

# **CARSON COUNTY APPRAISAL DISTRICT**

## **2017 Annual Operations Report for Property Owners**

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## **Purpose**

The purpose of this report is to better inform property owners within the boundaries of the Carson County Appraisal District and to comply with Standards Rule 6-7 of Uniform Standards of Professional Appraisal Practice (USPAP).

## **Introduction**

Carson County Appraisal District was created by the Texas Legislature in 1979. Effective January 1, 1980 an appraisal district was to be established in each county. The appraisal district is responsible for appraising property in the district for ad valorem tax purposes of each taxing unit that imposes ad valorem taxes on property. Carson County Appraisal District is a political subdivision of the state. The provisions of the Texas Constitution, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the legal, statutory, and administrative operations and requirements of the appraisal district. The boundaries of the appraisal district are the county lines.

## **Governance**

The appraisal district is governed by a six member board of directors appointed by the taxing units participating in the district. The board members represent the City of Panhandle, City of White Deer, City of Groom, Town of Skellytown, Panhandle ISD, White Deer ISD, Groom ISD, Panhandle Groundwater Conservation District and Carson County with the Carson County Tax Assessor Collector serving as a non-voting member. Each board member serves a two year term beginning on January 1. To qualify as a member of the board of directors the individual must be a resident of the district and must have resided in the district for at least two years immediately preceding the date the individual takes office. The board has no legal authority over appraised property values and can only discuss the appraised property values with district staff in an open meeting.

The principal statutory responsibilities of the board are:

- establish the District office;
- hire the Chief Appraiser;
- adopt an annual operating budget;
- appoint an Appraisal Review Board;
- make general policies on District operations;
- approve contracts for necessary services, and;
- develop a written plan biennially for the periodic reappraisal of all properties within the District's boundaries.

2017 Board of Directors:

Dale Gabel - Chairman  
Sherry Kramer-Secretary  
Randy Kennedy  
Chris Rapstine  
Clifton Britten  
Jackie Moore – County Tax Assessor/Collector

The Chief Appraiser is appointed by the Board and is the official spokesperson for the District. As the chief Administrator, the Chief Appraiser oversees all daily operations for the District. Pursuant District policy, the Chief Appraiser must be licensed as a Registered Professional Appraiser (RPA) with the Texas Department of Licensing and Regulations (TDLR) and serves at the pleasure of the board.

**2017 Staff (with Certifications):**

Beverly Casselberry, Chief Appraiser  
Registered Professional Appraiser  
Registered Texas Assessor/Collector

Mike Darnell, Field Appraiser  
Registered Professional Appraiser  
Emily Choate, Collections Clerk  
Registered Tax Collector

The Appraisal Review Board (ARB) members are appointed by the board of directors. The primary function of the ARB is to settle timely protested disputes between property owners and the District. They are limited to serve all or part of three consecutive 2-year terms.

**2016 Appraisal Review Board:**

Darla Pulse – Chairman  
Rosa Bilderback  
Mike Roberts  
Paul Detten  
Kay Britten- Secretary

The Agricultural Advisory Committee (Ag Committee) is appointed by the board with recommendations from the chief appraiser. The Ag Committee assists in determining typical standards and practices for agricultural activities such as income, yields, and expenses within Carson County. There are no term restrictions for this committee.

**Responsibilities**

The District is responsible for discovering, listing, and appraising properties for ad valorem tax purposes. The District is required to appraise property at 100% of its market value as of January 1 of each year. Other duties include, but are not limited to, maintaining correct ownership of properties; administering qualifications for various types of exemptions such as homestead, over 65, religious, charitable, and etc.; compiling parcel maps; and all functions involved in the assessment and collection of taxes.

Article 8 of the Texas Constitution defines five basic rules for property taxes:

- Property taxes must be equal and uniform
- Generally, property must be taxed at market value defined as "the price at which a property would transfer for cash or its equivalent under prevailing market conditions". There are limited exceptions to this rule, such as productivity value for agricultural land.
- Each property must have a single appraised value.
- All property is taxable unless federal or state law exempts it from taxation.
- Property owners have the right to reasonable notice of increases in the appraised value of their property.

**Appraisal Operations**

The District appraises approximately 22,000 parcels including residential, commercial, vacant lots and rural land, business personal property, industrial, utility and mineral accounts.

The district aggressively seeks to discover all newly constructed or added property each year through examination of:

- City Building Permits
- Field Discovery

- Filed Material/Mechanic's Liens
- Mobile Home Installation Reports
- Local Newspaper
- Advertisements
- Railroad Commission Reports (oil/gas)
- Realtor and Appraisers
- Public Records Information
- Word of Mouth

Carson County Appraisal District contracts with Pritchard and Abbott, Inc. to appraise minerals, industrial properties, and valuation of agricultural land in Carson County. The appraisal district certified a total market value of **\$1,695,982,770** for **2017**. These totals do not include Rolling Stock certified by Comptroller's office. The following represents a summary of property types and their certified values for 2017:

Code	Property Type	Items	Market Value
A	Single Family Homes	2335	155,361,290
B	Multi Family Homes	10	705,410
C	Vacant Lot	563	2,599,770
DI	Qualified Ag Land	2111	70,574,870
D2	Non-Qualified Land	511	7,397,650
E	Farm & Ranch Improvements	742	51,695,370
FI	Commercial Real Property	285	18,004,820
F2	Industrial Real Property	338	1,043,807,540
G	Oil & Gas	7647	83,332,840
J	Utilities	785	243,030,540
LI	Commercial Personal Property	292	21,240,830
L2	Industrial Personal Property	6	105,340
MI	Tangible Personal Mobile Home	115	2,894,900
S	Special Inventory	4	1,253,210
X	Total Exempt Property	2543	76,743,040

#### Mass Appraisal Process – Approaches to Value

Texas laws require appraisal districts to appraise all property at its current market value. Carson County Appraisal District utilizes all three recognized approaches to value to determine local market values.

**Market or Sales Comparison Approach:** The market approach to value develops an estimate of value by comparing the subject property to similar properties that have recently sold. The focus is on sales prices of similar properties. It is the most reliable approach to value in an active sales market. This approach is best suited for residential properties.

**Cost Approach:** The cost approach to value estimates value by calculating what it would cost to develop a new property with the characteristics of the property being appraised then adjusting the cost to reflect the actual condition and circumstances. The calculated value of the structures is then added to the land value for an overall property value. This approach is very accurate for new properties. This is the best approach for unique properties

where there are no sales and there is no income being derived from the property.

Income Approach: The income approach to value relies on the concept that income over a period of years can be capitalized or converted to a lump sum that represents what someone would pay to purchase the right to receive the income. This lump sum is also called present worth. It is the most meaningful value indicator for properties that produce income, such as, offices, apartments, or hotel/motels.

Field inspections and reappraisals are done on an annual basis. Ratio studies are performed each year as a method of measuring performance and testing schedules. Appraisal results are also tested by the Property Tax Division of the Texas Comptroller's office. Methods and procedures are also reviewed by the Property Tax Division.

### **Appeal & Protest Information**

The District mails annual Notices of Appraised Values to applicable property owners as pursuant to the Texas Property Tax Code.

A property owner has a right to protest an action by the District for each tax year by mailing a written protest by May 31 or 30 days after the notice is mailed, whichever is later. Most disputes are resolved by meeting informally with an appraiser. If a property own still disagrees, they may appear before the Appraisal Review Board (ARB) if a timely protest was filed.

The ARB is a five person panel of local citizens that listen to testimony and then make a fair and impartial decision from the evidence presented at the hearing.

2017 protest information is as follows:

Total protests	607
Scheduled ARB Hearings	146
People who did not appear	123
Informal Protests withdrawn	462
Number of ARB Hearings	23

Any property owner that has questions regarding the appeal process is encouraged to call the District.

### **Taxing Entities & Exemption Data**

The District is responsible for appraising all properties located within the 976 square mile boundary of Carson County. The District delineates the boundaries for each taxing jurisdiction and maintains separate data information for each entity.

The most common exemption is the residential homestead exemption. A property owner may file (free of charge).

For school tax purposes, the over 65, disability, surviving spouse, and 100% disabled veteran residential homestead exemptions create a tax ceiling prohibiting increased taxes on the homestead. *(Exception...Any new areas added to the home-site will cause the ceiling to be readjusted and set in the subsequent tax year.)*

Disabled Veterans:

In addition to the residential homestead exemption allowable to disabled veterans with a 100% service connected disability (as described above), disabled veterans are allowed a general exemption on any property they own based upon the percentage rating as determined by the Department of Veterans Affairs.

Other commonly occurring exemptions are:

- Cemetery Exemptions
- Religious Organizations

- Primarily Charitable Organizations, and
- Veteran’s Organizations

The taxing entities within the boundaries of Carson County and the exemptions offered by each entity are attached.

The tax rates for each taxing unit are also attached.

### **What is a homestead cap value?**

All homeowners who qualify for the residential homestead exemption are subject to the placement of a **homestead cap** on their qualifying property which prohibits the increase of taxable value on the homestead property to ten percent per year. However, the *market* value may still increase each year because the market value is reflective of the annual local real estate market.

Cap value applies to residential homestead only. If this property is your residence homestead, the appraised value may not exceed the lesser of:

1. The market value of the property, or
2. The sum of –
  1. 10 percent of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised.
  2. The appraised value of the property for the last year in which the property was appraised; and
  3. The market value of all new improvements to the property.

### **Additional Valuable Information**

Appraisal practices are governed by the Texas Property Tax Code and rules are established by the Texas Comptroller of Public Accounts. The Property Tax Assistance Division conducts a property value study and a Methods and Assistance Program review in alternating years. Results of both reviews are available on the comptroller's website, [www.window.state.tx.us](http://www.window.state.tx.us).

