



TREC Advisor

Texas Real Estate Commission ★ Volume 21, Number 6 ★ September 2010

Temporary Disabling of Online TREC and TALCB Services

The TREC and TALCB licensing system upgrade will soon take effect, but before it can, online services will be temporarily disabled.

The TREC and TALCB licensing database system upgrade will take effect on Tuesday, September 7, but in order for the transition to be accomplished smoothly, online services will be temporarily disabled beginning at midnight on Wednesday, September 1. This means that in order to submit a license renewal from September 1st through the 6th, license holders must do so by paper. This includes renewals submitted “late” for licenses expiring August 31st. Because this existing online service will temporarily be unavailable for the first six days of the month, the agency will waive the \$20 paper processing fee for forms postmarked between September 1 and September 7, 2010. Forms may still be downloaded and printed during this transition.

In order to avoid any of this inconvenience, the agency is encouraging, even more so than always, that renewals be done timely.

A complete list of web services and their availability during this transition period to the upgraded licensing system can be found below. At this time it is anticipated that all current online services will resume on September 7. Additional instructions regarding system log-in procedures and new interfaces will be sent to all licensees by email.

★ Inside this issue... ★

...from the Chairman 3
 Open Letter from the Administrator 4
 Proposed Rules 5
 Adopted Rules..... 11
 Electronic Delivery of Renewal Notices 12
 Disciplinary Actions 13

Online Services	Available prior to 9/1/2010	Available as of 9/1/2010	Available as of 9/7/2010
Update Email Address	yes	no	yes
Update Permanent Mailing Address	yes	no	yes
Salesperson License			
Initial Application	yes	no	yes
Renewal Application	yes	no	yes
Late Renewal Application			
Broker License, Individual			
Initial Application	yes	no	yes
Renewal Application	yes	no	yes
Late Renewal Application	yes	no	yes
Broker License, LLC			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Broker License, Corporate			
Initial Application	yes	no	yes
Renewal Application	yes	no	yes
Late Renewal Application			
Professional Inspector License			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			



TEXAS REAL ESTATE COMMISSION

Meeting Highlights

TREC meeting minutes can be found on the TREC web site at www.trec.state.tx.us

The agency exists to safeguard the public interest and protect consumers of real estate services. In accord with state and federal laws the agency oversees real estate brokerage, appraisal, inspection, home warranty and timeshare interest providers. Through education, licensing and regulation, the agency ensures the availability of qualified and ethical service providers, thereby facilitating economic growth and opportunity in Texas.

Continued from page 1

Temporary Disabling of Online TREC and TALCB Services

Official publication of the
Texas Real Estate Commission

Volume 21, Number 6
September 2010

Rick Perry
Governor

Commission Members:

John D. Eckstrum
Chairman
CONROE

Avis Wukasch
Vice-Chair
ROUND ROCK

Joanne Justice
Secretary
ARLINGTON

Adrian A. Arriaga
MC ALLEN

Troy C. Alley, Jr.
ARLINGTON

Chris Day
JACKSONVILLE

Jaime Blevins Hensley
LUFKIN

Tom Mesa
PASADENA

Dona Scurry
EL PASO

TREC Administrator
Douglas E. Oldmixon

Desktop Publishing
Patricia Holder

The TRECAdvisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TRECAdvisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register. TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TRECAdvisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 459-6544
<http://www.trec.state.tx.us>

Online Services	Available prior to 9/1/2010	Available as of 9/1/2010	Available as of 9/7/2010
Real Estate Inspector License			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application	yes	no	yes
Apprentice Inspector License			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Easement Right-of-Way Registration, Individual			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Easement Right-of-Way Registration, Business			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Appraiser, Certified General			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Appraiser, Certified Residential			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			
Appraiser, Trainee			
Initial Application			
Renewal Application	yes	no	yes
Late Renewal Application			

Congratulations to Amber Hinton who has been named the agency's **Outstanding Performer for the 3rd quarter of FY 2010** (April, May, June)! Amber has worked in a number of facets of the real estate profession throughout her career. Prior to joining TREC in 2006, she worked previously for both a realty office and an appraisal management company, both in New York state. After returning home to central Texas, Amber started with TREC in the Standards & Enforcement Services Division and is currently a Legal Assistant for the Houston Area Team. She enjoys her daily tasks, which include opening, processing, and closing consumer complaints, assisting with agreed orders and notice of violations, and processing all division returned checks, because they are interesting and challenging. However, she says that the best part of working at TREC is her co-workers. Amber works on a team of three, but also enjoys the camaraderie of the largest agency division. The agency thanks Amber for her service and honors her as a true Outstanding Performer!



...from the Chairman



John D. Eckstrum, Chairman

To say that things are busy at the agency would be a massive understatement! Staff is working extremely hard and pushing ahead on so many projects that in and of themselves are a large undertaking, but grouped together provide for a tremendous amount of work and energy. On behalf of the Commission I'd like to publically thank staff for all the hours and thought that are going into an effort that will, without a doubt, make the agency more efficient, effective and beneficial for both licensees and the public. Thank you!

At this past meeting General Counsel introduced the last set of rules to be reviewed as part of the agency's comprehensive rule review leading up to the 82nd Legislative Session. Chapter 535 is currently open for proposal and comment and, as many of you know, that is the BIG one. Chapter 535 houses most of the enforcement rules that govern our profession and I wholeheartedly encourage you to review them and provide comments back to the agency. This is the democracy part of our government and most great ideas for governing and public policy come from those being governed. Please be thorough and remember that all comments are welcome and there are no bad ideas. Proposed rules can be found on the website shortly at: http://www.trec.state.tx.us/formslawscontracts/rules_codes/trecrules.asp

and comments should be sent to: general.counsel@trec.state.tx.us.

As we move towards the end of the year and the beginning of the new legislative session, the agency has been working diligently on the LAR (Legislative Appropriations Request), along with a list of legislative recommendations for a clean-up bill. Agency leadership continues to meet with representatives of both industry and the Governor's office as we prepare for the upcoming challenges. With the agency move scheduled for June 2011, and a need to accelerate the imaging project so that the 6,000 square foot file room (which many of you have seen!) will not be unnecessarily and inefficiently moved to new space-but of course, that costs money and in a crunch time, we have to be smart about what we spend and where we spend it. To say the least, this is a challenging time, but also a great time to put our heads together and find creative solutions to these challenges.

To that end, I am also very excited and looking forward to the launch of the new licensing system - VERSA Regulation. As you know, the current licensing system that agency employees use was built in the 1980s and after twenty years is past retirement age. We will "Go-live" on Tuesday, September 7 and more information will be coming to licensees via email.

Enjoy your Labor Day holiday and the start of Texas' favorite season: football!

Hook 'em, Gig 'em, Guns up!

Did you know...

that when consumers and professionals go to the TREC website to look for contact information for you, all they are able to find is your address? That's right, the agency is not allowed to give out your business telephone number or work email address without your permission; and for good reason, but think of the opportunities you might be missing because people looking for you can't contact you. When the new licensing system goes live next week, and you receive the email giving you instructions for logging on and setting up your account, we will require you to confirm your contact information with us, but will also give you the opportunity to choose to display all of your contact information on the website. Think of the website as a business card— very, very large business card that gets up to 2.8 million hits/month. This is a free marketing tool and a great opportunity!

OPEN LETTER TO TEXAS BROKERS WHO SPONSOR LARGE NUMBERS OF AGENTS OR WHO ARE DESIGNATED OFFICERS FOR MULTIPLE ENTITIES

September 2010

Dear Broker:

This letter is directed to you if you sponsor a significant number of agents and/or entities. The Texas Real Estate Commission (TREC) is duly concerned about the ability of one sponsor to adequately supervise a large number of licensees. We would like to take this opportunity to remind you of your obligations as a sponsor under The Real Estate License Act ("TRELA") and of the Commission's intention to diligently enforce these provisions.

As a sponsoring broker, you are responsible for the authorized acts of your salespeople. [TRELA §1101.803, Rule 535.2] A broker should also be aware that a complaint filed against a sponsored salesperson is also a complaint against the broker for the purpose of determining the broker's involvement in the alleged violation and whether the broker properly supervised the salesperson. [Rule 535.141(c) and (d)] Corporations or LLCs can only provide the required level of adequate supervision through the personal involvement of the designated officer (DO), or where the broker or designated officer clearly delegates certain responsibilities to a qualified supervisor who fulfills these obligations.

The sponsoring broker and the DO are always responsible for the salesperson's actions, even when the salesperson does not work out of the broker's main office or when the salesperson owns his or her own real estate company. [TRELA §1101.803, Rule 535.2(a)] A salesperson may not lawfully engage in brokerage activity unless the salesperson is associated with, and acting for, a sponsoring broker at all times. [TRELA §1101.351(c)] The broker will also need to obtain a branch office license for the office location from which the salesperson transacts business. [Rule 535.112] If the salesperson's company engages in business under an assumed name, the broker must notify TREC in writing within 30 days after the salesperson or the sponsoring broker starts or stops using the assumed name. [Rule 535.154(c)]

Although a broker's responsibility to supervise the broker's sponsored agents may be delegated to another person with the proper level of experience and expertise, adequate supervision under the law must be maintained for all agents and entities in every location. Brokers operating at a significant distance from the entities for which they serve as DOs, or who have a significant number of agents or entities that they sponsor have a very high hurdle to overcome to ensure the methods and tools of adequate supervision are in place, are workable, and are effective. Formal written policies and procedures should be available, should be reasonable, should be actually used, and sponsored agents should be adequately trained on them, and such training documented. There are many practical matters which must be dealt with, such as client access to the broker or DO, advertising methods and disclosures, to ensure consumers are adequately protected and not misled.

For example, all advertisements by a broker's sponsored agents must comply with TRELA §1101.652(b)(23) and Rule 535.154. At minimum, subsection (e) of this rule requires an advertisement placed by a licensee to "include information identifying the advertiser as a real estate broker or agent. The name of a salesperson sponsored by the broker may also be included in the advertisement, but in no case shall a broker or salesperson place an advertisement which in any way implies that the salesperson is the person responsible for the operation of a real estate brokerage." A broker may be held liable for a sponsored agent's violation of any advertising requirement and we suggest that the broker conduct a careful review of all sections of Rule 535.154 and have proper advertising guidelines and/or an advertising review procedure in place to ensure compliance at all times prior to placement of any advertisement.

