

BILL ANALYSIS

C.S.S.B. 669
By: Nelson
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties report that property taxpayers throughout Texas feel that the property appraisal review process is unfair to taxpayers and is not responsive to taxpayer criticisms. C.S.S.B. 669 seeks to reform that process to increase fairness to taxpayers, expand taxpayer rights and participation in the process, and require more training for appraisal review board members and arbitrators.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the comptroller of public accounts in SECTIONS 4 and 5 of this bill.

ANALYSIS

C.S.S.B. 669 amends the Tax Code to require the comptroller of public accounts to appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts and local tax offices. The bill provides for the composition of the board and authorizes the board to make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures. The bill requires any advice to the comptroller relating to an applicable matter that is provided by a board member to be provided at a meeting called by the comptroller and exempts the board from Government Code provisions relating to state agency advisory committees.

C.S.S.B. 669 requires the training and education course for a member of an appraisal review board to provide at least eight hours of classroom training and education and to require the continuing education course for such a member to provide at least four hours of classroom training and education.

C.S.S.B. 669 repeals the provision requiring an arbitrator to complete a training program on property tax law before conducting a hearing on an arbitration relating to the appeal of an appraisal review board order determining a taxpayer protest. The bill instead requires the comptroller to approve curricula and provide an arbitration manual and other materials for use in training and educating persons who have agreed to serve as arbitrators for purposes of such an appeal, to make all materials for use in training and educating such arbitrators freely available online, and to establish and supervise a training program on property tax law for the training and education of such arbitrators. The bill requires the training program to emphasize the

requirements regarding the equal and uniform appraisal of property and to be at least four hours in length. The bill authorizes the training program to be provided online and requires the comptroller by rule to prescribe the manner by which the comptroller may verify that a person taking the training program online has taken and completed the program. The bill authorizes the comptroller to contract with service providers to assist with the comptroller's duties regarding the training but prohibits the training program from being provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The bill authorizes the comptroller to assess a fee to recover a portion of the costs incurred for the training program but caps the fee at \$50 for each person trained. The bill requires the comptroller to prepare an arbitration manual for use in the training program, requires the manual to be updated regularly, and authorizes the manual to be revised on request, in writing, to the comptroller. The bill requires the revised language to be approved by the unanimous agreement of a committee selected by the comptroller and representing, equally, taxpayers and chief appraisers. The bill requires the person requesting the revision to pay the costs of mediation if the comptroller determines that mediation is required.

C.S.S.B. 669 repeals provisions relating to a survey form for the public to offer comments and suggestions concerning the appraisal review board established for an appraisal district and relating to an annual report summarizing the forms. The bill instead requires the comptroller to prepare an appraisal review board survey form that allows specified individuals to submit comments and suggestions to the comptroller regarding an appraisal review board and instructions for completing and submitting the form. The bill identifies the individuals who may complete and submit the survey form and specifies the matters regarding which the survey form must allow an individual to submit comments and suggestions and the manner in which an appraisal district must provide the survey form. The bill sets out requirements for an appraisal district in providing the form and the instructions for completing and submitting the form to a property owner or designated agent. The bill sets out the procedure for submitting the survey form, including deadlines for submitting the form. The bill requires the comptroller to issue an annual report that summarizes the information included in the survey forms submitted during the preceding year and prohibits the report from disclosing the identity of an individual who submitted a survey form. The bill requires the comptroller to adopt rules necessary to implement the bill's provisions relating to the survey form and to prepare and make available the form and instructions for completing and submitting the form. The bill expressly does not require an appraisal district to provide the survey form or instructions, as applicable, until the form and instructions are prepared and made available by the comptroller.

C.S.S.B. 669 includes an individual related within the third degree by consanguinity or within the second degree by affinity to a member of an appraisal review board among the individuals who are ineligible to serve on the appraisal review board. The bill raises from more than 100,000 to 120,000 or more the population of a county in which certain additional individuals are ineligible to serve on the appraisal review board and includes among those individuals an individual who has served for all or part of three previous terms as a board member or auxiliary board member on the appraisal review board. These provisions expressly do not affect the eligibility of a person serving on an appraisal review board immediately before the bill's effective date to continue to serve on the board for the term to which the member was appointed.

