SEVENTY-SEVENTH DAY
(Continued)
(Monday, May 30, 1983)

AFTER RECESS

The Senate met at 9:30 o'clock a.m. and was called to order by Senator Blake.

LOCAL AND UNCONTESTED BILLS CALENDAR

The Presiding Officer (Senator Blake in Chair) announced that the time had arrived for the consideration of the Local and Uncontested Bills Calendar.

On motion of Senator Mauzy and by unanimous consent, the regular order of business was suspended on the bills and resolutions on the Local and Uncontested Bills Calendar so they could be considered on second reading in the order they are listed on the Calendar.

After suspending the regular order by unanimous consent, the following bills were laid before the Senate, read second time, amended where applicable, passed to third reading, read third time and passed: (Sponsor, vote on Constitutional Three-Day Rule and final passage indicated after caption of each bill)

H.B. 533 (Parker) Relating to alternate jurors. (30-1) Washington "Nay" (31-0)

Senator Parker offered the following committee amendment to the bill:

Amend **H.B. 533** by adding the following section:

SECTION 5. Article 37.02 Code of Criminal Procedure is amended to read as follows:

In misdemeanor cases in the district court, where one or more jurors have been discharged from serving after the cause has been submitted to them, if all the alternate jurors selected under Article 33.011 of this Code have either been seated or discharged, and there be as many as nine of the jurors remaining, those remaining may render and return a verdict; but in such case, the verdict must be signed by each juror rendering it.

The committee amendment was read and was adopted.

On motion of Senator Parker and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

H.B. 1470 (Leedom) Transfer of certain cases from District Courts to County Courts at Law in Dallas County. (29-2) Brooks, Washington "Nay" (30-1) Brooks "Nay"

Senator Lyon offered the following amendment:

Amend line 13 by adding after the word "County" the following: "or the county judge of the court to which the case is transferred does not agree to the transfer".

The amendment was read and was adopted.

On motion of Senator Leedom and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

H.B. 2329 (Montford) Creation of County Court at Law No. 2 of Ector County. (30-1) Washington "Nay" (31-0)

Senator Montford offered the following committee amendment to the bill:

Amend **H.B. 2329** by renumbering Section 10 as Section 11 and inserting a new Section 10 to read as follows:

SECTION 10. Chapter 4, Acts of the 56th Legislature, Regular Session, 1959 (Article 1970-346, Vernon's Texas Civil Statutes), is amended by amending Sections 3, 6, 17, and 24 to read as follows:

Sec. 3. The County Court at Law of Ector County has concurrent civil jurisdiction with the district court in cases in which the matter in controversy exceeds $500 and does not exceed $50,000, excluding interest, in appeals of final rulings and decisions of the Industrial Accident Board, regardless of the amount in controversy, in eminent domain cases and proceedings as provided by general law and in cases and proceedings involving family law matters, including adoption; birth records; removal of disability of minority or converture; change of names of persons; divorce and marriage annulment, including the adjustment of property rights, custody and support of minor children involved, temporary support pending final hearing, and every other matter incident to divorce or annulment proceedings; paternity; termination of parental rights; independent actions involving child welfare, custody, support and reciprocal support, dependency, neglect, and delinquency; and independent actions involving controversies between parents, between parent and child, and between spouses. [~~The jurisdiction of the County Court at Law of Ector County and of the judge thereof shall extend to all matters of eminent domain of which jurisdiction has heretofore been vested in the County Court of Ector County or in the county judge, but this provision shall not affect the jurisdiction of the Commissioners Court or of the county judge of Ector County as the presiding officer of said Commissioners Court as to roads, bridges, and public highways and matters of eminent domain which are now within the jurisdiction of the Commissioners Court or the presiding judge thereof.~~]

Sec. 6. (a) The respective judges of the County Court of Ector County and of the County Court at Law of Ector County shall, from time to time as occasion may require, transfer cases from one of such courts to the other of such courts in order that the business may be equally distributed among them, that the judges thereof may at all times be provided with cases to be tried or otherwise considered, and that the trial of no case need be delayed because of the disqualification of the judge in whose court it is pending; provided, however, that no case shall be transferred from one court to the other without the consent of the judge of the court to which it is transferred; and provided further, that no case may be transferred unless it is within the jurisdiction of the court to which it is transferred [~~from the County Court of Ector County which does not come within the jurisdiction of the County Court at Law of Ector County as prescribed in this Act~~].

(b) On motion of a party, on agreement of the parties, or on their own motion, the judges of the County Court at Law of Ector County and the district courts in Ector County may transfer civil cases and proceedings to and from the dockets of their respective courts, except that a case or proceeding may not be transferred from one court to another without the consent of the judge of the court to which it is transferred and may not be transferred unless it is within the jurisdiction of the court to which it is transferred. If a judge is disqualified in a case or proceeding, he shall transfer the case or proceeding from his court to another of the courts.

