Chapter 42, Tax Code, by adding Section 42.016, as follows:

Sec. 42.016. INTERVENTION IN APPEAL BY PROPERTY OWNER. Entitles a property owner, not later than the 30th day after the date a party files a motion or plea to the jurisdiction asserting that a person filing an appeal under Section 42.01 (Right of Appeal by Property Owner) lacks standing or the entitlement to appeal an order of an appraisal review board determining a protest because the person is not the property owner, to intervene in the appeal if the notice of protest is described by Section 41.44(e)(1) or (2).

SECTION 4. Amends Subchapter B, Chapter 42, Tax Code, by adding Section 42.226, as follows:

Sec. 42.226. **MEDIATION.** Requires the court, on motion by a party to an appeal under this chapter, to enter an order requiring the parties to attend mediation. Authorizes the court to enter an order requiring the parties to attend mediation on its own motion.

SECTION 5. Amends Section 42.23, Tax Code, by adding Subsection (f) to provide that, for purposes of a no-evidence motion for summary judgment filed by a party to an appeal under this chapter, the offer of evidence, including an affidavit or testimony, by any person, including the appraisal district, the property owner, or the owner's agent, that was presented at the hearing on the protest before the appraisal review board constitutes sufficient evidence to deny the motion.

SECTION 6. Amends Subchapter B, Chapter 42, Tax Code, by adding Section 42.30, as follows:

Sec. 42.30. **ATTORNEY NOTICE OF CERTAIN ENGAGEMENTS.** (a) Requires an attorney who accepts an engagement or compensation from a third party to represent a person in an appeal under this chapter to provide notice to the person represented:

(1) informing the person that the attorney has been retained by a third party to represent the person;

(2) explaining the attorney's ethical obligations to the person in relation to the third party, including the obligation to ensure that the third party does not interfere with the attorney's independent judgment or the attorney-client relationship;

(3) describing the specific activities the third party may perform in the appeal;

(4) explaining the terms of the compensation to be received by the attorney from the third party; and

(5) informing the person that the person's consent is required before the attorney may accept compensation from the third party.

(b) Requires the attorney to mail the notice by certified mail to the person represented by the attorney not later than the 30th day after the date the attorney accepts the engagement from the third party.

(c) Authorizes a person to void an engagement that does not comply with this section. Provides that an attorney who does not comply with this section violates Rule 1.08, Texas Disciplinary Rules of Professional Conduct.

SECTION 7. Amends Section 42.43(h), Tax Code, as follows:

(h) Requires that a separate form be filed with a taxing unit under Subsection (g) (relating to requiring the taxing unit to send the refund to the person and address designated on the form) for each appeal to which the property owner is a party. Authorizes a form to be revoked in a written revocation filed with the taxing unit by the property owner. Deletes existing text providing that a form filed with a taxing unit under Subsection (g) remains in effect for all subsequent refunds required by this section until revoked in a written revocation filed with the taxing unit by the property owner.

SECTION 8. (a) Provides that Sections 41.44 and 41.47, Tax Code, as amended by this Act, apply only to a protest that is pending on the effective date of this Act or is filed on or after the effective date of this Act.

(b) Provides that Sections 42.016, 42.226, and 42.23, Tax Code, as added or amended by this Act, apply only to an appeal that is pending on the effective date of this Act or is filed on or after the effective date of this Act.

(c) Makes application of Section 42.30, Tax Code, as added by this Act, prospective.

SECTION 9. Effective date: upon passage or September 1, 2011.