

TREC Advisor

Our agency protects consumers of real estate services in Texas by ensuring qualified and ethical service providers through upholding high standards in education, licensing, and regulation. We oversee the providers of real estate brokerage, appraisal, inspection, home warranty, timeshares and right-of-way services, thereby safeguarding the public interest while facilitating economic growth and opportunity across Texas.



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What Should I Tell My Client When Employing an Inspector?

Most residential home sales involve an inspector at some point in the process. What should a real estate agent tell their client when the client desires to employ an inspector? Here are four tips.

1. **Have your client there for the inspection.** The purchase of a home is a significant investment and being part of the process provides a client a better understanding of the home and any possible issues they may need to be addressed in the purchase process.
2. **Have your client ask the inspector questions.** The inspector is there to assist the client in providing information about the home. The inspector has the responsibility to protect and promote the interest of their client (typically the buyer) to the best of the inspector's ability and knowledge, recognizing that the client has placed the client's trust and confidence in the inspector. If any item or comment in the report is unclear the client should ask the inspector to clarify and educate them about the finding.
3. **Have your client read the full report.** The inspection report helps the client in the purchase of the home. The inspection

does not eliminate all risks but may reduce the risk in the purchase of the home. Reading and understanding the full report allows the client to make an informed decision on the purchase of the home.

4. **Have your client follow up on the recommendations in the report, if they feel it is necessary.** The inspection report notes deficiencies, if any, with systems in the home. An inspector may recommend that a client have another professional perform further evaluations on any deficient systems. It is the responsibility of the client to follow up on these recommendations before the expiration of any limitations such as an option period. A real estate inspection is not an exhaustive inspection of the structure, systems, or components. Therefore, it is important a client obtain other evaluations, if the client feels it is necessary.

Your client should be actively involved in the inspection process. This is a client's best opportunity to gain knowledge about any deficiencies in the property. A licensed inspector is there to render a fair and impartial opinion regarding the inspection performed.



Avis Wukasch, Chair

From the Chair ...

The Commission had its regular quarterly meeting on August 15th. As usual we heard reports from the Executive Director and from each of the five Division Directors. The Commissioners continue to be impressed with the amount of work that the agency staff accomplishes and with the progress being made on various policy

initiatives that we have approved to enhance the effectiveness of our mission. We also received reports from four of our committees on their progress between meetings. And we handled several pending issues connected to disciplinary matters and Recovery Fund claims.

Our Internal Audit firm Garza/Gonzales gave us a clean report on this year's annual audit results. This validates that key controls are in place to ensure laws, rules and policies are being followed and operational results reported to us regularly are accurate and reliable. These are the findings we have come to expect from our team year after year. Thanks to our staff for their diligence and hard work.

And welcome to our new Director of Staff & Support Services – Priscilla Pipho, who acts as our Chief Financial Officer. Working with our Executive Director, exceptional financial results were reported for the end of FY2016 and a new budget was proposed for FY2017. Due to a continued rise in the number of sales agents and strong financial management, we approved several steps that reflect that strength and our commitment to lower license fees when fiscally prudent. The approved budget adds to our reserves, and would reduce each sales agent license renewal from \$72 to \$66 for a two-year term. We published for comment a corresponding rule that, if approved, will allow this as of January 1, 2017.

Upon the recommendation of the Educations Standards Advisory Committee, we adopted the previously proposed detailed curriculum guidance for the Real Estate Marketing 30-hour qualifying course. At the recommendation of the Real Estate Inspector Advisory Committee, we adopted the previously proposed clarifications and reorganization of the Inspector Standards of Practice. Each is a positive step forward.

The agency received notice of an international education award from ARELLO for our innovative Broker Responsibility Course, which was recognized for its practical curriculum and interactive design elements. This is the second time the agency has been recognized for this unique and effective course. Sincerest congratulations to all involved in writing this course and to the almost 500 instructors who teach it! We also approved the latest updated version of this great course which will be offered in 2017 and 2018.

This fall we will continue to work with the professional associations of our license holders to find ways to clarify relevant advertising rules and to be fully prepared to address the key issues we anticipate for the 2017 legislative session. We are also working closely with the Real Estate Center at Texas A&M and the Texas Association of REALTORS to refine our plans for the inaugural Summit on Single Family Residential Real Estate issues, which will bring together professionals and regulators from across the industry to explore ways to reduce barriers to an effective and flourishing market for home owners. Stay tuned!

