

***Texas Real Estate Commission
Chapter 539, Rules Relating to the Residential Service Company Act
Rules Adopted at the May 17, 2009 Meeting***

**Subchapter F. Authorized
Personnel.
§539.51.**

The Texas Real Estate Commission (TREC) adopts amendments to Chapter 539, Subchapter F, §539.51 concerning “Employed by” Defined without changes to the proposed text as published in the February 26, 2010 issue of the *Texas Register* (35 TexReg 1565), and will not be republished. The amendments correct typographical errors in the existing rule to better reflect the statutory reference.

No comments were received on the amendments to the rule as proposed. The reasoned justification for the amendments is enhanced consumer protection for purchasers of residential service contracts.

The amendments are adopted under Texas Occupations Code, §1303.051, which authorizes the Texas Real Estate Commission to adopt rules necessary to implement Chapter 1303.

The statute affected by this adoption is Texas Occupations Code, Chapter 1303. No other statute, code or article is affected by the amendments.

§539.51 “Employed By” Defined. For the purposes of Texas Occupations Code, Chapter 1303, §1303.101(b) a person is “employed by a residential service company” if the person is other than a licensed real estate salesperson, real estate broker, mobile home dealer, or insurance agent and is authorized by a licensed residential-service company to sell, offer to sell, arrange or solicit the sale of, or receive applications for residential service contracts subject to the following conditions.

(1) The residential service company must have the right to direct and control the employee's performance.

(2) The residential service company must accept responsibility for representations made by the employee within the scope of the employee's employment.

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.

Issued in Austin, Texas, on May 24, 2010.

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Texas Real Estate Commission
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