Sec. 323.072. ABUSE OF COUNTY LIBRARY SERVICES. (a) The commissioners court by order may adopt reasonable regulations that prohibit a person from abusing library services by intentionally failing to pay a library fine or return library property.

(b) A person who violates a regulation adopted by the county under this section is liable to the county for a civil penalty of not more than $100 for each violation. A county may bring suit in a district or county court to recover a civil penalty authorized by this subsection.

SECTION 2. This Act takes effect September 1, 2013.

Passed by the House on May 8, 2013: Yeas 147, Nays 0, 2 present, not voting; passed by the Senate on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 698
H.B. No. 2911
AN ACT
relating to the regulation of real estate inspectors; changing fees.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter C, Chapter 1102, Occupations Code, is amended by adding Section 1102.1051 to read as follows:

Sec. 1102.1051. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE. (a) The commission shall require that an applicant for a license or renewal of an unexpired license submit a complete and legible set of fingerprints, on a form prescribed by the commission, to the commission or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The commission shall refuse to issue a license to or renew the license of a person who does not comply with the requirement of Subsection (a).

(c) The commission shall conduct a criminal history check of each applicant for a license or renewal of a license using information:

(1) provided by the individual under this section; and

(2) made available to the commission by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter 411, Government Code.

(d) The commission may:

(1) enter into an agreement with the Department of Public Safety to administer a criminal history check required under this section; and

(2) authorize the Department of Public Safety to collect from each applicant the costs incurred by the department in conducting the criminal history check.

SECTION 2. Section 1102.109, Occupations Code, is amended to read as follows:

Sec. 1102.109. ELIGIBILITY FOR PROFESSIONAL INSPECTOR LICENSE. To be eligible for a professional inspector license, an applicant must:

(1) at the time of application have:

(A) held a real estate inspector license for at least 12 months; and

(B) performed at least 175 real estate inspections under indirect supervision;

(2) submit evidence satisfactory to the commission of successful completion of at least 40 [30] classroom hours of core real estate inspection courses, in addition to the hours required by Section 1102.108[, and at least eight classroom hours related to the study of standards of practice, legal issues, or ethics related to the practice of real estate inspecting];
(3) demonstrate competence based on the examination under Subchapter D; and
(4) satisfy the commission as to the applicant's honesty, trustworthiness, integrity, and competence.

SECTION 3. Section 1102.110, Occupations Code, is amended to read as follows:
Sec. 1102.110. ELIGIBILITY OF PREVIOUS LICENSE HOLDERS. (a) Notwithstanding Section 1102.108, an applicant is eligible for and has satisfied all requirements for a real estate inspector license if the applicant:
(1) held a real estate inspector license during the 24-month period preceding the date the application is filed;
(2) is sponsored by a professional inspector; and
(3) satisfies the commission as to the applicant's honesty, trustworthiness, and integrity; and
(4) submits evidence satisfactory to the commission of successful completion of not less than the number of hours of continuing education courses that would have been required for the applicant to renew the license described by Subdivision (1).
(b) Notwithstanding Section 1102.109, an applicant is eligible for and has satisfied all requirements for a professional inspector license if the applicant:
(1) held a professional inspector license during the 24-month period preceding the date the application is filed; and
(2) satisfies the commission as to the applicant's honesty, trustworthiness, and integrity; and
(3) submits evidence satisfactory to the commission of successful completion of not less than the number of hours of continuing education courses that would have been required for the applicant to renew the license described by Subdivision (1).

SECTION 4. Section 1102.111(b), Occupations Code, is amended to read as follows:
(b) Rules adopted under Subsection (a) may not require an applicant to:
(1) complete more than 320 additional hours of core real estate inspection courses; or
(2) complete more than 40 hours of field work, if the applicant completes correspondence or other course provided by alternative means; or
(3) have more than seven years of relevant experience.

SECTION 5. Section 1102.114, Occupations Code, is amended to read as follows:
Sec. 1102.114. ISSUANCE OF LICENSE. The commission shall issue the appropriate license to an applicant who:
(1) meets the required qualifications;
(2) pays the fee required by Section 1102.352(a); and
(3) submits proof of financial responsibility as required by Section 1102.1141 that the applicant carries liability insurance with a minimum limit of $100,000 per occurrence to protect the public against a violation of Subchapter G.

SECTION 6. Subchapter C, Chapter 1102, Occupations Code, is amended by adding Section 1102.1141 to read as follows:
Sec. 1102.1141. FINANCIAL RESPONSIBILITY REQUIREMENT. (a) An inspector must maintain financial responsibility in the form of:
(1) a liability insurance policy with a minimum limit of $100,000 per occurrence and an aggregate annual total of at least $100,000, and that:
(A) is written by an insurer authorized to engage in the business of insurance in this state, a risk retention group as defined by Chapter 2201, Insurance Code, or an eligible surplus lines insurer, as defined by Section 981.002, Insurance Code; and
(B) specifically provides for professional liability coverage to protect the public against a violation of Subchapter G; or
(2) a bond or other security accepted by the commission.
(b) A bond posted as security under Subsection (a)(2) must:

(1) be issued by a carrier admitted in this state;
(2) be in an amount not less than $100,000;
(3) be continuous; and
(4) be cancellable by the surety only after the surety has provided at least 90 days' written notice to the commission before the effective date of the cancellation.