We welcome designer/builder Fred Rangel of San Antonio to the Broker/Lawyer Committee as a public member appointed by Governor Greg Abbott. We look forward to his contribution bringing a consumer protection perspective to the vital work of this committee as it drafts standard contracts and forms for use in most sales and purchases of homes, and in many other real property transactions in Texas.

Our next meeting will be held on Monday November 14th at 10AM at our HQ building in Austin. We welcome you to join us if you can, or tune in to our meeting simulcast on the agency website. We are proud of our team and the work we do. Hope all of your favorite teams are winners too!

TREC Enforcement Actions

The Texas Real Estate Commission has published enforcement actions. To read the full report and get access to all of the enforcement actions taken by the Commission, you can read [the August report here](#).

Governor Appoints New Broker Lawyer Committee Member

The Texas Real Estate Commission (TREC) is pleased to announce the appointment of a new public member to the Broker-Lawyer Committee. Freddie (Fred) Rangel, of San Antonio has been appointed to serve a five year term effective immediately. The Broker-Lawyer Committee drafts and revises standard real estate contract forms to bring consistency to real estate transactions, provide safeguards to protect the principals in a transaction and minimize potential controversy.

Fred Rangel is the founder and president of ADCO Professional Services established 1991 and ADCO Master Builders, Inc, established in 2008. The company's strength has been private industry with a focus in the commercial construction division. Projects under the company's belt include hotel

construction, restaurants, schools, and the Memorial to 9/11 in San Antonio. Mr. Rangel has been an active member of his community on the City of San Antonio Bond Committee, South Texas Business Fund, and Board of the Eckhert Crossing Home Owners Association. He Studied at the University of Pennsylvania in Philadelphia with Design of the Environment and the Wharton School of Business.

Mr. Rangel and the entire Broker-Lawyer Committee play an vital role in the process of reviewing real estate promulgated contracts which affect many types of real estate transactions in Texas. TREC welcomes the contributions of the entire Broker-Lawyer Committee and thanks them for their willingness to serve.

TREC Employee Update



Melissa Huerta

Staff and Support Services

Melissa has returned to work at TREC. She worked for the State of Texas for 31 years before retiring on May 31, 2016. Melissa had a wonderful 3 month vacation and decided that she was too young to stay retired, so she has returned to work. She has been happily married for 30 years and have three wonderful adult children. Melissa enjoys reading, gardening, and spending time with family and friends. She looks forward to applying my many years of experience and knowledge into this new position with TREC.



Christine Pack

Reception and Communications Services

Christine Pack began employment with TREC in June as a Customer Service Representative. Prior to TREC, she was a benefit counselor with the Teacher Retirement System of Texas for 8 years. Prior to state service she worked in the banking industry in collections and assisting with researching with fraud management and also skip tracing and training new hires. In her spare time she enjoys cooking and spending quality time with family and friends.

Rule Actions Taken at the August Commission Meeting

The following amendments or new rules were proposed at the August 15, 2016, meeting of the Commission and are up for adoption at the November 14, 2016, meeting. You can see the full text of these rules on the “Proposed Rules” section of the TREC Website. Written comments on the proposed rules can be sent to general.counsel@trec.texas.gov and must be received prior to 5 p.m. October 3, 2016 to be considered by the appropriate advisory committee and included in the materials for the November meeting. After that date, comments will need to be made in person at the meeting.

Adopted:

The following amendments or new rules were adopted at the August 15, 2016, meeting of the Commission and were effective September 7, 2016. You can see the full text of these rules on the “Recently Adopted Rules” section of the TREC Website.

§535.53, Requirements for Licensure. The amendments clarify that a business entity must be qualified to transact business in Texas at all times to maintain an active license and that the business entity must notify TREC when it is no longer qualified to transact business in Texas. In addition, the amendments more fully set out the scope of required errors and omissions insurance coverage.

§535.55, Education and Sponsorship Requirements for a Salesperson License. The amendments align the rule with statutory changes in SB 699, enacted by the 84th Legislature regarding the number of hours required for continuing education and changing term “salesperson” to “sales agent.”

§535.64, Content Requirements for Qualifying Real Estate Courses. The amendments provide consistency and better quality in Real Estate Marketing qualifying courses and are recommended by the Commission’s Education Standards Advisory Committee.

§535.83, Association of Designated Broker on Claim. The new rule clarifies which designated broker is to be associated with a licensed business entity when a Real Estate Recovery Trust Account claim is filed or paid on behalf of that licensed business entity.

§535.123, Inactive Broker Status. The amendments clarify that a licensed business entity becomes inactive when it is no longer qualified to transact business in Texas or it’s designated broker’s license is suspended, or revoked, including probated suspension or revocation.

