

Fannin Central Appraisal District

Appraisal Review Board (ARB) Policy

Policy outlining the eligibility, restrictions, appointment process,
removal/replacement and funding for the ARB

Reviewed and adopted September 14, 2021
Fannin Central Appraisal District Board of Directors

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Summary of changes

Updated policy to reflect new ARB appointment process required by HB2941 by the 87th Legislature. Removed authority to appoint ARB members from the Appraisal District Board of Directors and placed the authority to appoint the ARB members to the local administrative District Judge. Added the provision for the Directors to appoint a Taxpayer Liason Officer with limited scope. Added provision whereby the local Administrative District Judge may initiate an ARB member appointment. Modified the Process section to reflect new tax code provisions. Modified the Process section for clarity. Modified the proces for replacing an ARB member who violated exparte communications.

Purpose

The purpose of this policy is to set forth District guidelines for appointment of the Appraisal Review Board (ARB) and other matters relating to duties and responsibilities of the District relating to the ARB. This document is not intended and shall not constitute any guidelines, policies, or procedures of the ARB. To the extent there is any conflict between this document and any Property Tax Code section or Comptroller model rules addressing duties or responsibilities of the ARB, the Tax Code section or model rules shall prevail.

Establishment of the Appraisal Review Board (ARB)

An Appraisal Review Board is established for each appraisal district.¹

Role of the ARB

The ARB is a decision making body that has as its sole function the determination of statutorily-authorized protests and challenges brought by property owners and taxing units.

The ARB is appointed to act independently of the appraisal district for the purpose of making fair and impartial determinations.

The ARB's authority is specifically given by statute.

Size and Term of the ARB

The Board of Directors has determined by resolution dated January 21, 2020, that 5 members is an appropriate size for the ARB for the district.²

The ARB member's term of service is two years beginning January 1. ARB members serve staggered terms of service as set forth in the Resolution dated September 14, 2021.³

In order to preserve staggered terms, ARB members may be appointed for a one-year term.

There is no restriction regarding the number of consecutive terms an ARB member can serve.

Eligibility

An individual must be a resident of the district and must have resided in the district for at least two years.⁴

Restrictions on Eligibility⁵

An individual is ineligible to serve on an appraisal review board if the individual:

- (1) is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district for which the appraisal review board is established;
- (2) owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:
 - (A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or
 - (B) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065; or

¹ Texas Property Tax Code (TPTC) Section 6.41(a)

² TPTC Section 6.41(b-1)

³ TPTC Section 6.41(e)

⁴ TPTC Section 6.41(c)

⁵ TPTC Section 6.412

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(3) is related within the third degree by consanguinity or within the second degree by affinity, as determined under Chapter 573, Government Code, to a member of:

- (A) the appraisal district's board of directors; or
- (B) the appraisal review board.

A person is ineligible to serve on the appraisal review board if the person is a member of the board of directors, an officer, or employee of the appraisal district, an employee of the comptroller, or a member of the governing body, officer, or employee of a taxing unit.

Appointment

ARB members are appointed by the local administrative District Judge ⁶

ARB Chairman and Secretary are selected from among the members by the local administrative District Judge ⁷

The Board of Directors may appoint a Taxpayer Liaison Officer (TLO) for the purpose of providing clerical assistance to the local administrative District Judge.⁸

The local administrative District Judge may initiate ARB member appointments.

Process

The Taxpayer Liaison Officer (TLO) will notify taxing units participating in the District's operations by letter each fall informing them of upcoming ARB member vacancies and requesting their assistance in identifying persons that are interested in serving on the ARB. An advertisement will also run for a two-week period in the paper of record for the county notifying the general population of Fannin County of the opportunity to serve as an ARB member. The article will direct interested individuals to the appraisal district's offices or website to review the eligibility criteria and obtain an applicant questionnaire. Taxing units will be asked to make the eligibility criteria and questionnaire available at their administrative offices to interested persons. All individuals seeking appointment to the ARB must complete and submit an Applicant Questionnaire to the TLO for processing. All applicants must meet eligibility criteria specified in statute before being considered. All applicant questionnaires must be received before November 1st to be considered, unless the deadline is extended by the local administrative District Judge. The TLO will receive the Applicant Questionnaires and provide clerical assistance to the local administrative District Judge. ⁹ The TLO will deliver all Applicant Questionnaires to the local administrative District Judge to make their appointments. The TLO is prohibited from influencing the process of or providing opinion in the course of their duties. Candidates are also subject to interview by the local administrative District Judge. The local administrative District Judge's ARB member appointments are due to the District's ARB Coordinator before December 1st. The ARB Coordinator is directed to notify ARB appointees of the local administrative District Judge's decision regarding their appointment to the ARB and the position they will serve on the ARB and will be provided information regarding when and where to appear for service. ¹⁰ The TLO may notify the applicants that were not selected. The ARB coordinator will arrange all comptroller training requirements with the ARB Chair. The Chairperson is responsible for coordinating travel, training and attendance of called meetings/hearings with the ARB members. A copy of this policy will be published on the district's website along with any advertisement for ARB membership and ARB applicant questionnaires.