(c) When a case is transferred from one court to another as provided by this section, all processes, writs, bonds, recognizances, or other obligations issued from the transferring court are returnable to the court to which the case is transferred as if originally issued by that court. The obligees in all bonds and recognizances taken in and for a court from which a case is transferred, and all witnesses summoned to appear in a court from which a case is transferred, are required to appear before the

court to which the case is transferred as if originally issued out of the court to which the transfer is made.

Sec. 17. (a) The county clerk of Ector County shall be the clerk of the County Court at Law of Ector County, except that, in matters within the concurrent jurisdiction of the county court at law and the district courts, the district clerk serves as clerk of the court. In matters within their concurrent jurisdiction, the judges of the county courts at law and the district courts may adopt the rules governing the filing and numbering of cases, the assignment of cases for trial, and the distribution of the work of those courts that they consider necessary or desirable for the orderly dispatch of the business of those courts.

(b) The [~~and the~~] seal of the county court at law shall be the same as that provided by law for county courts, except the seal shall contain the words "County Court at Law of Ector County."

Sec. 24. (a) The laws of the State of Texas, the rules of procedure and the rules of evidence shall be applicable to and control trials and proceedings in the County Court at Law of Ector County, and shall be applicable to and govern the proceedings in and appeals to and appeals from the County Court at Law of Ector County. Practice in the county court at law shall conform to that prescribed by law and the rules for county courts, except that procedure, evidence, issuance of process and writs, juries, and all other matters pertaining to the conduct of trials and hearings in the county court at law involving those matters of concurrent jurisdiction with the district courts shall be governed by the law and rules pertaining to district courts.

(b) This Act does not diminish the jurisdiction of the district courts or the county court and those courts retain and continue to exercise the jurisdiction that is conferred by law on district courts and county courts, respectively. The jurisdiction conferred by this Act is concurrent with the jurisdiction of those courts.

The committee amendment was read and was adopted.

On motion of Senator Montford and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

H.B. 2429 (Uribe) Relating to Rio Grande Valley Municipal Water Authority. (30-1) Washington "Nay" (31-0)

H.B. 2448 (Farabee) Establishment of juvenile board in Fisher, Mitchell and Nolan counties. (30-1) Washington "Nay" (31-0)

BILLS AND RESOLUTION REMOVED FROM LOCAL AND UNCONTESTED CALENDAR

The following bills and resolution were removed from the Local and Uncontested Bills Calendar:

Bill Number	Senators Objecting
S.C.R. 138	Vale, Blake
H.B. 1869	Mauzy, Blake
C.S.H.B. 2002	Mauzy, Blake

ADJOURNMENT

On motion of Senator Blake, the Senate at 9:58 o'clock a.m. adjourned until 10:00 o'clock a.m. today.

SEVENTY-EIGHTH DAY
(Monday, May 30, 1983)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Kothmann, Leedom, Lyon, Mauzy, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

A quorum was announced present.

Senator Roy Blake offered the invocation as follows:

Heavenly Father, we ask that You would be with us in our deliberations this last day of the 68th Session. We ask You to forgive us of our sins, and be with us and give us a safe journey home, in Christ's sake. Amen.

On motion of Senator Mauzy and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

CONFERENCE COMMITTEE REPORT
HOUSE BILL 2298

Senator Vale submitted the following Conference Committee Report:

Austin, Texas
May 28, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 2298** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

VALE	TEJEDA
MONTFORD	MADLA
TRAEGER	SUTTON
PARMER	
On the part of the Senate	On the part of the House

The Conference Committee Report was read and was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT
SENATE BILL 928

Senator Jones submitted the following Conference Committee Report:

Austin, Texas
May 28, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 928** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

JONES	SIMPSON
HOWARD	MESSER
HARRIS	GREEN
GLASGOW	S. SMITH
TRAEGER	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to continuation of the State Board of Insurance and to the regulation of the business of insurance; to the powers and duties of the State Board of Insurance and the Commissioner of Insurance, the State Fire Marshal, and the State Auditor; and to the operations of the board and the qualifications and activities of the commissioner, members of the board, and personnel; authorizing certain fees and other charges and creating the State Board of Insurance operating fund; providing for its sources, administration, and uses; providing for audits by the State Auditor; providing notice of complaint procedures to insureds; providing for payment of premium taxes under protest and a limitation period for filing suits for refund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 1.02, Insurance Code, as amended, is amended by adding Sections (g), (h), (i), (j), and (k) to read as follows:

"(g) Appointments to the board shall be made without regard to the race, creed, sex, religion, or national origin of the appointees.

"(h) In addition to grounds provided by other applicable law providing for removal from office, it is a ground for removal from the board that a member:

"(1) does not have at the time of appointment the qualifications required by this article for appointment to the board;

"(2) does not maintain during the service on the board the qualifications required by this article for appointment to the board; or

"(3) violates a prohibition established by Article 1.06A of this code.

"(i) The validity of an action of the board is not affected by the fact that it was taken when a ground for removal of a member of the board existed.

