

ALLOCATION OF FEES TO EDUCATION AND RESEARCH ACCOUNT ECONOMIC IMPACT ASSESSMENT (Government Code Section 11346.3(b))

Government Code Section 11346.3(b) Compliance Summary

- The proposal does not affect the creation or elimination of jobs within the State of California.
- The proposal does not affect the creation of new businesses or the elimination of existing businesses within the State of California.
- The proposal does not affect the expansion of businesses currently doing business within the State of California.
- The proposal will not adversely affect the health and welfare of California residents, worker safety, or the State's environment. By designating funds for education and research projects, the proposal will benefit the general welfare of California residents by ensuring that licensees and the public have greater financial literacy and knowledge of real estate practices.

Summary of the Proposed Regulation

The proposed regulation amendment designates 8 percent of real estate license fees collected by the Bureau of Real Estate ("CalBRE") to the Education and Research Account within the Real Estate Fund. The proposal does not change the fee schedule; the fee for any given real estate license remains unchanged.

Creation or Elimination of Jobs Within the State of California

The proposed regulation amendment does not alter the existing fee schedule, but merely designates a particular use for a portion of the fees collected. Because the fee charged to a licensee for a particular license is unchanged, the Real Estate Commissioner finds that this allocation of funds will have no impact on creation or elimination of jobs.

Creation or Elimination of Existing Businesses Within the State of California

For the reasons stated immediately above (no change in the fee charged to a licensee), the Real Estate Commissioner also finds that this proposed amendment will have no impact on creation or elimination of existing businesses.

Expansion of Existing Business Within the State of California

For the reasons stated above, the Commissioner finds no foreseeable expansion of existing businesses within the state.

Benefits of the Regulations

In establishing Education and Research Account via Section 10450.6 of the Code, the Legislature recognized a need for ongoing efforts to educate both the consumer public and real estate licensees regarding real estate matters. This need is consistent with CalBRE's foundational mission: protection of the public. A regular designation of funds into the Education and Research Account would ensure funding for such projects. This amendment will ensure that the maximum legal percentage of funds is designated for the educational and research purposes intended by Section 10450.6 of the Code. For Fiscal Year 2012-13, 8 percent of the license fees collected amounted to \$2,832,000.