

Grassroots efforts the key to a successful legislative session

Texas REALTORS® are winners at the Capitol

Thanks to strong grassroots efforts, including the overwhelming presence of over 2,000 Texas REALTORS® at the Legislative Hill Visits and tactical use of the association's legislative contact teams, Texas REALTORS® had a very successful legislative session.

The association keeps a close eye on a variety of issues that affect property owners and the real estate industry including water rights and conservation efforts, mineral interests, energy production, transportation, taxation, real estate valuation and development, regulatory oversight of free enterprise, private-property rights, and more.

A list like that can make for a wide legislative agenda. Because of that, the association usually enters legislative sessions with a defensive posture. However, this year, the association pursued an aggressive agenda centered on four specific issues—all of which passed.

Removing real estate brokerage from liability under the Deceptive Trade Practices Act

Many Texas REALTORS® have been threatened or sued using the Deceptive Trade Practices Act (DTPA), despite having committed no wrong. In many cases, these hard-working, honest Texas REALTORS® have either chosen to or been forced to settle out-of-court because it's easier, far less risky, and ultimately less expensive than fighting the allegation.

A new law, effective May 28, 2011, addresses this problem. Specifically, the law clarifies a 16-year old professional-services exemption to the DTPA by expressly adding real estate brokerage to the list of professions not subject to liability under the act.

Eliminating future private transfer fees on real estate transactions

This new law prohibits most future private transfer fees on real property and provides clarity and disclosure requirements to properties with existing private transfer fees.

Amending Texas Real Estate Commission (TREC) education requirements and licensing guidelines

The association is committed to ensuring the highest standard of service by Texas real estate licensees. To achieve this goal, each session the association helps update and modernize consumer-protection standards and the Texas Real Estate License Act.

This session, the reform focused on better preparing licensees to represent consumers in real estate transactions and ensuring education for applicants and licensees is targeted and of the highest quality.

Additionally, the law now extends licensing requirements to three new groups and requires a salesperson be licensed four years, up from two, to obtain a broker's license. The law also obligates TREC to establish a standard by which applicants can be measured other than the number of years a license is held—specifically “active experience.”

Making the Texas Real Estate Commission a self-directed, semi-independent (SDSI) agency

Recently imposed budget cuts have resulted in significant layoffs at the real estate commission, which have drastically affected the agency's ability to adequately serve licensees and the general public. Allowing the agency to utilize fees it charges to real estate licensees will improve performance.

Association efforts resulted in TREC being designated as an SDSI agency. This means TREC is no longer subject to the appropriations process at the Legislature—instead, the agency can conduct business using the licensing fees it collects.

Other session information

It's not always about getting bills passed. Association staff helped kill numerous pieces of legislation dealing with county rulemaking authority, sales-price disclosure, and home-equity lending, as well as an insurance bill that would have been

detrimental to homeowners. In fact, at the end of the session, the association opposed 95 bills—and not one of them became law.

This session, staff tracked 2,448 of the 6,228 filed bills—almost 40%.

Is that Latin for *hasta mañana*?

The Legislature adjourned *sine die* on May 30. However, the governor called for a special legislative session which began the next day—Tuesday, May 31—to consider a school-finance bill, congressional redistricting maps, and a few other items. Association staff will remain vigilant to ensure that private property rights and the real estate industry are not adversely affected by the special session.

What can you do?

Read the *Legislative Liaison*. The newsletter is distributed via e-mail every Friday afternoon during the legislative session and summarizes the week at the Capitol—from a real estate perspective. Sign up at the subscription preferences page of TexasRealtors.com.

Invest in *TREPAC*. The Texas Association of REALTORS® Political Action Committee protects private-property rights and the real estate industry. Read more under the Government & Politics tab at TexasRealtors.com.

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