BILL ANALYSIS

Senate Research Center

S.B. 525 By: Lucio State Affairs 3-4-97 As Filed

DIGEST

Currently, the law requires permit inspector applicants to first work as an apprentice under the supervised sponsorship of a professional licensed inspector. Although intended to ensure the applicant becomes educated, this rule gives the already licensed inspector the ability to deny any competition by virtue of the power granted by the state. Any inspector can exclude competition by refusing to offer sponsorship. This bill would allow the substitution of educational course work and an exam whenever sponsorship for applicants is unavailable for whatever reason.

PURPOSE

As proposed, S.B. 525 sets forth license qualifications for certain inspectors regulated by the Texas Real Estate Commission and provides for the substitution of educational work and an exam if sponsorship is unavailable.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 23(a), Article 6573a, V.T.C.S., (The Real Estate License Act), to redefine "apprentice inspector," "direct supervision," and "real estate inspector." Deletes the definition of "indirect supervision." Makes conforming changes.

SECTION 2. Amends Sections 23(c)(2) and (3), Article 6573a, V.T.C.S., to delete a provision that a person may not act as an apprentice inspector unless under the direct supervision of a real estate inspector. Makes a conforming change.

SECTION 3. Amends Sections 23(d)(2) and (3), Article 6573a, V.T.C.S., to set forth eligibility requirements for a real estate inspector license. Sets forth the eligibility requirements for a professional inspector license. Deletes a requirement that a person must meet certain requirements and have been licensed as an apprentice inspector for at least three months and have performed at least 25 real estate inspections under direct supervision. Makes conforming changes.

SECTION 4. Amends Section 23(f), Article 6573a, V.T.C.S., by adding Subdivision (7) to provide that if a person's license is renewed, the Texas Real Estate Commission is authorized to consider and act on a complaint regarding an inspection performed by the person during the period between the expiration of the previous license and the issuance of the renewed license.

SECTION 5. Effective date: September 1, 1997. Makes application of this Act prospective.

SECTION 6. Emergency clause.