(c) Any security provided under this section in a form other than a bond must be convertible to cash by the commission for the benefit of a person who contracts with an inspector in this state, without requiring approval of a court, if the commission determines that the inspector has violated Subchapter G. Any amount remaining after an inspector's license has expired shall be returned to the inspector not later than the 180th day after the date the license expires.

(d) An inspector who posts a bond or other security under this section must designate an unaffiliated third party to handle the processing of any claim regarding the bond or other security.

SECTION 7. Section 1102.118, Occupations Code, is amended to read as follows:

Sec. 1102.118. CONTACT INFORMATION [CHANGE OF ADDRESS]. (a) An inspector shall provide the commission with a current mailing address, telephone number, and, if available, e-mail address.

(b) Not later than the 30th day after the date of a change in the mailing address, telephone number, or e-mail address of an inspector [changes the inspector's place of business], the inspector shall notify the commission of the change and pay any [the] required fee.

SECTION 8. Section 1102.153, Occupations Code, is amended to read as follows:

Sec. 1102.153. DEADLINE FOR COMPLETION. A license applicant who does not satisfy the examination requirement before the first anniversary of [within six months after] the date the application is filed must submit a new application and pay another examination fee to be eligible for examination.

SECTION 9. Section 1102.155(b), Occupations Code, is amended to read as follows:

(b) An applicant who fails the examination three consecutive times [in connection with the same application] may not apply for reexamination or submit a new license application unless [before six months] after the date of the third failed examination the applicant completes additional educational requirements as prescribed by the commission and submits evidence satisfactory to the commission of successful completion of those requirements.

SECTION 10. Section 1102.202, Occupations Code, is amended to read as follows:

Sec. 1102.202. NOTICE OF LICENSE EXPIRATION. Not later than the 31st day before the expiration date of a person's license, the commission shall provide notice of the expiration [send to the person at the person's last known address according to the commission's records written notice of the license expiration].

SECTION 11. Section 1102.203, Occupations Code, is amended to read as follows:

Sec. 1102.203. RENEWAL OF LICENSE; INFORMATION REQUIRED. (a) A person may renew an unexpired license by paying the required renewal fee to the commission before the expiration date of the license and providing proof of financial responsibility [liability insurance] as required by Section 1102.1141 [1102.114(3)].

(a-1) A person whose license has been expired for 90 days or less may renew the license by paying to the commission a fee equal to 1-1/2 times the required renewal fee. If a license has been expired for more than 90 days but less than six months, the person may renew the license by paying to the commission a fee equal to two times the required renewal fee.

(b) If the person's license has been expired for six months or longer [expires], the person may not renew the license. The person may obtain a new license by submitting to reexamination, if required, and complying with the requirements and procedures for obtaining an original license.
(c) Each applicant for renewal of a license must disclose to the commission whether the applicant has:

1. entered a plea of guilty or nolo contendere to a felony; or
2. been convicted of a felony and the time for appeal has elapsed or the judgment or conviction has been affirmed on appeal.

(d) The disclosure under Subsection (c) must be provided even if an order has granted community supervision suspending the imposition of the sentence.

SECTION 12. Section 1102.402(c), Occupations Code, is amended to read as follows:

(c) A person is not eligible for a license until the person has reimbursed the commission in full for any amount paid on the person's behalf from the real estate inspection recovery fund or the real estate recovery trust account under Subchapter M, Chapter 1101, plus interest at the legal rate.

SECTION 13. Sections 1102.252 and 1102.253, Occupations Code, are repealed.

SECTION 14. (a) Sections 1102.1051 and 1102.1141, Occupations Code, as added by this Act, and Sections 1102.109, 1102.111, 1102.114, 1102.153, 1102.155, and 1102.402, Occupations Code, as amended by this Act, apply only to an application for an inspector license submitted to the Texas Real Estate Commission on or after the effective date of this Act. An application for a license submitted before that date is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

(b) Sections 1102.203 and 1102.402, Occupations Code, as amended by this Act, and Sections 1102.1051 and 1102.1141, Occupations Code, as added by this Act, apply only to the renewal of an inspector license that expires on or after the effective date of this Act. A license that expires before that date is governed by the law in effect on the date the license expires, and the former law is continued in effect for that purpose.

SECTION 15. This Act takes effect September 1, 2013.

Passed by the House on April 25, 2013: Yeas 112, Nays 19, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 2911 on May 22, 2013: Yeas 116, Nays 29, 2 present, not voting; passed by the Senate, with amendments, on May 20, 2013: Yeas 27, Nays 4.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 699

H.B. No. 2913

AN ACT

relating to trusts.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 111.004(12), Property Code, is amended to read as follows:

(12) "Property" means any type of property, whether real, tangible or intangible, legal, or equitable, including property held in any digital or electronic medium. The term also includes choses in action, claims, and contract rights, including a contractual right to receive death benefits as designated beneficiary under a policy of insurance, contract, employees' trust, retirement account, or other arrangement.

SECTION 2. Section 112.035, Property Code, is amended by amending Subsection (d) and adding Subsections (g) and (h) to read as follows:

(d) If the settlor is also a beneficiary of the trust, a provision restraining the voluntary or involuntary transfer of the settlor's beneficial interest does not prevent the settlor's creditors from satisfying claims from the settlor's interest in the trust estate. A settlor is not considered a beneficiary of a trust solely because: