



**ADOPTED RULE ACTION FROM
AUGUST 13, 2012 MEETING OF THE COMMISSION
Chapter 535. General Provisions.
Subchapter R. Real Estate Inspectors
§535.210. Fees.**

The Texas Real Estate Commission (TREC or the commission) adopts amendments to §535.210 regarding Fees with changes to the rule as published in the June 1, 2012, issue of the Texas Register (37 TexReg 3982). The difference between the rule as proposed and adopted is paragraph (a)(8) is changed to clarify the fee for taking the license examination that consists of one part only and is amended to change “section” to “part”; paragraph (a)(10) is deleted from the rule as proposed and the subsequent paragraphs are renumbered; the phrase “terminate or” is deleted in paragraph (a)(9); the term “professional inspector” is added to paragraph (a)(8) between “inactive” and “license”; and the reference to Chapter 1102 is changed to Chapter 1101 in paragraphs (a)(14) and (15). The amendments would add a fee of \$230 for taking the licensing examination which consists of a national and state part or retaking the national section of the examination; increase from \$20 to \$50 the fee to request an inactive professional inspector license be returned to active status; increase from \$20 to \$40 the fee for preparing a license history; increase from \$25 to \$50 the fee for the filing of a moral character determination; add a fee of \$50 plus \$10 per classroom hour for each core education course for a period of four years; add a fee of \$50 plus \$10 per classroom hour for each Inspector Continuing Education (ICE) course for a period of two years; increase from \$25 to \$50 the fee for the filing of an application for approval as an instructor for a two-year period for real estate core or ICE courses, or both; clarify the fee required by the Department of Information Resources as a subscription or convenience fee for use of an online payment system; and increase from \$25 to \$30 the fee for processing a returned check. The effective date for the amendments is January 1, 2013. The Inspector

Committee agrees with and recommends the increase in fees as well as the changes between the rule as proposed and as adopted.

The justification for the fee increases is to generate sufficient revenue to fund operations of the agency and to comply with requirements of Senate Bill 1000, 82nd Texas Legislature, Regular Session (2011).

Senate Bill 1000 makes the Texas Real Estate Commission self-directed and semi-independent. The bill removes the agency from the legislative budgeting process, and requires the commission to adopt and approve an annual budget. The bill requires that the commission collect sufficient fees to fund operations to carry out its function and to fund the budget. In relevant part, the bill also requires the agency to remit \$750,000 to the general revenue fund not later than August 31 of each fiscal year, to remit a non-refundable retainer to the State Auditor of \$10,000 per fiscal year, a nonrefundable retainer to the Attorney General of \$75,000 per fiscal year, and a non-refundable retainer to the State Office of Administrative Hearings of \$75,000 per fiscal year. TREC will be required to reimburse each agency for all costs incurred in excess of the retainers for providing services to the commission. In addition, the bill requires the agency to pay rent in a reasonable amount to be determined by the Texas Facilities Commission with aggregate rent payments to be not less than \$555,100 per fiscal year for state fiscal years ending August 31, 2012 and August 31, 2013; and not less than \$425,000 per fiscal year for each year ending August 31, 2014, August 31, 2015, and August 31, 2016.

The reasoned justification for the fee increases is to generate sufficient revenue to fund operations of the

agency and to comply with requirements of Senate Bill 1000, 82nd Texas Legislature, Regular Session (2011).

The revision to the rule as adopted does not change the nature or scope so much that they could be deemed a different rule. The rule as adopted does not affect individuals other than those contemplated by the rule as proposed. The rule as adopted does not impose more onerous requirements than the proposed rule.

As of July 20, 2012, 2 comments were received on the rule as proposed, including one from the Texas Professional Real Estate Inspector Association.

Comments: The commenters questioned whether professional trade associations would be required to apply and pay for accreditation by the commission under the rules as proposed. In addition, the commenters asked whether a trade association would be required to apply and pay for approval of courses offered by the association, or apply and pay for approval of instructors of such courses.

Response: Under the current rules and the fees as proposed, a trade association as defined in the rules would not be required to pay for accreditation as a core provider, would not be required to apply and pay for pre-approval of core courses offered by the association, and would not be required to apply and pay for approval of instructors of such courses.

The amendments are adopted under Texas Occupations Code, §1101.151, which authorizes the Texas Real Estate Commission to make and enforce all rules and regulations necessary for the performance of its duties and to establish standards of conduct and ethics for its licensees in keeping with the purpose and intent of the Act to ensure compliance with the provisions of the Act.

The statutes affected by this adoption are Texas Occupations Code, Chapter 1101 and Chapter 1102. No other statute, code or article is affected by the amendments.

§535.210. Fees. (a) The commission shall charge and collect the following fees:

(1) a fee of \$84 for filing an original application for a license as an apprentice inspector;

(2) a fee of \$89 for filing an original application for a license as a real estate inspector, which includes a fee for transcript evaluation;

(3) a fee of \$104 for filing an original application for a license as a professional inspector, which includes a fee for transcript evaluation;

(4) a fee of \$27 for the annual renewal of the license of an apprentice inspector;

(5) a fee of \$32 for the annual renewal of the license of a real estate inspector;

(6) a fee of \$32 for the annual renewal of the license of a professional inspector;

(7) a fee of \$230 for taking the a license examination consisting of a national part and a state part or retaking the national part of the license examination;

(8) A fee of \$61 for taking a license examination without a national part or retaking the state part of the license examination;

(9) a fee of \$20 for requesting a change of a licensee name, or to establish a relationship with a sponsoring professional inspector;

(10) a fee of \$50 to request an inactive professional inspector license be returned to active status;

(11) a fee of \$40 for preparing a license history;

(12) a fee of \$50 for the filing of a moral character determination;

(13) the fee required by the Department of Information Resources as a subscription or convenience fee for use of an online payment system;

(14) unless a core inspector program of study is accredited as part of a program under Texas Occupations Code §1101.301, a fee of \$400 for filing an application for accreditation of a core inspector education program for a period of four years under Chapter 1101;

(15) after approval under paragraph 14 of this section, a fee of \$200 a year for operation of a core education program under Chapter 1101;

(16) a fee of \$50 plus \$10 per classroom hour approved by the commission for each core inspector education course for a period of four years;

(17) a fee of \$400 for filing an application for accreditation as an Inspector Continuing Education (ICE) provider for a period of two years under the Act §1102.205 when such accreditation program is developed by the commission;

(18) a fee of \$50 plus \$10 per classroom hour approved by the commission for each ICE course for a period of two years;

(19) a fee of \$50 for the filing of an application for approval as an instructor for a two-year period for core or ICE courses, or both;

(20) a fee of \$30 for processing a check or other equivalent instrument returned by a bank or depository as dishonored for insufficient funds;

(21) a fee of \$100 for deposit in the real estate inspection recovery fund upon an applicant's successful completion of an examination; and

(22) fee of \$20 for filing any application, renewal, change request, or other record on paper that a person may otherwise file with the commission electronically by accessing the commission's website, entering the required information online, and paying the appropriate fee.

(b) Fees established by this section which are paid when an application is filed are not refundable once an application has been accepted for filing.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August 20, 2012.

TRD No. 201204413
Loretta R. DeHay
General Counsel