

AN ACT

relating to the continuation and functions of the Texas Real Estate Commission and the regulation of real estate brokers, salespersons, inspectors, appraisers, residential service companies, and timeshares; providing administrative penalties.

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

SECTION 1. Section 1101.006, Occupations Code, is amended to read as follows:

Sec. 1101.006. APPLICATION OF SUNSET ACT. The Texas Real Estate Commission is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and this chapter, ~~and~~ Chapter 1102, and Chapter 1303 of this code and Chapter 221, Property Code, expire September 1, 2019 ~~[2007]~~.

SECTION 2. Subchapter A, Chapter 1101, Occupations Code, is amended by adding Section 1101.007 to read as follows:

Sec. 1101.007. COMPLIANCE WITH SUNSET RECOMMENDATIONS.

(a) The commission shall:

(1) comply with and implement the management action recommendations regarding the commission adopted by the Sunset Advisory Commission on January 10, 2007, as a result of its review of the commission; and

(2) report to the Sunset Advisory Commission not later than November 1, 2008, the information the Sunset Advisory

1 Commission requires regarding the commission's implementation of  
2 the recommendations under Subdivision (1).

3 (b) This section expires June 1, 2009.

4 SECTION 3. Section 1101.053, Occupations Code, is amended  
5 to read as follows:

6 Sec. 1101.053. MEMBERSHIP AND EMPLOYEE RESTRICTIONS.

7 (a) In this section, "Texas trade association" means a  
8 ~~[nonprofit,~~ cooperative~~]~~ and voluntarily joined statewide  
9 association of business or professional competitors in this state  
10 designed to assist its members and its industry or profession in  
11 dealing with mutual business or professional problems and in  
12 promoting their common interest.

13 (b) A person may not be a member of the commission and may  
14 not be a commission employee employed in a "bona fide executive,  
15 administrative, or professional capacity," as that phrase is used  
16 for purposes of establishing an exemption to the overtime  
17 provisions of the federal Fair Labor Standards Act of 1938 (29  
18 U.S.C. Section 201 et seq.) if:

19 (1) the person is an officer, [A state elected  
20 president, president-elect, vice president, or  
21 secretary-treasurer, employee, or paid consultant of a Texas trade  
22 association in the real estate industry; or

23 (2) the person's spouse [may not be a commission member  
24 and may not be a commission employee who is exempt from the state's  
25 position classification plan or is compensated at or above the  
26 amount prescribed by the General Appropriations Act for step 1,  
27 salary group A17, of the position classification salary schedule.

1           ~~[(c) A person who]~~ is ~~[the spouse of]~~ an officer, manager,  
2 or paid consultant of a Texas trade association in the real estate  
3 industry ~~[may not be a commission member and may not be a commission~~  
4 ~~employee who is exempt from the state's position classification~~  
5 ~~plan or is compensated at or above the amount prescribed by the~~  
6 ~~General Appropriations Act for step 1, salary group A17, of the~~  
7 ~~position classification salary schedule].~~

8           (c) ~~[(d)]~~ A person may not serve as a commission member or  
9 act as the general counsel to the commission if the person is  
10 required to register as a lobbyist under Chapter 305, Government  
11 Code, because of the person's activities for compensation on behalf  
12 of a profession related to the operation of the commission.

13           SECTION 4. Subsections (a) and (c), Section 1101.057,  
14 Occupations Code, are amended to read as follows:

15           (a) It is a ground for removal from the commission that a  
16 member:

17                 (1) does not have at the time of appointment the  
18 qualifications required by Section 1101.051(a) or (b) or 1101.052;

19                 (2) does not maintain during service on the commission  
20 the qualifications required by Section 1101.051(a) or (b) or  
21 1101.052;

22                 (3) is ineligible for membership under ~~[violates a~~  
23 ~~prohibition established by]~~ Section 1101.053;

24                 (4) cannot, because of illness or disability,  
25 discharge the member's duties for a substantial part of the member's  
26 term; or

27                 (5) is absent from more than half of the regularly

1 scheduled commission meetings that the member is eligible to attend  
2 during each calendar year, unless the absence is excused by  
3 majority vote of the commission.

4 (c) If the administrator has knowledge that a potential  
5 ground for removal [~~of a commission member~~] exists, the  
6 administrator shall notify the presiding officer of the commission  
7 of the potential ground. The presiding officer shall then notify  
8 the governor and the attorney general that a potential ground for  
9 removal exists. If the potential ground for removal involves the  
10 presiding officer, the administrator shall notify the next highest  
11 ranking officer of the commission, who shall then notify the  
12 governor and the attorney general that a potential ground for  
13 removal exists.

14 SECTION 5. Subchapter B, Chapter 1101, Occupations Code, is  
15 amended by adding Section 1101.059 to read as follows:

16 Sec. 1101.059. TRAINING. (a) A person who is appointed to  
17 and qualifies for office as a member of the commission may not vote,  
18 deliberate, or be counted as a member in attendance at a meeting of  
19 the commission until the person completes a training program that  
20 complies with this section.

21 (b) The training program must provide the person with  
22 information regarding:

23 (1) this chapter and other laws regulated by the  
24 commission;

25 (2) the programs, functions, rules, and budget of the  
26 commission;

27 (3) the results of the most recent formal audit of the

1 commission;

2 (4) the requirements of laws relating to open  
3 meetings, public information, administrative procedure, and  
4 conflicts of interest; and

5 (5) any applicable ethics policies adopted by the  
6 commission or the Texas Ethics Commission.

7 (c) A person appointed to the commission is entitled to  
8 reimbursement, as provided by the General Appropriations Act, for  
9 the travel expenses incurred in attending the training program  
10 regardless of whether the attendance at the program occurs before  
11 or after the person qualifies for office.

12 SECTION 6. Subsection (a), Section 1101.101, Occupations  
13 Code, is amended to read as follows:

14 (a) The commission shall ~~may~~ appoint an administrator.

15 SECTION 7. Section 1101.102, Occupations Code, is amended  
16 to read as follows:

17 Sec. 1101.102. DIVISION OF RESPONSIBILITIES. The  
18 commission shall develop and implement policies that clearly  
19 separate the policymaking responsibilities of the commission and  
20 the management responsibilities of the administrator and the  
21 ~~[define the respective responsibilities of the commission and the~~  
22 ~~commission]~~ staff of the commission.