§535.191, Schedule of Administrative Penalties. The amendments lower the administrative penalty for bad check violations and include a penalty for violations of 22 TAC §535.53.

§535.227, Standards of Practice: General Provisions;
§535.228, Standards of Practice: Minimum Inspection Requirements for Structural Systems; §535.229, Standards of Practice: Minimum Inspection Requirements for

Electrical Systems; §535.230, Standards of Practice: Minimum Inspection Requirements for Heating, Ventilation, and Air Conditioning Systems; §535.231, Standards of Practice: Minimum Inspection Requirements for Plumbing Systems; §535.232, Standards of Practice, Minimum Inspection Requirements for Appliances; and §535.233, Standards of Practice: Minimum Inspection Requirements for Optional Systems. The amendments restructure and renumber these sections to streamline wording and remove redundant language to provide clarity and consistency throughout the inspector SOP’s.

Proposed:

The following amendments were proposed at the August 15, 2016, meeting of the Commission and are up for adoption at the November 14, 2016, meeting. You can see the full text of these rules on the “Proposed Rules” section of the TREC Website. Written comments on the proposed rules can be sent to general.counsel@trec.texas.gov and must be received prior to 5 p.m. October 3, 2016 to be considered by the appropriate advisory committee and included in the materials for the November meeting. After that date, comments will need to be made in person at the meeting.

§534.2, Processing Fees for Dishonored Payments. The amendments are proposed to clarify that a processing fee is due when a payment to the Commission, through any form of payment, is dishonored or reversed due to insufficient funds or for any other reason, including stop payment.

§535.2, Broker Responsibility. The amendments are proposed to clarify that a broker must notify the Commission when the appointment of a delegated supervisor has ended except that a newly licensed broker or a broker associate named as a delegated supervisor is responsible to notify the Commission if their status as a delegated supervisor changes.

§§535.4, License Required, and 535.5, License Not Required. The amendments are proposed to clarify the definition of what constitutes showing property in light of the statutory requirement that license holders must pass criminal background reviews prior to licensure. The amendments also set out the only circumstances under which an unlicensed assistant can show or an unescorted person can be provided access to a vacant property. The rule was also updated to replace the term “salesperson” with the new statutory term of “sales agent.”

§535.45, Certain uses of Seal, Logo, or Name Prohibited. The amendments are proposed to clarify that license holders may not use the seal, logo, or name of the Commission to imply they are a government agency or have received special Commission endorsement or status.

§535.57, Examinations. The amendments are proposed to clarify the period that examination results remain valid for an application and better align the rules with the statutory

Rule Actions Taken at the August Commission Meeting

period set forth in Texas Occupations Code, §1101.401(f).

§535.62, Approval of Qualifying Courses. The amendments are proposed to clarify that authorization for subsequent use of a previously approved course must be given by the owner of the rights to the course, which may or may not be the provider for whom the course was initially approved.

§535.65, Responsibilities and Operations of Providers of Qualifying Courses. The proposed amendments remove the requirement for education completion certificates to include the registration date since that information not necessary for the Commission to calculate compliance with statutory timeframes for course completion.

§535.72, Approval of Non-elective Continuing Education Courses. The amendments are proposed to clarify that classroom students must take the promulgated final examination independently prior to the instructor reviewing the correct answers.

§535.73, Approval of Elective Continuing Education Courses. The amendments are proposed to clarify that authorization for subsequent use of a previously approved course must be given by the owner of the rights to the course, which may or may not be the provider for whom the course was initially approved.

§535.101, Fees. The proposed amendments implement the budget and budget policies adopted by the Commission at their August meeting. Accordingly, renewal fees for sales agents are being reduced by \$6. Additionally, the fee section for examinations was amended to indicate that those fees are a pass through fee negotiated in a contract with the vendor and can vary from contract to contract. Finally, the rule was amended to clarify that a processing fee is due when a payment to the Commission, through any form of payment, is dishonored due to

insufficient funds or any other reason, including stop payment.

§535.218, Continuing Education Required for Renewal. The proposed amendments to §535.218 change the continuing education requirements for non-elective coursework to include a four-hour course developed by the Commission in conjunction with the Texas A&M University Real Estate Center. The proposed amendments would allow license holders to receive continuing education credit for education courses taken outside of Texas and for in-person attendance at the February meeting of the Texas Real Estate Inspector Advisory Committee. The proposed amendments also make typographical corrections and conforming changes for consistency with other Commission rules.