"(j) The board shall prepare and maintain a written plan to assure implementation of a program of equal employment opportunity whereby all personnel transactions are made without regard to race, color, disability, sex, religion, age, or national origin. The plan must include:

"(1) a comprehensive analysis of all employees by race, sex, ethnic origin, class of position, and salary or wage;

"(2) plans for recruitment, evaluation, selection, appointment, training, promotion, and other personnel policies;

"(3) steps reasonably designed to overcome any identified under-utilization of minorities and women in the board's work force; and

"(4) objectives and goals, timetables for the achievement of those objectives and goals, and assignments of responsibility for their achievement.

"(k) The plan required by Section (j) of this article shall be filed with the governor's office within 60 days after the effective date of that section, cover an annual period, and be updated at least annually. Progress reports shall be submitted to the governor's office within 30 days before November 1 and April 1 of each year and shall include the steps the board has taken within the reporting period to comply with those requirements." SECTION 2. Chapter 1, Insurance Code, as amended, is amended by adding Articles 1.06A and 1.06B to read as follows:

"Article 1.06A. CONFLICT OF INTEREST. A member of the State Board of Insurance, the commissioner of insurance, or an employee of the State Board of Insurance may not be an officer, employee, or paid consultant of a trade association in the insurance industry.

"Article 1.06B. LOBBYING ACTIVITIES. A person who is required to register as a lobbyist under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), by virtue of his activities for compensation in or on behalf of a profession related to the operation of the board may not serve as a member of the board or act as the general counsel to the board."

SECTION 3. Article 1.09, Insurance Code, as amended, is amended by adding Sections (h) and (i) to read as follows:

"(h) The commissioner of insurance or his designee shall develop an intraagency career ladder program, one part of which shall be the intraagency posting of each nonentry level classified position for at least 10 days before the position is filled.

"(i) The commissioner of insurance or his designee shall develop a system of annual performance reviews that evaluate both the quality and quantity of the job tasks performed. All merit pay for board employees must be based on the system established under this section."

SECTION 4. Article 1.10, Insurance Code, as amended, is amended by adding Sections 18 and 19 to read as follows:

"18. Complaint File. The State Board of Insurance shall maintain an information file relating to each written complaint that is filed with the board concerning an activity that is regulated by the board.

"19. Notice of Complaint Status. If a written complaint is filed with the State Board of Insurance relating to an activity that is regulated by the board, the board, at least quarterly and until final disposition of the complaint, shall notify the person making the complaint and the person complained against of the status of the complaint unless:

"(A) the complaint relates to an entity in supervision, conservatorship, or liquidation; or

"(B) giving such notice would jeopardize the investigation of a possible violation of a law that is enforceable by a criminal penalty."

SECTION 5. Article 1.25, Insurance Code, is amended to read as follows:

"Article 1.25. BIENNIAL REPORT AND ANNUAL STATEMENT TO LEGISLATURE. (a) On or before December 31 of each even-numbered year, the State Board of Insurance shall submit to the appropriate committees of each house of the Legislature a written report that indicates any needed changes in the laws relating to regulation of the insurance industry or any other industry or occupation under the jurisdiction of the Board and states the reasons for those needed changes.

"(b) The Board shall cause the Texas premium and loss information contained in the annual statement of companies to be arranged in tabular form and printed [~~prepare the same for printing~~] in a single document [~~and submit the same to the Legislature as a portion of its regular report to that body~~]. This document shall

be filed by the Board with the Legislative Reference Library and the State Library along with the Board's annual report and the Legislature shall be notified of the availability of both reports."

SECTION 6. Chapter 1, Insurance Code, as amended, is amended by adding Article 1.31B to read as follows:

"Article 1.31B. AUDIT BY STATE AUDITOR. The State Auditor shall audit the financial transactions of the State Board of Insurance during each biennium."

SECTION 7. Chapter 1, Insurance Code, as amended, is amended by adding Article 1.33A to read as follows:

"Article 1.33A. APPLICATION OF ADMINISTRATIVE PROCEDURE AND OPEN MEETINGS LAWS. The State Board of Insurance is subject to the open meetings law, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 6252-17, Vernon's Texas Civil Statutes), and except as otherwise specifically provided by this code, to the Administrative Procedure and Texas Register Act, as amended (Article 6252-13a, Vernon's Texas Civil Statutes)."

SECTION 8. Chapter 1, Insurance Code, as amended, is amended by adding Article 1.34 to read as follows:

"Article 1.34. INFORMATION CONCERNING STATE BOARD OF INSURANCE. The State Board of Insurance shall prepare information of consumer interest describing the regulatory functions of the board and describing the board's procedures by which consumer complaints are filed with and resolved by the board. The board shall make the information available on request to the general public and state agencies. The State Board of Insurance shall provide a toll free telephone line for use by consumers in making inquiries to the board."

SECTION 9. Articles 2.01 and 2.03, Insurance Code, as amended, are amended to read as follows:

"Article 2.01. FORMATION OF COMPANY. The provisions of this Chapter shall apply to the formation of each company or organization which proposes to engage in any kind of insurance business, other than life, health or accident insurance companies organized or operating under the provisions of Chapters 3, 10, 11, 12, 13, [or] 14, or 22 of this Code; and except as in this Code otherwise provided.

