BILL ANALYSIS

Senate Research Center

H.B. 135
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Business & Commerce
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Enrolled

DIGEST AND PURPOSE

The Texas Department of Licensing and Regulation has collected more than $160,000 in fines and penalties from auctioneers for failing to adhere to auction law. H.B. 135 establishes new eligibility requirements for an auctioneer's license, including increasing the employment and participation requirements; requiring a high school diploma, or its equivalent; requiring a certain amount of continuing education; and requiring a lack of felony convictions in the five years prior to application. H.B. 135 also provides that a license is not necessary for an employee not acting as a bid caller.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Licensing and Regulation in SECTION 1 (Section 1802.052, Occupations Code,) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1802.052, Occupations Code, as follows:

> Sec. 1802.052. ELIGIBILITY FOR AUCTIONEER'S LICENSE. (a) Creates this subsection from existing text. Provides that an individual is eligible for an auctioneer's license if the individual shows proof of employment by a licensed auctioneer for at least two years, rather than one year, during which the applicant participated in at least 10, rather than five, auctions; holds a high school diploma or a high school equivalency certificate; has not been convicted of a felony during the five years preceding the date of application; and has completed at least 80 hours of classroom instruction at an auction school with a curriculum approved by the Texas Department of Licensing and Regulation (TDLR) in accordance with the standards and procedures established by rule adopted under this chapter.
>
> > (b) Authorizes TDLR, as provided by rule, to charge an auction school a reasonable fee for approving the curriculum as required under Subsection (a)(6).

SECTION 2. Amends Subchapter B, Chapter 1802, Occupations Code, by adding Section

1802.062, as follows:

> Sec. 1802.062. LICENSE NOT REQUIRED FOR CERTAIN EMPLOYEES. Provides that an employee of an auction company who does not act as a bid caller at any auction in this state is not required to hold a license under this chapter.

SECTION 3. Requires the executive director of TDLR, not later than January 1, 2004, to adopt the rules required by Section 1802.052, Occupations Code, as amended by this Act.

SECTION 4. (a) Makes application of Section 1802.052, Occupations Code, as amended by this Act prospective, except as provided by Subsection (b) of this section.

> (b) Makes application of Section 1802.052(a)(6), Occupations Code, as added by this Act prospective to January 1, 2004.

SECTION 5. Effective date: September 1, 2003.