§535.63, Approval of Instructors of Qualifying Courses. The proposed amendments to §535.63 conform this section with the proposed amendments to §535.218, Continuing Education Required for Renewal, for consistency.

§535.74, Approval of Continuing Education Instructors. The proposed amendments to §535.74 conform this section with the proposed amendments to §535.218, Continuing Education Required for Renewal, for consistency.

§§535.201, Definitions, and 535.212, Education and Experience Requirements for a License. The proposed amendments to §§535.201 and 535.212 conform those sections with the proposed amendments to §535.218, Continuing Education Required for Renewal, for consistency.

IMPORTANT DATES TO REMEMBER

ESAC Committee Meeting—October 10

TREC Commission Meeting—November 14

Check the [TREC website](#) regularly for postings of all of our upcoming meetings.

TALCB Bulletin



TALCB was created by an act of the Texas Legislature in 1991 to license, certify and regulate real estate appraisers in Texas under state and federal laws. In 2011, TALCB's jurisdiction was expanded to register and regulate appraisal management companies.

INSIDE THIS ISSUE: Review Work: What to Watch Out For (page 1-2) Disciplinary Actions (page 2) From the Chair (page 3) AMC Committee Appointments Announced (page 4) Rule Actions from the August Meeting (page 5)

Review Work: What to Watch Out For

Appraisers are sometimes requested to complete an appraisal review for their client. Rather than performing an actual appraisal, the scope of work of a review focuses on developing an opinion about the quality of another appraiser's work. Completing this type of assignment carries with it different obligations and potential pitfalls. Since slight changes in the client's needs impact the scope of work and assignment requirements, every appraiser should give careful thought to exactly what their obligations are under the law and the Uniform Standards of Professional Appraisal Practice (USPAP) and how they will address these needs before accepting such assignments.

Is it Just a Review?

The first thing to consider is whether the review assignment is limited to developing an opinion about another appraiser's work, or also includes developing your own opinion of value.

If the assignment involves strictly developing an opinion about the quality of the other appraiser's work, then an appraiser's compliance obligations will include only USPAP Standard 3. USPAP

Standard 3 prescribes the development and report writing steps appraisers must take to complete the review in compliance with USPAP.

If the client is also seeking a reviewer's opinion of value, however it is expressed, then the law also requires compliance with USPAP Standard 1, in addition to Standard 3. See USPAP 2016-17, Standard 3-3(c), pg. 32, ln. 990-1015. Be careful at this juncture. Developing an opinion of value is defined broader than you might think. If one agrees with, disagrees, indicates the value is too high or low, within an acceptable range, inflated, undervalued etc., these are all characterizations that equate to developing an opinion of value and will trigger the obligation to comply also with Standard 1. Read Advisory Opinion 20 ("An Appraisal Review Assignment That Includes the Reviewer's Own Opinion of Value") for a detailed explanation of when this additional obligation is triggered and how to satisfy it.

1. Remember that reporting requirements for such an opinion of value are handled in Standard 3 and not Standard 2.
2. An "appraisal" is defined as "an opinion of value" or "the act or process of developing an opinion of value." Tex. Occ. Code § 1103.003(1).
3. An "appraisal review" is defined as "the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment. The term does not include an examination of an appraisal for grammatical, typographical, mathematical, or other similar administrative errors that do not involve the appraiser's professional judgment, including compliance with the elements of the client's statement of work." Tex. Occ. Code §§ 1104.003(4) and 1103.003(2-a).

Review Work: What to Watch Out For Cont'd

Do I Need a License to do this?

The second important distinction to consider before accepting a review assignment is whether a license to perform the review is required in Texas. This is a frequent question TALCB staff receives. The answer depends on the specifics of the assignment. Keep in mind that, in Texas, the law requires anyone performing an appraisal to be licensed by the Board or have other legal authority to perform the appraisal (i.e., be an employee of a county appraisal district). See Tex. Occ. Code § 1103.201. If a review assignment also includes developing value opinions, then a Texas license will be required. But there is no similar licensing requirement for preparing an appraisal review. With one specific exception (addressed below), if you are preparing a pure appraisal review without developing any opinion about value, then you do not need to obtain a license from the Board. Remember, USPAP broadly defines what constitutes developing a value opinion, and this definition is explained in more detail in Advisory Opinion 20. Be careful not to misjudge whether you are developing a value opinion and therefore need a license. Also remember that Texas law requires all license holders to comply with USPAP when preparing an appraisal review. See Tex. Occ. Code §1103.405. So, if you already hold a Texas license, you must still comply with USPAP Standard 3 when performing an appraisal review. If you are unsure whether you need to obtain a license, consider consulting an attorney or talking with a more experienced appraiser, mentor or USPAP instructor. You may also contact the Board staff to inquire further.