Additional valuable information is on the District’s website at [carsoncad.org](http://carsoncad.org).

The District’s county map has a link on the website or may be viewed online at: <http://gis.bisconsultants.com/carsoncad/>

### **Contact Information**

If you have questions about information contained in this report, contact:

Beverly Casselberry, RPA, RTA, CTA

Chief Appraiser

E-mail: [beverlycasselberry@windstream.net](mailto:beverlycasselberry@windstream.net)

806-537-3569

		2017		CARSON COUNTY APPRAISAL DISTRICT						
EXEMPTIONS BY JURISDICTION:										
	Homestead	Over 65	Disabled	Disabled Vet	Over 65 Optional	Optional Percentage	with Minimum	Ceiling	Discounts	
Carson Co				yes	\$3,000 Lat. Rd.		5% or \$5,000		3*2*1*	
Carson Co/Lat Rd							\$ 3,000			
City of Groom				yes	\$ 15,000					
City of Panhandle				yes						
Town of Skellytown				yes						
City of White Deer				yes	\$ 7,500					
Panhandle ISD	\$ 25,000	\$ 10,000	\$ 10,000	yes		20%	5% or \$5,000	yes		
White Deer ISD	\$ 25,000	\$ 10,000	\$ 10,000	yes		10%	5% or \$5,000	yes		
Groom ISD	\$ 25,000	\$ 10,000	\$ 10,000	yes				yes		
Water District				yes						

	Tax Freeport ?	Tax Goods-in-Transit ?	Disabled Vet	Amt.
Carson Co	yes	no	10-29%	\$ 5,000
City of Groom	yes	yes	30-49%	\$ 7,500
City of Panhandle	no	no	50-69%	\$ 10,000
Town of Skellytown	yes	no	70-100%	\$ 12,000
City of White Deer	yes	yes	100% Unemployable	100%
Panhandle ISD	no	yes		
White Deer ISD	yes	yes	DV exemption may be applied to any property that has a taxable value.	
Groom ISD	yes	yes	It is not a H/S Exemption.	
Water District	yes	yes		



2017

CARSON COUNTY APPRAISAL DISTRICT

NUMBER OF EXEMPTIONS AND VALUE LOSS PER JURISDICTION

	State Mandated		State Mandated		State Mandated		Optional Over 65 or		Disabled Veterans	
	#	Homestead	#	Over 65	#	Disability	#	Disability Homestead	#	
Carson County	970	-	696	-	41	-	0	-	59	534,570
City of Groom	88	-	87	-	3	-	87	1,267,390	8	89,000
City of Panhandle	395	-	266	-	11	-	0	-	25	242,500
Town of Skellytown	67	-	67	-	4	-	0	-	6	57,740
City of White Deer	160	-	117	-	5	-	117	877,500	8	63,500
Panhandle ISD	534	22,176,050	351	3,179,440	21	167,770	0	-	31	262,430
White Deer ISD	257	11,245,170	207	1,587,340	11	82,410	0	-	15	63,500
Groom ISD	104	5,122,890	106	907,830	4	30,000	0	-	9	70,750
Sanford-Fritch ISD	75	2,635,090	32	272,450	6	22,760	0	-	4	22,000
Water District	970	-	696	-	41	-	0	-	59	542,240

Note: If there is no value lost, then that exemption is not allowed in that jurisdiction.

**CARSON COUNTY APPRAISAL DISTRICT**

JUR	TAXING UNIT	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL RATE
10	<b>City of Groom</b>	0.65718	0.839935	0.820214	0.85	0.9776	1.04	1.13	1.20	3.231533
	M & O		0.639935	0.640214	0.70	0.7276	0.79	0.87	0.94	
	I & S		0.20	0.18	0.15	0.25	0.25	0.26	0.26	
11	<b>City of Panhandle</b>	0.52	0.575	0.595	0.576	0.64	0.64	0.65	0.685	2.806533
	M & O	0.42	0.43	0.45	0.428041	0.390469	0.390469	0.41098	0.456718	
	I & S	0.10	0.145	0.145	0.147959	0.249531	0.249531	0.23902	0.228282	
12	<b>Town of Skellytown</b>	1.241811	1.241811	1.257257	1.257257	1.26	1.257335	1.268571	1.268571	3.200104
13	<b>City of White Deer</b>	0.564862	0.60871	0.58863	0.601849	0.601849	0.58986	0.565312	0.565312	2.496845
30	<b>Panhandle ISD</b>	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	2.121533
	M & O	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	
	I & S	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	
31	<b>White Deer ISD</b>	1.144	1.157	1.1543	1.1528	1.1528	1.2832	1.29	1.29	1.931533
	M & O	1.04	1.04	1.04	1.04	1.04	1.0332	1.04	1.04	
	I & S	0.104	0.117	0.1143	0.1128	0.1128	0.25	0.25	0.25	
32	<b>Groom ISD</b>	1.40	1.40	1.402	1.386	1.292	1.084	1.31	1.39	2.031533
	M & O	1.17	1.17	1.17	1.17	1.105	1.04	1.06	1.06	
	I & S	0.23	0.23	0.232	0.216	0.187	0.044	0.25	0.33	
33	<b>Sanford-Fritch ISD</b>	1.182	1.182	1.182	1.182	1.322	1.322	1.362	1.362	
	M & O	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	
	I & S	0.142	0.142	0.142	0.142	0.282	0.282	0.322	0.322	
61	<b>Water District</b>	0.0089	0.009151	0.00887	0.00848	0.00802	0.0079	0.00902	0.00905	
1	<b>Carson County:</b>									
	General Fund	0.3243	0.349362	0.360586	0.348383	0.358409	0.369093	0.381255	0.420211	
	Lateral Road	0.031229	0.033728	0.034788	0.033590	0.034531	0.040959	0.048450	0.053037	
	Sp Rd & Bridge	0.047707	0.051513	0.053171	0.051372	0.052851	0.062654	0.074057	0.081042	
	I & S	0.063987	0.07019	0.067680	0.065241	0.061130	0.065302	0.074189	0.078193	
	<b>Total County Tax</b>	<b>0.467223</b>	<b>0.504793</b>	<b>0.516225</b>	<b>0.498586</b>	<b>0.506921</b>	<b>0.538008</b>	<b>0.577951</b>	<b>0.632483</b>	

		2017		CARSON COUNTY APPRAISAL DISTRICT					
EXEMPTIONS BY JURISDICTION:									
	Homestead	Over 65	Disabled	Disabled Vet	Over 65 Optional	Optional Percentage	with Minimum	Ceiling	Discounts
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Groom ISD	\$ 25,000	\$ 10,000	\$ 10,000	yes				yes	
Water District				yes					

	Tax Freeport ?	Tax Goods-in-Transit ?		Disabled Vet	Amt.		
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City of Groom	yes	yes		30-49%	\$ 7,500		
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Town of Skellytown	yes	no		70-100%	\$ 12,000		
City of White Deer	yes	yes		100% Unemployable	100%		
Panhandle ISD	no	yes					
White Deer ISD	yes	yes		DV exemption may be applied to any property that has a taxable value.			
Groom ISD	yes	yes		It is not a H/S Exemption.			
Water District	yes	yes					

PROPERTY TAX ASSISTANCE DIVISION PROPERTY CLASSIFICATION GUIDE

Code	Category Name	Description
A	Real Property: Single-Family Residential	Houses, condominiums and mobile homes located on land owned by the occupant.
B	Real Property: Multi-Family Residential	Residential structures containing two or more dwelling units belonging to one owner. Includes apartments but not motels or hotels.
C	Real Property: Vacant Lots and Tracts	Unimproved land parcels usually located within or adjacent to cities with no minimum or maximum size requirements.
D1	Real Property: Qualified Agricultural Land	All acreage qualified for productivity valuation under Texas Constitution, Article VIII, 1-d or 1-d-1.
D2	Real Property: Non-Qualified Land	Acreage that is not qualified for productivity valuation and is rural in nature.
E	Real Property: Farm and Ranch Improvements	Improvements associated with land reported as Category D property, including all houses, barns, sheds, silos, garages, other improvements associated with arming or ranching and land separated from a larger tract for residential purposes.
F1	Real Property: Commercial	Land and improvements devoted to sales, entertainment or services to the public. Does not include utility property, which is included in Category J.
F2	Real Property: Industrial	Land and improvements devoted to the development, manufacturing, fabrication, processing or storage of a product, except for utility property included in Category J.
G	Oil, Gas and Other Minerals	Producing and non-producing wells, all other minerals and mineral interests and equipment used to bring the oil and gas to the surface, not including surface rights.
H	Tangible Personal Property: Non-business Vehicles	Privately owned automobiles, motorcycles, and light trucks not used to produce income.
J	Real and Personal Property: Utilities	All real and tangible personal property of railroads, pipelines, electric companies, and other utility companies.
L1	Personal Property: Commercial	All tangible personal property used by a commercial business to produce income, including fixtures, equipment and inventory.
L2	Personal Property: Industrial Wind Turbines	All tangible personal property used by an industrial business to produce income, including fixtures, equipment, wind turbines and inventory.
M	Mobile Homes and Other Tangible Personal Property	Taxable personal property not included in other categories, such as mobile homes on land owned by someone else. It also may include privately owned aircraft, boats, travel trailers, motor homes and mobile homes on rented or leased land.
N	Intangible Personal Property	All taxable intangible property not otherwise classified.
O	Real Property: Residential Inventory	Residential real property inventory held for sale and appraised as provided by Tax Code Section 23.12
S	Special Inventory	Certain property inventories of businesses that provide items for sale to the public. State law requires the appraisal district to appraise these inventory items based on business's total annual sales in the prior tax year. Category S properties include dealers' motor vehicle inventory, dealers' heavy equipment inventory, dealers' vessel and outboard motor inventory and retail manufactured housing inventory.