C.S.S.B. 669 transfers the duty to select a chairman and a secretary of an appraisal review board from the board of directors of the appraisal district to the local administrative district judge in the county in which the appraisal district is established and removes the specification that the selection is made by resolution. The bill establishes that the concurrence of a majority of the members of the appraisal review board or a panel of the board present at a meeting of the board or panel is sufficient for a recommendation, determination, decision, or other action by the board or panel and prohibits the concurrence of more than a majority of the members of the board or panel from being required.

C.S.S.B. 669 includes the subject matter of a taxpayer protest hearing among the required contents of the notice delivered by an appraisal review board to the property owner initiating the hearing. The bill clarifies the information a chief appraiser is required to provide to a property owner before a hearing on a protest, subject to certain conditions, and specifies that the deadline for providing the information is at least 14 days before the first scheduled hearing. The bill includes certain of that information among that which may be delivered in an electronic format if the chief appraiser and the property owner or person designated by the owner agree under applicable law.

C.S.S.B. 669 replaces the conditional caps on the charges for certain copies provided to an owner or agent before a taxpayer protest hearing with a prohibition against the chief appraiser charging a property owner or the designated agent of the owner for such copies provided to the owner or designated agent, regardless of the manner in which the copies are prepared or delivered. The bill sets out the permissible means by which the chief appraiser is required to deliver information the chief appraiser will introduce at the hearing to establish any matter at issue requested by a property owner or the agent.

C.S.S.B. 669 prohibits an appraisal review board from determining the appraised value of the property that is the subject of a protest to be an amount greater than the appraised value of the property as shown in the appraisal records submitted to the board by the chief appraiser for review and determination of protests or as supplemental appraisal records. The bill requires the board to deliver by certified mail a copy of the appraisal review board survey form prepared under the bill's provisions and instructions for completing and submitting the form to the property owner. The bill requires the appraisal review board to make the required determination of a protest and deliver the required information regarding that determination not later than the 15th day after the date the hearing on the protest is concluded.

C.S.S.B. 669 includes the request of the designated agent of a property owner for additional time to prepare for the hearing and the agent's establishment that the chief appraiser failed to comply with certain notice requirements as a trigger for an appraisal review board's duty to postpone a hearing on a taxpayer protest and requires a hearing on a protest filed by the owner's designated agent to be set for a time and date certain. The bill requires the hearings scheduled, on request of a property owner or the owner's designated agent, on protests concerning up to 20 designated properties on the same day to be held consecutively on that day. The bill replaces the prohibition against a property owner or the owner's designated agent filing more than one such request with the appraisal review board in the same tax year with an authorization to do so.

C.S.S.B. 669 authorizes an appraisal review board to schedule the hearings on all protests filed by a property owner or the owner's designated agent to be held consecutively and requires the notice of the hearings to state the date and time that the first hearing will begin, state the date the last hearing will end, and list the order in which the hearings will be held. The bill prohibits the order of the hearings listed in the notice from being changed without the agreement of the property owner or the owner's designated agent, the chief appraiser, and the appraisal review board. The bill prohibits the appraisal review board from rescheduling a hearing for which such notice is given to a date earlier than the seventh day after the date the last hearing was scheduled to end unless agreed to by the property owner or the owner's designated agent, the chief appraiser, and the board. The bill requires the appraisal review board to provide written notice of the date and time of the rescheduled hearing to the property owner or the owner's designated agent not later than the seventh day before the date of the hearing, unless agreed to by the parties. The bill requires the appraisal review board to provide, at the end of a hearing on a protest, to the property owner or the owner's designated agent one or more documents indicating that the members of the board hearing the protest signed the required affidavit stating that the board member has not unlawfully communicated with another person regarding the protest or a property that is the subject of the protest.

C.S.S.B. 669 replaces the prohibition against using as evidence in a hearing information that was

requested by the protesting party before the hearing and that was not made available to the protesting party at least 14 days before the scheduled or postponed hearing with a prohibition against using or offering in any form as evidence in a hearing, including as a document or through argument or testimony, information that was so requested and that was not delivered to the protesting party at least 14 days before the first scheduled hearing. The bill replaces the requirement that an appraisal review board provide for hearings on protests in the evening with a requirement that such hearings be after 5 p.m. on a weekday and prohibits an appraisal review board from scheduling a hearing on a protest on a Sunday or scheduling the first hearing on a protest held on a weekday evening to begin after 7 p.m.