What if My Review is for an AMC?

Normally, performing a pure appraisal review (i.e. without any value opinion) does not require holding a license from the Board. However, when the review is being performed for a Texas registered AMC, you may need to obtain a Texas license. Section 1104.155 of the Texas Occupations Code requires an AMC to perform periodic appraisal reviews on the work product of their panel when the AMC is registered and operating in Texas. The purpose of the review is to ensure the panel member's appraisal work product complies with USPAP. Those appraisers hired to perform this specific type of appraisal review for an AMC must be licensed or certified in Texas before doing so. See Tex. Occ. Code § 1104.153.

What to Remember?

- If you are already licensed in Texas and conducting a review appraisal, state law requires you to comply with USPAP Standard 3.
- If you are also developing your own opinion of value, you will need to comply with USPAP Standard 1 as well.
- Usually, if you conduct only an appraisal review, you do not need a license in Texas.
- However, you will need a Texas license if:
Your review appraisal includes developing an opinion of value; or
The review appraisal is performed for an AMC to satisfy its periodic review obligations for panel members under Texas Occupations Code § 1104.155.

TALCB Enforcement Actions

The Texas Appraiser Licensing and Certification Board publishes their enforcement actions regularly on [the TALCB website](#). To read the reports please go to the TALCB website and click on, public and disciplinary actions.



Chair, Jamie Wickliffe

From the Chair...

The Board had its regular quarterly meeting on August 19th. We received progress reports from the Commissioner and from each of the five Division Directors. With the current level of federal activity in both policy making and rule proposals, the staff and Board have been quite busy since we last met. In

addition to updates from staff, we also received reports from three Board committees on their progress between meetings. And we considered a dozen pending issues connected to disciplinary matters, approving several negotiated Agreed Orders. We were pleased to hear that Governor Abbott reappointed Sara Jones Oates and Larry McNamara to the AMC Advisory Committee, and also added new appointees Tony Pistilli and Angie Guerra. More details are provided later in this newsletter.

We welcomed our new Director of Staff & Support Services – Priscilla Pipho, who acts as the agency's Chief Financial Officer. Working with the Commissioner, strong financial results were reported for FY2016, and a new budget was proposed for FY2017. Due to continued careful financial management, we approved measures that reflect both strength and our commitment to lower license fees when prudent. The approved budget adds to our reserves, and would reduce Appraisal Management Company license renewal fees by \$300 for a two-year term, as well as cutting panelist add/drop fees from \$10 to \$5. We published for comment a corresponding rule that, if approved, will become effective on January 1, 2017.

We approved rules implementing fingerprint-based background checks for all appraisers at each license renewal after January 1, 2017. We proposed a rule amendment that would allow the Board to give an

applicant for a new Texas credential some credit for prior experience as evidenced by a prior credential, even if report files are not available due to reasonable records retention practices. An applicant would still need to demonstrate current competence in USPAP compliance with a body of recent work from which the Board can sample. This rule is just one way the Board seeks to remove barriers while promoting sound regulatory practices.

The timing required to respond with official comments to federal initiatives proposed by the Appraisal Subcommittee (ASC), and the Appraiser Qualifications Board (AQB) require the agency staff to work closely with the Executive Committee to ensure our inputs accurately reflect Texas policy preferences for necessity, balance, simplicity and transparency. We also try to collaborate with and incorporate any consistent consensus among our license holders by constant interaction with the Foundation Appraiser Coalition of Texas (FACT) and the Association of Texas Appraisers (ATA). Furthermore, we also exchange insights by active participation with the Association of Appraiser Regulatory Officials (AARO), and regular interaction with national organizations such as the Appraisal Institute (AI), the National Association of Appraisers (NAA), and Real Estate Valuation Advocacy Association (REVAA). Our ongoing goal is to be actively aware and relevant, influencing regulatory developments to shape sound public policy.

This fall we will continue to work with the professional associations of our license holders to be fully prepared to address the key issues we anticipate for the 2017 legislative session. We are also working closely with TREC to develop valuation related input for the inaugural Single Family Residential Real Estate issues summit, which will bring together professionals and regulators from across the industry to explore ways to reduce barriers to an effective and flourishing market for home owners. More to come!

Our next meeting will be held on Friday November 18th at 10AM at our HQ building in Austin. We always welcome you to join us, or to tune in to our meeting simulcast on the agency website to stay informed.

