

1-1 By: Smith (Senate Sponsor - Taylor) H.B. No. 2998  
 1-2 (In the Senate - Received from the House May 12, 2021;  
 1-3 May 13, 2021, read first time and referred to Committee on Business  
 1-4 & Commerce; May 22, 2021, reported favorably by the following vote:  
 1-5 Yeas 6, Nays 0; May 22, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9			X	
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16			X	

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the requirement that certain business entities obtain a  
 1-20 license from the Texas Real Estate Commission.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 1101.355, Occupations Code, is amended  
 1-23 by adding Subsections (d) and (e) to read as follows:

1-24 (d) Notwithstanding Subsection (c) or any other law, a  
 1-25 business entity is not required to be licensed under this chapter if  
 1-26 the business entity:

1-27 (1) receives compensation on behalf of a broker or  
 1-28 sales agent licensed under this chapter that is earned by the  
 1-29 license holder while engaged in real estate brokerage;

1-30 (2) performs no other acts of a broker;

1-31 (3) is:

1-32 (A) a limited liability company as defined by  
 1-33 Section 101.001, Business Organizations Code; or

1-34 (B) an S corporation as defined by 26 U.S.C.  
 1-35 Section 1361;

1-36 (4) is registered with the commission; and

1-37 (5) is at least 51 percent owned by the license holder  
 1-38 on whose behalf the entity receives compensation.

1-39 (e) The commission shall adopt rules providing for the  
 1-40 registration of a business entity described by Subsection (d).

1-41 SECTION 2. This Act takes effect January 1, 2022.

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