23 SECTION 8. Subsection (b), Section 1101.151, Occupations  
24 Code, is amended to read as follows:

25 (b) The commission may:

26 (1) adopt and enforce rules necessary to administer  
27 this chapter and Chapter 1102; and

1 (2) establish standards of conduct and ethics for  
2 persons licensed under this chapter and Chapter 1102 to:

3 (A) fulfill the purposes of this chapter and  
4 Chapter 1102; and

5 (B) ensure compliance with this chapter and  
6 Chapter 1102[~~, and~~

7 [~~(3) authorize specific employees to conduct hearings~~  
8 ~~and issue final decisions in contested cases]~~.

9 SECTION 9. Subsections (a) and (b), Section 1101.152,  
10 Occupations Code, are amended to read as follows:

11 (a) The commission shall adopt rules to charge and collect  
12 reasonable fees, including a fee for [~~the following fees~~]:

13 (1) [~~for~~] filing an original application for a broker  
14 license[~~, not more than \$100~~];

15 (2) [~~for~~] annual renewal of a broker license[~~, not~~  
16 ~~more than \$100~~];

17 (3) [~~for~~] filing an original application for a  
18 salesperson license[~~, not more than \$75~~];

19 (4) [~~for~~] annual renewal of a salesperson license[~~,~~  
20 ~~not more than \$50~~];

21 (5) [~~for~~] annual registration[~~, \$80~~];

22 (6) filing [~~for~~] an application for a license  
23 examination[~~, not more than \$100~~];

24 (7) [~~for~~] filing a request for a branch office  
25 license[~~, not more than \$20~~];

26 (8) [~~for~~] filing a request for a change of place of  
27 business, change of name, return to active status, or change of

1 sponsoring broker [~~7, not more than \$20~~];

2 (9) [~~for~~] filing a request to replace a lost or  
3 destroyed license or certificate of registration [~~7, not more than~~  
4 ~~\$20~~];

5 (10) [~~for~~] filing an application for approval of an  
6 education program under Subchapter G [~~7, not more than \$400~~];

7 (11) [~~for~~] annual operation of an education program  
8 under Subchapter G [~~7, not more than \$200~~];

9 (12) [~~for~~] filing an application for approval of an  
10 instructor of core real estate courses [~~7, not more than \$40~~];

11 (13) [~~for~~] transcript evaluation [~~7, \$20~~];

12 (14) [~~for~~] preparing a license or registration  
13 history [~~7, not more than \$20~~]; ~~and~~

14 (15) [~~for~~] filing an application for a moral character  
15 determination; and

16 (16) conducting a criminal background check in  
17 connection with the annual renewal of a license under this  
18 chapter [~~7, not more than \$50~~].

19 (b) The commission shall adopt rules to [~~may~~] set and  
20 collect reasonable fees to implement the continuing education  
21 requirements for license holders, including a fee for [~~the~~  
22 ~~following fees~~]:

23 (1) [~~for~~] an application for approval of a continuing  
24 education provider [~~7, not more than \$400~~];

25 (2) [~~for~~] an application for approval of a continuing  
26 education course of study [~~7, not more than \$100~~];

27 (3) [~~for~~] an application for approval of an instructor

1 of continuing education courses [~~not more than \$40~~]; and

2 (4) [~~for~~] attendance at a program to train instructors  
3 of a continuing education course prescribed under Section  
4 1101.455 [~~not more than \$100~~].

5 SECTION 10. Subchapter D, Chapter 1101, Occupations Code,  
6 is amended by adding Sections 1101.158, 1101.159, and 1101.160 to  
7 read as follows:

8 Sec. 1101.158. ADVISORY COMMITTEES. (a) The commission  
9 may appoint advisory committees to perform the advisory functions  
10 assigned to the committees by the commission. An advisory  
11 committee under this section is subject to Section 2110, Government  
12 Code.

13 (b) A member of an advisory committee who is not a member of  
14 the commission may not receive compensation for service on the  
15 committee. The member may receive reimbursement for actual and  
16 necessary expenses incurred in performing committee functions as  
17 provided by Section 2110.004, Government Code.

18 (c) A member of an advisory committee serves at the will of  
19 the commission.

20 (d) An advisory committee may hold a meeting by telephone  
21 conference call or other video or broadcast technology.

22 (e) Advisory committee meetings are subject to Chapter 551,  
23 Government Code.

24 Sec. 1101.159. USE OF TECHNOLOGY. The commission shall  
25 implement a policy requiring the commission to use appropriate  
26 technological solutions to improve the commission's ability to  
27 perform its functions. The policy must ensure that the public is



1 able to interact with the commission on the Internet.

2 Sec. 1101.160. NEGOTIATED RULEMAKING AND ALTERNATIVE  
3 DISPUTE RESOLUTION PROCEDURES. (a) The commission shall develop  
4 and implement a policy to encourage the use of:

5 (1) negotiated rulemaking procedures under Chapter  
6 2008, Government Code, for the adoption of commission rules; and

7 (2) appropriate alternative dispute resolution  
8 procedures under Chapter 2009, Government Code, to assist in the  
9 resolution of internal and external disputes under the commission's  
10 jurisdiction.

11 (b) The commission's procedures relating to alternative  
12 dispute resolution must conform, to the extent possible, to any  
13 model guidelines issued by the State Office of Administrative  
14 Hearings for the use of alternative dispute resolution by state  
15 agencies.

16 (c) The commission shall designate a trained person to:

17 (1) coordinate the implementation of the policy  
18 adopted under Subsection (a);

19 (2) serve as a resource for any training needed to  
20 implement the procedures for negotiated rulemaking or alternative  
21 dispute resolution; and

22 (3) collect data concerning the effectiveness of those  
23 procedures, as implemented by the commission.

24 SECTION 11. Subsection (a), Section 1101.201, Occupations  
25 Code, is amended to read as follows:

26 (a) The commission shall prepare information of public  
27 interest describing the functions of the commission [~~and the~~

1 ~~procedures by which complaints are filed with and resolved by the~~  
2 ~~commission].~~

3 SECTION 12. Section 1101.203, Occupations Code, is amended  
4 to read as follows:

5 Sec. 1101.203. COMPLAINT INFORMATION. (a) The commission  
6 shall maintain a system to promptly and efficiently act on  
7 complaints filed with the commission. The commission shall  
8 maintain a file on each complaint. The file must include:

9 (1) information relating to the parties to the  
10 complaint;

11 (2) the subject matter of the complaint;

12 (3) a summary of the results of the review or  
13 investigation of the complaint; and

14 (4) the disposition of the complaint [~~an information~~  
15 ~~file about each complaint filed with the commission that the~~  
16 ~~commission has authority to resolve].~~

17 (b) The commission shall make information available  
18 describing its procedures for complaint investigation and  
19 resolution.