IMPORTANT DATES TO REMEMBER

TALCB Board Meeting—November 18

Check the TALCB website regularly for postings of all of our upcoming meetings.

Governor Abbott Appoints Four to the AMC Advisory Committee

The Texas Appraiser Licensing & Certification Board (TALCB) is pleased to announce the appointment of Tony Pistilli and Angelica (Angie) Guerra to the Appraisal Management Company (AMC) Advisory Committee with terms to expire in January 2018. Sara Oates and Larry McNamara were reappointed to the Committee with terms expiring in 2017. The Vice-Chair of TALCB, James Jefferies, serves as the chair of the AMC Advisory Committee. The Committee advises the Board on all matters related to Appraisal Management Company regulation.

James "Tony" Pistilli of North Richland Hills has been appointed as an industry member of the Committee. He is currently Vice President and Chief Appraiser at Xome Settlement Services. A veteran certified residential appraiser with over 25 years of appraisal experience, he is responsible for regulatory training and operational compliance for appraisals and broker price opinions. Pistilli is a certified USPAP instructor and received a Bachelor of Arts in Political Science from Augsburg College in Minneapolis.

Angelica (Angie) M. Guerra of Sugar Land has been appointed as a public member of the Committee. She currently works for the Coca-Cola Company's Minute Maid business unit as Senior Paralegal. She has over 15 years of legal experience and supports the Value-added Dairy

and Natural Health Beverages management team, along with the Venturing and Emerging Brands/Competition law leadership team. Guerra earned a Bachelor of Arts in Political Science from Texas A&M University-Kingsville.

Sara Jones Oates of Austin has been reappointed as an industry member of the Committee. She has been a Texas Certified General Real Estate Appraiser since 2003. She is the owner of Total Appraisal Management. She is an associate member of the National Association of Independent Fee Appraisers and an officer of the Foundation Appraisers Coalition of Texas (FACT). Oates received her bachelor's degree in government from the University of Texas at Austin.

Lawrence J. McNamara of Dallas has been reappointed as a public member of the Committee. An attorney in private practice with Ford Harrison LLP, he is a member of the State Bar of Texas, the American Bar Association, the Dallas Bar Association, and a fellow of the Dallas Bar Association Foundation. McNamara received a Bachelor of Arts in History and Government from Illinois College, and a Juris Doctor from Vanderbilt University Law School.

The Board thanks the appointees for their willingness to serve on this important committee. The location and time of all AMC Advisory Committee meetings will be posted on the TALCB website at www.talcb.texas.gov

Texas Department of Transportation (Right of Way Division) Request for Proposal for Appraisal Services

The Texas Department of Transportation (TxDOT) is posting a Request for Proposal (RFP) for Professional Real Estate Appraisal Services (PREAS) for individuals licensed as Certified General Appraisers or Certified Residential Appraisers by the Texas Appraiser Licensing and Certification Board (TALCB).

Respondents to the RFP must be individual Certified General Appraisers or Certified Residential Appraisers

The Scope of work includes Real Estate Appraisal Services, Appraisal Review Services, Real Property Consulting (no value opinion) and Preparation and Testimony Services in connection with the acquisition of right of way parcels necessary for transportation projects.

Depending upon the results of evaluations, it is the intent of TxDOT to award contracts to each respondent that reaches a minimum threshold score of 70% of the total possible points. Each contract will be awarded in the amount of seven hundred-fifty thousand dollars with a 2-year term. Award of a contract is not a guarantee of work. The deadline for submission of proposals is November 28, 2016

at 12:00 Noon (CST) at the TxDOT Right of Way Division Office, 118 East Riverside Drive, Austin, Texas 78704.

The [RFP and Fee Schedule Worksheet Attachment](#) may be downloaded after 12:00 noon on October 3, 2016.

A public Pre-proposal Conference and WebEx, neither of which is mandatory, are scheduled for October 17, 2016 at 9:30am (CST) at the Texas Department of Transportation, Austin District Office, at 7901 N. I-35, Building 7, Hearing Room, Austin, Texas 78753. Persons attending by **WebEx** will need to send an email to the following address: david.wilson@txdot.gov

Persons with special needs or disabilities who plan to attend this meeting and require auxiliary aids or services are requested to contact Charlie Grote at (512) 416-2910 or charles.grote@txdot.gov at least five (5) working days prior to the meeting so that appropriate arrangements can be made.

Persons attending the pre-proposal conference must print a copy of this RFP for their use. **Copies will not be provided** at the pre-proposal meeting.

