

BILL ANALYSIS

Senate Research Center
87R16349 CXP-F

H.B. 2305
By: Thompson, Senfronia et al. (Creighton)
Business & Commerce
5/18/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1971, the Texas Legislature created the Texas Real Estate Research Center (center), with a broad directive that the center should conduct research on financial, socioeconomic, public policy, trade, legal, land use, and local market analysis related to real estate.

The center is the nation's largest publicly funded organization devoted to real estate research, and it receives no legislative appropriations—the center is funded through fees paid by more than 170,000 Texas real estate licensees. And given the wealth of information the center provides, Texas Real Estate Commission (TREC) licensees remain more than willing to continue supporting it.

H.B. 2305 seeks to modernize the terms and practices related to the structure and operations of the center. H.B. 2305 also clarifies the original and ongoing intent that the center will be funded by fees collected annually from real estate licensees, allowing it to continue its valuable work. No fees are increased by H.B. 2305.

Statutes governing the composition and operations of the center have largely not been updated since its inception in 1971. Further, in 2015, the Texas Legislature shifted the full center funding collection to be collected by TREC with real estate licenses (S.B. 699, Eltife). At the same time, the real estate license renewal period was changed from a one-year to a two-year cycle, but the changes failed to specify that the center's funding level was an annual rate. To address these issues, H.B. 2305:

- revises outdated terms and procedures to match modern language and operational standards;
- allows the center to hold virtual public meetings under specific circumstances;
- clarifies the timeline for advisory board appointees' assumption of office; and
- clarifies that the center receives funding from a fee paid by real estate licensees calculated on an annual basis at time of biannual license renewal.

H.B. 2305 amends current law relating to the Texas Real Estate Research Center, the Real Estate Research Advisory Committee, and the Texas Real Estate Commission and increases a fee.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Subchapter C, Chapter 86, Education Code, to read as follows:

SUBCHAPTER C. TEXAS REAL ESTATE RESEARCH CENTER

SECTION 2. Amends Section 86.51, Education Code, as follows:

Sec. 86.51. New heading: TEXAS REAL ESTATE RESEARCH CENTER. Provides that the Texas Real Estate Research Center (center) is established at Texas A&M University (TAMU). Makes nonsubstantive changes.

SECTION 3. Amends Section 86.52, Education Code, by amending Subsections (c), (d), (e), (f), (h), (i), (j), (k), and (l), and adding Subsection (m), as follows:

(c) Provides that members of the Real Estate Research Advisory Committee (advisory committee) hold office for staggered terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year. Requires that any vacancy be filled by appointment for the unexpired portion of the term. Requires each member to serve until their successor is qualified. Deletes existing text creating an exception for the initial appointees and relating to the composition of the initial committee. Makes nonsubstantive changes.

(d) Requires the presiding officer of the Texas Real Estate Commission (TREC), or a member of TREC designated by the presiding officer, to serve as an ex officio, nonvoting member of the advisory committee. Makes nonsubstantive changes.

(e) Requires the advisory committee to elect a presiding officer and an assistant presiding officer from the committee's membership, and requires each officer to serve for a term of one year.

(f) Requires the advisory committee to meet not less than semiannually, and in addition on call of the committee's presiding officer or on petition of any six of the committee's members, or on call of the president of TAMU or the president's designated representative. Deletes existing text requiring that the advisory committee's first meeting be called by the president of TAMU or his designated representative. Makes conforming and nonsubstantive changes.

(h) Requires the president of TAMU or the president's designated representative to submit to the advisory committee in advance of each fiscal year a proposed budget, rather than a budget, for expenditures of all funds provided for the center in a form that is related to the proposed schedule of activities for the review and approval of the advisory committee. Makes nonsubstantive changes.

(i) Makes nonsubstantive changes to this subsection.

(j) Provides that each member of the advisory committee, rather than each member of the board, is entitled to a per diem as provided in the center's budget, rather than as set by legislative appropriation, for each day that the member engages in the business of the advisory committee. Prohibits a member from receiving any compensation for travel expenses, including expenses for meals and lodging, other than transportation expenses. Provides that a member is entitled to compensation for transportation expenses as provided in the center's budget, rather than as prescribed by the General Appropriations Act. Makes conforming changes.

(k) Creates an exception as provided by Subsection (l) and makes a nonsubstantive change.

(l) Authorizes the advisory committee to conduct a meeting by conference call or virtually through a third-party Internet application as long as members of the general public are able to participate in the meeting, and any discussions during the meeting, if the meeting is not permitted to be conducted as a closed meeting under Chapter 551 (Open Meetings), Government Code.

(m) Creates this subsection from existing text and makes no further changes.

SECTION 4. Amends Section 1101.054, Occupations Code, to require each appointee to take the constitutional oath of office not later than the 15th calendar day, rather than the 15th day after the date of appointment.

SECTION 5. Amends Section 1101.154(a), Occupations Code, to provide that the fees for the issuance or renewal of certain licenses and certificates are for each year of the term for which the license is issued or renewed.

SECTION 6. Makes application of Section 1101.154(a), Occupations Code, as amended by this Act, prospective.

SECTION 7. Effective date: September 1, 2021.