### Appeals Data

	2017
How many protests were filed?	51
Of that total, how many protests were filed by persons designated as agents?	28
How many protests were scheduled for hearings before the appraisal review board?	46
Of that total, how many hearings were cancelled because no one appeared (or "no shows")?	16
How many "no shows" were filed by agents?	9
Of that total, how many hearings were scheduled for residential property?	6
Of that total, how many hearings were scheduled for commercial real and commercial personal property?	14
How many property owners participated in informal hearings?	27
How many concerns, inquiries, or filed protests were resolved in this manner?	27
How many informal concerns resulted in a reduction in value?	27
How many property owners who filed a protest appeared before the appraisal review board?	3
Of the property owners who appeared before the appraisal review, how many received reductions?	0

## Bills Passed the 2017 Regular Session and the 1st Called Special Session of the 85<sup>th</sup> Texas Legislature

**November 8, 2017**

By Robert Mott, Chris Jackson, Adam Walker & Debbie Wheeler  
Perdue Brandon Fielder Collins & Mott, LLP

Texas voters approved three constitutional amendments addressing some area of property taxation November 7. We have revised those bills to reflect that they are effective. We have added further analysis on some bills. Changes from the previous issue are highlighted in gray.

This issue of *Bills Passed* includes the bills during the Regular and 1<sup>st</sup> Called Sessions. Perdue Brandon organizes *Bills Passed* by subject matter. Each bill includes a summary and effective date. All references to section numbers are to the Texas Tax Code, unless otherwise indicated. Some bills are listed several times because they address multiple subjects. Check Perdue Brandon’s website at [www.pbfcm.com](http://www.pbfcm.com) for updates.

As a reminder, the 1st Called Special Session of the 85<sup>th</sup> Texas Legislature ended August 15, and Governor Abbott signed the school finance bill included in this *Update*. The special session ended with no property tax bill to the Governor.

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### Appraisal District Administration

SPOUSES AND CHILDREN OF PEACE OFFICER  
REQUEST HOME ADDRESS BE  
CONFIDENTIAL

**HB 457 Holland**  
Amends 25.025

HB 457 adds the spouse or surviving spouse of a peace officer and the adult child of a current peace officer, as defined in Code of Criminal Procedure Article 2.12, to those who may request that their home address be confidential.  
Effective: 6/15/2017, on Governor’s signature.  
**Status: NEW LAW. Governor signed HB 457 6/15/17.**

CURRENT AND FORMER PROSECUTORS  
REQUEST HOME ADDRESS BE  
CONFIDENTIAL

**HB 1278 Dutton**  
Amends 25.025; amends Government Code 552.117, 552.1175

HB 1278 adds a current or former district attorney, criminal district attorney or a county or municipal attorney whose jurisdiction includes any criminal law or child protective service matters to the list that may request their home address be exempt from disclosure.  
Effective: 6/15/2017, on Governor’s signature.  
**Status: NEW LAW. Governor signed HB 1278 6/15/17.**

FEDERAL OR STATE JUDGE'S HOME  
ADDRESS IS AUTOMATICALLY  
CONFIDENTIAL

**SB 42 Zaffirini**

Amends 25.025

SB 42 provides that the home address information of a federal or state judge, or their spouses, is automatically confidential and exempt from disclosure in the appraisal records, beginning on the date that the Office of Court Administration notifies the appraisal district of the judge's qualification for the judge's office. The judge or spouse no longer must request the exemption from disclosure by form. Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 42 5/27/17.**

VICTIMS OF FAMILY VIOLENCE, ABUSE OR  
ASSAULT HOME ADDRESS REQUEST HOME  
ADDRESS BE CONFIDENTIAL

**SB 256 Taylor**

Amends 25.025

SB 256 revises the procedures for keeping the home address confidential and not open to public disclosure for an individual, the individual's child or another person in the household who is a victim of family violence. The individual provides a copy of a protective order, magistrate's order for emergency protection or other independent document that indicates a victim of family violence. Two other types of individuals that may request their home address be kept confidential are: (1) a person who is a victim of sexual abuse; or (2) a victim of assault, stalking or trafficking. The person provides the same type of documents or is a participant in the address confidentiality program by the Attorney General's office.

Effective: 5/19/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 256 5/19/17.**

CURRENT OR FORMER EMPLOYEE OF  
FEDERAL OR STATE JUDGE REQUEST HOME  
ADDRESS BE CONFIDENTIAL

**SB 510 Zaffirini**

Amends 25.025

SB 510 provides that the home address information of a current or former employee of a federal or state

judge may be exempt from disclosure in the appraisal records on written request.

Effective: 5/27/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 510 5/27/17.**

TEXAS CIVIL COMMITMENT OFFICE'S  
EMPLOYEES REQUEST HOME ADDRESS BE  
CONFIDENTIAL

**SB 1576 Perry**

Amends 25.025; amends other sections of various  
Codes

SB 1576 adds a current or former employee of the Texas Civil Commitment Office (or its predecessor in function or division) to the list that may request their home address be exempt from disclosure. These employees deal with individuals who are sexually violent predators.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1576 5/18/17.**

COMPTROLLER PROHIBITED FROM POSTING  
ON WEBSITE HOTEL OCCUPANCY TAX DATA

**SB 1086 Seliger**

Adds 156.155

SB 1086 adds that a state agency (Comptroller) may not post on a public website information that identifies the taxable receipts of an individual business contained in a document required to be provided to the agency, such as hotel occupancy tax information. Information that is collected or maintained by a state agency is public information under Government Code Section 552.002 and is provided access in the manner provided by Chapter 552, Open Records Act.

The Comptroller has removed access to the Hotel Data Search page and adds that users are still permitted to request the data by submitting an open records request.

Effective: 5/18/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 1086 5/18/17.**

SOME GROUPS MAY AND OTHERS MAY NOT  
LAWFULLY TAKE AND USE DRONE IMAGES

**SB 840 Zaffirini**

Amends Government Code 423.002

SB 840 addresses when it is lawful to capture an image using an unmanned aircraft in Texas. To the group allowed such images, SB 840 expands the lawful use of unmanned aircraft to capture images by: 1) a telecommunications provider for maintenance of facilities or systems; 2) by an insurance company employee in connection with underwriting a policy and the operator of the unmanned aircraft authorized by FAA to conduct operations; and 3) investigation by law enforcement of real property or a person on it within 25 miles of the U.S. border to ensure border security.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 840 6/9/17.**

CHIEF APPRAISER GIVEN AUTHORITY TO  
CORRECT ERRONEOUS DENIAL OR  
CANCELLATION OF EXEMPTION

**SB 945 Bettencourt**

Amends 25.25

SB 945 expands the authority of the chief appraiser to correct the appraisal roll after certification to include correcting an erroneous denial or cancellation of a homestead exemption for the disabled or elderly or an exemption for a disabled veteran.

Effective: 5/22/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 945 5/22/17.**

APPRAISAL AND PROTEST DEADLINES  
CHANGED

**HB 2228 Murphy**

Amends 11.4391, 21.09, 22.23, 41.11, 41.44

HB 2228 changes several deadlines: the late deadline for filing for the freeport goods is changed to not later than June 15 (current law is before the ARB approves the records); a request for allocation of value must be filed before April 1 (current law is before May 1), with the provision for extending the deadline can be for 30 days (current is 45 days) and that the chief appraiser may add an additional 30 days (current law is 60 days); rendition statements for property regulated by the Public Utility Commission, Railroad

Commission, Federal Surface Transportation Board or Federal Energy Regulatory Commission must be delivered to chief appraiser by April 30, and the chief appraiser may extend by 15 days for good cause on written request of the owner.

Under current law in Section 22.23(a), renditions and property reports are due between January 1 and April 15. Under current 22.23(b), on written request, the deadline shall be extended to May 15; and, upon written good cause, the chief appraiser can grant another 15 days. However, pursuant to this bill, which creates a new Section 22.23(c), if at least one taxing unit in the appraisal district grants freeport, then the rendition/report due date is April 1. Further, on written request, the deadline shall be extended to May 1. The chief appraiser also may extend the deadline for an additional 15 days for good cause shown in writing by the owner. We are not sure the Legislature intended this, but that is what the statute states.

HB 2228 also moves the general protest deadline to May 15 (instead of before April 1) or 30 days after receipt of notice, whichever is later. The bill abolishes the early delivery of homestead notices with its confusing deadline language.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed HB 2228 6/1/17.**

NUECES AND SAN PATRICIO COUNTIES  
ADDRESS DOUBLE TAXATION BY LIKE  
TAXING UNITS

**SB 2242 Hinojosa**

Adds 31.112 and amends 25.25, 31.12; adds Local Government Code 72.010; amends Education Code 42.2532

SB 2242 addresses double taxation of properties by like taxing units. SB 2242 does not specifically name Nueces and San Patricio Counties but uses county and municipality populations to identify the counties and includes a taxing unit that has territory in the area double taxed. The Local Government Code addresses a lawsuit to establish the boundaries of and taxes owed with jurisdiction directly in the Texas Supreme Court. The chief appraiser of each county is required to correct the appraisal roll no later than 45 days after a final order is issued on the lawsuit, whether issued by the Court or by settlement. The tax refund process is outlined. The Education Commissioner adjusts the



school district values for the correction of the double taxation.