Funding and Support

ARB Members are in no way considered employees of the Appraisal District. ARB Members are entitled to per diem set by the appraisal district budget for each day the ARB meets and to reimbursement of actual

⁶ TPTC Section 6.41(d)

⁷ TPTC Section 6.42(a)

⁸ TPTC Section 6.0052(f)

⁹ TPTC 6.41(d-1), Section 411.1296(c), Government Code

¹⁰ TPTC Section 6.41(d-3)

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and necessary expenses incurred in the performance of ARB functions as provided by the appraisal district budget.¹¹

Per Diem: "Per Diem" is defined as a daily allowance of a specified amount to cover expenses, including meals that result from service on the ARB. Per Diem is only authorized for service at an open meeting of the ARB with an agenda posted or while attending required comptroller training. The Board of Directors sets the per diem amount at a rate of \$130.00 for each full day of service per ARB member; \$60.00 for each half day of service per ARB member. ARB members are not entitled to per diem for days they did not serve even if hearings are conducted that day.

Mileage Reimbursement: ARB Members shall to the extent possible travel as a group in the least number of vehicles possible. The driver is entitled to mileage reimbursement at the published IRS rate for out of county travel to attend Comptroller required training. Travel to and from the appraisal district to conduct hearings or other ARB functions is not reimbursed. Exception, the ARB Chairman is entitled to mileage reimbursement when conducting ARB business at the appraisal district to attend to administrative functions not requiring an open meeting.

The Board of Directors shall also fund required training of the ARB in its annual budget. ARB members are required to complete all mandatory training as directed by the State of Texas Comptroller of Public Accounts. ARB Members are also required to receive training from the State of Texas Attorney General regarding Open Records Act and Open Meetings Act. These trainings must be completed within 90 days of appointment.

The Board of Directors shall fund the ARB's independent legal counsel in its annual budget¹². The ARB is entitled to independent counsel for the purposes of determining protests before them. Legal counsel for the ARB also conducts training and works with the ARB to develop the ARB policies.

The District shall provide administrative support to the ARB. Administrative support is limited to coordinating the scheduling/rescheduling of hearings, processing orders of final determination and mailing required notices.¹³ This support does not include duties statutorily assigned to the ARB Chair or Secretary.

Ex Parte Communications

ARB members retain their rights to protest any matter authorized by the Texas Property Tax Code regarding their property. However, to avoid any appearance of impropriety, an ARB member may not have their dispute discussed or resolved outside of an open meeting convened by the ARB.

The District's point of contact for ARB members is the ARB Coordinator.

A member of an appraisal review board commits an offense if the member communicates with the chief appraiser or another employee or a member of the board of directors of the appraisal district for which the appraisal review board is established in violation of Section 41.66(f).¹⁴

Replacement of ARB Member who violates Ex-Parte Communications Requirement¹⁵

If the Board of Directors determines that an ARB member violated Ex-Parte Communications restrictions identified in Sections 6.411 and 41.66, that ARB member will be removed from the ARB. The removed member's vacancy will be filled at the local administrative District Judge discretion. Should the local administrative District Judge decide to fill the vacancy, the position will be filled by a qualified person from the remaining candidate pool used in the initial appointment of ARB members. This appointment will be for the unexpired portion of the term of the member being replaced and count as a term of service for the appointee for the purposes of calculating term limits.

¹¹ TPTC Section 6.42(c)

¹² TPTC Section 6.43(a)

¹³ TPTC Section 6.43(f)

¹⁴ TPTC Section 6.411

¹⁵ TPTC Section 41.66(g)

Attendance

ARB members are expected to attend all called meetings. However, the local administrative District Judge recognizes the potential unavailability of ARB members. ARB members are required to communicate with the ARB Chair regarding periods of unavailability for service.

ARB members with excess absence, as determined by the local administrative District Judge, may be removed from the ARB.¹⁶

Resignation

ARB members may resign their appointment. Resignations occurring during any portion of an ARB member's term must be in writing.

