

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1179
By: Flynn, Pitts (Deuell)
Finance
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2009, the Texas Legislature adopted the recommendation of the Sunset Advisory Commission to abolish the Board of Tax Professional Examiners and to transfer its functions to the Texas Department of Licensing and Regulation (TDLR). C.S.H.B. 1179 will add much-needed flexibility to the licensing statutes so that TDLR can better carry out its duties.

Currently, persons who register with TDLR as appraisers, assessors, or collectors, have strict deadlines for achieving the highest possible certification available in their respective fields. Some registrants have difficulty meeting these deadlines due to unforeseen circumstances, work schedules, and a lack of predictable course offerings. Therefore, C.S.H.B. 1179 requires TDLR to grant one-year deadline extensions in certain circumstances and authorizes the Texas Commission of Licensing and Regulation (TCLR) to set other reasonable qualifications for extending a deadline.

C.S.H.B. 1179 also sets up a process for reinstating the registrations of property tax professionals who previously registered with the Board of Tax Professional Examiners and received extensions that are no longer valid with TDLR. Finally, this bill allows TCLR to adopt rules for placing registrants on inactive status so that property tax professionals may more easily leave and return to the profession.

C.S.H.B. 1179 amends current law relating to certification requirements for certain property tax professionals.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Commission of Licensing and Regulation (TCLR) is modified in SECTION 2 (Section 1151.160, Occupations Code) of this bill.

Rulemaking authority is expressly granted to TCLR in SECTION 2 (Section 1151.160, Occupations Code), SECTION 3 (Section 1151.1605, Occupations Code), and SECTION 4 (Section 1151.165, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Section 1151.160, Occupations Code, to read as follows:

Sec. 1151.160. CERTIFICATION LEVELS AND REQUIREMENTS; RULES.

SECTION 2. Amends Section 1151.160, Occupations Code, by amending Subsections (a) and (c) and adding Subsections (d), (e), (f), (g), (h), and (i), as follows:

(a) Requires that the requirements for certification of a registrant, rather than certification of an employee of a taxing unit's tax office, emphasize the areas of responsibility of the registrant in performing the registrant's duties for the taxing unit.

(c) Requires a person registered as an appraiser to become certified as a registered professional appraiser not later than the fifth anniversary of the date of the person's original registration, rather than requires that the rules establishing minimum

requirements require that a person registered as an appraiser become certified as a registered professional appraiser not later than the fifth anniversary of the date of the person's original registration. Requires the person to obtain certification by:

(1) successfully completing the certification requirements established by the Texas Commission of Licensing and Regulation (TCLR) rule; or

(2) if the person is certified or licensed under Chapter 1103 (Real Estate Appraisers) as an appraiser by the Texas Appraiser Licensing and Certification Board, passing the appropriate examination required under Section 1151.161 (Examination for Certification; Application; Fee).

(d) Redesignates existing Subdivision (c)(2) as Subsection (d). Requires a person registered as an assessor or assessor-collector to become certified as a registered Texas assessor not later than the fifth anniversary of the date of the person's original registration.

(e) Redesignates existing Subdivision (c)(3) as Subsection (e). Requires a person registered as a collector to become certified as a registered Texas collector not later than the third anniversary of the date of the person's original registration.

(f) Defines, in this subsection, "break in service." Entitles a registrant who has a break in service to an adjustment of the applicable anniversary date described by Subsection (c), (d), or (e) equal to the length of the break in service, as determined by TCLR rule. Requires a person who has a break in service that exceeds five years to submit a new application and proof of completion of current course requirements, unless otherwise excepted under TCLR rule.

(g) Entitles a registrant who has not obtained the certification required by Subsection (c), (d), or (e) within the time required by the applicable subsection to a one-year extension to meet the certification requirements if:

(1) the applicant submits proof of active military status performed after the date of the applicant's original registration;

(2) the applicant submits proof of leave under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Section 2601 et seq.) taken after the date of the applicant's original registration;

(3) the applicant submits proof of a death or illness in the family or an unforeseen emergency occurring after the date of the applicant's original registration that prevented the registrant from meeting certification requirements;

(4) a county tax assessor-collector, chief appraiser, chief administrative officer of a political subdivision, or other person authorized by TCLR by rule requests the extension on behalf of an employee;

(5) the applicant requesting the extension is a county tax assessor-collector or chief appraiser; or

(6) the applicant meets another reasonable qualification for an extension established by TCLR by rule.

(h) Requires TCLR to establish reasonable qualifications for reapplication for a registration by an applicant who does not meet any of the requirements of Subsection (g) or Section 1151.1605.

(i) Requires TCLR to adopt rules as necessary to implement this section.

SECTION 3. Amends Subchapter D, Chapter 1151, Occupations Code, by adding Section 1151.1605, as follows:

Sec. 1151.1605. REINSTATEMENT OF REGISTRATION. (a) Authorizes a person who has not satisfied the requirements for certification within the time required by Section 1151.160(c), (d), or (e) or rules adopted under those subsections to apply for reinstatement of a registration under this section if that person obtained registration before December 31, 2010, as a Class II collector, a Class III appraiser, or a Class III assessor-collector as defined by a rule adopted by TCLR under Section 1151.160 (Certification Levels and Requirements).

(b) Authorizes a qualified person to apply for reinstatement of a registration if, before December 31, 2011, that person pays a \$250 fee, and files a completed reinstatement application on a form prescribed by the Texas Department of Licensing and Regulation.

(c) Provides that a registration reinstated under this section expires on December 31, 2013, and is prohibited from being renewed unless the applicant satisfies all registration and certification requirements, including any education and examination requirements, before December 31, 2013.

(d) Requires that the date of registration, if a person completes the registration and certification requirements in order to renew a registration under Subsection (c), be the same as the date of completion of the requirements.

(e) Provides that this section expires December 31, 2013.

SECTION 4. Amends Subchapter D, Chapter 1151, Occupations Code, by adding Section 1151.165, as follows:

Sec. 1151.165. INACTIVE STATUS. Authorizes TCLR to adopt rules to allow a registrant to place a registration issued by TDLR on inactive status in the same manner as a license is placed on inactive status under Section 51.4011 (Inactive Status).

SECTION 5. (a) Requires TCLR to adopt rules under Section 1151.160, Occupations Code, as amended by this Act, and Section 1151.165, Occupations Code, as added by this Act, not later than February 1, 2012.

(b) Requires TCLR to adopt rules under Section 1151.1605, Occupations Code, as added by this Act, not later than October 1, 2011.

SECTION 6. Effective date: upon passage or September 1, 2011.