Effective: 6/12/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 2242 6/12/17.**

## Appraisal

MANUFACTURED HOUSING REGULATIONS CHANGED

### HB 2019 T. King

Amends 1.04, 11.432, 23.127, 25.08 and 32.03; amends and repeals various sections of Occupations Code Chapter 1201

HB 2019 revises regulation of manufactured housing. The chief appraiser shall appraise retail manufactured housing inventory as provided in Section 23.127. The Statement of Ownership and Location is changed to Statement of Ownership. The Texas Department of Housing and Community Affairs sets up a website with searchable and downloadable information on manufactured housing ownership, liens, installation, license holder records, shipment reports and enforcement actions. HB 2019 revised the filing of tax liens to include, that with respect to each January 1 occurring in the 18-month period preceding the date of the sale, there are no perfected and enforceable tax liens on the manufactured home that have not been extinguished and canceled in accordance with Tax Code Section 32.105, or personal property taxes due on the manufactured home.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 2019 6/1/17.**

## Exemptions

PARTIAL EXEMPTION APPLIED TO DONATED DISABLED VETERAN'S HOMESTEAD; TAX DEFERRAL INTEREST RATE CHANGED

### HB 150, HJR 21 Bell

Amends 11.132 and 33.06; amends Tex. Const. Art. 8, Sec. 1(b)(1)

HB 150 and constitutional amendment amend the partial homestead exemption for disabled veterans to include housing donated to a disabled veteran for less

than 50% of the estimate of market value by the charitable organization that donates the housing. Presently, this exemption is available only to those homes donated at no cost.

For the change in the interest rate on tax deferrals, see *Delinquent Tax Litigation*.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed HB 150 6/15/17. Voters approved HJR 21 November 7.**

LATE APPLICATION DEADLINE EXTENDED FOR HOMESTEAD AND DISABLED VETERAN'S EXEMPTIONS

### HB 626 Workman

Amends 11.431, 11.439

HB 626 extends the deadline for the late application for a homestead exemption to two years after the delinquency date for the home taxes. Current law requires filing the application no later than one year after the delinquency date. For the disabled veteran's exemption in Section 11.22, the application deadline is extended to no later than five years (from one year) after the delinquency date. For these late applications, the chief appraiser notifies each taxing unit's collector within 30 days after the date the application is approved. The collector is required to issue any refund not later than 60 days after the chief appraiser notifies the collector. This new application deadline applies to tax year 2016 forward.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 626 5/29/17.**

CAD LIMITED ON REAPPLICATION BY TOTALLY DISABLED VETERAN

### HB 1101 Pickett

Amends 11.43

HB 1101 prevents the chief appraiser from requesting a new homestead exemption application to confirm current qualifications from a totally disabled veteran who has a permanent total disability determined by the Veterans Administration.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed HB 1101 5/26/17.**

NAVIGATION DISTRICT PROPERTY IS  
EXEMPT FROM TAXES

**SB 1133 Hinojosa**

Adds Water Code 60.005

SB 1133 provides that navigation district property is public property used for essential public and governmental purposes and exempt from taxes and assessments by the state or a political subdivision.

Effective: 5/26/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 1133 5/26/17.**

NON-PROFIT MEDICAL CENTER PROPERTY IS  
EXEMPT IN HARRIS COUNTY

**HB 2999 D. Bonnen**

Amends 11.23

HB 2999 adds that, in a county with a population of 3.3 million or more (Harris County), all real and personal property owned by a nonprofit corporation organized exclusively for benevolent, charitable and educational purposes is exempt. Qualifying uses include research and auxiliary uses to support the organization, such as invention, development and dissemination of materials, tools, technologies, etc. This change to Section 11.23 does not exempt any interest in real or personal property of a for-profit lessee of property for which a nonprofit corporation is entitled to a property tax exemption. The subsection may not be construed to exempt from taxation any interest in real or personal property, including a leasehold or other possessory interest, of a for-profit lessee of property for which a nonprofit corporation is entitled to exemption.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed HB 2999 5/29/17.**

USE REQUIREMENT DEFINED FOR TANGIBLE  
PERSONAL PROPERTY MOVING IN AND OUT  
OF TEXAS

**HB 3103 Darby**

Amends 11.01

HB 3103 addresses tangible personal property used in Texas and outside of Texas to determine its situs for taxation. The property is considered to be used continually in Texas, whether regularly or irregularly, if the property is used in Texas three or more times on regular routes or for three or more completed

assignments occurring in close succession throughout the year. A series of events in close succession are if they occur in sequence within a short period of intervals from the beginning to the end of the year.

Effective: 6/15/2017, on Governor's signature.

**Status: NEW LAW. Governor signed HB 3103 6/15/17.**

FIRST RESPONDER'S SURVIVING SPOUSE  
HOMESTEAD IS EXEMPT

**SB 15 Huffines, SJR 1 Campbell**

Adds 11.134; amends 11.42, 11.43, 11.431, 26.10, 26.112; amends Government Code 403.302; adds Tex. Const. Art. 8, Sec. 1-b(o) and (p)

SB 15 and constitutional amendment provide a 100% homestead exemption to the surviving spouse of a first responder killed while on duty. The exemption is transferrable in its dollar amount to a new homestead. The exemption is effective if the surviving spouse is an eligible survivor for purposes of Government Code Chapter 615, as determined by the Employees Retirement System, and has not remarried since the death of the first responder. The exemption applies regardless of the date of the first responder's death if the surviving spouse meets the qualifications. A one-time application is required. The application must be made within two years of the delinquency date for the tax year to qualify. (See HB 626 for changes to Section 11.431.) The exemption applies for the whole first year but is prorated off if property ceases to qualify. The Comptroller adjusts the property values for school districts for state aid adjustments to compensate schools for the loss.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed SB 15 6/9/17. Voters approved SJR 1 November 7.**

CHARITY THAT DOES TAX RETURNS IS  
EXEMPT FROM PROPERTY TAXES

**SB 1345 Watson**

Amends 11.18

SB 1345 exempts a charitable organization's property used to provide tax return preparation and other financial services without the beneficiaries' ability to pay.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed SB 1345 6/15/17.**

COUNTY FAIRS ASSOCIATION EXEMPTION  
CHANGED TO REFER TO TEXAS RACING ACT

**SB 1969 Kolkhorst**

Amends 11.23 and various sections of Occupations  
Code Title 13

SB 1969 changes the cite for the county fairs  
association exemption from Article 179e, Vernon's  
Texas Civil Statutes to Subtitle A-1, Title 13,  
Occupations Code, Texas Racing Act.

Effective: 4/1/2019.

**Status: NEW LAW. Governor signed SB 1969  
6/15/17.**

**Special Valuation**

OWNER OF HEAVY EQUIPMENT INVENTORY  
GETS 10 EXTRA DAYS TO PREPAY TAX

**HB 1346 Button**

Amends 23.1242

HB 1346 gives the owner/dealer of heavy equipment  
inventory 20 days after the first of each month to file  
the required form and prepay the inventory tax.  
Current law requires the owner/dealer to file and pay  
by the 10th day of the month.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 1346  
5/23/17.**

AG ROLLBACK TAX DOES NOT APPLY TO  
CHANGE FOR OIL AND GAS LEASE

**HB 3198 Darby**

Adds 23.524

HB 3198 adds that the eligibility of land for  
agricultural appraisal does not end because a lessee  
under an oil and gas lease begins conducting oil and  
gas operations over which the Texas Railroad  
Commission has jurisdiction on the land, if the  
portion of the land on which oil and gas operations are  
not being conducted otherwise continues to qualify  
for agricultural appraisal.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 3198  
6/1/17.**

QUALIFIED CITRUS PRODUCING LAND  
CONTINUES TO RECEIVE AG PRODUCTIVITY  
VALUE WHEN PEST CONTROL  
MANAGEMENT IS REQUIRED

**SB 1459 Hinojosa**

Adds 23.524

SB 1459 provides for temporary cessation of  
agricultural use to manage the spread of certain pests.  
Qualified agricultural land does not end because the  
land ceases to be devoted principally to ag use to the  
degree of intensity generally accepted if: the land is in  
a pest management zone and appraised primarily for  
producing citrus; the owner has an agreement to  
destroy, remove or treat all citrus trees located on the  
land and infested with pests; and the agreement, per  
Agriculture Code Section 80.003, is with the Texas  
Citrus Pest and Disease Management Corporation, the  
Agriculture Commissioner or the U. S. Department of  
Agriculture. The temporary cessation is for five years.  
The owner is required to notify the chief appraiser in  
writing within 30 days of the agreement about the  
temporary cessation and include a copy of the  
agreement. A change of use occurs if the owner does  
not fully comply with the terms of the agreement.

Effective: 5/19/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 1459  
5/19/17.**

MEMBER IN MILITARY DOES NOT LOSE AG  
VALUE DUE TO CESSATION OF AG ACTIVITY  
DURING SERVICE OUT-OF-STATE

**HB 777 Ashby**

Adds 23.253

HB 777 addresses a member of the armed services  
who is deployed out-of-state and who has land that  
qualifies for productivity valuation. The service  
member notifies the chief appraiser within 30 days of  
receiving the notice of deployment that the member  
intends to resume ag production to the requisite  
degree of intensity within 180 days of returning to  
Texas. The land's productivity value may not be  
removed due to cessation of agricultural activity.

Effective: 5/23/17, on Governor's signature.