"Any number of persons desiring to form a company for the purpose of transacting insurance business shall adopt and sign Articles of Incorporation as provided in this Code. Applicants shall file with the Board an application for charter on such form and include therein such information as may be prescribed by the Board, including the affidavit or affidavits provided by Article 2.05, and the proposed Articles of Incorporation or of Association, and shall deposit with the Board the fees prescribed by law.

"Upon receipt of such application, the Board may set a date for the hearing of the same notifying all interested parties by notice published in one or more daily newspapers of this State of the place and date thereof, which date shall be not less than ten (10) nor more than sixty (60) [~~thirty (30)~~] days after the date of such notice.

"[~~A copy of such notice shall be given to the Attorney General of Texas. A representative of the Attorney General shall attend such hearing.~~] The original examination report provided by Article 2.04 shall be a part of the record of the hearing.

"In considering any such application, the Board shall, within thirty (30) days after public hearing, determine whether or not:

"1. The proposed capital structure meets the minimum requirements of this Code;

"2. The proposed officers and directors, attorney in fact or managing head have sufficient insurance experience, ability, standing and good record to render success of the proposed insurance company probable;

"3. The applicants are acting in good faith.

"Should the Board by an affirmative finding determine any of the above issues adversely to the applicants, it shall reject the application in writing giving the reason therefor. Otherwise such Board shall approve the application [~~and submit the same to the Attorney General. If the Articles and the record and the procedure and action thereon shall be found by the Attorney General to be in accordance with the law of this State, and if he shall find that the applicants have complied with all applicable requirements of this Code, he shall attach thereto his certificate to that effect~~], whereupon such Articles shall be deposited with the Board [~~in the office of its Chairman~~]."

"Article 2.03. AMENDMENTS TO CHARTERS. Any domestic insurance corporation subject to the provisions of this Chapter may make amendments to its charter as follows:

"Applicants shall file with the Board the proposed amendment together with an application on such form and including such information as may be prescribed by the Board, and shall deposit with the Board the fees prescribed by law. Upon such filing the Board may give notice by publication in one or more daily newspapers of this State of a public hearing upon such application[~~, copy of such notice to be delivered to the Attorney General, and the representative of the Attorney General to appear at such hearing~~]; provided that no hearing shall be required in event amendment to charter involves only a stock dividend by means of lawful transfer of surplus to capital or a change of name or a change of locality of the principal business office of said company or a combination of such amendments.

"In considering any such application, the Board may hold public hearings and shall within 60 [~~30~~] days determine whether or not:

"1. The proposed capital structure meets the minimum requirements of this Code;

"2. The then officers and directors and managing head have sufficient insurance experience, ability, standing and good record to render success of the company probable;

"3. The applicants are acting in good faith;

"4. If an amendment to charter involves a diminution of the company's charter powers with respect to the kinds of insurance business in which it may engage, in the manner prescribed by this Code, that all liabilities incident to the exercise of the powers to be eliminated have been terminated or wholly reinsured;

"5. The property involved in any increase of capital or surplus or both is properly valued and is as authorized by Article 2.08 or Article 2.10 of this Code, as same may be applicable.

"Should the Board determine any of the above issues adversely to the applicants, it shall reject the application. Otherwise the Board shall approve the application [~~and shall forward the application, the amendment, and complete files relating to the charter and the charter amendment, as well as its findings and the record thereof to the Attorney General for examination. If said amendment shall be found by the Attorney General to be in accordance with the law of this State, he shall attach thereto his certificate to that effect~~], whereupon such amendment shall be deposited with the Board [~~in the office of its Chairman~~], and shall become effective."

SECTION 10. Sections 2 and 4, Article 3.04, Insurance Code, as amended, are amended to read as follows:

"Section 2. When such application for charter, articles of incorporation, affidavit, and charter fee are filed with the State Board of Insurance [~~Commissioners~~], the Board may set a date for a public hearing of the same, which date shall be not less than ten (10) nor more than thirty (30) days after the date of notice thereof. The Board shall notify in writing the person or persons submitting

such application of the date for such hearing and shall furnish a copy of such notice to [~~the Attorney General of Texas and to~~] all interested parties including any parties who have theretofore requested a copy of such notice. The Board shall, at the expense of the incorporators, publish a copy of such notice in any newspaper of general circulation in the county of the proposed home office of said company. In all such public hearings on such applications, a record shall be made of such proceedings, and no such application shall be granted except when same is adequately supported by competent evidence. Any interested party shall have the right to oppose or support the granting or denial of such application and may intervene and participate fully and in all respects in any hearing or other proceeding had on any such application. Any such intervenor shall have and enjoy all the rights and privileges of a proper or necessary party in a civil suit in the courts of this state, including the right to be represented by counsel."

