

BILL ANALYSIS

H.B. 1508

By: Flores

Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law the Texas Real Estate Commission has authority to regulate individuals licensed under the Real Estate License Act to engage in or conduct the business of a real estate broker or a real estate salesperson. Likewise, the Texas Real Estate Commission also has authority to issue certificates and to regulate holders of certificates who engage in or conduct the business of right-of-way agents. Finally, the Texas Real Estate Commission has authority to regulate individuals licensed to engage in or conduct the business of real estate inspection.

H.B.1508 increases several administrative fees associated with the operations of the Texas Real Estate Commission. The bill modernizes public notice requirements for licensees to reflect the widespread use of the Internet. The bill makes minor adjustments to the salesperson application process. The bill makes other minor technical adjustments to the licensing requirements under the commission's jurisdiction.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The bill makes additions and guidelines for fees required to be collected by the Texas Real Estate Commission (Commission). Amends Section 1101.152 (a), Occupations Code, by increasing the fee for filing a salesperson application from \$50 to \$75; states that a fee for the filing of an application for approval of an instructor of core real estate courses is prohibited from exceeding \$40, and increases from \$10 to \$20, the maximum fee for preparing a license or registration history.

Amends Subsection (b), Section 1101.152, Occupations Code, by authorizing the Commission to impose a maximum fee of \$40 for an application of an instructor of continuing education courses. Adds language prohibiting the commission from charging a fee when a newly licensed salesperson, whose license was issued on an inactive status, seeks to activate the license for the first time.

Amends Section 1101.202 (a), Occupations Code, by adding to the current requirements of notice by the licensee to include a posting on the licensee's website.

Amends Section 1101.352, Occupations Code, by repealing Subsection (b) and renumbering accordingly.

Amends Section 1101.363, Occupations Code, by adding Subsection (b) authorizing the commission to issue an inactive salesperson license to a person who satisfies all requirements for the license. Clarifies that the first time the salesperson associates with a broker and activates the salesperson's license, the broker does not have to pay a fee to activate the license.

Amends Section 1101.367, Occupations Code, as follows by repealing Section 1101.367 (a), and renumbering accordingly.

Amends Sections 1101.558 (a) and (c), Occupations Code, by deleting the existing term “face-to-face meeting” adding the term “substantive dialogue.”

Amends Section 1101.615 (a), Occupations Code, by adding the Internet website of the licensee to the list of notice choices given by the Commission to each license holder.

Amends Section 1101.657 (d), Occupations Code, by adding that this section is applicable only for a violation of Section 1101.652 (a) (3) or (b).

Amends Section 1102.109, Occupations Code, by providing that an applicant must satisfy the Commission as to the applicant’s honesty, trustworthiness, integrity, and competence.

Amends Section 1102.111 (b), Occupations Code, by increasing from 60 to 320 the hours of core real estate inspection courses required by the Commission.

Amends Section 1102.201, Occupations Code, by authorizing the Commission to issue or renew a license for a period that does not exceed 24 months. Adds language that prohibits the renewal fee for a license not to exceed the fee established on Section 1102.251. Repeals language giving licenses a limited life span of only one year.

Amends Section 1102.364 (a), Occupations Code, by including the Internet as a medium required for inspectors to post information regarding the commission’s Real Estate Recovery Trust Account.

The bill repeals Sections 1101.553 (a) and (b), Occupations Code in SECTION 14.

EFFECTIVE DATE

September 1, 2003.