C.S.S.B. 669 increases from \$3 million to \$5 million the maximum appraised or market value of property as determined by an appraisal review board order concerning the value of the property that triggers a property owner's entitlement to appeal such an order through binding arbitration. The bill sets the amount of the arbitration deposit to appeal an appraisal review board order through binding arbitration at \$1,250 if the property does not qualify as the owner's residence homestead under statutory provisions concerning residence homestead exemptions and the appraised or market value, as applicable, of the property is more than \$3 million but not more than \$5 million, as determined by the order. The bill, with regard to the same property, sets the maximum fee for which an eligible person must agree to conduct an arbitration to qualify to serve as an arbitrator at \$1,200.

C.S.S.B. 669 includes among the requirements that a person must meet to initially qualify to serve as an arbitrator in a binding arbitration of an appeal of an appraisal review board order, completion of the course for training and education of appraisal review board members and being issued a certificate indicating such completion and completion of the training program on property tax law for the training and education of arbitrators established by the bill. The bill establishes that the bill's changes to the qualifications of persons serving as arbitrators in binding arbitrations of appeals of appraisal review board orders do not affect the entitlement of a person serving as an arbitrator immediately before the bill's effective date to continue to serve as an arbitrator and to conduct hearings on arbitrations until the person is required to renew the person's agreement with the comptroller to serve as an arbitrator. Those changes apply only to a person who initially qualifies to serve as an arbitrator or who renews the person's agreement with the comptroller to serve as an arbitrator on or after the bill's effective date, and the bill expressly does not prohibit a person who is serving as an arbitrator on the bill's effective date from renewing the person's agreement with the comptroller to serve as an arbitrator if the person has the qualifications required for an arbitrator under the Tax Code as amended by the bill.

C.S.S.B. 669 repeals the following provisions of the Tax Code:

- Sections 5.103(e) and (f)
- Section 6.412(e)
- Section 41A.06(c)

EFFECTIVE DATE

January 1, 2018.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 669 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

HOUSE COMMITTEE SUBSTITUTE

85R 31379

17.136.1550

Substitute Document Number: 85R 30960

No equivalent provision.

SECTION 1. Section 1.085(a), Tax Code, is amended to read as follows:

(a) Notwithstanding any other provision in this title and except as provided by this section, any notice, rendition, application form, or completed application, or information requested under Section 41.461(a)(2), that is required or permitted by this title to be delivered between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and a property owner or ~~[between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and]~~ a person designated by a property owner under Section 1.111(f) may be delivered in an electronic format if the chief appraiser and the property owner or person designated by the owner agree under this section.

No equivalent provision.

SECTION 2. Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts and local tax offices. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) The advisory board is composed of at least six members appointed by the comptroller. The members of the board should include:

(1) representatives of property tax payers, appraisal districts, and school districts; and

(2) a person who has knowledge or experience in conducting ratio studies.

(c) The members of the advisory board serve at the pleasure of the comptroller.

(d) Any advice to the comptroller relating to a matter described by Subsection (a) that is provided by a member of the advisory board must be provided at a meeting called by the comptroller.

(e) Chapter 2110, Government Code, does

SECTION 1. Sections 5.041(b) and (e-1), Tax Code, are amended.

SECTION 2. Chapter 5, Tax Code, is amended.

SECTION 3. Chapter 5, Tax Code, is amended by adding Section 5.104 to read as follows:

Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) The comptroller shall prepare:

(1) an appraisal review board survey form that allows a person described by Subsection (b) to submit comments and suggestions to the comptroller regarding an appraisal review board; and

(2) instructions for completing and submitting the form.

(b) A property owner who files a protest under Chapter 41 or a motion under Section 25.25 to correct the appraisal roll, the designated agent of the property owner, or a designated representative of the appraisal district in which the protest or motion is filed may complete and submit a survey form under this section.

(c) The survey form must allow a person to submit comments and suggestions regarding:

(1) the matters listed in Section 5.103(b); and

(2) any other matter related to the fairness and efficiency of the appraisal review board.

(d) An appraisal district must provide the survey form and the instructions for completing and submitting the form to each property owner or designated agent of the owner:

(1) at or before each hearing conducted under Section 25.25 or Chapter 41 by the appraisal review board established for the appraisal district or by a panel of the board; and

(2) with each order under Section 25.25 or 41.47 determining a motion or protest, as applicable, delivered by the board or by a panel of the board.

(e) A person who elects to submit the survey form must submit the form to the

not apply to the advisory board.

SECTION 3. Same as engrossed version.