This message is a reminder to live up to the high standards of the profession you enjoy. We know that most brokers take these responsibilities seriously and strive to make them a part of their daily business practices. The Commission's Broker Responsibility Working Group is currently developing enhanced professional standards for brokers to better enable the Commission to carry out its primary mission of consumer protection. We hope that you will continue to take your supervisory responsibilities as a broker seriously and will join us in working for the betterment of the profession as a whole. By doing so, we will surely gain increased trust and respect from the people of Texas whom we all serve.

Sincerely,



Douglas E. Oldmixon, Administrator
Texas Real Estate Commission



RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

Comments on proposed rules should be directed to
general.counsel@trec.state.tx.us

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §535.1 <i>REPEAL</i>	11/15/2010	TREC proposes the repeal of §535.1 regarding License Required. The repeal is proposed because the subjects addressed in the subchapter heading and section are covered in new proposed amendments to Subchapter B which TREC is simultaneously proposing as part of a comprehensive rule review of 22 TAC Chapter 535.
22 TAC §535.1 <i>NEW</i>	11/15/2010	TREC proposes new §535.1 regarding Definitions. TREC renames the subchapter from General Provisions to Definitions. The new subchapter heading and new rule are proposed as part of a comprehensive rule review of 22 TAC Chapter 535. New §535.1 provides definitions for commonly used terms and phrases in Chapter 535.
22 TAC §535.12, §535.13, §535.15, §535.19, and §535.21 <i>REPEAL</i>	11/15/2010	TREC proposes the repeal of §535.12 regarding General; the repeal of §535.13 regarding Dispositions of Real Estate; the repeal of §535.15 regarding Listings; the repeal of §535.19 regarding Locating Property; and the repeal of §535.21 regarding Unimproved Lot Sales; Listing Publications. The repeals are proposed because the subjects addressed in the subchapter heading and sections are covered in new proposed amendments to Subchapter B which TREC is simultaneously proposing as part of a comprehensive rule review of 22 TAC Chapter 535.
22 TAC 535.2, §535.3, new §535.4, §535.5, §535.16, §535.17, §535.20 <i>NEW & AMEND</i>	11/15/2010	<p>TREC proposes amendments to §535.2 regarding Broker; amendments to §535.3 regarding Compensation to or Paid by a Salesperson; new §535.4 regarding License Required; new §535.5 regarding License Not Required, amendments to §535.16, regarding Listings, §535.17, regarding Appraisals, and §535.20, regarding Procuring Prospects. TREC renames the subchapter heading from Definitions to General Provisions Relating to Licensure.</p> <ul style="list-style-type: none"> • Amendments to §535.2 would articulate a broker's responsibilities to their sponsored salespersons, the public, and other brokers. Under the proposed rule, a broker is required to advise a sponsored salesperson of the scope of the salespersons authorized activities under the act and clarifies the liability of the broker for the activities of the salesperson if the broker permits a salesperson to engage in activities beyond the scope originally authorized. The amendments clarify that a broker is responsible for any property management activity conducted by their sponsored salespersons and for advertising of sponsored salespersons. The amendments would permit a broker to designate in writing another licensee to be responsible for day-to-day supervision of sponsored salespersons; however, the broker would continue to have overall responsibility of the salespersons. The amendments would require a broker to maintain records of transactions for a period of 4 years; maintain written policies and procedures addressing specified activities; and promptly deliver commission correspondence to sponsored salespersons. The amendments clarify that the broker responsibility rules are not meant to create an employer/employee relationship where there is none. • Amendments to §535.3 regarding Compensation to or Paid by a Salesperson would require that an agreement between a broker and sponsored salesperson regarding the compensation a salesperson receives or pays to other licensees must be in writing. • New §535.4 regarding License Required is a compilation of existing rules that are put together into one comprehensive rule that addresses the instances in which a license is required under the Act, as well as a new provision which clarifies that a corporation or limited liability company owned by a broker or salesperson which receives compensation on behalf of the licensee must be licensed as a broker under the Act. • New §535.5 regarding License Not Required is a compilation of existing rules that are put together into one comprehensive rule that addresses the instances in which a license is not required under the Act. • Amendments to §535.16 would change the name of the section and reorganize the subsections. The amendments to §535.17 reorganize the subsections. • The amendment to §535.20 would change the name of the rule from "Procuring Prospects" to "Referrals From Unlicensed Persons."
22 TAC §535.35 <i>REPEAL</i>	11/15/2010	TREC proposes the repeal of §535.35 regarding Employees Renting and Leasing Employer's Real Estate. The repeal is proposed because the subjects addressed in the section is covered in new proposed amendments to Subchapter C which TREC is simultaneously proposing as part of a comprehensive rule review of 22 TAC Chapter 535.

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §535.31, §535.32, and §535.34 AMEND	11/15/2010	<p>TREC proposes amendments to §535.31 regarding Attorneys at Law; to §535.32 regarding Attorneys in Fact; and to §535.34 regarding Salespersons Employed by an Owner of Land and Structures Erected by the Owner.</p> <ul style="list-style-type: none"> • §535.31 would shorten the reference to the Act as defined in the definitions section of the rules. • §535.32 would clarify that a power of attorney must be valid and would change the term "agency" to "brokerage." • §535.34 would reference the provision in the Act to which it refers, would clarify that an independent contractor is not an employee, and would incorporate the text repealed from §535.35.
22 TAC §535.35 REPEAL	11/15/2010	<p>TREC proposes the repeal of §535.35 regarding Employees Renting and Leasing Employer's Real Estate. The repeal is proposed because the subjects addressed in the section is covered in new proposed amendments to Subchapter C which TREC is simultaneously proposing as part of a comprehensive rule review of 22 TAC Chapter 535. As the reformation of the subchapters and sections will comprehensively address the subjects of the proposed repealed rule, repeal of the rule is necessary to avoid confusion and repetition .</p>
22 TAC §535.42 AMEND	11/15/2010	<p>TREC proposes amendments to §535.42 regarding Jurisdiction and Authority. The amendments to §535.42 would make the section more readable. The amendments are proposed as part of a comprehensive rule review of 22 TAC Chapter 535.</p>
22 TAC §535.50, §535.53, §535.54, §535.55, §535.56 and §535.57 NEW & AMEND	11/15/2010	<p>TREC proposes amendments to §535.53 regarding Corporations and Limited Liability Companies; new §535.50 regarding Definitions; new §535.54 regarding General Provisions Regarding Education and Experience for a License; new §535.55 regarding Education Requirements for a Salesperson License; new §535.56 regarding Education and Experience requirements for a Broker License; and new §535.57, regarding Examination Requirements for a License. The amendments are proposed as part of a comprehensive rule review of 22 TAC Chapter 535.</p> <ul style="list-style-type: none"> • Definitions in §535.50 are moved from §535.71 and will apply to Subchapter E regarding Requirements for Licensure; Subchapter F regarding Pre-License Education and Examination, and Subchapter G regarding Mandatory Continuing Education. Subchapter F will only apply to examinations and accreditation of schools, instructors and courses in pre-license education programs. • Amendments to §535.53 would clarify the requirements for obtaining and maintaining a broker license for a corporation or limited liability company. New subsection (c) of §535.53 would provide that if a corporation or limited liability company is dissolved with the Secretary of State the license becomes null and void. • New §535.54, §535.55, and §535.56 would be moved from existing §535.63 in Subchapter F since these sections apply to general education, experience and examination requirements for a license and more appropriately fit under Subchapter E (Requirements for License). New subsection (b) in §535.54 would provide that an associate's degree counts towards all the related education requirements (60 hours) for a salesperson license, and a bachelor's degree counts towards all the related education requirements (630 hours) for a broker license. • New §535.57 is moved from existing §535.61. The commission has the authority under §1101.362 of the Act to waive some or all of the education and experience requirements for someone who has been licensed within the six years preceding the date the application is filed. Under current §535.56, the commission has waived the education and experience required for a broker license for a broker who was licensed in the preceding six years (the maximum authorized under the Act) and otherwise meets the requirements of the section. The proposed rule would change the period from six years to four years so that a person who was licensed in the preceding four years and otherwise meets the requirements of the section (experience) could apply for a broker license. Under §535.57, the applicant would be required to take the examination if the applicant was licensed more than two years prior to the filing of the application.

Comments on proposed rules should be directed to general.counsel@trec.state.tx.us