"Section 4. If the Board shall determine by an affirmative finding any of the above issues adversely to the applicants, it shall reject the application in writing giving the reason therefor. Otherwise, the Board shall approve the application [~~and submit such application together with the articles of incorporation and the affidavit to the Attorney General for examination. If the application, articles of incorporation, the affidavit and the procedure and action thereon shall be found by the Attorney General to be in accordance with the laws of this state, he shall attach thereto his certificate to that effect~~], whereupon all such documents shall be deposited with the Board. The [~~Upon receipt by the Board of such documents so certified by the Attorney General, the~~] Board shall record the documents [same] in a book kept for that purpose; and upon receipt of a fee of One Dollar ($1.00), it shall furnish a certified copy of the same to the incorporators, upon which they shall become a body politic and corporate and may proceed to complete the organization of the company, for which purpose they shall forthwith call a meeting of the stockholders who shall adopt bylaws for the government of the company, and elect a board of directors of not less than five (5) members; which board shall have full control and management of the affairs of the corporation, subject to the bylaws thereof as adopted or amended from time to time by the stockholders or directors, and to the laws of this state. The board of directors so elected shall serve until the fourth Tuesday in April thereafter, on which date, there shall be held a meeting of the stockholders at the home office, and a board of directors elected for the ensuing year; provided, however, that when the board of directors shall consist of nine (9) or more members, in lieu of electing the whole number of directors annually, the bylaws may provide that the directors be divided into either two or three classes, each class to be as nearly equal in number as possible, the terms of office of directors of the first class to expire at the first annual meeting of stockholders after their election, that of the second class to expire at the second annual meeting after their election, and that of the third class, if any, to expire at the third annual meeting after their election. At each annual meeting after such classification the number of directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the second succeeding annual meeting, if there be two classes, or until the third succeeding annual meeting, if there be three classes. No classification of directors shall be effective prior to the first annual meeting of stockholders. Annual meetings of the stockholders, after the first meeting, shall be held at the home office of the company on or before April 30 of each year as may be prescribed in the bylaws of the corporation. If the stockholders fail to elect directors at any annual meeting, directors may be elected at a special meeting of the stockholders called for that purpose. Neither directors nor officers need be stockholders unless the articles of incorporation or bylaws so require. The directors shall choose a president from their own number, and all other officers shall be chosen in accordance with the bylaws of the company, and none of such other

officers need be a director except as required by the bylaws of such company. The duties and compensation of officers of such company shall be in accordance with the bylaws of the company, or, to the extent of the absence of provisions governing the same in the bylaws, then the duties and compensation of officers shall be defined and fixed by the directors. The directors shall keep a full and correct record of their transactions to be open during business hours to the inspection of stockholders. The directors shall fill any vacancy which occurs in the board or in any office of such company. A majority of the board shall be a quorum for the transaction of such business. At all meetings of the stockholders, each stockholder shall be entitled to one vote for each share of stock fully paid up appearing in his name on the books of the company, except to the extent that the voting rights of the shares of any class or classes of stock are increased, limited or denied by the articles of incorporation as authorized or permitted by the Texas Business Corporation Act, which vote may be given in person or by written proxy. The majority of the paid up capital stock at any meeting of the stockholders shall be a quorum."

SECTION 11. Subsection (c), Section 2, Article 11.01, Insurance Code, is amended to read as follows:

"(c) Any mutual life insurance company heretofore organized or operating under the provisions of Chapter 11 of this Code may convert into a stock legal reserve life insurance company subject to the following conditions:

"1. There shall be contributed in cash of the United States the sum of not less than Fifty Thousand ($50,000.00) Dollars in capital and not less than Twenty-five Thousand ($25,000.00) Dollars in surplus, which contributed capital and surplus shall be in addition to all assets of such company at the date of conversion;

"2. Such conversion shall only be made on a vote of the policy holders of such company at a meeting called for such purpose. Pursuant to such policy holder authorization, the Board of Directors and officers of such mutual legal reserve life insurance company shall amend its existing charter or articles of incorporation so as to comply with the requirements of Article 3.02 of this Code, as amended, except as to the capital and surplus requirements thereof;

"3. After compliance with the provisions hereof and approval of the proposed conversion by [~~the Attorney General of the State of Texas and~~] the State Board of Insurance [~~Commissioners~~], such company shall be and become a legal reserve stock life insurance company, except that such company so converted shall not: (1) insure any life for more than Five Thousand ($5,000.00) Dollars in event of death; nor (2) declare or pay any cash dividend unless and until the capital and surplus of such stock legal reserve life insurance company shall be increased to not less than the minimum capital and surplus required for the organization of a stock legal reserve life insurance company under the provisions of Chapter 3 of this Code as amended;

"4. Any such company so converted shall within ten years from the date of its conversion increase its capital and surplus to not less than the minimum capital and surplus then required to organize a stock legal reserve life insurance company under the provisions of Chapter 3 of this Code, or its certificate of authority to do business shall be revoked by the State Board of Insurance [~~Commissioners~~];

"5. From and after the date of such conversion such legal reserve life insurance company shall be governed by the provisions of Chapter 3 of this Code, as amended, except as otherwise herein provided."

