

BILL ANALYSIS

C.S.H.B. 1179
By: Flynn
Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerned parties assert that, in the transition of authority for licensing of tax and appraisal professionals to the Texas Department of Licensing and Regulation (TDLR), that agency's attempt to follow the letter of the law resulted in licenses being taken away, livelihoods being compromised, and appraisal districts being forced to absorb unanticipated expenses for hiring and training replacements. C.S.H.B. 1179 seeks to correct those problems, address issues such as reinstatement, extensions, and inactive status, and provide TDLR authority for handling future issues.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTIONS 2, 4, and 5 of this bill.

ANALYSIS

C.S.H.B. 1179 amends the Occupations Code to establish that the minimum certification requirements established by the Texas Commission of Licensing and Regulation for property tax professionals apply to any registrant for certification and to remove the specification that those requirements apply to an employee of a taxing unit's tax office. The bill establishes the deadline for a person registering as an appraiser to become certified as a registered professional appraiser in provisions of law, rather than by commission rules establishing minimum requirements for certification. The bill requires a person to obtain the certification by successfully completing the certification requirements established by commission rule or, if the person is certified or licensed under state law as an appraiser by the Texas Appraiser Licensing and Certification Board, passing the appropriate examination required by commission rule.

C.S.H.B. 1179 entitles a registrant who has a break in service to an adjustment of the applicable anniversary date, for purposes of certification as a registered professional appraiser, a registered assessor or assessor-collector, or collector, that is equal to the length of the break in service as determined by commission rule. The bill requires a person who has a break in service that exceeds five years to submit a new application and proof of completion of current course requirements, unless otherwise excepted under commission rule. The bill defines "break in service," for purposes of these provisions, to mean the time during which is person is not employed in the type of employment for which the person is registered, other than a period resulting from termination for cause.

C.S.H.B. 1179 specifies conditions under which a registrant who has not obtained certification within the required time is entitled to a one-year extension to meet those requirements and requires the commission to establish reasonable qualifications for reapplication for a registration by an applicant who does not qualify for an extension. The bill requires the commission, not later than February 1, 2012, to adopt rules as necessary to implement these provisions.

C.S.H.B. 1179 authorizes a person who has not satisfied the requirements for certification as a

property tax professional within the required time to apply for reinstatement of a registration if the person obtained registration before December 31, 2010, as a Class II collector, a Class III appraiser, or a Class III assessor-collector, as defined by commission rule, and authorizes a qualified person to apply for reinstatement if, before December 31, 2011, the person pays a \$250 fee and files a completed reinstatement application on a form prescribed by the Texas Department of Licensing and Regulation (TDLR). The bill establishes that a registration reinstated under these provisions expires on December 31, 2013, and prohibits renewal of the registration unless the applicant satisfies all registration and certification requirements. The bill requires the date of registration to be the same as the date of completion of the requirements if a person completes the registration and certification requirements in order to renew a registration under the bill's provisions. The bill requires the commission to adopt rules under these provisions not later than October 1, 2011, and establishes that the provisions of the bill relating to the reinstatement of a registration expire December 31, 2013.

C.S.H.B. 1179 authorizes the commission to adopt rules to allow a registrant to place a registration issued by TDLR on inactive status in the same manner as a license is placed on inactive status under provisions of law relating to licenses issued by TDLR. The bill requires the commission to adopt rules under this provision not later than February 1, 2012.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1179 contains provisions not included in the original entitling a registrant who has a break in service to an adjustment of the applicable anniversary date equal to the length of the break in service, as determined by rule of the Texas Commission of Licensing and Regulation; requiring a person who has a break in service that exceeds five years to submit a new application and proof of completion of current course requirements, unless otherwise excepted under commission rule; and defining "break in service."

C.S.H.B. 1179 differs from the original, in a provision authorizing a qualified person to apply for reinstatement of registration, by requiring the person to pay a \$250 fee, whereas the original requires the person to pay a fee in an amount determined by the Texas Department of Licensing and Regulation.