

BILL ANALYSIS

Senate Research Center

S.B. 1100
By: Wentworth
State Affairs
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As Filed

DIGEST

Currently, the law requires applicants for real estate salesman licenses to complete a certain number of approved courses in real estate training. Real estate brokers and salesman must also complete a certain number of hours dedicated to continuing education courses. This bill sets forth certain provisions related to the licensing of real estate brokers, real estate salesmen, and inspectors. This bill also addresses additional concerns relating to the administration of licensing examinations by the Texas Real Estate Commission.

PURPOSE

As proposed, S.B. 1100 provides for the regulation of real estate brokers, real estate salesmen, and inspectors.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Real Estate Commission in SECTIONS 2 and 4 (Sections 7(c) and 7A(d), Article 6573a, V.T.C.S.) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 7(a), Article 6573a, V.T.C.S. (The Real Estate License Act), to delete from the requirements of the principles of real estate the law of agency and contracts. Requires the law of contract (or equivalent) to include but not be limited to the elements of a contract, offer and acceptance, statute of frauds, specific performance and remedies for breach, unauthorized practice of law, commission rules relating to the use of promulgated forms, and owner disclosure requirements.

SECTION 2. Amends Section 7(c), Article 6573a, V.T.C.S., to authorize the commission, by rule, to provide for a waiver of some or all of the requirements for a license under this Act, notwithstanding any other provision of this Act, if the applicant was previously licensed in this state within the five-year period prior to the filing of the application.

SECTION 3. Amends Section 7(e), Article 6573a, V.T.C.S., to require each applicant for a salesman license to furnish the commission satisfactory evidence of having completed a minimum of two hours in law of contracts as described in Subsection (a)(11) of this section.

SECTION 4. Amends Section 7A(d), Article 6573a, V.T.C.S., to authorize the commission, by rule, to establish procedures under which licenses are issued or renewed, or licensees are returned to active status, prior to the completion of the continuing education required by this section. Authorizes the commission to require a licensee to pay an additional fee not to exceed \$200 and to complete the required continuing education within 60 days after the license was issued or renewed, or the licensee was returned to active status.

SECTION 5. Amends Section 11(a), Article 6573a, V.T.C.S., to require the commission to charge and collect a fee not to exceed \$50, rather than \$25, for an application for a license examination, among other fees.

SECTION 6. Amends Section 15B(a), Article 6573a, V.T.C.S., to authorize the commission to

authorize its employees to file signed written complaints against licensees and to conduct investigations under certain conditions.

SECTION 7. Amends Section 23(d)(4), Article 6573a, V.T.C.S., to require the commission to provide for the substitution of relevant experience or additional education in lieu of the number of real estate inspections and prior licensing as an apprentice inspector or real estate inspector required by this section. Requires a person to provide certification acceptable to the committee that the person has completed at least 200 real estate inspections while licensed under this section before a person licensed as a professional inspector may sponsor an apprentice inspector or a real estate inspector.

SECTION 8. Repealer: Section 24(g), Article 6573a, V.T.C.S. (Residential Rental Locators).

SECTION 9. (a) Effective date: September 1, 1997.

(b) Effective date for SECTION 3: January 1, 1998.

SECTION 10. Emergency clause.