SECTION 4. Same as engrossed version.

SECTION 5. Chapter 5, Tax Code, is amended by adding Section 5.104 to read as follows:

Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) The comptroller shall prepare:

(1) an appraisal review board survey form that allows an individual described by Subsection (b) to submit comments and suggestions to the comptroller regarding an appraisal review board; and

(2) instructions for completing and submitting the form.

(b) The following individuals may complete and submit a survey form under this section:

(1) a property owner who files a motion under Section 25.25 to correct the appraisal roll or a protest under Chapter 41;

(2) the designated agent of the property owner; or

(3) a designated representative of the appraisal district in which the motion or protest is filed who attends the hearing on the motion or protest.

(c) The survey form must allow an individual to submit comments and suggestions regarding:

(1) the matters listed in Section 5.103(b); and

(2) any other matter related to the fairness and efficiency of the appraisal review board.

(d) An appraisal district must provide the survey form and the instructions for completing and submitting the form to each property owner or designated agent of the owner:

(1) at or before each hearing conducted under Section 25.25 or Chapter 41 by the appraisal review board established for the appraisal district or by a panel of the board; and

(2) with each order under Section 25.25 or 41.47 determining a motion or protest, as applicable, delivered by the board or by a panel of the board.

(e) An individual who elects to submit the survey form must submit the form to the

comptroller as provided by this section. An appraisal district may not accept a survey form submitted under this section.

(f) The comptroller shall allow a person to submit a survey form to the comptroller in the following manner:

(1) in person;

(2) by mail;

(3) by electronic mail; or

(4) through a web page on the comptroller's Internet website that allows the person to complete and submit the form.

(g) An appraisal district may not require a property owner or the designated agent of the owner to complete a survey form at the appraisal office in order to be permitted to submit the form to the comptroller.

(h) A property owner or the designated agent of the owner who elects to submit a survey form provided to the owner or agent under Subsection (d)(1) or (2) must submit the form not later than the 45th day after the date the form is sent to the owner or agent under Subsection (d)(2).

(i) A designated representative of an appraisal district who elects to submit a survey form following a hearing conducted under Section 25.25 or Chapter 41 must submit the form not later than the 45th day after the date the form is sent to the property owner or designated agent of the owner under Subsection (d)(2) following that hearing.

(j) The comptroller shall issue an annual report that summarizes the information included in the survey forms submitted during the preceding year. The report may not disclose the identity of a person who submitted a survey form.

(k) The comptroller shall adopt rules necessary to implement this section.

SECTION 4. Sections 6.412(a) and (d), Tax Code, are amended.

SECTION 5. Section 6.42(a), Tax Code, is amended to read as follows:

(a) A majority of the appraisal review board constitutes a quorum. The local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which [board of

comptroller as provided by this section. An appraisal district may not accept a survey form submitted under this section. An individual may submit only one survey form for each motion or protest.

(f) The comptroller shall allow an individual to submit a survey form to the comptroller in the following manner:

(1) in person;

(2) by mail;

(3) by electronic mail; or

(4) through a web page on the comptroller's Internet website that allows the individual to complete and submit the form.

(g) An appraisal district may not require a property owner or the designated agent of the owner to complete a survey form at the appraisal office in order to be permitted to submit the form to the comptroller.

(h) A property owner or the designated agent of the owner who elects to submit a survey form provided to the owner or agent under Subsection (d)(1) or (2) must submit the form not later than the 45th day after the date the form is sent to the owner or agent under Subsection (d)(2).

(i) A designated representative of an appraisal district who elects to submit a survey form following a hearing conducted under Section 25.25 or Chapter 41 must submit the form not later than the 45th day after the date the form is sent to the property owner or designated agent of the owner under Subsection (d)(2) following that hearing.

(j) The comptroller shall issue an annual report that summarizes the information included in the survey forms submitted during the preceding year. The report may not disclose the identity of an individual who submitted a survey form.

(k) The comptroller shall adopt rules necessary to implement this section.

SECTION 6. Same as engrossed version.

SECTION 7. Section 6.42, Tax Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) A majority of the appraisal review board constitutes a quorum. The local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which [board of

~~directors of]~~ the appraisal district is established ~~[by resolution]~~ shall select a chairman and a secretary from among the members of the appraisal review board. The ~~judge [board of directors of the appraisal district]~~ is encouraged to select as chairman ~~[of the appraisal review board]~~ a member of the appraisal review board, if any, who has a background in law and property appraisal.