**Status: NEW LAW. Governor signed HB 777  
5/23/17.**

STATE LEADERS REMOVED FROM  
COMPTROLLER'S AG AND TIMBER MANUALS  
**SB 594 Creighton**

Amends 23.52 and 23.73

SB 594 removes the five-member state committee of Governor, Comptroller, Attorney General, Agriculture Commissioner and General Land Office Commissioner from approval of the Comptroller's rules on the manuals for the appraisal of open-space land (ag) and of timber land. The Comptroller, with the review and counsel of the Department of Agriculture for the ag manual and Texas A&M Forest Service for the timber manual, approves the rules for these two manuals.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed SB 594 5/18/17.**

STATE COMMITTEES ABOLISHED,  
INCLUDING AG AND TIMBER MANUAL

**SB 526 Birdwell**

Amends 23.52 and 23.73

SB 526 adds the same changes found in SB 594 (above), along with other changes to various codes. *SB 526 has a different effective date than SB 594.* The Governor signed SB 594, which is new law effective January 1, 2018.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 526 6/9/17.**

**Appraisal Review Board (ARB)**

PROPERTY OWNER HEARD BY TELEPHONE  
CONFERENCE CALL AT ARB HEARING

**HB 455 Metcalf**

Amends 41.45

HB 455 authorizes a property owner to appear by telephone conference call to offer argument at the ARB hearing, if the owner gives advance notice at least 10 days before the ARB hearing or includes in the filed protest. Or, the ARB proposes that the hearing be conducted by telephone conference call and the property owner agrees. Evidence must be submitted in advance by affidavit. The ARB shall provide a telephone number for the owner to call to

participate in the hearing and hold the hearing in a location equipped with telephone equipment that allows each ARB member and other parties to hear the owner's argument. The owner may still appear in person. If the owner doesn't show, the evidence in the affidavit is to be submitted as appearance.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 455 5/23/17.**

PROPERTY OWNER SENDS LESSEE COPY OF  
NOTICE OF APPRAISED VALUE

**HB 804 Dale**

Amends 41.413

HB 804 requires an owner to send the person leasing the owner's property under contract a copy of the notice of appraised value. This provision does not apply if the property owner and the lessee have agreed in the contract to waive the requirements or that the lessee will not protest the property's appraised value. The lessee may request that the chief appraiser send a copy of the notice to the lessee. The chief appraiser sends the notice to the lessee within five days after the notice is sent to the property owner, if the lessee demonstrates a contractual obligation to reimburse the owner for taxes on the property. The chief appraiser, however, is not required to send the notice to the lessee if the appraisal district posts the appraised value of the property on its website within five days after notices are mailed. Failure of the owner to send a copy of the notice to the lessee does not affect the time within which the lessee may protest the appraised value. A person leasing property under a described contract may designate another person to act as the agent of the lessee for property tax purposes. The lessee must make the designation by filing an agent appointment form provided in Section 1.111. Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 804 5/1/17.**

PROPERTY OWNER MAY ELECT WHEN TO  
PRESENT EVIDENCE AT THE ARB HEARING

**SB 1767 Buckingham**

Amends 25.25, 41.66

SB 1767 adds that the property owner may elect to present the owner's evidence and argument at the ARB hearing before, after or between cases presented by the chief appraiser and each taxing unit (for a 25.25

hearing). The ARB's hearing procedures should state that the property owner may elect to present the owner's case at the ARB hearing before or after the CAD presents the CAD's case.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed SB 1767 6/15/17.**

COMPTROLLER BY RULE SETS OUT FORM AND MANNER FOR PROPERTY OWNER'S EVIDENCE FOR ARB HEARING RECORD AND FOR AUDIOVISUAL EQUIPMENT; COMPTROLLER HANDLES SELECTION AND REMOVAL OF ARBITRATORS

**SB 1286 Bettencourt**

Amends 41.45, 41A.061, 41A.07

SB 1286 adds that the Comptroller by rule shall set out the manner and form, including security requirements, for a person to provide a copy of written evidence or other material for the ARB to retain as part of the ARB's hearing record and to include specifications for the audiovisual equipment provided by the CAD for use by the property owner or owner's agent. For the Comptroller's registry of arbitrators, the Comptroller shall select the arbitrator, rather than the property owner and CAD. To be appointed an arbitrator for a particular case, the arbitrator must be a resident of the county where the property is located or in this state if no one is available in the county. A person may not serve as an arbitrator in that county if, during the preceding five years, the person was a paid tax agent, CAD officer, CAD employee or ARB member in the CAD in which the property is located. The Comptroller shall remove from the registry a person who shows repeated bias or misconduct as an arbitrator. See also *Appraisal District Litigation*.

Effective: 9/1/2017, with the Comptroller rules adopted by January 1, 2018.

**Status: NEW LAW. Governor signed SB 1286 6/12/17.**

**Appraisal District Litigation**

PROPERTY VALUE INCREASED FOR APPEALING THROUGH ARBITRATION

**SB 731 Bettencourt**

Amends 41A.01, 41A.03, 41A.06

SB 731 increases the value of a property that an owner may appeal the ARB decision to binding arbitration from \$3 million to \$5 million or less. A fee of \$1,550 is added for a property that is not an owner's residence homestead and the appraised value of the property is more than \$3 million but not more than \$5 million. SB 731 also changes the term "salesperson" to "sales agent" under Chapter 1101, Occupations Code, as someone who may serve as an arbitrator.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 731 6/9/17.**

COMPTROLLER RULE SETS OUT FORM AND MANNER FOR OWNER'S EVIDENCE FOR ARB HEARING RECORD AND FOR AUDIOVISUAL EQUIPMENT; COMPTROLLER SELECTS AND REMOVES ARBITRATORS

**SB 1286 Bettencourt**

Amends 41.45, 41A.061, 41A.07

SB 1286 adds that the Comptroller by rule shall set out the manner and form, including security requirements, for a person to provide a copy of written evidence or other material for the ARB to retain as part of the ARB's hearing record and to include specifications for the audiovisual equipment provided by the CAD for use by the property owner or owner's agent. For the Comptroller's registry of arbitrators, the Comptroller shall select the arbitrator, rather than the property owner and CAD. To be appointed an arbitrator for a particular case, the arbitrator must be a resident of the county where the property is located or in this state if no one is available in the county. A person may not serve as an arbitrator in that county if, during the preceding five years, the person was a paid tax agent, CAD officer, CAD employee or ARB member in the CAD in which the property is located. The Comptroller shall remove from the registry a person who shows repeated bias or misconduct while acting as an arbitrator. See also *Appraisal Review Board*.

Effective: 9/1/2017, with the Comptroller rules adopted by January 1, 2018.

**Status: NEW LAW. Governor signed SB 1286 6/12/17.**

## Assessment & Truth-in-Taxation

### VOTERS APPROVE NEW CITY OR REGIONAL GOVERNMENT WITH INITIAL TAX RATE

#### SB 1015 Creighton

Adds Local Government Code 43.0755

SB 1015 provides for establishing a new municipality as a Type A, B or C municipality or another regional form of government by voter election, with an initial tax rate stated in ballot proposition. If territory incorporated was part of another entity, the tax rate of that entity is not considered for calculating effective and rollback tax rates in Section 26.04 for new entity. Effective: 6/9/2017, on Governor's signature.

**Status: NEW LAW. Governor signed SB 1015 6/9/17.**

### SPECIAL DISTRICTS REQUIRED TO GIVE ACCESS TO FINANCES AND TAX RATE INFORMATION

#### SB 625 Kolkhurst

Adds Government Code 403.0241 and 403.0242; adds Local Government Code Chapter 203, Subchapter D

SB 625 requires the Comptroller to create a website, known as *Special Purpose District Public Information Database*, to include all active special purpose districts that impose an ad valorem tax or sales and use tax or charge a fee, among other requirements. A special purpose district is *not* a county, municipality, school district, junior college district or statewide district. Each district's information includes its name, the name of each board member, general manager or executive director, contact information for main office (including its addresses and telephone number), the contact address and information of a utility operator or tax assessor-collector if contracted with the district, the district's website, reports under Local Government Code Section 140.008, total annual revenue, unencumbered fund balance at end of last fiscal year, rate of any sales and use tax and table of property tax rates as required by Tax Code Section 26.16. The Comptroller updates the database annually, with no fee to access database. The Comptroller sets how to transmit the information and shall maintain a list of special districts that do not comply. Penalties for noncompliance begin with a

civil penalty of \$1,000 on the special purpose district. The Attorney General may sue to collect civil penalty. Effective: 9/1/2017, with Comptroller sending notice to special districts by January 1, 2018 and information posted to Comptroller's website September 1, 2018.

**Status: NEW LAW. Governor signed SB 625 6/9/17.**

### CERTZ ENDS FOR COUNTY ROADS

#### SB 1305 Nichols

Repeals 222.1071 and 222.1072; amends Transportation Code 222.110, 256.009, 256.104

SB 1305 eliminates the county energy transportation reinvestment zones(CERTZ) that counties established in 2013/2014 to repair damaged county roads. The CERTZ allowed for counties to capture appraised value above the base value of real property in the designated CERTZ to direct those taxes as CERTZ funds. These adjustments were made in the tax rate calculations of the effective and rollback tax rates for the county. The CERTZ repeal does not affect the amount of any tax rate calculation for 2018 tax year or subsequent year that a county imposes taxes on property that, for the 2017 tax year, was in a CERTZ. Beginning with the 2018 tax year, both the property value and the taxes corresponding to that property value will be included in the calculation of effective and rollback rates.

Effective: 12/31/2017.

**Status: NEW LAW. Governor signed SB 1305 5/28/17.**

## Tax Collections

### INSTALLMENT PAYMENT OF CURRENT TAXES REVISED FOR PROPERTY IN DISASTER

#### SB 1047 Creighton

Amends 31.032

SB 1047 revises the language for four equal installment payments by certain property owners in a disaster area. It adds to current law that the first installment may be paid in the first month of delinquency, with the owner providing a notice that the payment is the first installment.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed SB 1047 6/12/17.**

PROPERTY OWNER WHO PAID TAX GETS  
REFUND FOR CORRECTED TAX RECORD

**HB 2989 D. Bonnen**

Amends 26.15

HB 2989 clarifies that the property owner who paid the tax on a property receives any tax refund due to a correction decreasing tax liability on the property. [Note: This change does not apply to court-ordered refunds under Section 42.43.]

Effective: 5/26/17, on Governor's signature.

Status: NEW LAW. Governor signed HB 2989 5/26/17.

