

## **BILL ANALYSIS**

Senate Research Center  
86R6928 JES-F

S.B. 1029  
By: Hall  
Property Tax  
4/1/2019  
As Filed

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

The 85th Legislature changed the criteria for property valuations that are eligible for binding arbitration. They increased the valuation amount required from \$3 million to \$5 million. This resulted in an increased number of property owners who have opted to take their protests to the binding arbitration level.

On top of the change in criteria for arbitrations, the 85th Legislature also required arbitrators to sit out of working for the appraisal district or representing someone before the district for five years before being appointed as an arbitrator on an appraisal board order.

The result of the latter change was a substantial decrease in the number of qualified arbitrators eligible to conduct appeals through binding arbitration. Another unintended consequence was an increase in the length of time it takes to get an arbitrator assigned to a case and get the case heard on an appraisal review board order.

S.B. 1029 would change the required sit-out time for an arbitrator from five years to two years since the time they were compensated to represent someone in an appraisal proceeding, or served on or under the appraisal board or district. The bill would make appraisal arbitrations more efficient by expanding the pool of eligible arbitrators in the manner proposed.

As proposed, S.B. 1029 amends current law relating to the eligibility of a person for appointment as an arbitrator in a binding arbitration of an appraisal review board order.

### **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 41A.07(f), Tax Code, as follows;

(f) Provides that a person is ineligible for appointment as an arbitrator under Subsection (a) (relating to requiring the comptroller of public accounts of the State of Texas to appoint a certain arbitrator and send notice to the appointed arbitrator requesting certain action upon receipt of a certain request and deposit) if at any time during the preceding two years, rather than the preceding five years, the person has served in certain specified capacities.

SECTION 2. Effective date: September 1, 2019.