Or

General Counsel

TREC

P.O. Box 12188

Austin, TX 78711-2188

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §535.61, §535.62, §535.63, §535.64, §535.65, §535.66, §535.67, §535.68	11/15/2010	<p>TREC or the commission proposes amendments to §535.61 regarding examinations; and §535.62 concerning Acceptable Courses of Study. TREC also proposes new §535.63 concerning Accreditation of Core Education Schools; new §535.64 concerning Obtaining Approval to Offer a Course; new §535.65 regarding Operation of Core Education Schools; new §535.66 concerning Core Education Schools: Audits, Investigations, and Enforcement Actions; new §535.67 regarding Approval of Instructors; and new §535.68 regarding Additional Information Relating to an Application. TREC renames the subchapter name "Experience, Educational Programs, Time Periods and Type of Licensure" to "Pre-License Education and Examination;" amends</p> <ul style="list-style-type: none"> • The renamed subchapter heading more appropriately addresses the proposed new content of the subchapter . • Section 535.61 is amended to delete a redundant provision regarding the confidentiality of the examination as contents of the examination are confidential under the Texas Public Information Act, Tex. Gov. Code Chapter 552 and remove the requirements of intent or knowledge. Thus, engaging in any of the listed activities with respect to the TREC exam is considered grounds for disciplinary action regardless of the intent or knowledge of the applicant or licensee. subsections (f) and (g) are moved to new §535.57. • The amendments to §535.62(a) would delete a reference to acceptable real estate related courses as the term "related course" is defined in new §535.50. The following amendments to §535.62 are proposed as part of the reformation of the section to group similar subjects into the same sections and to clarify the subject matter of each rule. Paragraphs (1) and (2) of subsection (a) are moved from existing §535.62(f)(1) and (2); the first sentence of subsection (b) is moved from §535.62(b); paragraph 5 of subsection (b) is amended to track the terminology used in the Act; subsection (c) is reworded for clarity; paragraphs (3) and (4) of subsection (d) are moved from existing of §535.62(d)(9) and (e). Subsections (e) – (g) are moved from other parts of existing §535.62 to put like subject matter together. Existing subparagraph §535.62(d)(6)(B) regarding courses offered by an alternative delivery method were deleted because IDECC certification (required under proposed §535.62(g)(1) ensures the requirements of that subparagraph and it was therefore redundant. Although the remaining provisions of §535.62 indicate that they were deleted, there were moved to other sections for clarity. • Existing §535.63 was repealed and moved to new §535.54 -§535.56. Much of new §535.63 is moved from existing §535.64 which addresses accreditation of schools. The renewal period for accreditation of schools is changed from five years to four years in proposed §535.63(b). For purposes of calculating a school's passage rate in §535.63(b)(3), the commission will use a four year period instead of a five year period. Thus a school's passage rate will be calculated by dividing the number of students affiliated with that school who passed the examination on their first attempt in the four-year period ending on the last day of the previous quarter by the total number of the school's graduates who took the exam for the first time in the same period. • Existing §535.64 would be repealed and replaced with new §535.64 which contains the parts of existing §535.64 that deal with obtaining approval to offer a course. There are new course renewal provision in subsections (f) and (g) of proposed new §535.64. A course approval expires four years from the date of approval, and if any school that offers the same course obtains TREC approval to offer the same course, the expiration date remains unchanged. The requirement in existing §535.64 that examination preparation course be submitted to TREC for approval is deleted. • Existing §535.65 would be repealed and replaced with new §535.65. The text of new §535.65 comes from existing §535.65 except that it has been rearranged, streamlined and reformatted for clarity and consistency. A new provision in paragraph (2)(D) addresses the requirements for schools which do not maintain an office in the State of Texas. A new provision in paragraph (10) requires a school to provide to students and maintain for commission review instructor and course evaluation for each course. Forms created and approved by the commission must be used. A school is required to maintain records of each student enrolled for a minimum of four years; and the full class file and student enrollment agreements must be retained for at least 24 months following completion. • Existing §535.66 would be repealed and replaced with new §535.66. The text of new §535.66 comes from existing §535.66 except that it has been rearranged, streamlined and reformatted for clarity and consistency. • New §535.67 would contain the part of existing §535.64 that deals with approval of instructors. The renewal period for instructor approval is changed from five years to two years. • New §535.68 would contain the parts of existing §535.64(m) which deal with additional information related to an application for a school, course or instructor; and (n) which addresses the commission's delegation of authority to staff.
REPEAL, NEW & AMEND		

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §535.131 & §535.132 AMEND	11/15/2010	TREC proposes to amend §535.131 regarding Unlawful Conduct; Splitting Fees; and amend §535.132 regarding Eligibility of Licensure. TREC is simultaneously proposing the amendments as part of a comprehensive rule review of 22 TAC Chapter 535. Section 535.131 is amended to delete subsections (b)–(d) as the subjects are otherwise covered in definitions under §535.1 or in new §535.4 regarding License Required. Section 535.132 is amended to delete the definition for “state” which was moved to §535.1.
22 TAC §535.154 REPEAL	11/15/2010	TREC proposes the repeal of §535.154 regarding Misleading Advertising. The repeal is proposed because the subject addressed in the section is covered in new proposed amendments to Subchapter N which TREC is simultaneously proposing as part of a comprehensive rule review of 22 TAC Chapter 535.
22 TAC §535.141, §535.143, §535.144, §535.145, §535.146, §535.147, §535.148, §535.149, §535.153, §535.159, §535.160, and §535.161 and new §535.154 AMEND & NEW	11/15/2010	<p>TREC proposes to amend §535.141 regarding Initiation of Investigation; amend §535.143 regarding Fraudulent Procurement of License; amend §535.144 regarding When Acquiring or Disposing of Own Property; amend §535.145 regarding False Promise; amend §535.146 regarding Failure to Properly Account for Money; Commingling; amend §535.147 regarding Splitting Fee with Unlicensed Person; amend §535.148 regarding Receiving an Undisclosed Commission or Rebate; amend §535.149 regarding Lottery or Deceptive Trade Practice; amend §535.153 regarding Violating an Exclusive Agency; amend §535.159 regarding Failing to Properly Deposit Escrow Monies; amend §535.160 regarding Failing to Properly Disburse Escrow Money; and amend §535.161 regarding Failing to Provide Information and new §535.154 regarding Advertising.</p> <ul style="list-style-type: none"> • amendments to §535.141 would streamline the section, update the cites and clarify existing subsections; subsection (h) is amended to include advertising in the laundry list activities that a licensee may not engage in while the person’s license is under suspension; paragraphs (i) 3 and 4 are added to include home inspectors; subsection (j) is added to address matters relating to automatic suspension of a license for violating a term or condition of an agreed probated revocation or suspension. • amendments to §535.144 would clarify that a licensee must disclose the information required by §1101.652(a)(3) in writing. • amendments to §535.146 would clarify existing requirements that apply to maintenance of trust accounts, including that a broker is ultimately responsible for compliance with the trust account requirements in the Act and Rules; subsection (h) is amended to require a broker to notify all parties in writing when a broker makes a disbursement to which all parties have not expressly agreed to in writing; new subsection (k) clarifies that a broker may deposit and maintain additional amounts in a trust account to cover bank service fees. • Subsection (a) of §535.147 would be deleted and moved to the definitions in §535.1; new subsection (a) clarifies that a licensee may not share a commission with an unlicensed person except as provided by the Act or Rules; new subsection (b) would authorize an unlicensed person to share in the income earned by a licensee as long as the person does not engage in real estate brokerage activity; new subsection (c) would clarify that a broker or salesperson may not share a commission with an unlicensed corporation or limited liability company created by a licensee for the purpose of collecting a commission or fees on behalf of the licensee. • New subsection (c) is added to §535.148 to prohibit a licensee from entering into contracts with service providers which prohibits a licensee from entering into or offering similar service on behalf of a competing service provider; new subsection (d) prohibits contingent fee arrangements where the licensee accepts a fee that is contingent upon a party purchasing a contract or services from a specific service provider; new subsection (e) adopts by a reference RSC-1, Disclosure of Relationship with Residential Service Company which licensees are required to use to disclose compensation for services provided to or on behalf of a residential service company. • The amendments to §535.149 would clarify the definition of “lottery” and “deceptive practices.” • Proposed new §535.154 would replace existing §535.154. Subsection (a) provides a definition of “advertisement”; subsection (b) clarifies what communications are not considered advertisements for purposes of the Act and Rules; subsection (c) requires salespersons and brokers to clearly and conspicuously, as defined in the subsection, include the broker’s name and license number in all advertising placed by or on behalf of the licensee, when the licensee is acting either as an agent or a principal, by a specified effective date; subsection (d) provides a laundry list of types of advertising that are considered deceptive and misleading; subsection (n) prohibits licensees from advertising information regarding service providers that ranks the providers unless the ranking is based on disclosed objective criteria; subsection (o) prohibits licensees from advertising that a licensee offers, sponsors, or conducts commission approved courses unless the licensee is approved to offer the courses; the remaining subsections restate existing advertising rules. • Amendments to §535.145, §535.160 and §535.161 would clarify and streamline existing provisions.

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §535.171 AMEND	11/15/2010	TREC proposes to amend §535.171 regarding Hearing; Subpoenas and Fees. New subsection (c) would address cases in which a party requests issuance of a subpoena and requires the party to pay for the costs of issuing the subpoena.
22 TAC §535.181 AMEND	11/15/2010	TREC proposes to amend §535.181 regarding Penalty. Section 535.181 would clarify that the commission may, in addition to the existing powers, impose an administrative penalty and issue an order to cease and desist.
22 TAC §535.191 AMEND	11/15/2010	TREC proposes to amend §535.191 regarding Schedule of Administrative Penalties as follows. Section 535.191 is amended to add additional provisions that apply to the schedule. .
22 TAC §535.212, §535.213, & §535.214 REPEAL	11/15/2010	TREC proposes the repeal of §535.212, Education and Experience Requirements for an Inspector License, proposes the repeal of §535.213, Schools and Courses of Study in Real Estate Inspection; and proposes the repeal of §535.214, Examinations, Providers of Real Estate Inspections Courses. The proposed repeal of these provisions reflects a non-substantive reorganization of 22 TAC Chapter 535, Subchapter R, to improve readability of the rules based on changes identified through the agency's rule review process.
22 TAC §535.201, §535.206, §535.209, §535.212, §535.213, §535.214, §535.215, §535.216, §535.217, §535.218, §535.221, §535.222, and §535.226. AMEND & NEW	11/15/2010	TREC proposes amendments to §535.201 Definitions and §535.206, The Texas Real Estate Inspector Committee; new §535.209, Examinations; new §535.212, Education and Experience Requirements for an Inspector License; new §535.213, Approval of Courses in Real Estate Inspection; new §535.214, Providers of Real Estate Inspections Courses; amendments to §535.215, Inactive Inspector Status; amendments to §535.216, Renewal of License or Registration; new §535.217, Contact Information; amendments to §535.218, Continuing Education, §535.221, Advertisements; amendments to §535.222, Inspection Reports; and amendments to §535.226, Sponsorship of Apprentice Inspectors and Real Estate Inspectors. Proposed amendments to these sections, as well as proposed new rules reflect a non-substantive reorganization of 22 TAC Chapter 535, Subchapter R, to improve readability of the rules based on changes identified through the agency's rule review process. Other provisions throughout the rules would modify language to allow the agency and its licensees to better take advantage of opportunities for online license management, as well as electronic delivery of notices and license certificates. In addition to these non-substantive amendments, a number of substantive changes are being proposed. <ul style="list-style-type: none"> • new §535.201, Definitions, would consolidate definitions related to regulation of inspectors, including code organization and trade association, and introduces a Texas Standards of Practice/Legal/Ethics Update course. • amendments to §535.206, The Texas Real Estate Inspector Committee, would clarify that a member only serves until a successor has been appointed if the member completes his or her term and would make other non-substantive changes to the section. • new §535.209, Examinations, would move the examination provisions from §535.214 and lower the minimum passing score on the professional inspector examination from 80% to 75%. • new §535.212, Education and Experience Requirements for an Inspector License, would allocate the numbers of hours of education required by Chapter 1102 for licensure as a real estate inspector or professional inspector among the core subject matter areas. This proposed change addresses both the hours required under the traditional three-tier method of licensure, as well as the hours required for the education/experience substitute method. • new §535.213, Approval of Courses in Real Estate Inspection, increases the maximum amount of classroom course time that may be spent on field work from 10% to 50% and would further define a core course area of "legal/ethics." • new §535.214, Providers of Real Estate Inspection Courses, incorporates content from current §535.212 regarding the requirements for providers of courses in real estate inspection. • amendments to §535.215, Inactive Inspector Status, reflects a change in requirements regarding inactive and active status to better take advantage of opportunities for online license management. • amendments to §535.216, Renewal of License or Registration, reflect the commission's move toward online filing of applications and related forms, as well as electronic delivery of notices.

