

By: Bettencourt

S.B. No. 849

A BILL TO BE ENTITLED

AN ACT

relating to access to and fees associated with binding arbitration
of appraisal review board orders.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. 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 \$3 [~~\$1~~] million or less.

SECTION 2. 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 million, as determined by the order [~~\$500~~].

SECTION 3. Section 41A.05(b), Tax Code, is amended to read as follows:

(b) The comptroller may retain \$50 [~~an amount equal to 10 percent~~] of the deposit to cover the comptroller's administrative

costs.

SECTION 4. 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 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) 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

1 owner's residence homestead under Section 11.13 and the appraised
2 or market value, as applicable, of the property is more than
3 \$500,000, as determined by the order;

4 (C) \$450, if the property does not qualify as the
5 owner's residence homestead under Section 11.13 and the appraised
6 or market value, as applicable, of the property is \$1 million or
7 less, as determined by the order;

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

12 (E) \$1,000, if the property does not qualify as
13 the owner's residence homestead under Section 11.13 and the
14 appraised or market value, as applicable, of the property is more
15 than \$2 million but not more than \$3 million, as determined by the
16 order ~~[90 percent of the amount of the arbitration deposit required~~
17 ~~by Section 41A.03].~~

18 SECTION 5. The change in law made by this Act applies only
19 to a request for binding arbitration under Chapter 41A, Tax Code,
20 that is filed on or after the effective date of this Act. A request
21 for binding arbitration under Chapter 41A, Tax Code, that is filed
22 before the effective date of this Act is governed by the law in
23 effect on the date the request is filed, and the former law is
24 continued in effect for that purpose.

25 SECTION 6. This Act takes effect on September 1, 2015.