Rules Actions at the August Board Meeting

The Board took the following rules and forms actions at its meeting on August 19, 2016. You may review the full text of all rules actions on the [Rules and Laws section of the TALCB website](#).

ADOPTED RULES

The Board adopted amendments to the following rules at its meeting on August 19, 2016. These amendments will be effective January 1, 2017, to coincide with the effective date of the new criteria from the Appraiser Qualifications Board (AQB).

22 TAC §153.5, Fees

The amendments add a reference to the fee for voluntary appraiser trainee experience reviews previously adopted by the Board in 22 TAC §153.22 at its meeting on February 19, 2016. The amendments also adopt a new fee for fingerprint-based criminal history checks or other related services as recommended by the Working Group for AQB Criminal History Check Criteria.

22 TAC §153.9, Applications

The amendments implement fingerprint-based criminal history checks for license applicants.

22 TAC §153.12, Criminal History Checks

As recommended by the Working Group for AQB Criminal History Check Criteria, the new rule implements fingerprint-based criminal history checks to comply with criteria adopted by the AQB.

22 TAC §153.15, Experience Required for Licensing

The Board withdrew and repropounded amendments to this rule. See below under "Proposed Rules."

22 TAC §153.16, License Reinstatement

The amendments implement fingerprint-based criminal history checks for applicants who apply for license reinstatement.

22 TAC §153.17, Renewal or Extension of License

The amendments implement fingerprint-based criminal history checks for license holders when renewing their license.

22 TAC §153.23, Inactive Status

The amendments implement fingerprint-based criminal history checks for license holders with an inactive license and license holders who seek to renew an expired license on inactive status.

22 TAC §153.25, Temporary Out-of-State Appraiser License

The amendments clarify the requirements an applicant must satisfy when applying for a temporary out-of-state license.

22 TAC §153.27, License by Reciprocity

The amendments implement fingerprint-based criminal history checks for applicants who apply for or renew a license by reciprocity.

PROPOSED RULES

The Board proposed amendments to the following rules at the Board meeting on August 19, 2016. These proposed amendments will be on the agenda for adoption by the Board at the next Board meeting on November 18, 2016.

You may review the full text of the proposed amendments on the Rules and Laws section of the TALCB website. Written comments on the proposed amendments may be sent to general.counsel@talcb.texas.gov and must be received before 5:00pm on Friday, October 28, 2016 to be included in the materials for the November meeting. After that date, comments must be made in person at the meeting.

22 TAC §153.15, Experience Required for Licensing

The Board repropounded amendments to this rule based on a revised interpretation from the Appraisal Subcommittee (ASC). The proposed amendments clarify the criteria required for awarding experience credit for applicants and license holders. The amendments also remove redundant language and reorganize this section to improve readability.

22 TAC §159.52, Fees

The proposed amendments reduce the renewal fee for appraisal management companies by \$300 per two-year license renewal period and reduce the fee to add or remove an appraiser from an AMC panel from \$10 to \$5. The Board proposes these AMC fee reductions as part of its budget for fiscal year 2017.

22 TAC §159.161, Appraiser Panel

As recommended by the Appraisal Management Company (AMC) Advisory Committee, the proposed amendments allow the Board to remove an appraiser from an AMC's panel without any charge to the AMC if the Board suspends or revokes the appraiser's license. The proposed amendments also clarify when an appraiser will be removed from an AMC's panel after the appraiser's license expires.

22 TAC §159.201, Guidelines for Revocation, Suspension or Denial of a License

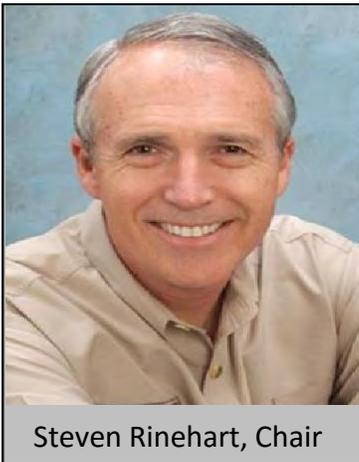
As recommended by the Working Group for AQB Criminal History Check Criteria and the Appraisal Management Company (AMC) Advisory Committee, the proposed amendments allow an AMC to conduct additional criminal history checks beyond those required by the Board, so long as an AMC does not require an appraiser to pay for or reimburse an AMC for the additional criminal history checks.