**Delinquent Tax Litigation**

RIGHT TO DEFER PROPERTY TAXES  
EXTENDED TO DISABLED VETERANS

**HB 217 Canales**

Amends 33.06

HB 217 authorizes individuals who qualify for the disabled veteran's exemption in Tax Code Section 11.22 may defer or abate the collection of delinquent taxes on their residence homestead. These individuals qualify for the disabled veteran's partial exemption, depending on percentage of disability, in Tax Code Section 11.22. This right to defer also is granted to the surviving spouse or surviving child of a deceased disabled veteran, pursuant to Section 11.22.

Effective: 9/1/2017.

Status: NEW LAW. Governor signed HB 217 5/18/17.

TAX DEFERRAL INTEREST RATE CHANGED;  
PARTIAL EXEMPTION APPLIED TO DONATED  
DISABLED VETERAN'S HOMESTEAD

**HB 150, HJR 21 Bell**

Amends 11.132 and 33.06; amends Tex. Const. Art. 8, Sec. 1(b)(1)

HB 150 lowers the interest rate on tax deferrals from the present 8% to 5% for those deferrals filed by the elderly, disabled and now disabled veterans (see HB 217 above). The change in interest rate applies only to interest that accrues on or after the bill's effective date, regardless of whether the deferral period began before that date.

HB 150 and the constitutional amendment amend the partial homestead exemption for disabled veterans to include housing donated to a disabled veteran for less than 50% of the estimate of market value by the charitable organization that donates the housing. Presently, this exemption is available only to those homes donated at no cost. See also *Exemptions*.

Effective: 1/1/2018, if voters approve constitutional amendment November 7, 2017.

Status: Subject to voter approval. Governor signed HB 150 6/15/17. HJR 21 will be on November 7 ballot.

ALTERNATIVE DATES AND TIME OF REAL  
PROPERTY TAX SALE REVISED

**HB 1128 Wray**

Amends 34.01 and 34.07; amends Civil Practice and Remedies Code 34.041; amends Property Code 51.002

HB 1128 removes "first Tuesday of the month" on the date of sale under Section 34.07. The bill states that public sales of real property must take place between 10 a.m. and 4 p.m. on the first Tuesday of a month; or, if that date is January 1 or July 4, then on the first Wednesday of the month. A sale of real property conducted by means of a public auction using online bidding and sale may begin at any time and must conclude at 4 p.m. on the first Tuesday of a month or, if that date is January 1 or July 4, on the first Wednesday of the month.

Effective: 9/1/2017.

Status: NEW LAW. Governor signed HB 1128 5/26/17.

GOVERNOR VETOED BILL ON CERTAIN  
MORTGAGE SERVICERS REQUIRED TO ISSUE  
ACCOUNTING STATEMENTS TO OWNERS  
WITH REAL PROPERTY LIENS

**SB 830 Rodriquez**

Adds Finance Code Chapter 397

**Veto**

SB 830 applies to a loan secured by a first or subordinate lien on real property, excluding a federally related mortgage loan, a loan by a regulated credit union, a loan primarily for business or temporary financing purposes or a loan that is directly financed and serviced by a relative within the second degree of blood or marriage. A mortgage servicer for a loan (other than those excluded) shall provide the

borrower an annual January statement about the amount of each payment received during the preceding year, how each payment was applied and the outstanding balance. A borrower who does not receive the statement may request the statement by sending a request by certified mail to the mortgage servicer. If the mortgage servicer fails to provide the statement on or before the 25<sup>th</sup> day after the request, the borrower is not liable for any payment, fees or other charges not made during that year's statement, except for any principal and interest that may be due for the preceding calendar year. If the mortgagee is not the mortgage servicer, the mortgage servicer is liable for paying the mortgagee any amount for which the borrower is no longer liable and any fee or other charge assessed against the borrower by the mortgagee as a result of failure to comply with this provision. This provision does not apply if, before the borrower requests an annual statement, the mortgage services sends a default notice by certified mail to the borrower at the last known address.

**Status: VETOED. Governor vetoed SB 830 6/15/17.**

#### APPOINTED MASTER RECEIVES FEES AS COSTS OF DELINQUENT TAX LAWSUITS

##### **HB 3389 Schofield**

Amends 33.73

HB 3389 provides that the district clerk shall collect fees taxed as costs of suit and award the fees to the master in each delinquent tax suit for which a master is appointed, regardless of the disposition of the suit. The fees may not be collected or awarded in a suit dismissed by the master unless the master held at least one hearing on the suit or prepared for the suit for at least a number of hours equivalent to the time typically required to conduct a hearing.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 3389 6/1/17.**

### **County Tax Assessor-Collectors**

#### ADDITIONAL PROCEDURE ADDED FOR DISHONORED CHECK

##### **SB 492 West**

Amends Local Government Code 130.006

SB 492 adds to the list of procedures that the county tax assessor-collector may establish to include the referral of a dishonored check or credit card invoice to a private collection agency. The private collection agency may charge a fee equal to the amount authorized for a returned check under Local Government Code Section 118.011, which is currently not less than \$15 nor more than \$30.

Effective: 5/4/2017, on Governor's signature

**Status: NEW LAW. SB 492 signed by Governor 5/4/17.**

#### CONTINUING EDUCATION HOURS SET FOR NEW COUNTY TAX ASSESSOR-COLLECTOR

##### **SB 929 Hughes**

Amends 6.231

SB 929 requires a county tax assessor-collector who assesses or collects property taxes to successfully complete at least 40 hours of continuing education courses on property tax assessment and collection, including Truth-in-Taxation. The county tax assessor-collector has one year to complete the required course. The course applies to a county tax assessor-collector whose first term begins on or after May 18, 2017.

Effective: 5/18/17, on Governor's signature.

**Status: NEW LAW. Governor signed SB 929 5/18/17.**

#### COUNTY OFFICES ISSUE SPECIALTY LICENSE PLATES TO SURVIVING SPOUSE OF MILITARY VETERAN

##### **HB 377 Oliverson**

Amends Transportation 504.302, 504.308, 504.317, 521.011, 521.101, 521.102, 521.1235, 521.142

HB 377 allows the surviving spouse of a military veteran who would be eligible for a specialty license plate to register one vehicle for the plate, with the fee waived, as long as the spouse remains unmarried. The specialty license plates include one for disabled veterans. The spouse submits proof of eligibility. The disability rating has the meaning assigned by Tax Code Section 11.22.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 377 6/15/17.**



TEXAS DPS NOTES DISABLED VETERAN DESIGNATION ON DRIVER'S LICENSE OR PERSONAL ID

**SB 1936 Hughes**

Amends Transportation Code 521.011, 521.101, 521.102, 521.1235, 521.142

SB 1936 requires DPS to include a disabled veteran designation and branch of service on the Texas driver's license or personal identification certificate, on the request of a disabled veteran. The disability rating must be of at least 50%, or 40% for amputation of a lower extremity. This disabled veteran's designation on the driver's license or personal ID is expressly stated as *not* being satisfactory proof to obtain a property tax exemption. The disabled veteran may use it for other purposes to obtain certain services or benefits available to disabled veterans in Texas.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1936 6/15/17.**

**School Finance**

ADDITIONAL SCHOOL FUNDS GRANTED TO ISD THAT ANNEXES UNACCEPTABLE ISD; WEALTH FORMULA CHANGED

**SB 1353 Taylor**

Amends Education Code 13.054, 41.002

SB 1353 adds additional state aid for costs of facility renovation, repair and replacement for a school district that annexes an unacceptable school district. SB 1353 provides for the additional state aid for five years, beginning with the school year in which the annexation occurs. The Education Commissioner determines that the district would result in greater payments, in addition to other funding. The formula for additional funds shall be the ratio of the number of students in annexed territory by the total number of students in the enlarged district times the lesser of the enlarged district's local fund assignment under Education Code 42.252 or the enlarged district's total cost of Tier 1. A similar calculation will be made for the district's facilities aid if applicable. The Education Commissioner is required to implement only if the Legislature appropriates money specifically for this purpose. If the Legislature does not, then the

Commissioner may, but is not required to, implement using other available funds.

The formula in Education Code Section 41.002 applied to the district's adopted M&O rate for the current school year changes from 1.5 to 1.17. The Education Commissioner may authorize additional funds to the school district provided by another provision, if the Commissioner determines that provision results in greater payments to the district.

Effective: 6/1/2017, on Governor's signature.

**Status: NEW LAW. Governor signed 6/1/17.**

DALLAS COUNTY BOARD OF EDUCATION ABOLISHED UNLESS VOTERS CONTINUE

**SB 1566 Kolkhorst**

Amends Education Code 11.151, 11.1511

SB 1566 adds to the powers and duties of the board of trustees of independent school districts and abolishes certain county boards of education, unless continued by the voters. Each county board of education, board of county school trustees or office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 is abolished, effective November 15, 2017, unless the entity is continued by voters through an election in November 2017. This provision is also found SB 2065 on changes to the state law on licensing and regulation.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1566 5/23/17.**

SCHOOL FINANCE LAW MODIFIED

**1<sup>st</sup> Called Session: HB 21 Huberty**

Amends Education Code Sections

HB 21 defers the August payment to school districts until early September, beginning with fiscal year 2019; repeals dedicated funds for transportation, high school students and support staff salaries; and repeals the hold harmless provision (ASATR) but provides a financial hardship transition grant program of \$150 million for districts that lost state funds with the 2016-2017 law changes. A county board of education is prohibited from receiving transportation funds directly from the state; funding would come from the local school districts in the system. The funding weights for dyslexia and bilingual education are adjusted. Funding is gradually increased to smaller

school districts that have 1,600 or fewer students and contain fewer than 300 students. The state will put \$351 million more into public schools, including \$120 million for school facilities and charter schools; \$212 million into the Teacher Retirement System; and \$60 million for facilities funding for existing school debt. The 13-member Texas Commission on Public School Finance will develop recommendations for improvements to the current school finance system.