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST	
22 TAC §535.201, §535.206, §535.209, §535.212, §535.213, §535.214, §535.215, §535.216, §535.217, §535.218, §535.221, §535.222, and §535.226.	11/15/2010	<ul style="list-style-type: none"> • new §535.217, Contact Information, would require that licensees provide the commission with a phone number and email address in addition to the permanent mailing address that is currently required, and this proposed section would further require licensees to keep the commission apprised of any changes to this contact information. • amendments to §535.218, Continuing Education, would require all real estate inspectors and professional inspectors to take a six-hour Texas Standards of Practice/Legal/Ethics Update course in order to renew a license. This course would not increase the total number of hours required to renew but would be counted toward the 32-hour requirement to renew a 2-year license. • amendments to §535.221, Advertisements, would explicitly bring electronic social media used for the purpose of gaining business into the definition of "advertisements" and would clarify how the rules relating to inspector advertising apply to these types of advertisements and how inspectors must identify themselves and provide their license numbers on such advertisements. • amendments to §535.222, Inspection Reports, would clarify that the names of each inspector who participated in performing an inspection, as well as all supervising real estate inspectors and/or sponsoring professional inspectors, must appear on inspection reports. The proposed amendments would also eliminate the signature requirement on inspection reports and would require inspectors to deliver reports within three days unless otherwise agreed to in writing. • amendments to §535.226, Sponsorship of Apprentice Inspectors and Real Estate Inspectors, would reflect the move toward online license management and would also eliminate language requiring signatures on inspection reports.
AMEND & NEW		
22 TAC §535.300 AMEND	11/15/2010	TREC proposes to amend §535.300 regarding Residential Rental Locators. Section 535.300 would clarify that the definition of "advertisement in §535.154 applies to rental locators.
22 TAC 22 TAC §537.20, §537.28, §537.30, §537.31, §537.32, §537.37, §537.43, §537.47, new §537.53	11/15/2010	<p>TREC proposes amendments to 22 TAC §537.20 concerning Standard Contract Form TREC No. 9-8; §537.28 concerning Standard Contract Form TREC No. 20-9, One to Four Family Residential Contract (Resale); §537.30 concerning Standard Contract Form TREC No. 23-10, New Home Contract (Incomplete Construction); §537.31 concerning Standard Contract Form TREC No. 24-10, New Home Contract (Completed Construction); §537.32 concerning Standard Contract Form TREC No. 25-7, Farm and Ranch Contract; §537.37 concerning Standard Contract Form TREC No. 30-8, Residential Condominium Contract; §537.43 concerning Standard Contract Form TREC No. 36-6, Addendum for Property Subject to Mandatory Membership in a Property Owners Association; §537.47 concerning Standard Contract Form TREC No. 40-4 Third Party Financing Condition Addendum; and new §537.53 concerning Standard Contract Form TREC No. 46-0, Non-Realty Items Addenda. The amendments propose to adopt by reference eight revised forms and one new form for use by Texas real estate licensees.</p> <ul style="list-style-type: none"> • §537.28 proposes to adopt by reference Standard Contract Form TREC No. 20-9, One to Four Family Residential Contract (Resale). Paragraph 2.B. is revised to include mounts and brackets for televisions and speakers; the phrase regarding controls in paragraph 2.C. is rewritten and placed at the end of the list of accessories. Paragraph 4.A.(1) is amended to provide examples of underwriting examples to include appraisal, insurability, and lender required repairs; the termination provision under this paragraph is revised. Paragraph 4.A.(2) is revised to change Financing Approval to Credit approval. The sentence regarding Sellers failure to timely provide the existing survey or affidavit in paragraph 6.C.(1) is moved from the end of the paragraph to the middle of the paragraph; a new subparagraph (4) is added with a checkbox indicating no survey is required; paragraph 6.E.(2) is revised to delete apostrophes to be consistent with statutory provisions. Paragraph 7.D.(2) is rewritten to include a blank line for specific repairs and an admonishment telling parties not to insert general phrases. A notice is added to the end of paragraph 7 reminding the parties about the buyer's rights to conduct inspections, negotiate repairs under a subsequent amendment, or terminate during the option period, if any. Paragraph 9.B.(3) is rewritten; new subparagraph 5 regarding leases is added to paragraph 9.B. The two sentences at the end of paragraph 10 are underlined. Paragraph 12.A.(2) is restructured Paragraph 18.B. is rewritten for clarity. Addenda are added to and deleted from paragraph 22. Option Period is defined in paragraph 23. Paragraph 24 is rewritten. The Broker Information page is rewritten and restructured. • §537.20 proposes to adopt by reference Standard Contract Form TREC No. 9-8, Unimproved Property Contract. The proposed revisions are the same as those proposed for Form TREC No. 20-9, except for paragraph 2. • §537.30 proposes to adopt by reference Standard Contract Form TREC No. 23-10, New Home Contract (Incomplete Construction). The proposed revisions are the same as those proposed for Form TREC No. 20-9, except for paragraph 2, paragraph 6.C.(1), paragraph 7.B., paragraph and 9.B.(5).

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULES <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC 22 TAC §537.20, §537.28, §537.30, §537.31, §537.32, §537.37, §537.43, §537.47, new §537.53	11/15/2010	<ul style="list-style-type: none"> • §537.31 proposes to adopt by reference Standard Contract Form TREC No. 24-10, New Home Contract (Completed Construction). The proposed revisions are the same as those proposed for Form TREC No. 20-9, except for paragraph 2, paragraph 6.C.(1), paragraph 7.B., paragraph and 9.B.(5). • §537.32 proposes to adopt by reference Standard Contract Form TREC No. 25-7, Farm and Ranch Contract. Except for paragraph 6.C.(4) which is already in the contract, and the ratification page in which no changes are made, the same amendments are made as those proposed for Form TREC No. 20-9. In addition, paragraph 2.F. is revised to delete "mineral" and "royalty." • §537.37 proposes to adopt by reference Standard Contract Form TREC No. 30-8, Residential Condominium Contract. The same amendments are made to 30-8, Residential Condominium Contract as those proposed for Form TREC No. 20-9. In addition, paragraphs 2.B.(2) and 2.C.(2) are amended by adding a provision regarding Buyer's cancellation of the contract; subparagraph (3) is revised and subparagraph (4) is added to paragraph 12. • §537.43 propose to adopt by Standard Contract Form TREC No. 36-6, Addendum for Property Subject to Mandatory Membership in a Property Owners Association. Subparagraph A.2. is revised to add a reference to providing an updated resale certificate. New paragraph C. is added regarding deposits and reserves. • §537.47 proposes to adopt by reference Standard Contract Form TREC No. 40-4 Third Party Financing Condition Addendum. The references to "Financing Approval" are changed to "Credit Approval." The reference to "Loan Fees" is changed to "Adjusted Original Charges" in subparagraphs (1) and (2) of paragraph A, and paragraphs C and D. The note regarding HUD 92564-CN is deleted. • New §537.53 proposes to adopt by reference Standard Contract Form TREC No. 46-0, Non-Realty Items Addendum. The new addendum is to be used when personal property is sold in conjunction with the real estate transaction.

RULE NO.	EFFECTIVE DATE	SUMMARY OF RULES ADOPTED <i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>
22 TAC §539.18	9/1/2010	TREC adopts an amendment to the rule concerning Consumer Information Form 1-1 which adds a reference to the TREC website to download the form.
22 TAC §§533.1, 533.3, 533.4, 533.8, 533.20, 533.31, 533.34	9/1/2010	<p>TREC adopts amendments to</p> <ul style="list-style-type: none"> • §533.1 that adds the definition of "last known mailing address" to the list of definitions. • §533.3 that clarifies that the Notice of Alleged Violation required by Texas Occupations Code §1101.703 will be mailed to the respondent's last known mailing address, corrects typographical errors, and makes conforming changes to the rule. • §533.4 which corrects typographical errors and makes conforming changes to the rule. • §533.8 that provides a procedure for motions for rehearing before the commission, and provides that a person appealing a decision of the commission is responsible for paying for the costs of preparation of an original or certified copy of the transcript of the proceedings required by a reviewing court. • §533.20 and §533.31 that make conforming changes. • §533.34 that delete the procedures for alternative dispute resolution of employment matters as those matters are provided for in the TREC employee handbook. <p>The rules were adopted without changes except for §535.20 which corrected a typo-</p>
22 TAC §535.51	9/1/2010	<ul style="list-style-type: none"> • TREC adopts amendments to 22 TAC §535.51 concerning General Requirements for a License. The amendments: • delete the requirement that an applicant must submit an education evaluation and receive a notice from the commission that the applicant has satisfied all education requirements for a license prior to submitting an application for a license; • delete the signature requirement; • change from 60 to 20 days the time in which an applicant must submit a payment after the commission has requested such payment

