

BILL ANALYSIS

Senate Research Center
87R11738 TYPED

S.B. 1369
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1971, the Texas Legislature created the Texas Real Estate Research Center (center), with a broad directive that the center should conduct research on financial, socioeconomic, public policy, trade, legal, land use, and local market analysis related to real estate.

The Texas Real Estate Research Center is the nation's largest publicly funded organization devoted to real estate research, and it receives no legislative appropriations—the center is funded through fees paid by more than 170,000 Texas real estate licensees. And given the wealth of information the center provides, Texas Real Estate Commission (TREC) licensees remain more than willing to continue supporting it.

S.B. 1369 seeks to modernize the terms and practices related to the structure and operations of the Texas Real Estate Research Center. S.B. 1369 also clarifies the original and ongoing intent that the center will be funded by fees collected annually from real estate licensees, allowing it to continue its valuable work. No fees are increased by S.B. 1369.

Statutes governing the composition and operations of the Texas Real Estate Research Center have largely not been updated since its inception in 1971. Further, in 2015, the Texas Legislature shifted the full Real Estate Center funding collection to be collected by TREC with real estate licenses (S.B. 699, Eltife). At the same time, the real estate license renewal period was changed from a one-year to a two-year cycle, but the changes failed to specify that the Real Estate Center's funding level was an annual rate. To address these issues, S.B. 1369:

- revises outdated terms and procedures to match modern language and operational standards;
- allows the center to hold virtual public meetings under specific circumstances;
- clarifies the timeline for advisory board appointees' assumption of office; and
- clarifies that the center receives funding from a fee paid by real estate licensees calculated on an annual basis at time of biannual license renewal.

As proposed, S.B. 1369 amends current law relating to the Texas Real Estate Research Center and the Texas Real Estate Commission.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 86.51, Education Code, as follows:

Sec. 86.51. New heading: TEXAS REAL ESTATE RESEARCH CENTER. Provides that the Texas Real Estate Research Center is established at Texas A&M University (TAMU), rather than there is established TAMU a Real Estate Research Center, hereinafter referred to as the center. Requires that the operating budget, staffing, and activities of the center be approved by the board of regents of the TAMU System.

SECTION 2. Amends Section 86.52, Education Code, by amending Subsections (c), (d), (e), (f), (h), (i), (j), (k) and (l), and adding Subsection (m), as follows:

(c) Provides that members of the advisory committee, rather than except for the initial employees, hold office for staggered terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year. Requires that any vacancy be filled by appointment for the unexpired portion of the term. Requires each member to serve until their successor is qualified. Deletes existing text relating to the composition of the committee. Makes a nonsubstantive change.

(d) Makes a nonsubstantive change.

(e) Requires the advisory committee to elect a chairman and vice-chairman, rather than a presiding officer and an assistant presiding officer, from its membership, and requires each person, rather than officer, to serve for a term of one year.

(f) Requires the advisory committee, rather than the committee, to meet not less than semiannually, and in addition on call of its chairman, or on petition of any six of its members, or on call of the president of TAMU or his designated representative. Deletes existing text requiring that the advisory committee's first meeting be called by the president of TAMU or his designated representative.

(h) Requires the president of TAMU or their designated representative submit to the advisory committee in advance of each fiscal year a proposed budget, rather than a budget, for expenditures of all funds provided for the center in a form that is related to the proposed schedule of activities for the review and approval of the advisory committee. Makes a conforming and a nonsubstantive change.

(i) Makes a nonsubstantive change.

(j) Provides that each member of the advisory committee, rather than the board, is entitled to a per diem as set by the advisory committee, rather than by legislative appropriation, for each day that the member engages in the business of the advisory committee. Prohibits a member from receiving any compensation for travel expenses, including expenses for meals and lodging, other than transportation expenses. Provides that a member is entitled to compensation for transportation expenses as set by the advisory committee, rather than prescribed by the General Appropriations Act.

(k) Creates an exception under subsection (l). Makes a nonsubstantive change.

(l) Authorizes the advisory committee to meet by conference call or virtually through third party internet applications as long as members of the general public are able to participate in the meeting and can participate in discussions not subject to an executive session.

(m) Creates this subsection from existing text. Makes no further changes.

SECTION 3. Amends Section 1101.054, Occupations Code, to require that each appointee to take the constitutional oath of office not later than the 15th calendar day after the date of appointment.

SECTION 4. Amends Subsection (a), Section 1101.154, Occupations Code, to specify that the fees for the issuance or renewal of certain licenses and certificates are annual.

SECTION 5. Effective date: upon passage or September 1, 2021.