

BILL ANALYSIS

H.B. 3250
By: Darby
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Appraiser Licensing and Certification Board (TALCB) regulates real estate appraisers and appraisal management companies (AMCs). The bill author has informed the committee that TALCB is interested in statutory changes to increase efficiency, enhance consumer protection, and support industry growth as, with only about 6,700 active licensed appraisers serving nearly 350,000 home sales in 2024, there is concern—especially in rural areas—about the aging workforce and high barriers to entry, including costly training and supervision requirements. Additionally, under current law, TALCB lacks access to business contact information which has caused confusion and frustration within the appraisal and real estate industries, particularly in high-population counties where distinguishing between similarly named appraisers can be difficult. H.B. 3250 seeks to strengthen the appraisal industry by granting TALCB the authority to administer a stipend program that supports industry growth and sustainability and to collect and display business contact information for license holders on its website.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Appraiser Licensing and Certification Board in SECTION 1 of this bill.

ANALYSIS

H.B. 3250 amends the Occupations Code to require the Texas Appraiser Licensing and Certification Board (TALCB) to establish a program to provide stipends to real estate appraiser trainees and certified appraisers who serve as supervisory appraisers for the following public purposes:

- promoting the professional needs of Texas;
- increasing the number of highly trained and educated appraisers available to serve Texas residents; and
- improving the business environment of and encouraging economic development in Texas.

The bill requires TALCB, in awarding stipends under the program, to consider the financial need of each person who applies for a stipend and authorizes TALCB to use only gifts, grants, and donations received for the purposes of the Texas Appraiser Licensing and Certification Act and the Texas Appraisal Management Company Registration and Regulation Act to fund the stipend program. The bill requires TALCB to adopt rules necessary to implement these bill provisions, including rules establishing the amount of a stipend awarded under the program. The

bill's provisions relating to the stipend program take effect on passage, or if the bill does not receive the necessary vote, September 1, 2025.

H.B. 3250 requires the application for a real estate appraiser certificate or license or for renewal of such a certificate or license to include the applicant's business address and specifies that the telephone number required to be included in the application is the applicant's business telephone number. These provisions apply only to an application submitted on or after the bill's effective date. An application submitted before the bill's effective date is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

H.B. 3250 gives the controlling person designated as the primary contact for communication between TALCB and a real estate appraisal management company applying for registration under the Texas Appraisal Management Company Registration and Regulation Act the option of being a licensed appraiser in at least one state at all times during the designation as an alternative to being a certified appraiser in at least one state at all times during the designation. The bill prohibits an appraisal management company registered under that act from knowingly having, as a controlling person, a person who has had a license or certificate as an appraiser or a registration as an appraisal management company suspended, revoked, or put on probation in any state. This prohibition applies only to conduct that occurs on or after the bill's effective date. Conduct that occurs before the bill's effective date is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose.

H.B. 3250 replaces the requirement for an administrative penalty collected from a person who violates the Texas Appraisal Management Company Registration and Regulation Act or a rule adopted under the act to be deposited in a restricted fund maintained and operated by TALCB to develop educational programs for appraisers or to conduct studies that enhance consumer protection with a requirement for TALCB to remit such a collected administrative penalty to the comptroller of public accounts for deposit in the general revenue fund. These bill provisions apply only to an administrative penalty that is collected on or after the bill's effective date. An administrative penalty collected before the bill's effective date is governed by the law in effect on the date the penalty was collected, and the former law is continued in effect for that purpose.

H.B. 3250 updates references to "commissioner" under certain provisions of the Texas Appraisal Management Company Registration and Regulation Act by replacing those references with references to the executive director of TALCB.

EFFECTIVE DATE

Except as otherwise provided, September 1, 2025.