20 (c) The [~~If a written complaint is filed with the commission~~  
21 ~~that the commission has authority to resolve, the] commission[~~, at~~  
22 ~~least quarterly and until final disposition of the complaint,~~  
23 shall periodically notify the parties to the complaint of the  
24 status of the complaint until final disposition, unless the notice  
25 would jeopardize an undercover investigation authorized under  
26 Section 1101.204.~~

27 SECTION 13. Section 1101.204, Occupations Code, is amended

1 by amending Subsection (a) and adding Subsection (h) to read as  
2 follows:

3 (a) The commission or commission staff may file a complaint  
4 and conduct an investigation as necessary to enforce this chapter,  
5 Chapter 1102, or a rule adopted under those chapters~~[, on its own~~  
6 ~~motion, investigate the actions and records of a license holder]~~.

7 (h) The commission shall ensure that the commission gives  
8 priority to the investigation of a complaint filed by a consumer and  
9 an enforcement case resulting from the consumer complaint. The  
10 commission shall assign priorities and investigate complaints  
11 using a risk-based approach based on the:

- 12 (1) degree of potential harm to a consumer;
- 13 (2) potential for immediate harm to a consumer;
- 14 (3) overall severity of the allegations in the  
15 complaint;
- 16 (4) number of license holders potentially involved in  
17 the complaint;
- 18 (5) previous complaint history of the license holder;  
19 and
- 20 (6) number of potential violations in the complaint.

21 SECTION 14. Section 1101.301, Occupations Code, is amended  
22 by adding Subsection (c) to read as follows:

23 (c) In establishing accreditation standards for an  
24 educational program under Subsection (a), the commission shall  
25 adopt rules that require a program to establish that at least 55  
26 percent of the program's graduates have passed a licensing exam the  
27 first time the exam has been taken by the graduates before the

1 commission may renew the program's accreditation.

2 SECTION 15. Section 1101.303, Occupations Code, is amended  
3 to read as follows:

4 Sec. 1101.303. APPROVAL OF CONTINUING EDUCATION PROVIDER OR  
5 COURSE OF STUDY. (a) If the commission determines that an  
6 applicant for approval as a continuing education provider satisfies  
7 the requirements of this subchapter or Section 1102.205 and any  
8 rule adopted under this subchapter or Section 1102.205, the  
9 commission may authorize the applicant to offer continuing  
10 education for a two-year period.

11 (b) If the commission determines that an applicant for  
12 approval of a continuing education course of study satisfies the  
13 requirements of this subchapter or Section 1102.205 and any rule  
14 adopted under this subchapter or Section 1102.205, the commission  
15 may authorize the applicant to offer the course of study for a  
16 two-year period.

17 SECTION 16. Subchapter G, Chapter 1101, Occupations Code,  
18 is amended by adding Sections 1101.304 and 1101.305 to read as  
19 follows:

20 Sec. 1101.304. EXAMINATION PASSAGE RATE DATA. (a) The  
21 commission shall adopt rules regarding the collection and  
22 publication of data relating to examination passage rates for  
23 graduates of accredited educational programs.

24 (b) Rules adopted under this section must provide for a  
25 method to:

26 (1) calculate the examination passage rate;

27 (2) collect the relevant data from the examination

1 administrator or the accredited program; and

2 (3) post the examination passage rate data on the  
3 commission's Internet website, in a manner aggregated by  
4 educational program and by license group.

5 (c) In determining the educational program a graduate is  
6 affiliated with for purposes of this section, the educational  
7 program is the program the graduate last attended.

8 Sec. 1101.305. REVIEW COMMITTEE. (a) The commission may  
9 appoint a committee to review the performance of an educational  
10 program performing below the standards set by the commission under  
11 Section 1101.301. The committee shall consist of:

12 (1) at least one commission member;

13 (2) at least one member of the commission staff;

14 (3) individuals licensed under this chapter or Chapter  
15 1102; and

16 (4) a representative from the Texas Real Estate  
17 Research Center.

18 (b) A committee formed under this section shall review and  
19 evaluate any factor causing an educational program's poor  
20 performance and report findings and recommendations to improve  
21 performance to the program and to the commission.

22 (c) A committee formed under this section may not revoke the  
23 accreditation of an educational program. The commission may  
24 temporarily suspend a program in the same manner as a license under  
25 Subchapter N.

26 SECTION 17. Subsection (b), Section 1101.364, Occupations  
27 Code, is amended to read as follows:

1           (b) A person whose license application is denied under this  
2 section is entitled to a hearing under Section 1101.657 [~~Before the~~  
3 ~~applicant may appeal under Section 1101.658, the applicant must~~  
4 ~~file, not later than the 10th day after the date the applicant~~  
5 ~~receives the notice, an appeal requesting a time and place for a~~  
6 ~~hearing before the commission. If the applicant fails to request a~~  
7 ~~hearing as provided by this subsection, the commission's decision~~  
8 ~~becomes final and is not subject to judicial review~~].

9           SECTION 18. The heading to Section 1101.451, Occupations  
10 Code, is amended to read as follows:

11           Sec. 1101.451. LICENSE EXPIRATION AND RENEWAL.

12           SECTION 19. Section 1101.451, Occupations Code, is amended  
13 by amending Subsection (d) and adding Subsections (e) and (f) to  
14 read as follows:

15           (d) Except as provided by Subsection (e), a [A] renewal fee  
16 for a license under this chapter may not exceed, calculated on an  
17 annual basis, the amount of the sum of the fees established under  
18 Sections 1101.152, 1101.154, and 1101.603.

19           (e) A person whose license has been expired for 90 days or  
20 less may renew the license by paying to the commission a fee equal  
21 to 1-1/2 times the required renewal fee. If a license has been  
22 expired for more than 90 days but less than one year, the person may  
23 renew the license by paying to the commission a fee equal to two  
24 times the required renewal fee.

25           (f) If a person's license has been expired for one year or  
26 longer, the person may not renew the license. The person may obtain  
27 a new license by submitting to reexamination and complying with the

1 requirements and procedures for obtaining an original license.

2 SECTION 20. Section 1101.455, Occupations Code, is amended  
3 by adding Subsection (k) to read as follows:

4 (k) An online course offered under this section may not be  
5 completed in less than 24 hours.