SECTION 12. Section 1, Article 11.02, Insurance Code, is amended to read as follows:

"Section 1. As a condition precedent to the granting of a charter of any such insurance company, the incorporators shall file with the State Board of Insurance [~~Commissioners~~] the following:

"1. An application for charter on such form and include therein such information as may be prescribed by the Board;

"2. The articles of incorporation as provided in this Code;

"3. An affidavit made by two (2) or more of its incorporators that such company is possessed of at least Two Hundred Thousand ($200,000.00) Dollars free surplus, as required by law, which affidavit shall state that the facts set forth in the application and articles of incorporation are true and correct and that the free surplus is the bona fide property of such company. The State Board of Insurance [~~Commissioners~~] may, in its discretion, at the expense of the incorporators, require other and additional satisfactory evidence of the matters required to be set forth in said affidavit before it shall be required to file the articles of incorporation, application for charter, or follow the procedure hereinafter set forth;

"4. A charter fee of Twenty-five ($25.00) Dollars.

"When such application for charter, articles of incorporation, affidavit and charter fee are filed with the State Board of Insurance [~~Commissioners~~], the Board may set a date for a public hearing of the same, which date shall be not less than ten (10) nor more than sixty (60) [~~thirty (30)~~] days after the date of notice thereof. The Board shall notify in writing the person or persons submitting such application of the date for such hearing, and shall furnish a copy of such notice [~~to the Attorney General of Texas and~~] to all interested parties, including any other parties who have theretofore requested a copy of such notice. The Board shall, at the expense of the incorporators, publish a copy of such notice in any newspaper of general circulation in the county of the proposed home office of said company. In all such public hearings on such applications, a record shall be made of such proceedings and no such application shall be granted except when same is adequately supported by competent evidence. Any interested party shall have the right to oppose or support the granting or denial of such application and may intervene and participate fully and in all respects in any hearing or other proceeding had on any such application. Any such intervenor shall have and enjoy all the rights and privileges of a proper or necessary party in a civil suit in the courts of this State, including the right to be represented by counsel.

"In considering any such application, the Board shall within thirty (30) days after public hearing, determine whether:

"(a) The minimum free surplus, as required by law, is the bona fide property of the company;

"(b) The proposed officers, directors and managing executive have sufficient insurance experience, ability and standing to render success of the proposed company probable;

"(c) The applicants are acting in good faith;

"If the Board shall determine by an affirmative finding any of the above issues adversely to the applicants, it shall reject the application in writing, giving the reason therefor. Otherwise, the Board shall approve the application [~~and submit such application together with the articles of incorporation and the affidavit to the Attorney General for examination. If the application, articles of incorporation, affidavit and the procedure and action thereon shall be found by the Attorney General to be in accordance with the laws of this State, he shall attach thereto his certificate to that effect~~], whereupon all such documents shall be deposited with the Board."

SECTION 13. Article 3.06, Insurance Code, as amended, is amended to read as follows:

"Article 3.06. ORIGINAL EXAMINATION AND CERTIFICATE. When the application for charter, articles of incorporation, affidavit, and charter fee are filed with the State Board of Insurance and before the hearing required by Article 3.04 of this Code, the Board [~~When the first meeting of the stockholders shall be held and the officers of the company elected, the president or secretary shall notify the Board of Insurance Commissioners, and it~~] shall [~~thereupon immediately~~]

make, or cause to be made, at the expense of the company, a full and thorough examination thereof. After the hearing under Article 3.04 of this Code, if the Board [~~If it~~] finds that all of the capital of the company, as required by law, has been fully paid up and that the capital and surplus is in the custody of the officers, in cash or securities of the class authorized by Article 3.02 of this Code [~~the Insurance Code~~] as amended, and if the Board makes the other findings required by Section 3 of Article 3.04 of this Code favorably to the applicant, on compliance with the other requirements of this article and Article 3.04 of this Code, the Board [it] shall issue to such company a certificate of authority to transact such kind or kinds of insurance business within this State as such officers may apply for and as may be authorized by its charter[~~; which certificate shall be issued for a period of not more than fifteen (15) months, and not extending more than ninety (90) days beyond the last day of February next after date of its issuance, on which date such certificate shall expire by its terms unless revoked or suspended according to law~~]. Before such certificate is issued, not less than two (2) officers of such company shall execute and file with the State Board of Insurance [~~Commissioners~~] a sworn schedule of all the assets of the company exhibited to the Board upon such examination showing the value thereof, together with a sworn statement that the same are bona fide, the unconditional and unencumbered property of the company, and are worth the amount stated in such schedule. [~~No original or first certificate of authority shall be granted, except in conformity herewith, regardless of the date of filing of the articles of incorporation with the Board of Insurance Commissioners.~~]"

SECTION 14. Article 22.05, Insurance Code, as amended, is amended to read as follows:

