

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 334
By: Johnson
Local Government
4/13/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2188 (2007) added a provision to the Public Information Act (PIA) intended to allow private property information to be shared with appraisal districts while also ensuring the information remained exempt from PIA disclosure. This provision is known as the "MLS exception," referring to the Multiple Listing Service data. Over the intervening years, two issues have emerged with the MLS exception.

First, while information must be provided to a property owner or agent during the protest process, similar language allowing for use in arbitrations does not exist. Thus, the central appraisal district (CAD) cannot release private property information to an agent who is representing the property owner during arbitration but did not represent that property owner during the protest process. S.B. 334 allows the CAD to release information to the owner or agent during an appeal in addition to a protest.

Second, counties with fewer than 50,000 residents are excluded from the exception. As a result, CADs in rural areas are largely unable to obtain MLS data because they cannot guarantee confidentiality. Without MLS data, these counties risk poor performance during the Comptroller's Property Value Study, which can negatively impact school funding. S.B. 334 remedies this issue by repealing the subsection that excludes rural counties.

C.S.S.B. 334 amends current law relating to disclosure under the public information law of certain records of an appraisal district.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 552.149(b), Government Code, as follows:

(b) Authorizes the property owner or agent, to, on request, obtain from the chief appraiser comparable sales data from a reasonable number of sales that is relevant to any matter to be determined by the appraisal review board at the hearing on the property owner's protest or by the arbitrator at the hearing on the property owner's appeal under Chapter 41A (Appeal Through Binding Arbitration), Tax Code, of the appraisal review board's order determining the protest. Provides that information obtained under this subsection remains confidential and is prohibited from being disclosed or used for any purpose except as evidence or argument at certain hearings, including at the hearing on the appeal under Chapter 41A, Tax Code. Makes nonsubstantive changes.

SECTION 2. Repealer: Section 552.149(e) (relating to excepting certain information, item of information, or comparable sales data that relates to real property that is located in a county having a population of more than 50,000 from certain disclosure requirements), Government Code.

SECTION 3. Makes application of Section 552.149(b), Government Code, as amended by this Act, prospective.

SECTION 4. Effective date: upon passage or September 1, 2021.