6 SECTION 21. Subsection (b), Section 1101.457, Occupations  
7 Code, is amended to read as follows:

8 (b) The commission may require an applicant under this  
9 section to:

10 (1) pay a [an additional] fee, not to exceed \$200, in  
11 addition to any fee for late renewal of a license under this  
12 chapter; and

13 (2) complete the required continuing education not  
14 later than the 60th day after the date the license is issued,  
15 renewed, or returned to active status.

16 SECTION 22. Subsection (a), Section 1101.657, Occupations  
17 Code, is amended to read as follows:

18 (a) If the commission proposes to deny, suspend, or revoke a  
19 person's license or certificate of registration, the person is  
20 entitled to a hearing conducted by the State Office of  
21 Administrative Hearings [before the commission or a hearings  
22 officer appointed by the commission].

23 SECTION 23. Subsection (a), Section 1101.658, Occupations  
24 Code, is amended to read as follows:

25 (a) A person aggrieved by a ruling, order, or decision under  
26 this subchapter [of the commission] is entitled to appeal to a  
27 district court in the county in which the administrative hearing

1 was held.

2 SECTION 24. Subchapter N, Chapter 1101, Occupations Code,  
3 is amended by adding Sections 1101.659 through 1101.662 to read as  
4 follows:

5 Sec. 1101.659. REFUND. (a) Subject to Subsection (b), the  
6 commission may order a person regulated by the commission to pay a  
7 refund to a consumer as provided in an agreement resulting from an  
8 informal settlement conference or an enforcement order instead of  
9 or in addition to imposing an administrative penalty or other  
10 sanctions.

11 (b) The amount of a refund ordered as provided in an  
12 agreement resulting from an informal settlement conference or an  
13 enforcement order may not exceed the amount the consumer paid to the  
14 person for a service or accommodation regulated by this commission.  
15 The commission may not require payment of other damages or estimate  
16 harm in a refund order.

17 Sec. 1101.660. INFORMAL PROCEEDINGS. (a) The commission  
18 by rule shall adopt procedures governing informal disposition of a  
19 contested case.

20 (b) Rules adopted under this section must:

21 (1) provide the complainant and the license holder,  
22 certificate holder, or regulated entity an opportunity to be heard;  
23 and

24 (2) require the presence of:

25 (A) a public member of the commission for a case  
26 involving a consumer complaint; and

27 (B) at least two staff members of the commission



1 with experience in the regulatory area that is the subject of the  
2 proceeding.

3 Sec. 1101.661. FINAL ORDER. The commission may issue a  
4 final order in a proceeding under this subchapter or Subchapter O  
5 regarding a person whose license has expired during the course of an  
6 investigation or administrative proceeding.

7 Sec. 1101.662. TEMPORARY SUSPENSION. (a) The presiding  
8 officer of the commission shall appoint a disciplinary panel  
9 consisting of three commission members to determine whether a  
10 person's license to practice under this chapter should be  
11 temporarily suspended.

12 (b) If the disciplinary panel determines from the  
13 information presented to the panel that a person licensed to  
14 practice under this chapter would, by the person's continued  
15 practice, constitute a continuing threat to the public welfare, the  
16 panel shall temporarily suspend the license of that person.

17 (c) A license may be suspended under this section without  
18 notice or hearing on the complaint if:

19 (1) institution of proceedings for a hearing before  
20 the commission is initiated simultaneously with the temporary  
21 suspension; and

22 (2) a hearing is held under Chapter 2001, Government  
23 Code, and this chapter as soon as possible.

24 (d) Notwithstanding Chapter 551, Government Code, the  
25 disciplinary panel may hold a meeting by telephone conference call  
26 if immediate action is required and convening the panel at one  
27 location is inconvenient for any member of the panel.

1 SECTION 25. Section 1101.701, Occupations Code, is amended  
2 to read as follows:

3 Sec. 1101.701. IMPOSITION OF ADMINISTRATIVE PENALTY.

4 (a) The commission may impose an administrative penalty on a  
5 person who violates this chapter or a rule adopted or order issued  
6 by the commission under this chapter.

7 (b) The commission shall periodically review the  
8 commission's enforcement procedures and ensure that administrative  
9 penalty and disciplinary proceedings are combined into a single  
10 enforcement procedure.

11 (c) The commission may combine a proceeding to impose an  
12 administrative penalty with another disciplinary proceeding,  
13 including a proceeding to suspend or revoke a license.

14 SECTION 26. Section 1101.702, Occupations Code, is amended  
15 by amending Subsection (a) and adding Subsection (c) to read as  
16 follows:

17 (a) The amount of an administrative penalty may not exceed  
18 \$5,000 [~~\$1,000~~] for each violation. Each day a violation continues  
19 or occurs may be considered a separate violation for purposes of  
20 imposing a penalty [~~if the commission determines that the person~~  
21 ~~charged:~~

22 [~~(1) engaged in an activity for which a broker or~~  
23 ~~salesperson license is required without holding a license, and~~

24 [~~(2) was not licensed by the commission as a broker or~~  
25 ~~salesperson at any time in the four years preceding the date of the~~  
26 ~~violation]~~.

27 (c) The commission by rule shall adopt a schedule of

1 administrative penalties based on the criteria listed in Subsection  
2 (b) for violations subject to an administrative penalty under this  
3 section to ensure that the amount of a penalty imposed is  
4 appropriate to the violation. The rules adopted under this  
5 subsection must provide authority for the commission to suspend or  
6 revoke a license in addition to or instead of imposing an  
7 administrative penalty.

8 SECTION 27. The heading to Section 1101.703, Occupations  
9 Code, is amended to read as follows:

10 Sec. 1101.703. [~~REPORT AND~~] NOTICE OF VIOLATION AND  
11 PENALTY.

12 SECTION 28. Subsection (a), Section 1101.703, Occupations  
13 Code, is amended to read as follows:

14 (a) If, after investigation of a possible violation and the  
15 facts relating to that violation, the administrator determines that  
16 a violation has occurred, the administrator may issue a notice of  
17 violation [~~report~~] stating:

18 (1) a brief summary of the alleged violation [~~the~~  
19 ~~facts on which the determination is based~~]; [~~and~~]

20 (2) the administrator's recommendation on the  
21 imposition of the administrative penalty or another disciplinary  
22 sanction, including a recommendation on the amount of the penalty;  
23 and

24 (3) that the respondent has the right to a hearing to  
25 contest the alleged violation, the recommended penalty, or both.