"Article 22.05. ORIGINAL EXAMINATION AND CERTIFICATE. When the application for charter, articles of incorporation, affidavit, and charter fee are filed with the State Board of Insurance and before the hearing required by Article 22.03 of this Code, the Board [~~When the first meeting of the stockholders shall be held and the officers of the company elected, the President or Secretary shall notify the State Board of Insurance and such Board~~] shall [~~thereupon immediately~~] make or cause to be made at the expense of the company a full and thorough examination thereof. After the hearing under Article 22.03 of this Code, if the Board [~~If it~~] finds that all of the capital stock of the company amounting to not less than the minimum amount required by law has been fully paid up and is in the custody of the officers either in cash or securities of the class such companies are authorized by this Chapter to invest or loan their funds, and if the State Board of Insurance makes the other findings required by Section 3 of Article 22.03 of this Code favorably to the applicant, on compliance with the other requirements of this article and Article 22.03 of this Code, it shall issue forthwith to such stipulated premium company a temporary certificate of authority limiting the activities of such stipulated premium company solely to the negotiating and obtaining of a direct reinsurance agreement with a company chartered and doing business under the provisions of Chapter 14 of this code [~~the Insurance Code of Texas~~] on the effective date of this Act. Such certificate of authority shall terminate twelve (12) months from its date, unless renewed by the State Board of Insurance for an additional period of twelve (12) months, provided that such stipulated premium company has not theretofore consummated a direct reinsurance agreement with such a company doing business under the provisions of Chapter 14 of the Insurance Code.

"Before such temporary certificate of authority is issued, not less than two (2) officers of such company shall execute and file with the State Board of Insurance a sworn schedule of all the assets of the company exhibited to the Board upon such examination showing the value thereof, together with a sworn statement that the same are bona fide, the unconditional and unencumbered property of the company, and are worth the amount stated in such schedule.

"In the event a direct reinsurance agreement be not so consummated within such twelve (12) months period, unless renewed by the State Board of Insurance for an additional period of twelve (12) months, the certificate of authority shall automatically terminate and the incorporators of such stipulated premium company shall forthwith surrender its charter to the State Board of Insurance for cancellation.

"In the event a direct reinsurance agreement as provided in this Chapter is consummated with such a company doing business under the provisions of Chapter 14 of this code, the State Board of Insurance shall forthwith and in accordance with the provisions of Article 22.15 of this Code issue to such a company a regular certificate of authority to transact business in the State of Texas. Likewise, such certificate of authority shall provide for the type of insurance business which may be written by the stipulated premium company; if the Chapter 14 company was engaged in the life business or was a burial association, the stipulated premium company shall be entitled and authorized to write life insurance policies as regulated by the provisions of this Chapter, and if the Chapter 14 company was permitted by its charter to write accident insurance, or health and accident insurance, or life, health and accident insurance, then the stipulated premium company shall be so permitted.

"As such stipulated premium company thereafter directly reinsures additional Chapter 14 companies chartered and doing business under the provisions of Chapter 14 of this code [~~the Insurance Code of Texas~~], its regular certificate of authority shall be amended to write any type of such insurance coverage as those authorized for any such Chapter 14 company whose policies are so assumed by the stipulated premium company.

"Any stipulated premium company holding a permanent certificate of authority on the effective date of this Act, and which permanent certificate of authority limits the territory of operation or writing of business of such company to an area or territory less than the entire State of Texas may, at any time thereafter, make application for, and thereafter be entitled to receive a permanent certificate of authority to operate and issue policies of insurance as so previously authorized (or as may thereafter be authorized by compliance with the provisions of this Chapter 22), anywhere within the State of Texas."

SECTION 15. Chapter 1, Insurance Code, as amended, is amended by adding Article 1.31A to read as follows: "Article 1.31A. STATE BOARD OF INSURANCE OPERATING FUND

"Section 1. DEFINITIONS. In this article:

"(1) 'Board' means the State Board of Insurance.

"(2) 'Commissioner' means the commissioner of insurance.

"(3) 'Fund' means the State Board of Insurance operating fund.

"Section 2. CREATION OF FUND. The State Board of Insurance operating fund is created in the State Treasury.

"Section 3. DEPOSIT OF REVENUES IN FUND. Money received by the board from taxes and fees that are required by this code to be credited to the fund and money received by the board from sales, reimbursements, and fees authorized by law other than this code shall be deposited in the fund.

