

By: Darby

H.B. No. 3250

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of real estate appraisers and appraisal management companies.

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

SECTION 1. Subchapter D, Chapter 1103, Occupations Code, is amended by adding Section 1103.164 to read as follows:

Sec. 1103.164. STIPEND PROGRAM. (a) The board shall establish a program to provide stipends to appraiser trainees and certified appraisers who serve as supervisory appraisers for the following public purposes:

(1) promoting the professional needs of this state;

(2) increasing the number of highly trained and educated appraisers available to serve the residents of this state; and

(3) improving the business environment of and encouraging economic development in this state.

(b) In awarding stipends under this section, the board shall consider the financial need of each person who applies for a stipend under this section.

(c) The board may use only gifts, grants, and donations received under Section 1103.157 to fund the stipend program under this section.

(d) The board shall adopt rules necessary to implement this section, including rules establishing the amount of a stipend

1 awarded under this section.

2 SECTION 2. Section 1103.203(d), Occupations Code, is  
3 amended to read as follows:

4 (d) The application must include the applicant's current  
5 mailing address, business address, and business telephone number  
6 and the applicant's business e-mail address, if available. The  
7 applicant shall notify the board of any change in the applicant's  
8 mailing or e-mail address or telephone number while the application  
9 is pending.

10 SECTION 3. Section 1104.104(b), Occupations Code, is  
11 amended to read as follows:

12 (b) The controlling person designated under Subsection (a):

13 (1) must:

14 (A) be licensed or certified as an appraiser in  
15 at least one state at all times during the designation; or

16 (B) have completed:

17 (i) the 15-hour national Uniform Standards  
18 of Professional Appraisal Practice course; and

19 (ii) the seven-hour national Uniform  
20 Standards of Professional Appraisal Practice update course not more  
21 than two years before the renewal of the appraisal management  
22 company's registration;

23 (2) may not have had a license or certificate to act as  
24 an appraiser denied, revoked, or surrendered in lieu of revocation  
25 in any state unless:

26 (A) the person has subsequently had the license  
27 or certificate to act as an appraiser granted or reinstated; and

1 (B) the license or certificate to act as an  
2 appraiser was denied, revoked, or surrendered for a nonsubstantive  
3 reason as determined by the board; and

4 (3) shall submit to a background investigation, as  
5 determined by the board.

6 SECTION 4. The heading to Section 1104.151, Occupations  
7 Code, is amended to read as follows:

8 Sec. 1104.151. RESTRICTIONS ON EMPLOYMENT AND CONTROLLING  
9 PERSON [~~OF CERTAIN PERSONS PROHIBITED~~].

10 SECTION 5. Section 1104.151(a), Occupations Code, is  
11 amended to read as follows:

12 (a) An appraisal management company registered under this  
13 chapter may not knowingly:

14 (1) employ a person in a position in which the person  
15 has the responsibility to order appraisals or to review completed  
16 appraisals if the person has had a license or certificate to act as  
17 an appraiser denied, revoked, or surrendered in lieu of revocation  
18 in any state;

19 (2) enter into any independent contractor arrangement  
20 for the provision of appraisals or appraisal management services  
21 with any person who has had a license or certificate to act as an  
22 appraiser denied, revoked, or surrendered in lieu of revocation in  
23 any state; [~~or~~]

24 (3) enter into any contract, agreement, or other  
25 business relationship for the provision of appraisals or appraisal  
26 management services with any entity that employs, has entered into  
27 an independent contract arrangement, or has entered into any

1 contract, agreement, or other business relationship with any person  
2 who has ever had a license or certificate to act as an appraiser  
3 denied, revoked, or surrendered in lieu of revocation in any state;  
4 or

5 (4) have, as a controlling person, a person who has had  
6 a license or certificate as an appraiser or a registration as an  
7 appraisal management company suspended, revoked, or put on  
8 probation in any state.

9 SECTION 6. Section 1104.202(d), Occupations Code, is  
10 amended to read as follows:

11 (d) Notwithstanding any other law, the board shall remit an  
12 administrative penalty collected under this section to the  
13 comptroller for deposit in the general revenue fund [~~an~~  
14 ~~administrative penalty collected under this section must be~~  
15 ~~deposited in a restricted fund maintained and operated by the board~~  
16 ~~to develop educational programs for appraisers or to conduct~~  
17 ~~studies that enhance consumer protection].~~

18 SECTION 7. Sections 1104.205(b) and (c), Occupations Code,  
19 are amended to read as follows:

20 (b) An investigator designated by the presiding officer of  
21 the board or the executive director [~~commissioner~~] shall  
22 investigate each allegation in a complaint to determine whether  
23 probable cause exists for a hearing on the complaint.

24 (c) If the board determines that a complaint does not  
25 present facts that are grounds for disciplinary action, the board  
26 or the executive director [~~commissioner~~] shall dismiss the  
27 complaint and may not take further action.

1 SECTION 8. Section 1104.208(b), Occupations Code, is  
2 amended to read as follows:

3 (b) The board by rule may delegate any of its authority  
4 under Subsection (a) to the executive director [~~commissioner~~].

5 SECTION 9. Section 1104.2081(b), Occupations Code, is  
6 amended to read as follows:

7 (b) An agreed order must be:

8 (1) approved by the board; and

9 (2) signed by the executive director [~~commissioner~~]

10 and the appraisal management company or other person who is the  
11 subject of the complaint.

12 SECTION 10. Section 1103.203, Occupations Code, as amended  
13 by this Act, applies only to an application for a certificate or  
14 license or renewal of a certificate or license submitted on or after  
15 the effective date of this Act. An application submitted before the  
16 effective date of this Act is governed by the law in effect on the  
17 date the application was submitted, and the former law is continued  
18 in effect for that purpose.

19 SECTION 11. Section 1104.151(a), Occupations Code, as  
20 amended by this Act, applies only to conduct that occurs on or after  
21 the effective date of this Act. Conduct that occurs before the  
22 effective date of this Act is governed by the law in effect on the  
23 date the conduct occurred, and the former law is continued in effect  
24 for that purpose.

25 SECTION 12. Section 1104.202(d), Occupations Code, as  
26 amended by this Act, applies only to an administrative penalty that  
27 is collected on or after the effective date of this Act. An

1 administrative penalty collected before the effective date of this  
2 Act is governed by the law in effect on the date the penalty was  
3 collected, and the former law is continued in effect for that  
4 purpose.

5 SECTION 13. (a) Except as provided by Subsection (b) of  
6 this section, this Act takes effect September 1, 2025.

7 (b) Section 1103.164, Occupations Code, as added by this  
8 Act, takes effect immediately if this Act receives a vote of  
9 two-thirds of all the members elected to each house, as provided by  
10 Section 39, Article III, Texas Constitution. If this Act does not  
11 receive the vote necessary for immediate effect, that section takes  
12 effect September 1, 2025.