Proposed Effective: 11/14/2017, with some sections 9/1/2018 and some 9/1/2023.

**Status: NEW LAW. Governor signed August 16, 2017.**

### Special & Miscellaneous

ABATEMENTS/SCHOOL TAX LIMITATIONS FOR WIND FARMS PROHIBITED NEAR MILITARY AVIATION FACILITY

#### SB 277 Campbell

Adds 312.001; amends 313.024

SB 277 prohibits the granting of an abatement or a school tax limitation to a wind turbine located within 25 nautical miles of a military aviation facility. The prohibition applies if the abatement agreement was entered into on or after September 1, 2017 for a wind-powered energy device. The prohibition does not apply if the wind-powered energy device is installed or constructed pursuant to a memorandum of understanding or other agreement between the owner of the device and the U. S. Department of Defense. It also does not apply if the wind-powered energy device is installed or constructed as part of an expansion or repowering of an existing project.

Effective: 9/1/2017

**Status: NEW LAW. Governor signed SB 277 6/8/17.**

HOMEOWNER RECEIVES ABATEMENT FROM DALLAS COUNTY UTILITY AND RECLAMATION DISTRICT

#### HB 1186 Anderson

Adds to Chapter 628, Section 4B, Acts of 68<sup>th</sup> Texas Legislature

HB 1186 provides that the tax assessor-collector for the Dallas County Utility and Reclamation District may file an exemption application with the appraisal

district on behalf of a homeowner granted a tax abatement on a portion of the home's value.

Effective: 6/1/2017, on Governor's signature.

**Status: NEW LAW. Governor signed HB 1186 6/1/17.**

STATE SENATOR AND/OR STATE REPRESENTATIVE SERVES AS EX-OFFICIO TIF DIRECTOR

#### SB 1465 Taylor

Adds 311.0092

SB 1465 requires the board of directors of a reinvestment zone to send a written notice by certified mail to each Senator and to each Representative who is an ex officio member on the board about the membership. A newly elected Senator or Representative receives certified notice within 90 days of being elected about the membership on the TIF board. A Senator or Representative may elect not to serve or designate another individual in the member's place by sending written notice by certified mail to the board. A Senator and/or Representative who elects not to serve or designate another individual in their place is not counted as a member of the board for voting or quorum purposes.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1465 6/9/17.**

### Open Meetings, Chapter 551

MEMBER MARKED ABSENT FROM VIDEOCONFERENCE CALL IF CALL DISCONNECTED OR LOST

#### HB 3047 Dale

Amends Government Code 551.127

HB 3047 clarifies that a member of a governmental body who participates in a meeting by videoconference call shall be considered absent from any portion of the meeting during which audio or video communication with the member is lost or disconnected. The governmental body may only continue the meeting if a quorum remains present or continues to participate.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 3047 6/15/17.**

TYPE OF NEWSPAPER REQUIRED TO PUBLISH  
GOVERNMENT NOTICES IN CERTAIN  
COUNTIES

**HB 2985 Phillips**

Amends Government Code 2051.0441

HB 2985 increases the county population bracket from 36,000 to 39,000 for newspapers used by governmental bodies for required published notices. The periodical postal matter is for a governmental entity in a county with a population of at least 30,000 and not more than 39,000 that borders the Red River, or does not have a newspaper meeting the general law requirements. These governmental bodies shall be published in a newspaper that is entered as a *periodical* postal matter, rather than second-class mail.

Effective: 9/1/2017.

Status: NEW LAW. Governor signed HB 2985 6/15/17.

**Open Records, Chapter 552**

COMPUTER SECURITY INFORMATION IS  
CONFIDENTIAL

**HB 1861 Elkins**

Amends Government Code 552.139

HB 1861 marks as confidential any information collected, assembled or maintained by or for a governmental body to prevent, detect or investigate a computer security incident, including an information security log. This does not affect the notification requirements related to a breach of security as defined in Business & Commerce Code Section 521.053. A state agency redacts confidential information from a contract posted on the web. The redacted information does not exempt it from requirements for public information requests of Government Code 552.021 or 552.221.

Effective: 6/15/2017, on Governor's signature.

Status: NEW LAW. Governor signed HB 1861 6/15/17.

GOVERNOR VETOED BILL ON COURT COSTS  
AND ATTORNEY'S FEES FOR LAWSUIT ON  
OPEN RECORDS

**HB 2783 Smithee**

Amends Government Code 552.323

Veto

HB 2783 provides that the court may assess costs of litigation and reasonable attorney fees incurred by a plaintiff to whom a governmental body voluntarily releases requested information after filing an answer to a lawsuit filed for an action brought under Government Code Section 552.321 or 552.3215. Current law only addresses court costs and attorney's fees to the plaintiff who substantially prevails.

Status: VETOED. Governor vetoed HB 2783 6/15/17.

OPEN RECORDS PROCEDURES ADDRESS  
MONTHLY AND YEARLY LIMITS ON A  
REQUESTOR WHO DOES NOT PAY OR  
WITHDRAWS REQUESTS

**HB 3107 Ashby**

Amends 552.221, 552.261, 552.275, 552.3215

HB 3107 adds that an open records request is considered withdrawn if the requestor fails to inspect or duplicate the public information in the governmental body's office on or before the 60th day after the information is available or fails to pay the postage and accrued open record charges on or before the 60th day. All requests received in one calendar day from an individual may be treated as a single request for calculating costs. A governmental body may not combine multiple requests from separate individuals who submit requests on behalf of an organization. A governmental body may establish reasonable monthly and yearly limits on time that personnel are required to spend producing public information. All county officials who have designated the same officer for public information may calculate the time that personnel are required to spend collectively for purposes of the monthly or yearly limit. A monthly time limit may not be less than 15 hours for a requestor for a one-month period. If a requestor submitted an unpaid request that was not withdrawn, the governmental body is not required to compile a new request by that requestor until the date the requestor pays each unpaid statement with a previous request or withdraws the previous request. The news media is exempted for these requirements, including an individual who supervises or assist in gathering new or information or to an individual who is or was a journalist, scholar or researcher employed by higher education institution. HB 3107 exempts the creation or maintenance of an abstract plant as described by Insurance Code Section 2501.004. A

complainant may file with the Attorney General on or after the 90th day that the complainant filed with the district or county attorney who has not brought action on the complaint.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 3107 6/15/17.**

#### GOVERNMENTAL BODY PROVIDES PUBLIC RECORDS ON PUBLIC WEBSITE

##### SB 79 Nelson

Amends Government Code 552.221

SB 79 changes the term “political subdivision” to “governmental body” for the requirements of providing requested public records on a website maintained by the governmental body.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 79 6/9/17.**

### Other Codes and Statutes

#### SETTLEMENT AGREEMENTS WITH GOVERNMENT CANNOT RESTRICT MEDIA ACCESS

##### HB 53 Romero

Adds Civil Practice and Remedies Code Chapter 116

HB 53 prohibits a governmental unit in a settlement agreement of \$30,000 or greater to include a condition of the settlement that the parties agree not to disclose any fact, allegation, evidence or other matter to any other person, including the media. A settlement agreement provision entered into in violation of this is void and unenforceable. This does not affect information that is privileged or confidential under other law. The money used to pay the settlement is from taxes collected by the governmental unit, revenue received from the state or insurance proceeds.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 53 6/12/17.**

#### CELL PHONES RESTRICTED WHEN DRIVING

##### HB 62 Craddick

Adds Transportation Code 545.4251 and amends 521.161, 545.424, 545.425, 708.052

HB 62, the Alex Brown Memorial Act, restricts the use of cell phones while driving. The driver commits a misdemeanor offense for using a hand-held device to read, write or send a text-based message while operating a motor vehicle that is not stopped. A violation is a fine of at least \$25 but not more than \$99, unless on the trial for the offense it is shown that the defendant was previously convicted at least one time, then the fine is at least \$100 and not more than \$200. If the offense causes the death or serious bodily injury of another person, the offense is punishable as a Class A misdemeanor, which is punishable of a fine up to \$4,000, confinement in jail for a term of up to one year, or both. A peace officer must view or establish other evidence of a violation. The driver may use the device for navigation and for playing music. TxDOT will post signs on interstate highways.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 62 6/6/17.**

#### STATE AND LOCAL CONTRACTS PROHIBITED WITH COMPANIES THAT BOYCOTT ISRAEL

##### HB 89 King

Adds Government Code Chapter 2270

HB 89 prohibits government contracts with companies that boycott Israel and would restrict certain state investments in those companies. Government contracts include those by political subdivisions of the state, including counties, cities, school districts and special-purpose districts. The contract must include written verification from the company that it does not boycott Israel and would not boycott Israel during the contract's term. The Attorney General has enforcement authority.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 53 5/2/17.**

#### GOVERNING BODY ADOPTS POLICY ON HEDGING IN INVESTMENT OF PUBLIC FUNDS

##### HB 1003 Capriglione

Adds Government Code 2256.0206 and amends Government Code 2256.004, 2256.009, 2256.011, 2256.014, 2256.015, 2256.016; amends Tax Code 171.901

HB 1003 allows an entity to invest in prime money market funds and interest-bearing banking deposits that the FDIC guarantees or insures and gives some

state agencies and large municipalities the ability to utilize hedging transactions, such as some municipal utilities. An eligible entity may pledge as security for and payment of an agreement to a hedging contract any revenue that the law authorizes an entity to pledge for payment of any other obligation. Exclusion from the depreciation and tax-exempt use provisions do not apply to an institution of higher education or university system.

Effective: 6/14/2017, on Governor's signature.