Inspector Insight

The Texas Real Estate Inspector Committee is as an advisory committee to the Texas Real Estate Commission on matters pertaining to the licensing and regulation of real estate inspectors. The Committee recommends rules and policies that ensure inspections meet high professional standards and enhance consumer protection.



Inside this Issue: From the Chair (page 1) Committee Members Needed (page 2) New SOP Pocket Edition Available Online (page 2)



Steven Rinehart, Chair

From the Chair...

The Texas Real Estate Inspector Committee (TREIC) met in Austin on Monday, July 11, and again via teleconference on Thursday, July 28. Several items of interest were discussed, including several topics related to education. The

Committee recommended amendments to the TREC Rule 535.218, regarding continuing education. The proposed amendment would award continuing education credit to inspectors for attendance at the TREIC February meeting. The February meeting was chosen because that meeting is required to be held during the same month (February) each year, and it is the meeting in which the Committee elects its officers for the upcoming year. The Committee also proposed amending this rule to award continuing education credit to inspectors who earn continuing education credits in another state if the inspector is dually licensed in that state. These amendments were brought to the Commission and proposed for publication and comment at the Commission meeting in August.

Speaking of education, as part of the process to provide consistency to inspector education requirements, the vice chair of the Committee and I met this summer with TREC staff and a representative from the Real Estate Center at Texas A&M to begin work on writing a 4 hour Legal, Ethics

and SOP Update course. This course will be half of the 8 hours currently required for every new inspector applicant and inspector renewal, and will focus heavily on the legal and ethical requirements of inspector licensure. The remaining 4 hours of content will focus solely on explaining and learning the Standards of Practice. As part of the writing process, subject matter experts from the inspection industry in Texas were asked to contribute content. This course will be mandatory as of January 1, 2017 and will be required for all new applicants and renewals that occur after that date. This purpose of having the Real Estate Center write this course is to standardize the content and subject matter. This course is just the first step toward improving all facets of inspector education.

The non-substantive updates to the Standards of Practice were also approved at the August Commission meeting. These revisions restructure the SOP to provide consistency and clarity to the rules. Additionally, TREC staff has designed a pocket version of the SOPs for inspectors to use in the field. This version is available for download on the Inspector page of the TREC website with instructions on how to print it out for convenient use. We hope you find it helpful.

Please check the TREC Website for information on upcoming Committee meetings. As always, I encourage you to attend our Committee meetings and provide feedback on our proposals. Your involvement is essential to the work we do for the consumers of Texas.

Committee Members Needed for Inspector Committee

The Texas Real Estate Commission invites interested persons to apply for appointment to for the Texas Real Estate Inspector Committee. The Inspector Committee is an advisory committee consisting of both inspector and public members. The Commission is seeking individuals interested in both the inspector and public member positions.

The purpose of the Committee is to make recommendations to the Commission regarding a variety of inspection-related matters with the goal of ensuring a high degree of service to, and protection of, the public.

Individuals wishing to be considered for appointment as a public member cannot hold occupational licenses in the real estate field (e.g. appraiser, real estate broker or sales agent, mortgage broker, etc.); however, a municipal

development planner, construction or safety code enforcement official, commercial banker, CPA or attorney is permitted. The Committee is permitted to meet via teleconference; however, some travel to Austin may be necessary.

Inspector members serve for six-year terms. Public members serve for two-year terms. While Committee members may be reimbursed for travel expenses, members are not compensated for their time.

Individuals wishing to be considered for appointment as a member of the committee should send a letter of interest and a current resume to the Texas Real Estate Commission, Attn: Executive Director Douglas Oldmixon, PO Box 12188 Austin, TX 78711-2188 or by e-mail to executive.director@trec.texas.gov.

TEXAS REAL ESTATE
INSPECTOR

Standards of Practice

POCKET EDITION

22 TAC §§535.227-535.233

Adopted by the
Texas Real Estate Commission
Effective September 7, 2016

NEW SOP POCKET EDITION AVAILABLE ON TREC WEBSITE

Now you can take the Inspector Standards of Practice anywhere you go. TREC staff has put together a version of the SOPs small enough to fit in your back pocket. This version of the SOP is color coded by section so that you can find what your looking for with ease.

The SOP Pocket Edition is available for download and printing on the [Inspector Page](#) of the TREC website.

To print out your own copy of this handy tool, make sure your printer is set to the following:

1. Printer orientation must be set to "Landscape" mode.
2. Print on both sides—flip pages on the "short" end.
3. Print in color.

Once your document is printed, cut along the black lines at the tops and side of the pages. Fold the pages in half, assemble the booklet in page order and staple it in the middle.