~~directors of]~~ the appraisal district is established ~~[by resolution]~~ shall select a chairman and a secretary from among the members of the appraisal review board. The ~~judge [board of directors of the appraisal district]~~ is encouraged to select as chairman ~~[of the appraisal review board]~~ a member of the appraisal review board, if any, who has a background in law and property appraisal.

(d) The concurrence of a majority of the members of the appraisal review board or a panel of the board present at a meeting of the board or panel is sufficient for a recommendation, determination, decision, or other action by the board or panel, and the concurrence of more than a majority of the members of the board or panel may not be required.

SECTION 6. Section 25.25, Tax Code, is amended by adding Subsections (e-1) and (e-2) and amending Subsection (g) to read as follows:

No equivalent provision.

(e-1) A panel of an appraisal review board that conducts a hearing under Subsection (e) involving the appraised value of an owner's property shall determine the issues that are the subject of the hearing for the appraisal review board and make the panel's decision by written order. Not later than the 15th day after the date the hearing is held, the panel shall:

(1) deliver by hand or certified mail a notice of the issuance of the order and a copy of the order to the property owner or the designated agent of the owner and the chief appraiser; and

(2) in the same manner as the appraisal review board, direct by written order the change in the appraisal roll.

(e-2) A reference in this title to an action taken by an appraisal review board under this section involving the appraised value of an owner's property includes an action taken by a panel of the appraisal review board under Subsection (e-1).

(g) Within 60 days after receiving notice of the appraisal review board's or a panel's determination of a motion under this section or of a determination of the appraisal review board that the property owner has forfeited the right to a final determination of a motion under this section for failing to comply with the prepayment requirements of Section 25.26, the property owner or the chief

appraiser may file suit to compel the board or panel to order a change in the appraisal roll as required by this section. A taxing unit may not be made a party to a suit filed by a property owner or chief appraiser under this subsection.

SECTION 7. Section 41.45(d), Tax Code, is amended to read as follows:

(d) An appraisal review board consisting of more than three members may sit in panels of not fewer than three members to conduct protest hearings. Except as provided by Section 41.47(a-1) ~~[However]~~, the determination of a protest heard by a panel must be made by the board. If the recommendation of a panel is not accepted by the board, the board may refer the matter for rehearing to a panel composed of members who did not hear the original hearing or, if there are not at least three members who did not hear the original protest, the board may determine the protest. Before determining a protest or conducting a rehearing before a new panel or the board, the board shall deliver notice of the hearing or meeting to determine the protest in accordance with the provisions of this subchapter.

SECTION 8. Section 41.46(a), Tax Code, is amended.

SECTION 9. Section 41.461(a), Tax Code, is amended to read as follows:

(a) At least 14 days before the first scheduled ~~[a]~~ hearing on a protest, the chief appraiser shall:

- (1) deliver a copy of the pamphlet prepared by the comptroller under Section 5.06 ~~[5.06(a)]~~ to the property owner initiating the protest if the owner is representing himself, or to an agent representing the owner if requested by the agent;
- (2) inform the property owner that the owner or the agent of the owner is entitled on request to ~~[may inspect and may obtain]~~ a copy of the data, schedules, formulas, and all other information the chief appraiser will ~~[plans to]~~ introduce at the hearing to establish any matter at issue; and
- (3) deliver a copy of the hearing procedures

No equivalent provision.

SECTION 8. Same as engrossed version.

SECTION 9. Section 41.461, Tax Code, is amended to read as follows:

Sec. 41.461. NOTICE OF CERTAIN MATTERS BEFORE HEARING; DELIVERY OF REQUESTED INFORMATION.

(a) At least 14 days before the first scheduled ~~[a]~~ hearing on a protest, the chief appraiser shall:

- (1) deliver a copy of the pamphlet prepared by the comptroller under Section 5.06 ~~[5.06(a)]~~ to the property owner initiating the protest if the owner is representing himself, or to an agent representing the owner if requested by the agent;
- (2) inform the property owner that the owner or the agent of the owner is entitled on request to ~~[may inspect and may obtain]~~ a copy of the data, schedules, formulas, and all other information the chief appraiser will ~~[plans to]~~ introduce at the hearing to establish any matter at issue; and
- (3) deliver a copy of the hearing procedures

established by the appraisal review board under Section 41.66 to the property owner.

established by the appraisal review board under Section 41.66 to the property owner.

