

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 145 - HB 248**

February 27, 2015

**SUMMARY OF BILL:** Requires the Tennessee Real Estate Commission (TREC) to approve any continuing education course that consists of a minimum of one classroom hour in length; provided, the course meets all other requirements of the Commission.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- TREC approves prelicense and continuing education courses, but does not offer any courses for a fee. All real estate continuing education courses are provided by private entities; therefore, changing the minimum classroom hour requirement for approved courses will not affect current board resources.
- Current TREC rule 1260-05-.03 states that no continuing education course can consist of fewer than two classroom hours. TREC will make necessary rule changes during regularly scheduled commission meetings.
- This legislation will not change the current education requirements imposed by TREC on licensees.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period.
- The Real Estate Commission had an annual surplus of \$382,236 in FY12-13, an annual surplus of \$479,194 in FY13-14, and a cumulative reserve balance of \$3,303,655 on June 30, 2014.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumptions:

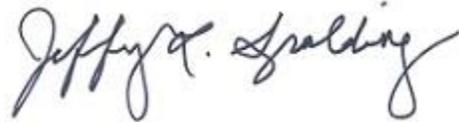
- This legislation will not change the current education requirements imposed by TREC on licensees.
- The provisions of the bill will not affect the number of real estate licensees who participate in continuing education courses annually.

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- It is assumed the private entities offering real estate continuing education courses charge a fee to sufficiently cover the cost of providing the course.
- While there could be a decrease in expenditures if an entity reduces the number of classroom hours per course, it is assumed the overall reduction in expenditures will not significantly affect the revenue realized from fee collections. Any impact to commerce is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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