26 SECTION 29. Section 1101.704, Occupations Code, is amended  
27 to read as follows:

1           Sec. 1101.704. PENALTY TO BE PAID OR HEARING REQUESTED.

2           (a) Not later than the 20th day after the date the person receives  
3 the notice under Section 1101.703, the person may:

4                   (1) accept the administrator's determination,  
5 including the recommended administrative penalty; or

6                   (2) request in writing a hearing on the occurrence of  
7 the violation, the amount of the penalty, or both [~~determination~~].

8           (b) If the person accepts the administrator's  
9 determination, or fails to respond in a timely manner to the notice,  
10 the commission by order shall approve the determination and order  
11 payment of the recommended penalty or impose the recommended  
12 sanction.

13           SECTION 30. The heading to Section 1101.705, Occupations  
14 Code, is amended to read as follows:

15           Sec. 1101.705. HEARING; DECISION [~~BY COMMISSION~~].

16           SECTION 31. Subsections (a), (b), (c), and (e), Section  
17 1101.705, Occupations Code, are amended to read as follows:

18           (a) If the person requests a hearing [~~or fails to timely~~  
19 ~~respond to the notice~~], the administrator shall set a hearing and  
20 give notice of the hearing to the person.

21           (b) An administrative law judge of the State Office of  
22 Administrative Hearings [~~A hearings examiner designated by the~~  
23 ~~administrator~~] shall conduct the hearing. The administrative law  
24 judge [~~hearings examiner~~] shall:

25                   (1) make findings of fact and conclusions of law; and

26                   (2) promptly issue to the commission a proposal for  
27 decision regarding the occurrence of the violation and the amount

1 of any proposed administrative penalty.

2 (c) Based on the findings of fact, conclusions of law, and  
3 proposal for decision of the administrative law judge [~~hearings~~  
4 ~~examiner~~], the commission by order may determine that:

5 (1) a violation occurred and impose an administrative  
6 penalty; or

7 (2) a violation did not occur.

8 (e) The notice of the commission's order given to the person  
9 under Chapter 2001, Government Code, must include a statement of  
10 the person's right to judicial review of the order [~~The commission~~  
11 ~~may authorize the hearings examiner to conduct the hearing and~~  
12 ~~enter a final decision~~].

13 SECTION 32. Section 1101.707, Occupations Code, is amended  
14 to read as follows:

15 Sec. 1101.707. OPTIONS FOLLOWING DECISION: PAY OR APPEAL.

16 (a) Not later than the 30th day after the date the commission's  
17 order becomes final, the person shall:

18 (1) pay the administrative penalty; or

19 (2) file a petition for judicial review [~~with a~~  
20 ~~district court in Travis County~~] contesting the occurrence [~~fact~~]  
21 of the violation, the amount of the penalty, or both.

22 (b) Within the 30-day period prescribed by Subsection (a), a  
23 person who files a petition for judicial review [~~acts under~~  
24 ~~Subsection (a)(2)~~] may:

25 (1) stay enforcement of the penalty by:

26 (A) [~~(1)~~] paying the penalty to the court  
27 [~~administrator~~] for placement in an escrow account; or

1           (B) [(2)] giving the court [~~administrator~~] a  
2 supersedeas bond in a form approved by the court [~~administrator~~]  
3 that:

4                   (i) [(A)] is for the amount of the penalty;  
5 and

6                   (ii) [(B)] is effective until judicial  
7 review of the order is final; or

8           (2) request the court to stay enforcement by:

9                   (A) [(3)] filing with the court [~~administrator~~]  
10 an affidavit of the person stating that the person is financially  
11 unable to pay the penalty and is financially unable to give the  
12 supersedeas bond; and

13                   (B) giving a copy of the affidavit to the  
14 administrator by certified mail.

15           (c) If the administrator receives a copy of an affidavit  
16 under Subsection (b)(2), the administrator may file with the court,  
17 within five days after the date the copy is received, a contest to  
18 the affidavit [A person who fails to take action as provided by this  
19 section waives the right to judicial review of the commission's  
20 order].

21           (d) The court shall hold a hearing on the facts alleged in  
22 the affidavit as soon as practicable and shall stay the enforcement  
23 of the penalty on finding that the alleged facts are true. The  
24 person who files an affidavit has the burden of proving that the  
25 person is financially unable to pay the penalty and to give a  
26 supersedeas bond.

27           SECTION 33. Subchapter O, Chapter 1101, Occupations Code,

1 is amended by adding Section 1101.7085 to read as follows:

2 Sec. 1101.7085. DETERMINATION BY COURT. (a) If the court  
3 sustains the determination that a violation occurred, the court may  
4 uphold or reduce the amount of the administrative penalty and order  
5 the person to pay the full or reduced amount of the penalty.

6 (b) If the court does not sustain the finding that a  
7 violation occurred, the court shall order that a penalty is not  
8 owed.

9 SECTION 34. Section 1101.709, Occupations Code, is amended  
10 to read as follows:

11 Sec. 1101.709. REMITTANCE OF PENALTY AND INTEREST. (a) If  
12 after judicial review the administrative penalty is reduced or is  
13 not upheld by the court, the court [~~administrator~~] shall[+]

14 [~~(1)~~] remit the appropriate amount, plus accrued  
15 interest, to the person if the person paid the penalty[~~, or~~

16 [~~(2) execute a release of the bond if the person gave a~~  
17 ~~supersedeas bond].~~

18 (b) The interest [~~Interest~~] accrues [~~under Subsection~~  
19 ~~(a)(1)~~] at the rate charged on loans to depository institutions by  
20 the New York Federal Reserve Bank.

21 (c) The interest shall be paid for the period beginning on  
22 the date the penalty is paid and ending on the date the penalty is  
23 remitted.

24 (d) If the person gave a supersedeas bond and the penalty is  
25 not upheld by the court, the court shall order, when the court's  
26 judgment becomes final, the release of the bond.

27 (e) If the person gave a supersedeas bond and the amount of

1 the penalty is reduced, the court shall order the release of the  
2 bond after the person pays the reduced amount.

3 SECTION 35. Subchapter O, Chapter 1101, Occupations Code,  
4 is amended by adding Section 1101.710 to read as follows:

5 Sec. 1101.710. ADMINISTRATIVE PROCEDURE. A proceeding  
6 under this subchapter is subject to Chapter 2001, Government Code.