(b) The chief appraiser may not charge a property owner or the designated agent of the owner for copies provided to the [an] owner or designated agent under this section, regardless of the manner in which the copies are prepared or delivered [may not exceed the charge for copies of public information as provided under Subchapter F, Chapter 552, Government Code, except:

[(1) the total charge for copies provided in connection with a protest of the appraisal of residential property may not exceed \$15 for each residence; and

[(2) the total charge for copies provided in connection with a protest of the appraisal of a single unit of property subject to appraisal, other than residential property, may not exceed \$25].

(c) A chief appraiser must deliver information requested by a property owner or the agent of the owner under Subsection (a)(2):

(1) by regular first-class mail;

(2) in an electronic format as provided by an agreement under Section 1.085; or

(3) subject to Subsection (d), by referring the property owner or the agent of the owner to the exact Internet location or uniform resource locator (URL) address on an Internet website maintained by the appraisal district on which the requested information is identifiable and readily available.

(d) If a chief appraiser provides a property owner or the agent of the owner the Internet location or address of information under Subsection (c)(3), the notice must contain a statement in a conspicuous font that clearly indicates that the property owner or the agent of the owner may on request receive the information by regular first-class mail. On request by a property owner or the agent of the owner, the chief appraiser must provide the information by regular first-class mail.

No equivalent provision.

SECTION 10. Subchapter C, Chapter 41, Tax Code, is amended by adding Section 41.462 to read as follows:

Sec. 41.462. AVAILABILITY OF APPRAISAL REVIEW BOARD EVIDENCE. If requested by the property owner initiating a protest or an agent representing the property owner, the

appraisal district shall make any evidence to be used in the protest hearing available to the property owner or agent at least 14 days before the date of the hearing. The evidence shall be provided at no charge to the requester, regardless of the means of delivery.

SECTION 11. Section 41.47, Tax Code, is amended by adding Subsections (a-1), (c-2), and (f) and amending Subsections (b), (c), (d), and (e) to read as follows:

(a-1) A panel of an appraisal review board hearing a protest involving the appraised value of an owner's property shall determine the protest for the appraisal review board and make the panel's decision by written order. A reference in this title to a determination or order of an appraisal review board involving the appraised value of an owner's property includes a determination or order made by a panel under this subsection.

(b) If on determining a protest the board or panel finds that the appraisal records are incorrect in some respect raised by the protest, the board or panel by its order shall correct the appraisal records by changing the appraised value placed on the protesting property owner's property or by making the other changes in the appraisal records that are necessary to conform the records to the requirements of law. If the appraised value of a taxable property interest, other than an interest owned by a public utility or by a cooperative corporation organized to provide utility service, is changed as the result of a protest or challenge, the board or panel shall change the appraised value of all other interests, other than an interest owned by a public utility or by a cooperative corporation organized to provide utility service, in the same property, including a mineral in place, in proportion to the ownership interests.

(c) If the protest is of the determination of the appraised value of the owner's property, the appraisal review board or panel must 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 or 25.23; and

(2) as finally determined by the board or panel.

SECTION 10. Section 41.47, Tax Code, is amended by adding Subsections (c-2) and (f) and amending Subsections (d) and (e) to read as follows:

(c-2) The board or panel may not determine the appraised value of the property that is the subject of a protest to be an amount greater than the appraised value of the property as shown in the appraisal records submitted to the board by the chief appraiser under Section 25.22 or 25.23.

(d) The board or panel shall deliver by hand or certified mail:

(1) a notice of issuance of the order and a copy of the order to the property owner or the designated agent of the owner and the chief appraiser; and

(2) a copy of the appraisal review board survey form prepared under Section 5.104 and instructions for completing and submitting the form to the property owner or the designated agent of the owner.

(e) The notice of the issuance of the order must contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner's right to appeal the order of the board or panel [board's decision] to district court. The statement must describe the deadline prescribed by Section 42.06(a) [of this code] for filing a written notice of appeal[;] and the deadline prescribed by Section 42.21(a) [of this code] for filing the petition for review with the district court.

(f) The appraisal review board or panel shall take the actions required by Subsection (a) or (a-1), as applicable, and Subsection (d) not later than the 15th day after the date the hearing on the protest is concluded.

SECTION 12. Section 41.66, Tax Code, is amended.

SECTION 13. Section 41.67(d), Tax Code, is amended.