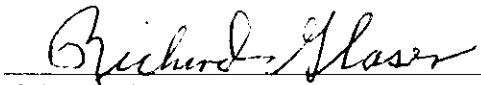
Should the local administrative District Judge decide to fill the vacancy, the position will be filled by temporary appointment of a qualified person from the remaining candidate pool used in the initial appointment of ARB members. This appointment will be for the unexpired portion of the term of the resigning member and count as a term of service for the appointee for the purposes of calculating term limits.

Adoption of Policy

This policy is adopted by majority vote of the Fannin Central Appraisal District Board of Directors during a regular called meeting as an action item on a posted agenda as required on this 14th day of September, 2021.


Claude Caffee, Chairman

Attest:


Richard Glaser, Secretary

Attachments: (2)

- (1) ARB Applicant Questionnaire
- (2) ARB Eligibility Requirements

Supersedes ARB Policy, Dated January 21, 2020, Same Subject

¹⁶ TPTC Section 6.41(f)(2)

ARB Applicant Questionnaire					
Name:		Home Address, city & zip:			
Email: Phone #:		Mailing Address, city & zip (if different from Home)			
Employer:		Occupation:			
Office Address, city & zip:		If Retired, Previous Employer:			
		Previous Occupation:			
ACKNOWLEDGEMENT					
Please read and initial. Your initials indicate you have read and understand the statements.					
Membership: The Property Tax Code allows the Board of Directors of the Appraisal District to set the number of size of the ARB as deemed necessary. The ARB will consist of 5 (five) members.					
Service Required: The term of appointment is two years (unless indicated otherwise) beginning January 1. ARB hearings normally begin in early June and conclude before the end of July. The ARB may be required to hear cases 8 (eight) hours per day and extended periods of time according to the docket for each day. The average time period is approximately 17 days during the protest season. ARB members are entitled to per diem as outlined in ARB Policy dated September 14, 2021.					
Additional Service Required: In addition to convening during the regular protest season, the ARB will be required to convene hearings to accept supplemental changes to the appraisal roll and to hear any motions for correction. These additional meetings may occur on a monthly basis.					
Summary of Qualifications: Please complete page 2 of this questionnaire to describe qualities, experiences and background that would make you a good ARB member. Select which position(s) you would like to serve					
Please answer the statements below and initial after reviewing the attached eligibility requirements.					
Yes	No	Statement	Yes	No	Statement
		I am a resident of the district.*			I am currently a member of the board of directors of the appraisal district.
		I have resided in the district for at least two years before taking office.*			I am currently an officer or employee of the appraisal district.
		I am related to a paid tax agent or person engaged in appraising property for tax purposes in this county. If yes, please explain in the comments below. (attach sheet if needed)			I am currently an employee of the comptroller.
		I and/or my spouse hold substantial interest in a company that does business with the Appraisal District. If yes, please explain in the comments below. (attach sheet if needed)			I am currently a member of a governing body, an officer or employee of a taxing unit.
					I have knowledge that I owe delinquent property taxes.
Comments:					
*Data Verification: Proof of residency in the county is satisfied by presenting a valid Texas driver's license. Two year residency is verified by utility bill, property tax records etc.					
Certification: I certify that the above statements are true and accurate. I further certify that I have read and understand the attached eligibility requirements.					
Signature:				Date:	

Summary of Qualifications: Please describe qualities, experiences and background that would make you a good ARB member. (This information assists the administrative District Judge in making their appointments to the Appraisal Review Board).

I would like to be considered for the following positions on the ARB: (Circle all that apply)

Chair

Secretary

Member

Attachment 2 ARB Eligibility Requirements

SUBCHAPTER C. APPRAISAL REVIEW BOARD

Excerpt of Sec. 6.41. Appraisal Review Board.

(a) The appraisal review board is established for each appraisal district.

(b) **[Effective September 1, 2020]** Except as provided by Subsection (b-1) or (b-2), an appraisal review board consists of three members.

(b-1) **[Effective September 1, 2020]** An appraisal district board of directors by resolution of a majority of the board's members may increase the size of the district's appraisal review board to the number of members the board of directors considers appropriate.

(c) To be eligible to serve on the board, an individual must be a resident of the district and must have resided in the district for at least two years.

(d) Except as provided by Subsection (d-1), members of the board are appointed by resolution of a majority of the appraisal district board of directors. A vacancy on the board is filled in the same manner for the unexpired portion of the term.

(e) Members of the board hold office for terms of two years beginning January 1. The appraisal district board of directors by resolution shall provide for staggered terms, so that the terms of as close to one-half of the members as possible expire each year. In making the initial or subsequent appointments, the local administrative district judge or the judge's designee shall designate those members who serve terms of one year as needed to comply with this subsection.

