



November 7th, 2018

Jennifer Jones
Acting Director
Texas Sunset Advisory Commission
1501 N. Congress Avenue, 6th Floor
Austin, Texas 78701

Re: Foundation Appraisers Coalition of Texas (FACT) response to Sunset Advisory Commission Staff Report 2018-2019

Dear Ms. Jones,

Thank you for the opportunity to provide written comments regarding the Sunset Advisory Commission Staff Report 2018-2019 for the Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing and Certification Board (TALCB). FACT appreciates the efforts expended by the Sunset Commission and Sunset staff in developing such a comprehensive report. Although FACT agrees with many of the observations and recommendations conveyed in the report, there are some aspects with which we have concern and wish to provide our perspective as regulated industry participants.

Issue 1: Texas Should Continue Regulating the Real Estate Industry, but the Agency Has Not Used Its SDSI Status to Best Meet the Needs of License Holders or the Public

Recommendation 1.1 - Continue the Real Estate Commission and Appraiser Board for six years and place them under the SDSI Act

FACT agrees with the recommendation to continue the Texas Appraiser Licensing and Certification Board for six years instead of the typical twelve years to ensure the needed changes have occurred to reestablish the Legislature's, license holders' and public's trust in the TALCB. We do however, disagree with placing the TALCB under the SDSI Act due to the provisions within Chapter 1105 that are specific to the TALCB operations that differ from Chapter 472. Rather than repeal Chapter 1105, we agree with the TREC/TALCB response to amend those sections of Chapter 1105. The recommended alternative does appear to represent a more efficient and effective solution by retaining and amending Chapter 1105.

Issue 2: Key elements of the Real Estate Commission's and Appraiser Board's Licensing Functions Do Not Conform to Common Licensing Standards

Recommendation 2.1 - Eliminate instructor approval authority

FACT is not opposed to elimination of instructor approval authority as outlined by the Sunset Staff.

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Recommendation 2.3 - Remove a subjective qualification required for licensure applicants

FACT is opposed to the recommendation and agrees with the TALCB response that adoption of this recommendation would impact the TALCB ability to comply with federal law.

Issue 3: The Real Estate Commission's and Appraiser Board's Enforcement Processes Cannot Fully Ensure Fair Treatment of Licensees and Complainants

Recommendation 3.1 - Require the Real Estate Commission and the Appraiser Board to maintain complainant's confidentiality when possible

FACT disagrees with the recommendation and agrees with the response provided by TALCB in their October 16, 2018 letter.

Recommendation 3.3 - Authorize the Appraiser Board to order refunds to consumers.

FACT disagrees with the recommendation 3.3. We believe the current TALCB Rules and Penalty Matrix are enough to provide appropriate penalties for infractions based upon the level of offense, independent of any refund to a consumer.

FACT looks forward a continued discussion at the upcoming Sunset meeting on November 14th. Again, we appreciate the opportunity to provide our industry's perspective, and FACT is ready to work with the Sunset Commission, legislators, and the TALC Board as we head into the 2019 legislative session.

FACT is a partner in this process and FACT is committed to being part of the solution for the benefit of the industry as well as the citizens we all serve.

Respectfully Submitted,

Victor Probandt

President 2018