7 SECTION 36. Subchapter P, Chapter 1101, Occupations Code,  
8 is amended by adding Section 1101.759 to read as follows:

9 Sec. 1101.759. CEASE AND DESIST ORDER. (a) If it appears  
10 to the commission that a person is violating this chapter or Chapter  
11 1102 or a rule adopted under this chapter or Chapter 1102, the  
12 commission, after notice and opportunity for a hearing, may issue a  
13 cease and desist order prohibiting the person from engaging in the  
14 activity.

15 (b) A violation of an order under this section constitutes  
16 grounds for imposing an administrative penalty under Subchapter O.

17 SECTION 37. Subsection (a), Section 1102.051, Occupations  
18 Code, is amended to read as follows:

19 (a) The Texas Real Estate Inspector Committee is an advisory  
20 committee [~~consists of nine members~~] appointed by the commission.

21 SECTION 38. Section 1102.114, Occupations Code, is amended  
22 to read as follows:

23 Sec. 1102.114. ISSUANCE OF LICENSE. The commission shall  
24 issue the appropriate license to an applicant who:

- 25 (1) meets the required qualifications; [~~and~~]  
26 (2) pays the fee required by Section 1102.352(a); and  
27 (3) offers proof that the applicant carries liability



1 insurance with a minimum limit of \$100,000 per occurrence to  
2 protect the public against a violation of Subchapter G.

3 SECTION 39. Subsection (a), Section 1102.203, Occupations  
4 Code, is amended to read as follows:

5 (a) A person may renew an unexpired license by paying the  
6 required renewal fee to the commission before the expiration date  
7 of the license and providing proof of liability insurance as  
8 required by Section 1102.114(3).

9 SECTION 40. Section 1102.205, Occupations Code, is amended  
10 to read as follows:

11 Sec. 1102.205. CONTINUING EDUCATION REQUIREMENTS.

12 (a) The commission shall approve, recognize, prepare, or  
13 administer a continuing education program for inspectors.

14 (b) As a prerequisite for renewal of a real estate inspector  
15 license, professional inspector license, or apprentice inspector  
16 license, the inspector must participate in the continuing education  
17 program and submit evidence satisfactory to the commission of  
18 successful completion of at least 16 classroom hours of core real  
19 estate inspection courses or continuing education courses for each  
20 year of the license period preceding the renewal.

21 SECTION 41. Section 1102.251, Occupations Code, is amended  
22 to read as follows:

23 Sec. 1102.251. [~~AMOUNT OF~~] FEES. The commission shall  
24 charge and collect reasonable and necessary fees to cover the cost  
25 of administering this chapter for [~~as follows~~]:

26 (1) [~~for~~] filing an original application for an  
27 apprentice inspector license [~~, not more than \$75~~];



1       (b) If the disciplinary panel determines from the  
2 information presented to the panel that a person licensed to  
3 practice under this chapter would, by the person's continued  
4 practice, constitute a continuing threat to the public welfare, the  
5 panel shall temporarily suspend the license of that person.

6       (c) A license may be suspended under this section without  
7 notice or hearing on the complaint if:

8             (1) institution of proceedings for a hearing before  
9 the commission is initiated simultaneously with the temporary  
10 suspension; and

11            (2) a hearing is held under Chapter 2001, Government  
12 Code, and this chapter as soon as possible.

13       (d) Notwithstanding Chapter 551, Government Code, the  
14 disciplinary panel may hold a meeting by telephone conference call  
15 if immediate action is required and convening the panel at one  
16 location is inconvenient for any member of the panel.

17       SECTION 44. Subsection (a), Section 1103.101, Occupations  
18 Code, is amended to read as follows:

19       (a) The administrator of the Texas Real Estate Commission  
20 shall serve as [~~board shall employ a~~] commissioner.

21       SECTION 45. Subsection (a), Section 1103.103, Occupations  
22 Code, is amended to read as follows:

23       (a) The administrator of the Texas Real Estate Commission  
24 [~~board~~] shall determine the salaries of the [~~commissioner,~~]  
25 officers[~~7~~] and employees of the board.

26       SECTION 46. Section 1103.104, Occupations Code, is amended  
27 to read as follows:

1           Sec. 1103.104. DUTIES OF COMMISSIONER. The commissioner  
2 shall:

3           (1) disseminate information;

4           (2) administer rules adopted by the board under this  
5 chapter;

6           (3) review each application for a certificate or  
7 license and make a recommendation for final action to the board;

8           (4) review and make recommendations to the board  
9 regarding the adoption of rules relating to:

10                   (A) the examination required by Subchapter F;

11                   (B) education and experience requirements for  
12 issuance of certificates and licenses;

13                   (C) continuing education for a certified or  
14 licensed appraiser;

15                   (D) standards of professional practice and  
16 ethics for a certified or licensed appraiser;

17                   (E) standards for a real estate appraisal  
18 performed by a certified or licensed appraiser; and

19                   (F) the fees established by the board under  
20 Section 1103.156;

21           (5) collect fees established by the board; ~~and~~

22           (6) manage the staff and employees of the board; and

23           (7) perform any other duty prescribed by the board  
24 under this chapter.

25           SECTION 47. Section 1103.504, Occupations Code, is amended  
26 to read as follows:

27           Sec. 1103.504. ATTORNEY GENERAL REPRESENTATION. The

1 attorney general [~~shall provide legal representation for the public~~  
2 ~~interest in all proceedings before the board and~~] may not represent  
3 the board in a contested case before the State Office of  
4 Administrative Hearings [~~board~~].

5 SECTION 48. Subsections (a) and (d), Section 1103.508,  
6 Occupations Code, are amended to read as follows:

7 (a) A contested case hearing shall [~~may~~] be conducted before  
8 an administrative law judge of the State Office of Administrative  
9 Hearings [~~a majority of the board members~~].

10 (d) The administrative law judge [~~designated presiding~~  
11 ~~officer~~] shall control the proceedings and may:

- 12 (1) administer oaths;
- 13 (2) admit or exclude testimony or other evidence; and
- 14 (3) rule on all motions and objections.

15 SECTION 49. Subsection (a), Section 1103.510, Occupations  
16 Code, is amended to read as follows:

17 (a) If an appraiser or appraiser trainee receives proper  
18 notice of a contested case hearing but does not appear in person at  
19 the hearing, the administrative law judge [~~board and presiding~~  
20 ~~officer~~] may conduct the hearing or enter an order, as the judge  
21 [~~board~~] determines appropriate.