RULE ACTIONS FROM AUGUST 9, 2010 MEETING OF THE TEXAS REAL ESTATE COMMISSION

RULE NO.	EFFECTIVE DATE	SUMMARY OF RULES ADOPTED
<i>For text of the rules as they were filed with the Texas Register, go to the web site www.trec.state.tx.us</i>		
22 TAC §535.101	9/1/2010	<p>TREC adopts amendments to 22 TAC §535.101 concerning Fees. The amendments</p> <ul style="list-style-type: none"> • delete the reference to a specific fee for an education evaluation, • add the fee to the relevant application fees, and • add an additional fee of \$20 to submit a paper form in cases where the commission has established an online process for submitting the same form.
22 TAC §535.208, §535.210	9/1/2010	<p>TREC adopts amendments to 22 TAC §§535.208 concerning Application for a License and 535.210 concerning Fees. The amendments</p> <ul style="list-style-type: none"> • to §535.208 delete (1) the requirement that an applicant must submit an education evaluation and receive a notice from the commission that the applicant has satisfied all education requirements for a license prior to submitting an application for a license, (2) delete the signature requirement, change from 60 to 20 days the time in which an applicant must submit a payment after the commission has requested such payment, and (3) deletes the adoption by reference of all application forms. • to §535.210 (1) delete the reference to a specific fee for an education evaluation, (2) add the fee to the relevant application fees, and (3) add an additional fee of \$20 to submit a paper form in cases where the commission has established an online process for submitting the same form.
22 TAC §541.1, §541.2	9/1/2010	<p>TREC adopts amendments to 22 TAC §541.1 concerning Criminal Offense Guidelines and new 22 TAC §541.2 concerning Criminal History Evaluation Letters. The amendments and new rule clarify license eligibility for persons with criminal histories, and outline the process by which a person may request and receive a criminal history evaluation letter under Chapter 53.</p> <p>The amendments to §541.1 clarify that the commission considers convictions and deferred adjudications of the offenses listed in the rule to be directly related to the duties and responsibilities of the licenses issued by the commission for the reasons articulated in the rule. The amendments clarify that the commission has determined that multiple violations which evidence a disregard for or inability to comply with the law and felony offenses involving driving while intoxicated or under the influence directly relate to the duties and responsibilities of a license issued by the commission.</p> <p>The new rule implements new statutory requirements under Occupations Code Chapter 53. The new statutory provisions require the Commission to establish a process that will allow a person to submit a request for a criminal history evaluation. Under §1101, §1101.353 the commission is already authorized to issue a moral character determination of an applicant. Under the proposed rule, the commission will review the person's criminal history under Chapter 53 using the same process it currently uses to conduct a moral character determination under Chapter 1101. The intent of both statutes is to provide information about potential license ineligibility based on criminal history before a person spends time and money pursuing an education or training, taking an examination, or applying for a particular license. New §541.2 clarifies that a person may request an eligibility letter from the commission under Chapter 53 using the same form and paying the same fee required of persons applying</p>

ELECTRONIC DELIVERY OF RENEWAL NOTICES

In August TREC/TALCB began sending renewal notices electronically to real estate brokers, salespersons, inspectors, appraisers, and easement or right-of-way registrants. Renewal notices are typically mailed 90 days prior to the expiration date of a license. The first electronic renewal notices will be sent to licensees who have a November 30, 2010 expiration date. This move to the electronic delivery of renewal notices will be convenient for licensees who have email addresses and will enable the agency to send renewal notices to real estate brokers as well as salespersons (currently all active salesperson renewal notices are mailed only to the sponsoring broker). The electronic delivery of renewal notices is one of the many recommendations the agency is initiating to help meet budget reductions that have been requested by our state government to help offset the projected shortfall in state revenue.

After receipt of the renewal notice, a licensee will be able to go to the agency website and pay the renewal fee online. If the renewal fee is not filed online at the website, the licensee will need to download the renewal form from the agency website and submit it with payment. This method of renewing will require that the renewal fee and a \$20 paper filing fee be submitted for processing.

TREC Disciplinary Actions July 2010

Ortiz, Sofia Maria
(Houston); License #541325

Agreed 18 months suspension of broker license, fully probated for 18 months, entered July 31, 2010; Agreed administrative penalty of \$1,200, entered July 31, 2010; acting negligently or incompetently in negotiating a lease to purchase contract on incorrect forms without expertise in such transaction in violation of Tex. Occ. Code §1101.652(b)(1); failing to obtain the written consent from each party to act as an intermediary in the transaction and failing to state the source of any expected compensation to the broker in the consent(s) in violation of Tex. Occ. Code §1101.559(a)(1) and (2); and failing to use a contract form for the purposes intended by the Commission under Tex. Occ. Code §1101.155 in violation of Tex. Occ. Code §1101.652(b)(8).

Nelson, Rita Dawn
(Houston); License #277931

Agreed 2 year suspension of broker license, fully probated for 2 years, effective July 30, 2010; Agreed administrative penalty of \$1,000, entered July 30, 2010; acting negligently by failing to rebate any portion of the real estate commission to the client in violation of Tex. Occ. Code §1101.652(b)(1); and failing to place the interest of the client above the licensee's own interest in violation of 22 Tex. Admin. Code §535.156 as authorized by Tex. Occ. Code §1101.656.

Baker, Howard William "Bud"
(Port Aransas); License #N/A

Agreed administrative penalty of \$3,500.00, entered July 27, 2010; Ordered to cease and desist from engaging in all brokerage activities; an unlicensed employee of a condominium property's homeowners' association, for valuable consideration and with the expectation of receiving valuable consideration for himself, engaged in brokerage activities regarding the listing and sales of condominium units located at the property, in violation of Tex. Occ. Code §1101.351(a).

May, Julie Lynn
(Round Rock); License #410571

Amended agreed 2 year suspension of broker license, effective January 29, 2010, beginning July 29, 2010 remaining 18 months fully probated, effective July 16, 2010; agreed administrative penalty of \$750, entered January 29, 2010; expiration of license during term of Agreed Order suspending continuation of its terms, requiring filing of late renewal of license with appropriate fee per Tex. Occ. Code §1101.451(e) and correction of an error in an expiration date of the original order.

Medina, Esteban
(Austin); License #8213

Agreed revocation of professional inspector license, fully probated for 3 years with repayment requirement, effective July 16, 2010; payment of \$11,205.00 made from the real estate inspection recovery fund toward satisfaction of a judgment as authorized by Tex. Occ. Code §1102.402.

Chaudhary, Mazhar Mahmood
(Sugar Land); License #493640

Agreed 1 year suspension of salesperson license, effective July 16, 2010, beginning January 15, 2011 remaining 6 months of suspension fully probated, Agreed Administrative penalty of \$1,000, entered July 16, 2010; acceptance of compensation earned on a real estate transaction from other than the sponsoring broker in violation of §1101.651(b) elaborated by 22 Tex. Adm. Code §535.3 forbidding a salesperson from receiving a commission or other fee without the consent of the sponsoring broker when becoming entitled thereto.

Overstreet, April J.
(Conroe); License #546206

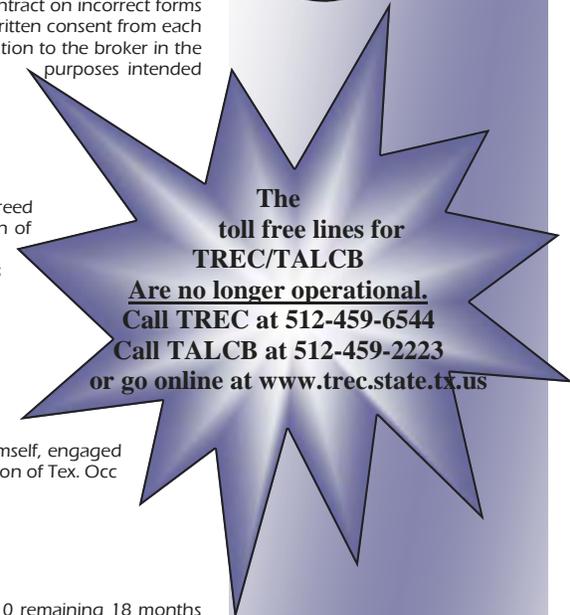
Agreed surrender of salesperson license and not renew or attempt to renew salesperson license within five years, effective July 12, 2010; entering a plea of guilty or nolo contendere to or is convicted of a felony or criminal offense involving fraud, and the time for appeal has elapsed or the judgment or conviction has been affirmed on appeal without regard to an order granting community supervision that suspends the imposition of the sentence on or about August 29, 2007, in violation of Tex. Occ. Code §1101.652(a)(1); procuring of a license by making a material misstatement of fact regarding her criminal history in her timely renewal applications, in violation of Tex. Occ. Code §1101.652(a)(2); and failing to notify the Commission, not later than the 30th day after the date of a final conviction or entering a plea of guilty or nolo contendere to that she was convicted of or entered a plea of guilty to or nolo contendere to a felony or criminal offense involving fraud in violation of Tex. Occ. Code §1101.652(a)(9).

White, Malcolm Edwin
(Garland); License #489001

Revocation of salesperson license, entered July 2, 2010; automatic revocation of license by operation of law upon imprisonment following a felony conviction, felony community supervision revocation, revocation of parole, or revocation of mandatory supervision, pursuant to Tex. Occ. Code §53.021(b) and in accordance with the Opinion No. GA-0064 of the Attorney General of Texas.

Monk, Nathan Andrew
(Rosenberg); License #568875

Suspension of salesperson license, effective July 26, 2010; Assessment of an administrative penalty of \$500, entered July 26, 2010; failing within a reasonable time to make good a check issued to the Commission, in violation of Tex. Occ. Code §1101.652(a)(4); failing to pay a check processing fee within 15 days after the Commission has mailed a request for payment, in violation of 22 Tex. Admin. Code §534.2(a).



The
toll free lines for
TREC/TALCB

Are no longer operational.
Call TREC at 512-459-6544
Call TALCB at 512-459-2223
or go online at www.trec.state.tx.us

Charania, Allaudin
 (Richmond); License #606988

Agreed probationary salesperson license issued for 2 years, effective July 29, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2).

Besinaiz, Xochitl
 (Portland); License #606677

Agreed probationary salesperson license issued for 2 years, effective July 19, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2).

Olivo, Ray G.
 (San Antonio); License #439833

Agreed probationary salesperson license issued for 2 years, effective July 19, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2).

Green, Rayvonnia Francis
 (Missouri City); License #606434

Agreed probationary salesperson license issued for 2 years, effective July 12, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2).

