

BILL ANALYSIS

H.B. 2352
By: Thompson
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Texas requires para-professionals, who perform property tax services, to be licensed by the Texas Department of Licensing & Regulation. The Occupations Code sets up a two-tiered system: "registered property tax consultants" and "registered senior property tax consultants." Under current law, "registered property tax consultants" must be affiliated with or be employed by "senior property tax consultants" in order to perform services. Texas attorneys are allowed to perform property tax services without licensure from TDLR.

Law firms providing property tax services are at an economic disadvantage when competing for business against these para-professionals because they must send licensed attorneys to perform property tax services while the lay firms are able to utilize lower paid para-professionals. As a result, law firms frequently cannot afford to represent many homeowners and small businesses. Allowing registered property tax consultants to affiliate with law firms would expand the range of services law firms could provide while at the same time give consumers more choice in their representation. The para-professionals, employed by law firms, would still be required to perform all actions required by TDLR for the maintenance of their state-licensing and with more potential employment options they could also be in a position to increase their own compensation as well.

HB 2352 gives registered property tax consultants the option of affiliating with persons employed by or associated with and acting for either a registered senior property tax consultant or an attorney licensed to practice law in this state.

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

HB 2352 gives registered property tax consultants the option of performing property tax consulting services with a person employed by or associated with and acting for either a registered senior property tax consultant or an attorney licensed to practice law in this state.

EFFECTIVE DATE

September 1, 2007.