

By: Smith

H.B. No. 2998

Substitute the following for H.B. No. 2998:

By: Hernandez

C.S.H.B. No. 2998

A BILL TO BE ENTITLED

AN ACT

relating to the requirement that certain business entities obtain a license from the Texas Real Estate Commission.

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

SECTION 1. Section 1101.355, Occupations Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Notwithstanding Subsection (c) or any other law, a business entity is not required to be licensed under this chapter if the business entity:

(1) receives compensation on behalf of a broker or sales agent licensed under this chapter that is earned by the license holder while engaged in real estate brokerage;

(2) performs no other acts of a broker;

(3) is:

(A) a limited liability company as defined by Section 101.001, Business Organizations Code; or

(B) an S corporation as defined by 26 U.S.C. Section 1361;

(4) is registered with the commission; and

(5) is at least 51 percent owned by the license holder on whose behalf the entity receives compensation.

(e) The commission shall adopt rules providing for the registration of a business entity described by Subsection (d).

SECTION 2. This Act takes effect January 1, 2022.