Gutierrez, Jason Eric
 (San Antonio); License #606443

Agreed probationary salesperson license issued for 2 years, effective July 12, 2010; commission of an offense that is directly related to the duties and responsibilities of the occupation of a licensed real estate salesperson under 22 Tex. Admin. Code §541.1(a). Applicant provided documentation addressing the factors outlined in 22 Tex. Admin. Code §541.1(c) and demonstrated that Applicant possesses the requisite honesty, trustworthiness, and integrity to qualify to be licensed as a real estate salesperson under Tex. Occ. Code §1101.354(2).

Calendar of Events

Inspector Committee Meeting
Education Subcommittee
September 13, 2010
9:00 a.m.
By teleconference
(Austin)

Broker-Lawyer Committee Meeting
October 28, 2010
(Austin)

Commission Meeting
November 15, 2010
At 10:00 a.m.
(Austin)

Web site:
<http://www.trec.state.tx.us>
Phone
 (512) 459-6544

Change in Process: Pre-License Education Evaluations

As of September 1, 2010, the agency no longer requires applicants to submit education completion certificates **prior to** submitting an application for a license.

Previously, if a person wanted to obtain a license, they first submitted all their education (transcripts, course completion certificates, etc.) and the “Request for Evaluation of Education Documents” form to the Education & Licensing Services (ELS) Division for a staff member to review. Once ELS determined that a person met the pre-licensure education requirements for a particular license, the person was then given authorization to file an application for a license. This was a mandatory first step toward licensure.

As of September 1st, persons wanting to obtain a license submit their education documents **along with** their application for licensure. The “education evaluation” step is no longer required before an application is accepted. This change came in light of the new licensing system that the agency will adopt on September 7th.



Inspector Insight

Texas Real Estate Commission ★ Volume 1, Number 3 ★ September 2010

Texas Real Estate Commission

Volume 1, Number 3
September 2010

Larry Foster
Chair
AUSTIN

Brian P. Murphy
Vice-Chair
ARLINGTON

Jill Frankel
Secretary
TEMPLE

Ray Armendariz
EL PASO

Curtis Carr
BEAUMONT

Brad R. Phillips
TEMPLE

Linda S. Robicheaux
HOUSTON

Nancy J. Schriedel
PLANO

Fred Willcox
HOUSTON

...from the Chairman

It has been a very busy summer for the Inspector Committee! The Education Forum in June proved to be very valuable and produced specific Committee recommendations that were presented to the TREC Commission for changes to the inspector education rules. Thanks to everyone who attended and participated! To that end, I would be remiss not to thank everyone who continues to attend and take interest in inspector issues here at the agency. Our committee meetings are very well attended and the collaboration that goes on between committee members, staff, and license holders during those meetings is truly helpful. Thank you for your commitment to making this a better industry and enhance the protection of our Texas consumers.

If you have been online in the past couple of weeks, you may have noticed two additions to the inspector section of the website:

Inspector Reference Materials

http://www.trec.state.tx.us/education/inspector_reference.asp

Inspector examination reference materials have been posted so that test takers may find the best study materials possible when preparing for the Professional Inspector and Real Estate Inspector examinations. This information is taken directly from the PSI Candidate Information Brochure, but is presented in a much more user friendly format. For those of you who are sponsoring Apprentice inspectors or helping someone prepare for the exam, please point them to this material. I think they'll find it very help.

Inspectors – SOP FAQs

<http://www.trec.state.tx.us/questions/faq-enf.asp#Cat32>

FAQs regarding the Standards of Practice (SOP) have been posted on the agency's FAQ page. There are also Inspector FAQs shown there that reference general enforcement and license questions. These additions are SOP specific questions that come into the agency on a regular basis and staff has posted them on the web so that all license holders and the public can benefit from the answers. If you have questions regarding the SOP please submit them to the General Counsel at devon.bijansky@trec.state.tx.us.

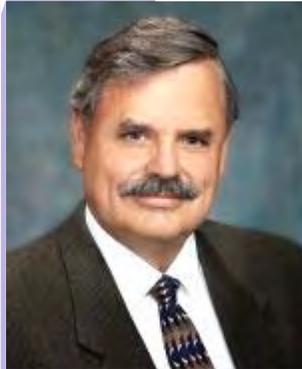
Lastly, I'd ask you to stay involved as we move toward the legislative session beginning in January 2011. There are several matters important to inspectors included in the Commission's legislative clean-up provisions and we will need the assistance of license holders and their trade associations to move them through the process toward passage.



TALCB Bulletin

Texas Appraiser Licensing and Certification Board * Volume 1, Number 6 * September 2010

...from the Chairman



**James B. Ratliff,
Chairman**

At this past meeting we bid farewell and best wishes to two former TALCB Board Members: Danny R. Perkins of Houston and Bill F. Schneider of Austin. Both served the Board with honor and distinction and we send our thanks for a job well done and sincere appreciation for their tireless efforts to benefit both licensees and the welfare of all Texans. On behalf of the Board, thank you to Mr. Perkins and Mr. Schneider for your dedication and time!

We also had the pleasure of welcoming two new members to the Board, Ms. Sheryl Swift of Galveston and Mr. Malachi Boyuls of Dallas. Both jumped right in and were active participants in the August meeting and we look forward to working with them. Welcome!

The Board also recognized past Peer Investigative Committee (PIC) members at the meeting. The first round of PICs began in 2007 and continued into 2009, and it was so successful and proved to be a vital tool for staff, earlier this year we appointed a second round of volunteers to serve in this capacity. I'd like to thank those PIC members who served in the inaugural round of this collaboration: Mr. Larry D. Kokel of Georgetown, Mr. Kevin D. Malechek of Dallas, Mr. Robert L. Moorman of Brenham, Mr. James "Nardie" Vine of San Antonio, Mr. James Synatzske of Stephenville, Mr. Gregory E. Stephens of Dallas, Mr. Clinton P. Sayers of Austin, Ms. Jasmine C. Quinerly of Houston, Ms. Shirley Ward of Alpine, Mr. Walker Beard of El Paso, Mr. Glenn Garoon of Fort Worth, Mr. James Edward Jacobs of Sherman, Mr. Mark A. Lewis of Lufkin, and Mr. Jim D. Pearson of McKinney. Thank you for your service!

After the May ASC visit things have continued to move along at a steady, but rapid pace. General Counsel presented a number of rules for proposal and they are currently posted with the Secretary of State and on the agency website for comment. I encourage you to download them, read them, and provide thoughtful comments back to staff so that we can have the best possible rules governing appraisers in the state of Texas. Proposed rules can be found shortly on the website: <http://www.talcb.state.tx.us/ActAndRules/TALCB-Rules.asp#PROPOSED> and comments should be provided to general.counsel@talcb.state.tx.us. We look forward to hearing from you!

The next and final TALCB meeting for this calendar year will be November 19. Until then, enjoy the (fingers crossed!) cooler weather.

Inside this issue...

- Rule Actions.....3**
- TALCB Disciplinary Actions.....5**

Calendar of Events

Board Meetings

**November 19, 2010
At 10:00 a.m.
(Austin)**

Web site:

<http://www.talcb.state.tx.us>

Phone

(512) 459-2232

Texas Appraiser Licensing and Certification Board
TALCB Bulletin

Volume 1, Number 6
September 2010

Rick Perry
Governor

Board Members:

James B. Ratliff
Chairman
GARLAND

Mark A. McAnally
Vice-Chair
DESIGNEE MEMBER

Luis F. De La Garza, Jr.
Secretary
LAREDO

Walker R. Beard
EL PASO

Malachi O. Boyuls
DALLAS

Robert D. Davis, Jr.
HOUSTON

Clinton P. Sayers
AUSTIN

Sheryl R. Swift
GALVESTON

Donna L. Walz
LUBBOCK

TALCB Commissioner
Douglas E. Oldmixon

Desktop Publishing
Patricia Holder

Texas Appraiser Licensing and Certification Board
P.O. Box 12188
Austin, Texas 78711-2188
(512) 459-2232
<http://www.talcb.state.tx.us>

RULE ACTIONS FROM AUGUST 20, 2010 MEETING OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULE
22 TAC §153.13, §153.15, §153.17 WITHDRAWN	Effective 9/3/2010	<p><i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i></p> <ul style="list-style-type: none"> TALCB withdraws amendments to 22 T.A.C. Chapter 153, Rules Relating to Provisions of the Texas Licensing and Certification Act. The amendments were originally proposed in the June 11, 2010, issue of the <i>Texas Register</i> (35 TexReg 4835).
22 TAC §153.13, §153.15, §153.17 REPROPOSED	11/19/2010	<p>TALCB proposes amendments §153.13, concerning Educational Requirements; §153.15, concerning Experience Required for Certification or Licensing and §153.17, concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval. The proposed amendments result from the Board's rule review process and reflect both substantive and non-substantive changes. The amendments were originally proposed in the June 11, 2010, issue of the <i>Texas Register</i> (35 TexReg 4835) and were withdrawn and repropose with changes here.</p> <ul style="list-style-type: none"> amendments to §153.13 would eliminate provisions regarding changes that became effective on November 1, 2007, as all applicants are now subject to the new requirements, and clarify the Appraisal Qualifications Board (AOB) requirements regarding distance education courses. The proposed amendments would also provide for current certified appraisers in good standing in other states to satisfy their education requirements for the same level of certification in Texas by virtue of the out-of-state certification. The amendments would also introduce non-substantive changes to the section. amendments to §153.15 would implement the federal requirement that the board audit the experience of 100% of applicants for certification. The proposed amendments also provide for current certified appraisers in good standing in other states to satisfy their experience requirements for the same level of certification in Texas by virtue of the out-of-state certification. The proposed amendments would further clarify the experience audit process. amendments to §153.17 would consolidate the general renewal requirements into a new subsection (a) and clarify that a renewal is timely if it is complete and mailed or filed online by the expiration date. Further, the proposed amendments modify the process for reporting continuing education to the board, discontinuing the self-reporting system validated through random audits and instead requiring the licensee to complete an ACE report form and submit certificates of course completion. The proposed amendments would also clarify the process for reapplying for a license after expiration and make other non-substantive changes to improve readability.
22 TAC §153.19, §153.20, §153.21, §153.23, §153.25, §153.27, §153.33, §153.37,	11/19/2010	<p>TALCB proposes amendments to certain sections of 22 T.A.C. Chapter 153, Rules Relating to Provisions of the Texas Licensing and Certification Act. The proposed amendments result from the Board's rule review process and reflect both substantive and non-substantive changes. The amendments to:</p> <ul style="list-style-type: none"> §153.19, Licensing and Certification for Persons with Criminal Histories, would reflect non-substantive changes to provisions regarding licensure of persons with criminal histories, including those who request the Board to make a determination regarding their background before an application for licensure or certification is filed. §153.20, Guidelines for Revocation, Suspension, or Denial of Licensure or Certification, would add a requirement that licensees notify the board within 30 days of disciplinary action against other occupational licenses they hold, delete provisions relating to mental illness, incorporate provisions of 22 TAC §153.22 relating to responding to requests for information from the board, restore certain provisions relating to conditions of probation under subsection (c), and add one additional condition of probation.