(f) A member of the board may be removed from the board by the local administrative district judge or the judge's designee. Grounds for removal are: (1) a violation of Section 6.412, 6.413, 41.66(f), or 41.69; (2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or (3) evidence of repeated bias or misconduct.

(j) A chief appraiser or another employee or agent of an appraisal district commits an offense if the person communicates with a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, or the local administrative district judge regarding a ranking, scoring, or reporting of the percentage by which the appraisal review board or a panel of the board reduces the appraised value of property.

(k) An offense under Subsection (i) or (j) is a Class A misdemeanor.

Excerpt of Sec. 6.411. Ex Parte Communications; Penalty.

(a) A member of an appraisal review board commits an offense if the member communicates with the chief appraiser or another employee or a member of the board of directors of the appraisal district for which the appraisal review board is established in violation of Section 41.66(f).

(b) A chief appraiser or another employee of an appraisal district, a member of a board of directors of an appraisal district, or a property tax consultant or attorney representing a party to a proceeding before the appraisal review board commits an offense if the person communicates with a member of the appraisal review board established for the appraisal district with the intent to influence a decision by the member in the member's capacity as a member of the appraisal review board.

(c) This section does not apply to communications between the board and its legal counsel.

(c-1) This section does not apply to communications with a member of an appraisal review board by the chief appraiser or another employee or a member of the board of directors of an appraisal district or a property tax consultant or attorney representing a party to a proceeding before the appraisal review board: (1) during a hearing on a protest or other proceeding before the appraisal review board; (2) that constitute social conversation; (3) that are specifically limited to and involve administrative, clerical, or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices, and subpoenas, and the operation, appointment, composition, or attendance at training of the appraisal review board; or (4) that are necessary and appropriate to enable the board of directors of the appraisal district to determine whether to appoint, reappoint, or remove a person as a member or the chairman or secretary of the appraisal review board.

(d) An offense under this section is a Class A misdemeanor.

Excerpt of Sec. 6.412. Restrictions on Eligibility of Board Members.

(a) **[Effective January 1, 2020]** An individual is ineligible to serve on an appraisal review board if the individual: (1) is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district for which the appraisal review board is established; (2) owns property on which delinquent

taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless: (A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or (B) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065; or (3) is related within the third degree by consanguinity or within the second degree by affinity, as determined under Chapter 573, Government Code, to a member of: (A) the appraisal district's board of directors; or (B) the appraisal review board.

(b) A member of an appraisal review board commits an offense if the board member continues to hold office knowing that an individual related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to the board member is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district for which the appraisal review board is established. An offense under this subsection is a Class B misdemeanor.

(c) A person is ineligible to serve on the appraisal review board if the person is a member of the board of directors, an officer, or employee of the appraisal district, an employee of the comptroller, or a member of the governing body, officer, or employee of a taxing unit.

(e) **[Effective January 1, 2020]** [Repealed.]

Excerpt of Sec. 6.413. Interest in Certain Contracts Prohibited.

(a) An individual is not eligible to be appointed to or to serve on the appraisal review board established for an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with the appraisal district or with a taxing unit that participates in the appraisal district.

(b) An appraisal district may not enter into a contract with a member of the appraisal review board established for the appraisal district or with a business entity in which a member of the appraisal review board has a substantial interest.

(c) A taxing unit may not enter into a contract with a member of the appraisal review board established for an appraisal district in which the taxing unit participates or with a business entity in which a member of the appraisal review board has a substantial interest.

(d) For purposes of this section, an individual has a substantial interest in a business entity if: (1) the combined ownership of the individual and the individual's spouse is at least 10 percent of the voting stock or shares of the business entity; or (2) the individual or the individual's spouse is a partner, limited partner, or officer of the business entity.

(e) In this section, "business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or other entity recognized by law.

(f) This section does not limit the application of any other law, including the common law relating to conflicts of interest, to an appraisal review board member.

Excerpt of Sec. 6.42. Organization, Meetings, and Compensation.

(a) **[Effective January 1, 2020]** A majority of the appraisal review board constitutes a quorum. The local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established shall select a chairman and a secretary from among the members of the appraisal review board. The judge is encouraged to select as chairman a member of the appraisal review board, if any, who has a background in law and property appraisal.

(b) The board may meet at any time at the call of the chairman or as provided by rule of the board. The board shall meet to examine the appraisal records within 10 days after the date the chief appraiser submits the records to the board.