No equivalent provision.

(c-2) The board may not determine the appraised value of the property that is the subject of a protest to be an amount greater than the appraised value of the property as shown in the appraisal records submitted to the board by the chief appraiser under Section 25.22 or 25.23.

(d) The board shall deliver by certified mail:

(1) a notice of issuance of the order and a copy of the order to the property owner and the chief appraiser; and

(2) a copy of the appraisal review board survey form prepared under Section 5.104 and instructions for completing and submitting the form to the property owner.

(e) The notice of the issuance of the order must contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner's right to appeal the order of the board [board's decision] to district court. The statement must describe the deadline prescribed by Section 42.06(a) [of this code] for filing a written notice of appeal[;] and the deadline prescribed by Section 42.21(a) [of this code] for filing the petition for review with the district court.

(f) The appraisal review board shall take the actions required by Subsections (a) and (d) not later than the 15th day after the date the hearing on the protest is concluded.

SECTION 11. Same as engrossed version.

SECTION 12. Same as engrossed version.

SECTION 13. Section 41.71, Tax Code, is amended to read as follows:

Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) An appraisal review board by rule shall provide for hearings on protests [in the evening or] on a Saturday or after 5 p.m. on a weekday [Sunday].

(b) The board may not schedule:

(1) the first hearing on a protest held on a weekday evening to begin after 7 p.m.; or

(2) a hearing on a protest on a Sunday.

No equivalent provision.

SECTION 14. Section 41A.01, Tax Code, is amended to read as follows:

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest filed under Section 41.41(a)(1) or (2) concerning the appraised or market value of property if:

(1) the property qualifies as the owner's residence homestead under Section 11.13; or
(2) the appraised or market value, as applicable, of the property as determined by the order is \$5 [~~\$3~~] million or less.

No equivalent provision.

SECTION 15. Section 41A.03(a), Tax Code, is amended to read as follows:

(a) To appeal an appraisal review board order under this chapter, a property owner must file with the appraisal district not later than the 45th day after the date the property owner receives notice of the order:

(1) a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04; and

(2) an arbitration deposit made payable to the comptroller in the amount of:

(A) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the order;

(B) \$500, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;

(C) \$500, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$1 million or less, as determined by the order;

(D) \$800, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$1 million but not more than \$2 million, as determined by the order; [~~or~~]

(E) \$1,050, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$2 million but not more than \$3

SECTION 14. Section 41A.06(b), Tax Code, is amended to read as follows:

(b) To initially qualify to serve as an arbitrator under this chapter, a person must:

(1) meet the following requirements, as applicable:

(A) be licensed as an attorney in this state; or

(B) have:

(i) completed at least 30 hours of training in arbitration and alternative dispute resolution procedures from a university, college, or legal or real estate trade association; and

(ii) been licensed or certified continuously during the five years preceding the date the person agrees to serve as an arbitrator as:

(a) a real estate broker or sales agent [~~salesperson~~] under Chapter 1101, Occupations Code;

(b) a real estate appraiser under Chapter 1103, Occupations Code; or

(c) a certified public accountant under Chapter 901, Occupations Code; [~~and~~]

(2) complete the course for training and education of appraisal review board members established under Section 5.041 and be issued a certificate indicating course completion;

(3) complete the training program on property tax law for the training and education of arbitrators established under Section 5.043; and

(4) agree to conduct an arbitration for a fee that is not more than:

(A) \$400, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the order;

(B) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;

(C) \$450, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market

million, as determined by the order; or

(F) \$1,250, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$3 million but not more than \$5 million, as determined by the order.

SECTION 16. Section 41A.06(b), Tax Code, is amended to read as follows:

(b) To initially qualify to serve as an arbitrator under this chapter, a person must:

(1) meet the following requirements, as applicable:

(A) be licensed as an attorney in this state; or

(B) have:

(i) completed at least 30 hours of training in arbitration and alternative dispute resolution procedures from a university, college, or legal or real estate trade association; and

(ii) been licensed or certified continuously during the five years preceding the date the person agrees to serve as an arbitrator as:

(a) a real estate broker or sales agent [~~salesperson~~] under Chapter 1101, Occupations Code;

(b) a real estate appraiser under Chapter 1103, Occupations Code; or

(c) a certified public accountant under Chapter 901, Occupations Code; [~~and~~]

(2) complete the course for training and education of appraisal review board members established under Section 5.041 and be issued a certificate indicating course completion;

(3) complete the training program on property tax law for the training and education of arbitrators established under Section 5.043; and

(4) agree to conduct an arbitration for a fee that is not more than:

(A) \$400, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the order;

(B) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;

(C) \$450, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market

value, as applicable, of the property is \$1 million or less, as determined by the order;
(D) \$750, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$1 million but not more than \$2 million, as determined by the order; or
(E) \$1,000, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$2 million but not more than \$3 million, as determined by the order.

SECTION 15. Section 41A.061(b), Tax Code, is amended.

SECTION 16. Section 41A.09(b), Tax Code, is amended.

SECTION 17. Sections 5.103(e) and (f), 6.412(e), and 41A.06(c), Tax Code, are repealed.

SECTION 18. The changes in law made by this Act to Section 5.041, Tax Code, apply only to an appraisal review board member appointed to serve a term of office that begins on or after the effective date of this Act.

SECTION 19. The comptroller shall implement Section 5.043, Tax Code, as added by this Act, and adopt rules required by that section as soon as practicable after the effective date of this Act.

SECTION 20. The comptroller shall adopt rules necessary to implement Section 5.104, Tax Code, as added by this Act, and shall prepare and make available the survey form and instructions for completing and submitting the form required by that section as soon as practicable after the effective date of this Act. An appraisal district is not required to provide the survey form or instructions under a requirement of that section until the form and instructions are

value, as applicable, of the property is \$1 million or less, as determined by the order;
(D) \$750, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$1 million but not more than \$2 million, as determined by the order; ~~or~~
(E) \$1,000, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$2 million but not more than \$3 million, as determined by the order; or
(F) \$1,200, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$3 million but not more than \$5 million, as determined by the order.

SECTION 17. Same as engrossed version.

SECTION 18. Same as engrossed version.

SECTION 19. Same as engrossed version.

SECTION 20. Section 5.041, Tax Code, as amended by this Act, applies only to an appraisal review board member appointed to serve a term of office that begins on or after the effective date of this Act.

SECTION 21. Same as engrossed version.

SECTION 22. Same as engrossed version.

prepared and made available by the comptroller.

SECTION 21. The changes in law made by this Act to Section 6.412, Tax Code, do not affect the eligibility of a person serving on an appraisal review board immediately before the effective date of this Act to continue to serve on the board for the term to which the member was appointed.

SECTION 22. The change in law made by this Act to Section 25.25, Tax Code, applies only to a motion to correct an appraisal roll filed on or after the effective date of this Act.

SECTION 23. The changes in law made by this Act to Chapter 41, Tax Code, apply only to a protest for which the notice of protest was filed by a property owner or the designated agent of the owner with the appraisal review board established for an appraisal district on or after the effective date of this Act.

No equivalent provision.

SECTION 24. The changes in law made by this Act in the qualifications of persons serving as arbitrators in binding arbitrations of appeals of appraisal review board orders do not affect the entitlement of a person serving as an arbitrator immediately before the effective date of this Act to continue to

SECTION 23. Substantially the same as engrossed version.

SECTION 24. Section 6.42(d), Tax Code, as added by this Act, applies only to a recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board on or after the effective date of this Act. A recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board before the effective date of this Act is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

SECTION 25. Same as engrossed version.

SECTION 26. Sections 41A.01, 41A.03, and 41A.09, Tax Code, as amended by this Act, and Section 41A.06(b)(4), Tax Code, as added by this Act, apply only to a request for binding arbitration under Chapter 41A, Tax Code, that is filed on or after the effective date of this Act. A request for binding arbitration under Chapter 41A, Tax Code, that is filed before the effective date of this Act is governed by the law in effect on the date the request is filed, and the former law is continued in effect for that purpose.

SECTION 27. Same as engrossed version.

serve as an arbitrator and to conduct hearings on arbitrations until the person is required to renew the person's agreement with the comptroller to serve as an arbitrator. The changes in law apply only to a person who initially qualifies to serve as an arbitrator or who renews the person's agreement with the comptroller to serve as an arbitrator on or after the effective date of this Act. This Act does not prohibit a person who is serving as an arbitrator on the effective date of this Act from renewing the person's agreement with the comptroller to serve as an arbitrator if the person has the qualifications required for an arbitrator under the Tax Code as amended by this Act.

SECTION 25. This Act takes effect January 1, 2018.

SECTION 28. Same as engrossed version.