RULE ACTIONS FROM AUGUST 20, 2010 MEETING OF THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

RULE NO.	EARLIEST DATE OF ADOPTION	SUMMARY OF PROPOSED RULE <i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i>
22 TAC §153.19, §153.20, §153.21, §153.23, §153.25, §153.27, §153.33, §153.37 AMEND	11/19/2010	<ul style="list-style-type: none"> • §153.21, Appraiser Trainees and Sponsors, would clarify the responsibilities of a trainee's sponsor or authorized supervisor, omit provisions relating to requirements for licensure that are duplicative of the Appraiser Licensing and Certification Act, delete language related to changes that became effective in 2006 and 2008, change "prescribed" to "proposed" regarding forms to reflect the change from promulgated application forms to forms that are approved by the board, clarify the requirement for sponsors and authorized supervisors to diligently sponsor trainees, and make other non-substantive changes. • §153.23, Inactive Certificate or License, would constitute a non-substantive rewrite of this section. • §153.25, Temporary Non-Resident Registration, would modify the terminology to refer to "temporary out-of-state registration" instead of "temporary non-resident registration" in accordance with the statutory language relating to temporary registration. The amendments would also change "prescribed" to "proposed" regarding forms to reflect the change from promulgated application forms to forms that are approved by the board. • §153.27, Certification and Licensure by Reciprocity, would reorganize the section for readability and delete provisions that are duplicative of Tex. Occ. Code Section 1103.209, Reciprocal Certificate or License. • §153.33, Signature or Endorsement of Appraisal, would reorganize the section for readability and delete provisions that are duplicative of Tex. Occ. Code Section 1103.402, Signature or Endorsement of Appraisal. • §153.37, Offenses with Criminal, Civil, and Administrative Penalties, would delete provisions that are duplicative of Chapter 1103, Tex. Occ. Code, including Subchapter L, Penalties and Other Enforcement Provisions, as well as a provision that is addressed in the Penal
22 TAC §153.22, §153.31 REPEAL	11/19/2010	<p>TALCB proposes the repeal of 22 T.A.C. §§153.22, License Holder's Responsibility to the Board, and 153.31, Office Location. The proposed repeal of these sections results from the Board's rule review process.</p> <p>§153.22, License Holder's Responsibility to the Board, is proposed to be repealed because its provisions are proposed, elsewhere in this issue, to be incorporated into 22 TAC §153.20, Guidelines for Revocation, Suspension, or Denial of Licensure or Certification.</p> <p>§153.31, Office Location, is proposed to be repealed because its provisions are duplicative of Tex. Occ. Code §1103.403, Office Location.</p>

RULE NO.	EFFECTIVE DATE	SUMMARY OF ADOPTED RULE <i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i>
22 TAC §153.1, §153.3, §153.5, §153.8, §153.9, §153.10, §153.11, §153.16, §153.18	6/15/2010	<p>TALCB adopts amendments to 22 T.A.C. Chapter 153, Rules Relating to Provisions of the Texas Licensing and Certification Act. The rules are being adopted without changes to the proposed text as published in the June 11, 2010, issue of the <i>Texas Register</i> (35 TexReg 4835), with the exception of 22 TAC §§ 153.13, 153.15, and 153.17 which are being withdrawn and repropose elsewhere in this issue. The amendments result from the Board's rule review process and reflect both substantive and non-substantive changes. The amendments to:</p> <ul style="list-style-type: none"> • §153.1, Definitions, add definitions of "ACE" (appraiser continuing education), "administrative law judge," "complex appraisal," "pleading," "rule," and "USPAP" (Uniform Standards of Professional Appraisal Practice). The amendments to this section also repeal the definition of "appraisal," which is in conflict with the statutory definition, and clarify the definitions of "contested case," "federally-related transaction," and "person." Amendments in this section and elsewhere in the rules replace the term "non-resident temporary registration" to "temporary out of state appraiser" to be more consistent with the statutory language. • §153.3, The Board, eliminate those subsections that are duplicative of statutory provisions and clarify that members shall continue to serve after their terms are finished until their successors are qualified to serve.

RULE NO.	EFFECTIVE DATE	SUMMARY OF ADOPTED RULE <i>For text of the rules as they were filed with the Texas Register, go to the web site www.talcb.state.tx.us</i>
----------	----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

22 TAC §153.1, §153.3, §153.5, §153.8, §153.9, §153.10, §153.11, §153.16, §153.18	6/15/2010	<ul style="list-style-type: none"> • §153.5, Fees, combine the application and education evaluation fees for all license types that are currently required to submit an education evaluation and fee before submitting an application, as these processes and fees are being combined into a single application process (see §153.9, below). Individual online fee provisions are also combined into a single reference to Department of Information Resources online fees, and the National Registry fee is restated as a reference to the fee charged by the Appraisal Subcommittee (ASC). The amendments would further implement a new \$20 fee for filing non-electronic documents that could be filed online, as well as increased renewal fees for late renewals at a rate of 1.5 times the regular fee for renewals up to 90 days late and two times for renewals from 91 days to one year after expiration, which replace a \$100 fee required for late renewals that has been eliminated through process changes. Last, a number of non-substantive revisions are being made to improve readability. • §153.8, Scope of Practice, consolidate the requirement that all license types comply with USPAP and establish specific provisions regarding a disabled appraiser's use of an unlicensed assistant. • §153.9, Applications, combine the education evaluation and application processes, allowing applicants to submit an application for license or certification before or concurrently with submitting documentation of their coursework. In addition to streamlining the process for the agency and to better implement the new licensing database, this will allow prospective licensees to apply for licensure or certification without first submitting a request for education evaluation and waiting for their education to be approved. These amendments would also repeal the promulgated application and application-related forms, allowing the Board to approve (rather than adopt) forms and better respond to process changes and new requirements. Other changes better accommodate online application, renewal, and notification processes or reflect non-substantive changes to improve readability. • §153.10, Date of Licensure, clarify that licenses and certifications are valid for two years, while a trainee approval is valid for one year and registration as a temporary out-of-state appraiser is valid for no longer than six months, and that a license, certification, approval, or registration is not effective until it is issued by the board. • §153.11, Examinations, are primarily a non-substantive update of the examination requirements, including a clarification that while calculators are allowed, cellular phones may not be used as calculators. In accordance with the Appraisal Qualifications Board's (AQB) Real Property Appraiser Qualification Criteria, the amendments also clarify that successful completion of the examination is valid for 24 months. • §153.16, Provisional License, reorganize the section for readability and constitute a non-substantive rewrite of the requirements for provisional licenses. • §153.18, Appraiser Continuing Education, eliminate provisions regarding changes to trainee education requirements that became effective on March 1, 2006, as the distinction in the rules is no longer necessary. The amendments also clarify that only the 7-hour national USPAP update course or its equivalent, taught by an AQB-certified USPAP instructor who is also a certified appraiser, qualifies for USPAP update course credit, and make other non-substantive changes to improve readability.
--------------------------------------------------------------------------------------------------------------	-----------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ELECTRONIC DELIVERY OF RENEWAL NOTICES

In August TREC/TALCB began sending renewal notices electronically to real estate brokers, salespersons, inspectors, appraisers, and easement or right-of-way registrants. Renewal notices are typically mailed 90 days prior to the expiration date of a license. The first electronic renewal notices will be sent to licensees who have a November 30, 2010 expiration date. This move to the electronic delivery of renewal notices will be convenient for licensees who have email addresses and will enable the agency to send renewal notices to real estate brokers as well as salespersons (currently all active salesperson renewal notices are mailed only to the sponsoring broker). The electronic delivery of renewal notices is one of the many recommendations the agency is initiating to help meet budget reductions that have been requested by our state government to help offset the projected shortfall in state revenue.

TALCB Disciplinary Actions August 2010

YONCE, Gary Lynn
Lic. # TX-1326018-R

Board Action Taken: Certification number TX-1326018-R hereto issued to GARY LYNN YONCE, to practice real property appraisal in the State of Texas, will be permanently revoked effective October 1st, 2010.

Complaint No.: 08-031, 10-089, & 10-148. *Reason for Complaint:* Allegations that the Respondent had produced appraisal reports that did not comply with the USPAP.

WRIGHT, Gloria Ann
Lic. # TX-1335246-R, Austin

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Cost Approach; (3) Attend and complete a minimum, 15 classroom-hour course in Sales Comparison Approach; and (4) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies

Complaint No.: 09-052. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule; USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-4(c)(i) & 2-2(b)(viii); 1-4(c)(iii) & 2-2(b)(viii); 1-4(c)(iv) & 2-2(b)(viii); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(viii); 1-6(a) & (b) and 2-2(b)(viii); 1-4(d) & 2-2(b)(viii); 1-5(a) & 2-2(b)(viii); 1-6(a) & (b) & 1-1(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts and making material misrepresentations

TROSTEL, Theodore Gus
Lic. # TX-1321843-R, Fort Worth

Board Action Taken: Respondent shall: (1) Have his certification suspended for eighteen months with this suspension being fully probated under the following conditions: (i) During the entire probated, eighteen month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request;

(ii) Respondent shall sponsor no new trainees during the entire suspension; (iii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance: Avoiding Risky Appraisals and Risky Loans or Valuation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; (4) Attend and complete a minimum, 7 classroom-hour course in Residential Analysis for Small Income Property Appraisals or the Income Approach for Residential Properties; and (5) Pay an administrative penalty of \$1,000.

