

By: Kuempel

H.B. No. 2378

A BILL TO BE ENTITLED

AN ACT

relating to regulation of real estate inspectors.

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

SECTION 1. Section 1102.001, Occupations Code is amended as follows:

Sec. 1102.001. DEFINITIONS. In this chapter:

(1) "Apprentice inspector" means a person who is in training under the direct supervision of a professional inspector or a real estate inspector to become qualified to perform real estate inspections.

(2) "Broker" has the meaning assigned by Section 1101.002

(3) "Commission" means the Texas Real Estate Commission.

(4) "Committee" means the Texas Real Estate Inspector Committee.

(5) "Qualifying~~[Core]~~ real estate inspection course" means an educational course approved by the commission that relates to real estate inspection, including a course on structural items, electrical items, mechanical systems, plumbing systems, roofing, business, law, standards of practice, report writing, appliances, or ethics.

(6) "Inspector" means a person who holds a license under this chapter.

1           (7) "License" means an apprentice inspector license,  
2 real estate inspector license, or professional inspector license.

3           (8) "Professional inspector" means a person who  
4 represents to the public that the person is trained and qualified to  
5 perform a real estate inspection and who accepts employment to  
6 perform a real estate inspection for a buyer or seller of real  
7 property.

8           (9) "Real estate inspection" means a written or oral  
9 opinion as to the condition of the improvements to real property,  
10 including structural items, electrical items, mechanical systems,  
11 plumbing systems, or equipment.

12           (10) "Real estate inspector" means a person licensed  
13 before September 1, 2022 who represents to the public that the  
14 person is trained and qualified to perform a real estate inspection  
15 under the indirect supervision of a professional inspector and who  
16 accepts employment to perform a real estate inspection for a buyer  
17 or seller of real property.

18           (11) "Salesperson" has the meaning assigned by Section  
19 [1101.002](#).

20           SECTION 2. Section [1102.109](#), Occupations Code is amended as  
21 follows:

22           Sec. 1102.109. ELIGIBILITY FOR PROFESSIONAL INSPECTOR  
23 LICENSE. To be eligible for a professional inspector license, an  
24 applicant must:

25           (1) at the time of application have:

26                   (A) held an apprentice [~~a real estate~~] inspector  
27 license for at least 12 months; and

1 (B) performed at least 175 real estate  
2 inspections under indirect supervision;

3 (C) submit evidence satisfactory to the  
4 commission of successful completion of at least 120~~[40]~~ classroom  
5 hours of qualifying~~[core]~~ real estate inspection courses~~[, in~~  
6 ~~addition to the hours required by Section 1102.108]~~;

7 (D) demonstrate competence based on the  
8 examination under Subchapter D; and

9 (E) satisfy the commission as to the applicant's  
10 honesty, trustworthiness, integrity, and competence

11 SECTION 3. Section 1102.111, Occupations Code is amended as  
12 follows:

13 Sec. 1102.111. SUBSTITUTE REQUIREMENTS. (a) The  
14 commission by rule shall provide for substitution of relevant  
15 experience and additional education in place of:

16 (1) the number of real estate inspections required for  
17 licensing; and

18 (2) the requirement that an applicant be~~[+~~  
19 ~~(A)]~~ licensed as an apprentice inspector before  
20 being licensed as a real estate inspector~~[, or~~  
21 ~~(B) licensed as a real estate inspector before~~  
22 ~~being licensed as a professional inspector]~~.

23 (b) Rules adopted under Subsection (a) may not require an  
24 applicant to:

25 (A) complete more than 320 additional hours of  
26 qualifying~~[core]~~ real estate inspection courses;

27 (B) complete more than 40 hours of field work, if the

1 applicant completes correspondence or other course provided by  
2 alternative means; or

3 (C) have more than seven years of relevant experience.

4 SECTION 4. Section 1102.151, Occupations Code is amended as  
5 follows:

6 Sec. 1102.151. CONTENT OF EXAMINATION. (a) A license  
7 examination must evaluate competence in the subject matter of each  
8 required qualifying~~[core]~~ real estate inspection course.

9 (b) The commission shall:

10 (1) prescribe each license examination; and

11 (2) prepare or contract for the examination

12 SECTION 5. Section 1102.205(b), Occupations Code is amended  
13 as follows:

14 (b) As a prerequisite for renewal of a real estate inspector  
15 license, professional inspector license, or apprentice inspector  
16 license, the inspector must participate in the continuing education  
17 program and submit evidence satisfactory to the commission of  
18 successful completion of at least 16 classroom hours of  
19 qualifying~~[core]~~ real estate inspection courses or continuing  
20 education courses for each year of the license period preceding the  
21 renewal.

22 SECTION 6. Section 1102.352(a) as is amended follows:

23 Sec. 1102.352. PAYMENTS INTO FUND. (a) In addition to any  
24 other fees required by this chapter, the commission shall collect a  
25 fee of \$10 to deposit to the credit of the fund from an applicant for  
26 an original license. ~~[a person who passes a license examination must~~  
27 ~~pay a fee not to exceed \$200. The commission shall deposit the fee~~

1 ~~to the credit of the fund before issuing the license.]~~

2 SECTION 7. Chapter 1102, Occupation Code is amended by  
3 adding Section 1102.409 as follows:

4 Sec. 1102.409. REAPPLYING AFTER REVOCATION, SURRENDER, OR  
5 DENIAL. A person whose license as been revoked, a person who has  
6 surrendered a license issued by the commission, or a person whose  
7 application for a license has been denied after a hearing under  
8 Section 1101.657 may not apply to the commission for a license  
9 before the second anniversary of the date of the revocation,  
10 surrender, or denial.

11 SECTION 8. Sections 1102.108 and 1102.110(a), and  
12 1102.251(a)(2), Occupations Code are repealed.

13 SECTION 9. The changes in law made by this Act apply only to  
14 an application for a license submitted to the Texas Real Estate  
15 Commission on or after September 1, 2021. An application for a  
16 license submitted before that date is governed by the law in effect  
17 on the date the application was submitted, and the former law is  
18 continued in effect for that purpose.

19 SECTION 10. This Act takes effect September 1, 2021.