22 SECTION 50. Subsection (c), Section 1103.512, Occupations  
23 Code, is amended to read as follows:

24 (c) Before testimony may be presented, the record must:

- 25 (1) show the identities of:
  - 26 (A) any [~~the~~] board members present;
  - 27 (B) the administrative law judge [~~presiding~~

1 ~~officer~~]; and

2 (C) the parties and their representatives; and

3 (2) state that all testimony is being recorded.

4 SECTION 51. Section 1103.513, Occupations Code, is amended  
5 to read as follows:

6 Sec. 1103.513. ORDER OF PROCEEDINGS. A contested case  
7 hearing shall be conducted in the following order, subject to  
8 modification at the discretion of the administrative law judge  
9 ~~[board]~~:

10 (1) the administrative law judge ~~[presiding officer]~~  
11 shall read a summary of the charges and answers to the charges and  
12 other responsive pleadings filed by the appraiser or appraiser  
13 trainee before the hearing;

14 (2) the attorney representing the board shall make a  
15 brief opening statement, including a summary of the charges and a  
16 list of the witnesses and documents to support the charges;

17 (3) the appraiser or appraiser trainee may make an  
18 opening statement, including the names of any witnesses the  
19 appraiser or appraiser trainee may call;

20 (4) the attorney representing the board shall present  
21 evidence, concluding with a summary of the evidence for the state;

22 (5) the appraiser or appraiser trainee shall present  
23 evidence;

24 (6) the attorney representing the board may present  
25 rebuttal evidence;

26 (7) the appraiser or appraiser trainee may present  
27 rebuttal evidence; and

1           (8) the closing arguments shall be made in the  
2 following order:

- 3           (A) the attorney representing the board;  
4           (B) the appraiser or appraiser trainee; and  
5           (C) the attorney representing the board on  
6 rebuttal.

7           SECTION 52. Section 1103.516, Occupations Code, is amended  
8 to read as follows:

9           Sec. 1103.516. DIRECT EXAMINATION. In a contested case  
10 hearing, the administrative law judge [~~presiding officer~~] may  
11 conduct a direct examination of a witness at any stage of the  
12 witness's testimony.

13           SECTION 53. Section 1103.518, Occupations Code, is amended  
14 to read as follows:

15           Sec. 1103.518. [~~BOARD~~] ACTION AFTER HEARING. On conclusion  
16 of a contested case hearing and on submission of all written  
17 responses allowed under Section 1103.515, the administrative law  
18 judge shall [~~board~~]:

19           (1) [~~shall~~] make findings of fact and conclusions of  
20 law; and

21           (2) issue to the board a proposal for decision that the  
22 board [~~may~~] take one or more of the following actions:

23           (A) dismiss the charges, including issuing an  
24 order declaring that the case file is confidential;

25           (B) suspend or revoke the appraiser's  
26 certificate or license or the appraiser trainee's approval;

27           (C) impose a period of probation with or without

1 conditions;

2 (D) require the appraiser to submit to  
3 reexamination for a certificate or license;

4 (E) require the appraiser or appraiser trainee to  
5 participate in additional professional education or continuing  
6 education;

7 (F) issue a public or private reprimand or a  
8 warning;

9 (G) issue a consent order; or

10 (H) impose an administrative penalty as  
11 prescribed by Section 1103.552.

12 SECTION 54. Subsection (c), Section 1103.520, Occupations  
13 Code, is amended to read as follows:

14 (c) On rehearing, the administrative law judge [~~board~~]  
15 shall consider facts not presented in the original hearing if:

16 (1) the facts arose after the original hearing was  
17 concluded;

18 (2) the party offering the evidence could not  
19 reasonably have provided the evidence at the original hearing; or

20 (3) the party offering the evidence was misled by a  
21 party regarding the necessity for offering the evidence at the  
22 original hearing.

23 SECTION 55. Subsection (a), Section 1103.521, Occupations  
24 Code, is amended to read as follows:

25 (a) The administrative law judge [~~board~~] shall file the  
26 judge's [~~its~~] final decision in a contested case hearing with the  
27 commissioner.



1 SECTION 56. Subsections (a) and (b), Section 1303.052,  
2 Occupations Code, are amended to read as follows:

3 (a) A residential service company must pay to the commission  
4 a fee for filing an application for a license or an amendment to the  
5 application[~~, not to exceed \$3,500~~].

6 (b) A residential service company shall pay to the  
7 commission a fee for:

8 (1) filing an annual report under Section 1303.202[~~7~~  
9 ~~not to exceed \$3,500~~]; and

10 (2) any other filing required by this chapter[~~, not to~~  
11 ~~exceed \$500~~].

12 SECTION 57. Subchapter H, Chapter 1303, Occupations Code,  
13 is amended by adding Sections 1303.355 and 1303.356 to read as  
14 follows:

15 Sec. 1303.355. ADMINISTRATIVE PENALTY. (a) The  
16 commission may impose an administrative penalty as provided by  
17 Subchapter O, Chapter 1101, on a person who violates this chapter or  
18 a rule adopted or order issued by the commission under this chapter.

19 (b) The amount of an administrative penalty may not exceed  
20 \$5,000 for each violation. Each day a violation continues or occurs  
21 may be considered a separate violation for purposes of imposing a  
22 penalty.

23 (c) In determining the amount of the penalty, the  
24 administrator shall consider:

25 (1) the seriousness of the violation, including the  
26 nature, circumstances, extent, and gravity of the violation;

27 (2) the economic harm caused by the violation;

- 1           (3) the history of previous violations;
- 2           (4) the amount necessary to deter a future violation;
- 3           (5) efforts to correct the violation; and
- 4           (6) any other matter that justice may require.

5           (d) The commission by rule shall adopt a schedule of  
6 administrative penalties based on the criteria listed in Subsection  
7 (c) for violations subject to an administrative penalty under this  
8 section to ensure that the amount of a penalty imposed is  
9 appropriate to the violation.

10          Sec. 1303.356. TEMPORARY SUSPENSION. (a) The presiding  
11 officer of the commission shall appoint a disciplinary panel  
12 consisting of three commission members to determine whether a  
13 person's license to practice under this chapter should be  
14 temporarily suspended.

15          (b) If the disciplinary panel determines from the  
16 information presented to the panel that a person licensed to  
17 practice under this chapter would, by the person's continued  
18 practice, constitute a continuing threat to the public welfare, the  
19 panel shall temporarily suspend the license of that person.

