

The Legislative Report

The Legislative Report is a publication of the Texas Association of School Boards

August 26, 2024

Tarrant CAD board approves appraisal plan that jeopardizes ISD funding

As local appraisal boards begin finalizing their reappraisal plans for their upcoming local property tax schedules, an option approved in one of Texas' most heavily populated counties – and under consideration in another – is causing concern among school districts.

In Tarrant County, the new reappraisal plan approved Aug. 9 will freeze residential market values in 2025, switch to a two-year residential appraisal schedule, and establish a 5% threshold to raise residential values in the future. Some in Bexar County are now pushing to have a similar plan approved.

These changes may create significant issues for local school districts that could reduce their funding by millions of dollars.

One issue is that moving away from annual appraisals could increase the odds of districts failing the Texas Comptroller's property value study (PVS). Districts use local CAD-certified appraisals to collect taxes, but the Texas Education Agency uses the Comptroller's PVS to determine a district's funding. If the CAD's

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In Tarrant, representatives from districts within the county petitioned the appraisal board to reconsider their decision. Castleberry, Eagle-Mountain Saginaw, Fort Worth, Hurst-Euless-Bedford, Mansfield, Northwest and White Settlement ISDs asked the board to put approval of their plan on hold while it conducted a study on how the reappraisal plan would affect schools. Northwest ISD estimated it could lose up to \$10 million under the plan, while Mansfield estimated it could lose up to \$15 million, according to Community Impact.

In Bexar County, individuals on both sides of the debate made their cases during a recent meeting before the appraisal board makes its decision Sept. 10. Northside ISD Superintendent John Craft said too much remains unknown about the proposed changes and asked the appraisal board to analyze the plan more closely before, "jumping in feet first."

Read more about the issue in Tarrant County.

Read more about the issue in Bexar County.