**Status: NEW LAW. Governor signed HB 1003 6/14/17.**

**INVESTMENT POLICY PRESENTATION  
REVISED TO ANY BUSINESS ORGANIZATION  
HB 1701 Parker**

Amends Government Code 2256.005

HB 1701 revises the presentation of the investment policy to be any business organization offering to engage in an investment transaction that has accepted authority granted by the entity under the contract to exercise investment discretion in investing the entity's funds.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 1701 5/26/17.**

**CERTAIN COUNTIES ESTABLISH HEALTH  
CARE PROVIDER PARTICIPATION PROGRAMS  
HB 2062 Phillips; HB 2995 Ashby; HB 3398  
Darby; HB 3954 Gonzales; SB 1462 Hinojosa**

Adds Health and Safety Code Chapter 292A; SB 1462 adds Health and Safety Code Chapter 298B

These bills expand a program that began in 2013 to create a local county or city health care provider participation fund to access federal matching funds under the Section 1115 Medicaid waiver. In 2013, several counties (on the Texas-Mexico border) and in 2015 more counties (Bowie, Cherokee and Gregg) and one city (Beaumont) could collect a mandatory payment from each institutional health care provider (private hospitals) in the county. Mandatory payments are based on net patient revenue and are deposited into a local provider fund (LPPF), which is used for indigent care programs. These hospitals can receive access to a fair level of federal funding for uncompensated care they provide. The county or city may collect or contract for assessment and collection of the mandatory payment, with interest, penalties and

discounts governed by the laws applicable to property taxes. In 2017, the Texas Legislature has added more with the following five bills.

HB 2062 applies to a county that borders the Red River, has a population of more than 100,000, has at least two cities, each with a population of more than 15,000 and the county is not served by a public hospital or hospital district (Grayson County).

HB 2995 applies to a county that borders or includes the Sam Rayburn Reservoir, has a population of more than 200,000 but less than 220,000 and is not served by a public hospital or hospital district (Angelina County and Smith County).

HB 3398 applies to a county that includes the Concho River, has a population of more than 100,000 and is not served by a public hospital or hospital district (Tom Green County).

HB 3954 applies to a county adjacent to a county containing the state capital, has a population of more than 400,000 and is not served by a public hospital or hospital district (Williamson County).

SB 1462 adds the Tarrant County Hospital District to the health care provide participation program. It amends the local provider participation funds for the counties and the city that had the 2013 and 2015 law to allow for local provider participation funds that lack a public hospital or hospital district. One change is that the county or municipal county tax assessor-collector is not required to collect the mandatory funds. The county or city may contract for assessment and collection of the mandatory payments.

Effective: HB 2062 and HB 2995 are 6/15/2017. HB 3954 is 5/26/2017. SB 1462 is 6/9/2017.

**Status: NEW LAW. Governor did not sign but allowed these to become law without his signature.**

**WATER DISTRICT VOTER AFFIDAVIT  
PROVIDED IN CONFIRMATION ELECTION**

**HB 2358 Metcalf**

Adds Water Code 49.1025

HB 2358 requires the Attorney General to create a voter affidavit to be used for elections, including the authorization of taxes or bonds, by a conservation and reclamation district. The voter is required to make certain statements under oath to certain required

statements. To vote, the owner of the land must establish residence, even if temporary.

Effective: 1/1/2018.

**Status: NEW LAW. Governor signed HB 2358 6/15/17.**

COMBINED MUNICIPAL SALES TAX BALLOT REVISED

**HB 3046 Dale**

Amends Tax Code 321.409

HB 3046 removes the language "dedicated or special purpose" limiting the type of municipal sales tax that a municipality may lower, repeal, raise or adopt by a combined ballot proposition. One of the types of municipal sales tax is the additional sales tax to reduce property taxes.

Effective: 6/15/2017.

**Status: NEW LAW. Governor signed HB 3046 6/15/17.**

PROPOSED BUDGET INCLUDES LINE ITEM FOR PUBLIC NOTICE EXPENDITURES

**SB 622 Burton**

Adds Local Government Code 140.0045

SB 622 requires that the proposed budget of a political subdivision must include a line item showing expenditures for public notices required by law to be published in a newspaper or a clear comparison between those expenditures in the proposed budget and actual expenditures in the preceding year. This provision does not apply to a junior college district. The change begins for a proposed budget for a fiscal year that begins on or after January 1, 2018.

Effective: 6/9/2017, on Governor's signature.

**Status: NEW LAW. Governor signed SB 622 6/9/17.**

CERTAIN COUNTIES FOLLOW SPECIFIC FINANCIAL ACCOUNTING AND REPORTING REQUIREMENTS

**HB 1930 Frullo**

Repeals Government Code Chapter 2266; amends Local Government Code 112.002

HB 1930 addresses a county with a county auditor and with a population of 190,000 or more. It requires that a regulation adopted may not be inconsistent with generally accepted accounting principles as

established by the Governmental Accounting Standards Board.

Effective: 6/15/2017, on Governor's signature.

**Status: NEW LAW. Governor signed HB 1930 6/15/17.**

TEXAS RAILROAD COMMISSION CONTINUED  
**HB 1818 Gonzales**

Amends Natural Resources Code 81.01001 and adds 81.065, 81.066, 81.071

HB 1818 continues Texas Railroad Commission to 2029.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed HB 1818 5/22/17.**

UNIFORM PARTITION OF HEIRS' PROPERTY ACT CREATED

**SB 499 West**

Adds Property Code, Title 4, Chapter 23A

SB 499 addresses issues that often arise from the court-ordered sales of tenancy-in-common properties. It defines "heirs' property." Independent appraisal of fair market value (or alternative means of reaching fair market value if all parties agree to that value) permits one cotenant to buy out the others if they are not the one who requested the partition. The court determines certain factors to order partition-in-kind of some or all of the property. The bill establishes procedures under which any property sales are to be conducted.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 499 5/29/17.**

COTENANT HEIR CAN USE ADVERSE POSSESSION

**SB 1249 West**

Adds Civil Practice and Remedies Code 16.0265

SB 1249 adds adverse possession as a mechanism that certain cotenant heirs may use to obtain title in fee simple so the heirs may sell the property, obtain loans or other ownership benefits. One or more cotenant heirs of real property are authorized to acquire the interests of other cotenant heirs by adverse possession if, for a continuous, uninterrupted 10-year period immediately preceding the filing of required affidavits, the possessing cotenant heir possesses,

cultivates, uses or enjoys the property. The possessing heir pays all property taxes on the property not later than two years after the date they become due and no other cotenant heir has contributed to the property's taxes or maintenance, or challenged a possessing cotenant heir's exclusive possession. A cotenant heir files a controverting affidavit or brings suit to recover the cotenant heir's interest in real property adversely possessed by another cotenant heir not later than the fifth anniversary of the date a right of adverse possession is asserted by the filing of the required affidavit. Without a title instrument, peaceable and adverse possession is to 160 acres, including improvements, unless the number of acres actually enclosed exceeds 160 acres. If the number of enclosed acres exceeds 160 acres, peaceable and adverse possession extends to the real property actually enclosed.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1249 6/12/17.**

CODE REVISIONS AND OTHER  
NONSUBSTANTIVE CHANGES CLEAN UP  
STATUTES

**SB 1488 West**

Amends various Codes

SB 1488 cleans up non-substantive additions to and corrections in enacted Codes and conforms codifications enacted by the 84th Legislature to other Acts of that Legislature

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed 6/1/17.**

STATE REGISTRATION AND REGULATION  
REVISED FOR APPRAISAL MANAGEMENT  
COMPANIES

**SB 1516 Hancock**

Amends Occupation Code Chapter 1104

SB 1516 aligns Texas statutes related to appraisal management companies (AMCs) with federal laws and the state regulation of real estate appraisers. AMCs are a type of financial service that works with lenders and appraisers for appraisal reports. SB 1516 addresses fee collection, ownership, primary contact listings, licensee employment opportunity and audit requirements. AMCs fall under the Texas Appraiser Licensing and Certification Board.

Effective: 9/1/2017.

**Status: NEW LAW. Governor signed SB 1516 6/15/17.**

STATE DEREGULATES CERTAIN  
OCCUPATIONS; DALLAS COUNTY BOARD OF  
EDUCATION ABOLISHED

**SB 2065 Hancock**

Amends Business & Commerce Code, Finance Code, Labor Code and Occupations Code

SB 2065 repeals or abolishes the following:

- authority of Texas Department of Licensing and Regulation (TDLR) to regulate vehicle protection product warrantors;
- requirement that temporary common worker employers hold a state license to operate;
- for-profit legal service contracts from regulation, instead creating actionable violations as a deceptive trade practice under Business & Commerce Code (effective 9/01/2019);
- shampoo apprentice permits and shampoo specialty certificates;
- licensing and regulation for towing/boot operators and booting companies;
- statute applicable to attorney's title insurance companies, title attorneys, managing general agents and unit managers.

The Comptroller prepares and submits to the Legislature a report on all occupational licenses not later than December 31 of each even-numbered year.

The last section of SB 2065 requires each county board of education, board of county school trustees or office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 to be abolished, effective November 15, 2017, unless the entity was continued by voters through an election in November 2017. This applies to Dallas County Board of Education.

Effective: 6/15/2017, on Governor's signature.

**Status: NEW LAW. Governor signed SB 2065 6/15/17.**

VOTERS DECIDE TO LOWER HOME EQUITY  
LOAN EXPENSES AND REMOVE LIMITATIONS

**SJR 60 Hancock**

Amends Tex. Const. Art. 16, Sec. 50

SJR 60 changes home equity lending provisions. The constitutional amendment includes capping fees at 3% and providing for refinancing only as another home equity loan or a reverse mortgage. SJR 60 also repeals the current provision that prohibits home equity loans from being secured by homesteads designated for agricultural use, except for homesteads used for milk production.

Effective: 1/1/2018.

**Status: Voters approved SJR 60 on November 7.**