20          (c) A license may be suspended under this section without  
21 notice or hearing on the complaint if:

22               (1) institution of proceedings for a hearing before  
23 the commission is initiated simultaneously with the temporary  
24 suspension; and

25               (2) a hearing is held under Chapter 2001, Government  
26 Code, and this chapter as soon as possible.

27          (d) Notwithstanding Chapter 551, Government Code, the

1 disciplinary panel may hold a meeting by telephone conference call  
2 if immediate action is required and convening the panel at one  
3 location is inconvenient for any member of the panel.

4 SECTION 58. Subchapter C, Chapter 221, Property Code, is  
5 amended by adding Section 221.027 to read as follows:

6 Sec. 221.027. TEMPORARY SUSPENSION. (a) The presiding  
7 officer of the commission shall appoint a disciplinary panel  
8 consisting of three commission members to determine whether the  
9 registration for a timeshare plan under this chapter should be  
10 temporarily suspended.

11 (b) If the disciplinary panel determines from the  
12 information presented to the panel that a timeshare plan registered  
13 under this chapter would, by the continued disposition of the  
14 timeshare property, constitute a continuing threat to the public  
15 welfare, the panel shall temporarily suspend the registration of  
16 the timeshare plan.

17 (c) A registration may be suspended under this section  
18 without notice or hearing on the complaint if:

19 (1) institution of proceedings for a hearing before  
20 the commission is initiated simultaneously with the temporary  
21 suspension; and

22 (2) a hearing is held under Chapter 2001, Government  
23 Code, and this chapter as soon as possible.

24 (d) Notwithstanding Chapter 551, Government Code, the  
25 disciplinary panel may hold a meeting by telephone conference call  
26 if immediate action is required and convening the panel at one  
27 location is inconvenient for any member of the panel.

1           SECTION 59. The following provisions of the Occupations  
2 Code are repealed:

- 3           (1) Subsection (g), Section 1101.204;
- 4           (2) Subsections (c), (d), and (e), Section 1101.364;
- 5           (3) Subsections (b), (c), and (d), Section 1101.657;
- 6           (4) Subsection (b), Section 1101.703;
- 7           (5) Subsections (b), (c), and (d), Section 1102.051;
- 8           (6) Section 1102.052;
- 9           (7) Section 1102.053;
- 10          (8) Section 1102.054;
- 11          (9) Section 1102.055;
- 12          (10) Section 1102.056;
- 13          (11) Section 1102.057;
- 14          (12) Subsection (a), Section 1102.058;
- 15          (13) Section 1102.059;
- 16          (14) Section 1102.061;
- 17          (15) Section 1102.062; and
- 18          (16) Subsection (c), Section 1103.508.

19           SECTION 60. (a) Not later than January 1, 2008, the Texas  
20 Real Estate Commission shall:

21           (1) adopt the policies required by Sections 1101.159  
22 and 1101.160, Occupations Code, as added by this Act; and

23           (2) adopt the rules required by Chapter 1101,  
24 Occupations Code, as amended by this Act.

25           (b) As soon as practicable after the effective date of this  
26 Act, the administrator of the Texas Real Estate Commission shall  
27 assume the administrative and management duties over the Texas

1 Appraiser Licensing and Certification Board, as required by  
2 Sections 1103.101 and 1103.104, Occupations Code, as amended by  
3 this Act.

4 SECTION 61. (a) The changes in law made by this Act to  
5 Section 1101.053, Occupations Code, regarding the prohibitions on  
6 or qualifications of members of the Texas Real Estate Commission do  
7 not affect the entitlement of a member serving on the commission  
8 immediately before September 1, 2007, to continue to serve and  
9 function as a member of the commission for the remainder of the  
10 member's term. The changes in law made by that section apply only  
11 to a member appointed on or after September 1, 2007.

12 (b) The changes in law made by this Act regarding the  
13 filing, investigation, or resolution of a complaint under Chapter  
14 1101, Occupations Code, as amended by this Act, apply only to a  
15 complaint filed with the Texas Real Estate Commission on or after  
16 the effective date of this Act. A complaint filed before the  
17 effective date of this Act is governed by the law as it existed  
18 immediately before that date, and the former law is continued in  
19 effect for that purpose.

20 (c) The change in law made by this Act regarding conduct  
21 that is grounds for imposition of a disciplinary sanction,  
22 including a refund, temporary license suspension, or cease and  
23 desist order, applies only to conduct that occurs on or after the  
24 effective date of this Act. Conduct that occurs before the  
25 effective date of this Act is governed by the law in effect on the  
26 date the conduct occurred, and the former law is continued in effect  
27 for that purpose.

1           (d) The changes in law made by this Act regarding the  
2 procedure for an administrative penalty apply only to a proceeding  
3 commenced on or after the effective date of this Act. A proceeding  
4 commenced before the effective date of this Act is governed by the  
5 law in effect on the date the proceeding commenced, and the former  
6 law is continued in effect for that purpose.

7           (e) The change in law made by this Act regarding the renewal  
8 of an expired license applies only to a license that expires on or  
9 after the effective date of this Act. A license that expires before  
10 the effective date of this Act is governed by the law in effect on  
11 the date the license expired, and the former law is continued in  
12 effect for that purpose.

13           (f) The change in law made by this Act regarding  
14 accreditation standards for educational programs under Chapter  
15 1101, Occupations Code, as amended by this Act, applies only to an  
16 accreditation granted or renewed on or after September 1, 2009. An  
17 educational program renewing an accreditation on or after the  
18 effective date of this Act but before September 1, 2009, should  
19 strive to meet the new accreditation standards under Chapter 1101,  
20 Occupations Code, as amended by this Act, but an accreditation  
21 granted or renewed before September 1, 2009, is governed by the law  
22 in effect on the date the accreditation expired, and the former law  
23 is continued in effect for that purpose.

24           (g) The change in law made by this Act to the authority of  
25 the Texas Real Estate Inspector Committee to develop and recommend  
26 rules under Chapter 1102, Occupations Code, as amended by this Act,  
27 applies only to a rule proposed for adoption on or after the

1 effective date of this Act. A rule proposed for adoption before the  
2 effective date of this Act is governed by the law in effect on the  
3 date the rule was proposed for adoption, and the former law is  
4 continued in effect for that purpose.

5 SECTION 62. This Act takes effect September 1, 2007.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 914 passed the Senate on April 12, 2007, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 21, 2007, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 914 passed the House, with amendments, on May 17, 2007, by the following vote: Yeas 145, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor