

**Texas Real Estate Commission
Chapter 535, General Provisions
Subchapter I. Licenses
Rules Adopted at the February 08, 2009 Meeting**

22 TAC §535.93 Late Renewal Applications

The Texas Real Estate Commission (TREC) adopts new §535.93 concerning Late Renewal Applications without changes to the proposed text as published in the January 1, 2010, issue of the *Texas Register* (35 TexReg 26), which will not be republished. Section 1101.451, Texas Occupations Code, permits a licensee whose license has been expired for not more than a year to renew the license by paying an increased fee depending on how long the license has been expired. New §535.93 permits a person with an expired salesperson or broker license to retroactively renew the previous license if the application to renew was filed less than one year from the expiration of the previous license. The new rule requires the commission to renew the license in an active status except as provided by the section. In order to retroactively renew a salesperson's license on active status, a salesperson applicant must provide certification of sponsorship for the period from the day after the license expired to the day the license issued, and for the period beginning on the day after the renewal license is issued, and otherwise comply with the section. If Mandatory Continuing Education (MCE) requirements are not met prior to the previous license expiration date, an applicant who wishes to renew the license on active status must pay an addition \$200 fee and complete the MCE not later than the 60th day after the expiration of the previous license. If the application to renew is filed more than 60 days but less than one year after the previous license expired and MCE requirements were not met before the license expired, the applicant must pay a \$200 MCE deferral fee, a \$250 late reporting fee, complete the MCE, and if a salesperson, provide certification of sponsorship for the period in which the license was expired to the day the license issued, and for the period beginning on the day after the renewal license is issued.

The reasoned justification for the amendment is full implementation of the statutory grace period in §1101.451, Texas Occupations Code as more fully described above.

No comments were received regarding the amendment as proposed.

The amendment is 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 Chapters 1101 and 1102 to ensure compliance with the provisions of the chapters.

The statute affected by this adoption is Texas Occupations Code, Chapter 1101. No other statute, code or article is affected by the amendment.

Section 535.93 Late Renewal Applications.

(a) A licensee who files a late application to renew a previous license less than one year after the expiration of the license must do so on a form approved by the commission for that purpose and is subject to the requirements of this section and Tex. Occ. Code §1101.451(e). The commission shall renew the license in an active status except as provided by this section. A license issued under this section is effective the day following the expiration of the previous license.

(b) To renew a license on active status without any lapse in active licensure, a salesperson must also submit a Salesperson Sponsorship Form certifying sponsorship for the period from the day after the previous license expired to the day the renewal license issued, and for the period beginning on the day after the renewal license issued. The same broker may be the sponsor for both periods. The commission shall renew the license on inactive status for the period(s) in which the salesperson was not sponsored.

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(c) A licensee who has not completed all Mandatory Continuing Education (MCE) before the expiration of the previous license and who files a late application not later than the 60th day after the expiration of the previous license may renew the license on active status subject to the following conditions.

(1) Not later than the 60th day after the expiration of the previous license, the licensee must:

(A) pay an MCE deferral fee of \$200;
and

(B) complete the MCE.

(2) If, within 15 days after the end of the 60-day period set out in paragraph (1) of this subsection, the commission has not been provided with evidence that the licensee has completed the MCE and paid the MCE deferral fee of \$200, the renewed license shall be placed on inactive status. In order to reactivate a license placed on inactive status under this subsection, the licensee must:

(A) provide the commission with evidence that the licensee has completed the MCE;

(B) pay the \$200 MCE deferral fee if it has not yet been paid;

(C) complete and submit a Request to Return to Active Status Form if a broker or a Salesperson Sponsorship Form if a salesperson and pay the appropriate fee; and

(D) pay a late reporting fee of \$250.

(d) If a licensee who has not completed all MCE before the expiration of the previous license files a late application to renew the license in an active status more than 60 days but less than one year from the expiration of the license, the licensee must:

(1) provide the commission with evidence that the licensee has completed the MCE;

(2) pay the \$200 MCE deferral fee;

(3) complete and submit a Salesperson Sponsorship Form if a salesperson; and

(4) pay a late reporting fee of \$250.

(e) If a licensee files a late application to renew a license in an active status and has completed all MCE before the expiration of the previous license, the licensee is not required to pay the \$200 MCE deferral fee or the \$250 late reporting fee.

(f) MCE completed after expiration of the previous license under this section may not be applied to any subsequent renewal of the license.

(g) A licensee may file a late application to renew a license on inactive status under this section.

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

Issued in Austin, Texas on February 9, 2010.

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