

By: Veasey

H.B. No. 1653

A BILL TO BE ENTITLED

AN ACT

relating to issuance of an optional license for certain builders.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Subtitle C, Title 16, Property Code, is amended to read as follows:

SUBTITLE C. BUILDER REGISTRATION AND LICENSING

SECTION 2. Subtitle C, Title 16, Property Code, is amended by adding Chapter 422 to read as follows:

CHAPTER 422. OPTIONAL LICENSE

Sec. 422.001. OPTIONAL LICENSE. (a) A person may act as a builder without holding a license issued under this chapter.

(b) A person may not represent that the person is a licensed builder unless the person holds a license issued under this chapter.

Sec. 422.002. APPLICATION FOR LICENSE. An applicant for an original or renewal license must submit an application on a form prescribed by the commission.

Sec. 422.003. FEES. (a) The commission shall charge and collect license application and renewal fees in amounts reasonable and necessary to cover the cost of administering this chapter.

(b) All fees paid to the commission under this section are nonrefundable.

Sec. 422.004. ELIGIBILITY REQUIREMENTS. A person may not

1 receive a license under this chapter unless the person, at the time  
2 of the application:

3 (1) is at least 18 years of age;

4 (2) maintains liability insurance in an amount set by  
5 the commission;

6 (3) maintains at least \$2,500 of working capital;

7 (4) has a total cost of at least \$500 on one or more  
8 projects;

9 (5) has, within the 10 years preceding the date of the  
10 application, at least:

11 (A) four years of building trade experience; or

12 (B) two years of building trade experience and a  
13 four-year baccalaureate degree in accounting, business,  
14 mathematics, physics, economics, or another field of study approved  
15 by the commission; and

16 (6) has passed an examination approved by the  
17 commission regarding:

18 (A) business law; and

19 (B) homebuilding laws, regulations, and ethics.

20 Sec. 422.005. ISSUANCE OF LICENSE. (a) Not later than the  
21 15th day after the date the commission receives an application from  
22 an applicant who meets the requirements of this chapter, the  
23 commission shall issue a license to the applicant.

24 (b) The license remains in effect for the period prescribed  
25 by the commission if the license holder complies with this chapter  
26 and pays the appropriate renewal fees.

27 Sec. 422.006. DENIAL OF LICENSE. (a) If the commission

1 denies an application for an original license or a renewal license,  
2 the commission shall give written notice to the applicant not later  
3 than the 15th day after the date the commission receives the  
4 application.

5 (b) The applicant may appeal the denial of the application  
6 if, on or before the 30th day after the date the applicant receives  
7 notice under this section, the applicant files a written request  
8 for a hearing before the commission.

9 (c) The commission shall:

10 (1) set a time and place for the hearing not later than  
11 the 30th day after the date the commission receives the notice of  
12 the appeal; and

13 (2) give notice of the hearing to the applicant before  
14 the 15th day before the date of the hearing.

15 (d) The hearings officer may grant a motion for continuance  
16 of the hearing on the request of the commission or either party.

17 (e) The hearing shall be held before a hearings officer  
18 appointed by the commission. After the hearing, the hearings  
19 officer shall enter an appropriate order.

20 (f) The commission shall adopt procedural rules under which  
21 a decision by a hearings officer under this section is subject to  
22 appeal to the commission.

23 (g) A hearing under this section is governed by Chapter  
24 2001, Government Code.

25 Sec. 422.007. EXPIRATION OF LICENSE. (a) The commission  
26 may issue or renew a license for a period that does not exceed 24  
27 months.

1       (b) The commission by rule may adopt a system under which  
2 licenses expire on various dates throughout the year. The  
3 commission shall adjust the date for payment of renewal fees  
4 accordingly.

5       (c) In a year in which the expiration date for a license is  
6 changed, the renewal fee payable shall be prorated on a monthly  
7 basis so that the license holder pays only that portion of the fee  
8 that is allocable to the number of months during which the license  
9 is valid. On renewal of the license on the new expiration date, the  
10 total renewal fee is payable.

11       Sec. 422.008. RULES. The commission shall adopt rules  
12 necessary to implement this chapter.

13       SECTION 3. This Act takes effect September 1, 2009.