Complaint No.: 08-067; *Reason for Complaint:* Allegations that the Respondent had produced appraisal reports that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule; USPAP Standards: 1-2(e)(iv) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 2-2(b)(xi); 1-4(c)(i) & 2-2(b)(ix); 1-4(c)(iv) & 2-2(b)(ix); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts and making material misrepresentations

SULLIVAN, Robert M.
Lic. # TX-1325791-R, Plantersville

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (3) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans (i) No examination shall be required for this course; (4) Attend and complete a minimum, 7 classroom-hour course in Valuation by Comparison: Residential Analysis and Logic; and (i) No examination shall be required for this course

Complaint No.: 09-160. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that had various deficiencies.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent



The
toll free lines for TREC/TALCB
are no longer be operational.
Call TREC at 512-459-6544
Call TALCB at 512-459-2223
or go online at www.trec.state.tx.us
www.talcb.state.tx.us

violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

STEWART, Gene C.
Lic. # TX-1334957-R
Cedar Hill

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (3) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans or Valuation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; (4) Attend and complete a minimum, 7 classroom-hour course in Mortgage Fraud; (i) No examination shall be required for this course; and (5) Pay to the Board an administrative penalty of \$500.00

Complaint No.: 09-103. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and 2-1(b). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by by making material misrepresentations and omitting material facts

SKELTON, Duford Wayne
Lic. # TX-1322164-R, Cedar Hill

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans; (i) No examination shall be required for this course; (3) Prepare a written plan of action which outlines the policies, steps and procedures for reviewing and supervising the work of all real estate appraisers at his firm. In preparing such a written plan of action he shall read, research and review USPAP Advisory Opinion 31 and Frequently Asked Questions 216, 219, 220 and 221. Upon completion of the written plan of action, Respondent shall submit a copy to the Board and implement the plan of action at his real estate appraisal firm; and (4) Pay to the Board an administrative penalty of \$1,000.00.
Complaint No.: 10-167.

Complaint No.: 09-103. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal reports that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-4(b)(iii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and 2-1(b). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

RENICK, Clifford Nathan
Lic. # TX-1331659-L, Belton

Board Action Taken: Respondent shall: (1) Comply with the terms of the Agreed Final Order in complaint #06-138 by completing all of the required remedial education within 12 months of the effective date of this order; and (2) Pay to the Board an administrative penalty of \$250.00.

Complaint No.: 10-125. *Reason for Complaint:* Allegations that the Respondent had failed to comply with the a previous agreed final order.

Summary of Violations Found: Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(21). 2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-5(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations in and omitting material facts from his appraisal report.

RAMEY, Kenneth Eugene
Lic. # TX-1329677-L

Board Action Taken: The licensure of Kenneth Eugene Ramey in this matter is hereby REVOKED, effective twenty days after the date Kenneth Eugene Ramey is notified of this Final Order.

Complaint No.: 09-176 & 09-180. *Reason for Complaint:*

PITTS, Robert A.
Lic. # TX-1336457-R, Canyon Lake

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans; (i) No examination shall be required for this course; and (3) Attend and complete a minimum, 7 classroom-hour course in Mortgage Fraud; (i) No examination shall be required for this course.

Complaint No.: 09-096. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained violations of USPAP. *Summary of*

Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 2-2(b)(vi); 1-3(b) & 2-2(b)(ix); 2-2(b)(viii); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts from his appraisal report.

LOSEY, Aaron G.
Lic. # TX-1332634-L

Board Action Taken: License number TX-1332634-L hereto issued to AARON G. LOSEY, to practice real property appraisal in the State of Texas, be permanently revoked without formal charges, notice of hearing, or a formal

hearing.

Complaint No.: 09-017. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

LINDSAY, Morgan

Lic. # TX-1335901-L, Dallas

Board Action Taken: Respondent shall not seek renewal of her license, nor apply to the Board for any authorization, license, certification or registration in the future.

Complaint No.: 06-006, 06-099, 06-107, 07-190, 08-042 & 08-191. *Reason for Complaint:* Allegations that Respondent failed to comply with the Uniform Standards of Professional Appraisal Practice in his completion of these reports.

HILL, Roy Grant

Lic. # TX-1337125-R, Frisco

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in the Cost Approach; and (3) Attend and complete a minimum, 15 classroom-hour course in Market Data Analysis or the Sales Comparison Approach or Residential Case Studies

Complaint No.: 08-069, *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Competency Rule; USPAP Scope of Work Rule; USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(i) & 2-2(b)(ii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(a) & 2-2(b)(viii); 1-5(b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

HENDRICKS, James L.

Lic. # TX-1320326-G, Houston

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; and (2) Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach;

Complaint No.: 06-112. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that contained various deficiencies.

FERGUSON, Bradley Steven

Lic. # TX-1323125-R, Montgomery

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (3) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance: Avoiding Risky Appraisals and Risky Loans or Valuation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; (4) Attend and complete a minimum, 7 classroom-hour course in Mortgage Fraud; and (ii) No examination shall be required for this course

Complaint No.: 09-181, *Reason for Complaint:* Allegations that the Respondent had produced an appraisal reports that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-2(c) & 2-2(a)(v) & (b)(v); 1-2(e)(i) & 2-2(b)(iii); 1-3(b) & 2-2(b)(x) 1-4(b)(i) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

DUPRIEST, David H.

Lic. # TX-1325964-R, Cedar Hill

Board Action Taken: Respondent shall: (1) Have his certification suspended for twenty-four months with this suspension being fully probated under the following conditions: (i) During the entire probated, twenty-four month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (ii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Pay to the Board an administrative penalty of \$500.00; (3) Attend and complete a minimum, 15 classroom-hour course in USPAP; (4) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance: Avoiding Risky Appraisals and Risky Loans or Valuation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; and (5) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies

Complaint No.: 09-112. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal report that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record keeping); USPAP Standards: 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

CANALES, Robert Anthony

Lic. # TX-1336168-L

Board Action Taken: The license of Robert Anthony Canales in this matter is hereby SUSPENDED for thirty-six months with this suspension being fully probated under the following conditions: 1) During the entire probated, thirty-six month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal

activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of his period of probation within the twenty days of notice of any such request; and,

(2) Attend and complete a minimum, 15 classroom-hour course in USPAP; (3) Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies; (4) Attend and complete a minimum, 7 classroom-hour course in Valuation by Comparison: Residential Analysis and Logic; (i) No examination shall be required for this course; (4) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky Appraisals and Risky Loans; (i) No examination shall be required for this course; and (5) Attend and complete a minimum, 15 classroom-hour course in Sales Comparison Approach; (6) Respondent shall pay to the Board an administrative penalty of \$500.00.

Complaint No.: 09-151. *Reason for Complaint:* Allegations concerning possible violations of the Uniform Standards of Professional Appraisal Practice.

BLAINE, Robert Marshall

Lic. # TX-1323208-G, Coriscana

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Attend and complete a minimum, 7 classroom-hour course in Appraising the Tough Ones or Complex Appraisals; and (i) No examination shall be required for this course.

Complaint No.: 09-140. *Reason for Complaint:* Allegations (stemming from a referral from Chase Home Lending) that the Respondent had produced an appraisal report that contained violations of USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards: 1-3(a) & 2-2(b)(viii); 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) and 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); and 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts from his appraisal report.

BERRY, Ricky Buel

Lic. # TX-1327470-R, Sulphur Springs

Board Action Taken: Respondent shall: (1) Attend and complete a minimum, 15 classroom-hour course in USPAP; (2) Pay to the Board an administrative penalty of \$1,000.00; (3) Prepare a written, preventive policies and procedures policy which addresses the use and application of appraisers' signature, appraisal report updates and recertification of value in Respondent's appraisal practice. (i) The policy shall be drafted after Respondent has researched, read and reviewed Advisory Opinion #3 and Frequently Asked Questions #170-177. (ii) This comprehensive policy shall be submitted to the Board once completed and adhered to by Respondent at all times during his practice as a real estate appraiser. (4) Sponsor no trainees

Complaint No.: 09-134. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal reports that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Scope of Work Rule; USPAP Standards: 1-2(d) & 2-2(b)(vi); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts. (3) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(18) by misusing the certification of another appraiser.

ARNOLD, Paul Edward

Lic. # TX-1323120-R, Greenville

Board Action Taken: Respondent shall: (1) Have his certification suspended for twenty-four months with the first month of the suspension in full effect and the remaining twenty-three months of the suspension fully probated under the following conditions: (i) During the probated, twenty-three month suspension period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities he has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of this period of probation within the twenty days of notice of any such request; (ii) Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order. (2) Pay to the Board an administrative penalty of \$2,000.00; (3) Attend and complete a minimum, 15 classroom-hour course in USPAP; (4) Attend and complete a minimum, 7 classroom-hour course in Whatever Happened to Quality Assurance: Avoiding Risky Appraisals and Risky Loans; (i) No examination shall be required for this course; (5) Attend and complete a minimum, 7 classroom-hour course in Valuation by Comparison: Residential Analysis and Logic; and, (i) No examination shall be required for this course.

Complaint No.: 09-148. *Reason for Complaint:* Allegations that the Respondent had produced an appraisal reports that did not comply with the USPAP.

Summary of Violations Found: (1) Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record keeping); USPAP Standards: 1-2(b) & 2-2(b)(ii); 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(i) & 2-2(b)(iii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(vii); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

ADAMS, Kyle Bayne

Lic. # TX-1337648-P, Canyon

Board Action Taken: The licensure of Kyle Bayne Adams in this matter is hereby REVOKED, effective twenty days after the date Kyle Bayne Adams is notified of this Final Order.

Complaint No.: 10-187. *Reason for Complaint:* Allegations concerning possible violations of the Uniform Standards of Professional Appraisal Practice.

Summary of Violations Found: 22 Tex.Admin.Code §153.22. USPAP Ethics Rule (record keeping provisions); USPAP Standards: 1-2(h) & 2-2(b)(vii); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-1(a) & 1-4(a); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and 2-1(b). (2) Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.