"Section 4. CERTAIN MONEY INCLUDED. The money received from sales, reimbursements, and other fees authorized by law other than this code includes money received from the following:

"(1) fees received by the board for filing charters and charter amendments under Article 3914, Revised Statutes, as amended;

"(2) fees received by the board for providing copies of public records under Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-17a, Vernon's Texas Civil Statutes);

"(3) money received by the state fire marshal for licenses under Chapter 498, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 9205, Vernon's Texas Civil Statutes);

"(4) money or credits received by the board for surplus or salvage property under Sections 9.04 and 9.05, Chapter 773, Acts of the 66th Legislature, Regular Session, 1979 (Article 601b, Vernon's Texas Civil Statutes);

"(5) money received by the board from the sale of publications and other printed material under Chapter 248, Acts of the 55th Legislature, Regular Session, 1957 (Article 4413(33), Vernon's Texas Civil Statutes);

"(6) receipts to the board from miscellaneous transactions and sources under Article 4344, Revised Statutes, as amended;

"(7) money received by the board from charges for postage spent to serve legal process under Chapter 288, Acts of the 67th Legislature, Regular Session, 1981 (Article 2041b, Vernon's Texas Civil Statutes);

"(8) receipts to the board for furnishing necessary and authorized special or technical services under the Interagency Cooperation Act, as amended (Article 4413(32), Vernon's Texas Civil Statutes);

"(9) receipts to the board from the State Treasurer involving warrants for which payment is barred under Article 4371, Revised Statutes, as amended;

"(10) money received by the board from sales or reimbursements authorized by the General Appropriations Act; and

"(11) money received by the board from the sale of any property purchased with money from the State Board of Insurance operating fund.

"Section 5. USE OF FUND. The money in the fund may be used for the purposes for which any of the money deposited in the fund is authorized to be used by law.

"Section 6. ADMINISTRATION OF FUND. (a) The commissioner shall administer and may spend money from the fund pursuant to laws of the state, rules of the board, and the General Appropriations Act.

"(b) The board is responsible for the development and maintenance of an accounting procedure for the receipt, allocation, and disbursement of money deposited in the fund. The procedure shall require adequate records for the board to adjust the tax assessments and fee schedules as authorized by this code and for the State Auditor to determine the source of all receipts and expenditures."

SECTION 16. Articles 1.16, 1.17, 4.07, 5.12, 5.24, 5.49, 5.68, 5.91, 9.46, 10.01, 12.18, 13.08, 14.16, 14.42, 14.60, 16.22, 18.04, 21.46, and 22.06, Insurance Code, as amended, are amended to read as follows:

"Article 1.16. EXPENSES OF EXAMINATIONS; DISPOSITION OF SUMS COLLECTED. The expenses of all examinations of domestic insurance companies made on behalf of the State of Texas by the State Board of Insurance or under its authority shall be paid by the corporations examined in such amount as the Commissioner of Insurance shall certify to be just and reasonable.

"Assessments for the expenses of such domestic examination which shall be sufficient to meet all the expenses and disbursements necessary to comply with the provisions of the laws of Texas relating to the examination of insurance companies and to comply with the provisions of this Article and Articles 1.17 and 1.18 of this Code, shall be made by the State Board [~~Commissioner~~] of Insurance upon the corporations or associations to be examined taking into consideration annual premium receipts, and/or admitted assets and/or insurance in force; provided such assessments shall be made and collected as follows: (1) expenses attributable directly to a specific examination including employees' salaries and expenses shall be collected at the time of examination; (2) assessments calculated annually for each corporation or association which take into consideration annual premium receipts and/or admitted assets and/or insurance in force shall be assessed annually for

[~~periods not previously assessed through December 31, 1978; thereafter~~] each such corporation or association [~~shall be assessed annually~~]. Provided further that the amount of all such assessments paid in each taxable year to or for the use of the State of Texas by any insurance corporation or association hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance corporation or association for such taxable year.

"All sums collected by the State Board of Insurance[~~, or under its authority, on account of the cost of examinations assessed as hereinabove~~] provided in this Article [~~for~~] shall be deposited in [~~paid into~~] the State Treasury to the credit of the State Board of Insurance operating fund [~~Insurance Examination Fund~~]; and the salaries and expenses of the actuaries [~~actuary of the State Board of Insurance~~] and [~~of the~~] examiners [~~and assistants~~], and all other expenses relating to [~~of~~] such examinations, shall be paid upon the certificate of the State Board of Insurance by warrant of the Comptroller of Public Accounts drawn upon such fund [~~in the State Treasury~~].

"If at any time it shall appear that additional pro rata assessments are necessary to cover all of the expenses and disbursements required by law and necessary to comply with this Article and Articles 1.17 and 1.18 of this Code, the same shall be made, and any surplus arising from any and all such assessments, over and above such expenses and disbursements, shall be applied in reduction of subsequent assessments [~~in the proportion assessed so that there shall be so assessed and collected the funds necessary to meet such expenses and disbursements and no more~~].

"In case of an examination of a company not organized under the laws of Texas, whether such examination is made by the Texas authorities alone, or jointly with the insurance supervisory authorities of another state or states, the expenses of such examination due to Texas' participation therein[~~;~~] shall be borne by the company under examination. Payment of such cost shall be made by the company upon presentation of itemized written statement by the Commissioner of Insurance and shall consist of the examiners' remuneration and expenses, and the other expenses of the State Board of Insurance properly allocable to the examination. Payment shall be made directly to the State Board of Insurance, and all money collected by assessment on foreign companies for the cost of examination shall be deposited in the State Treasury by the State Board of Insurance to the credit of the State Board of Insurance operating fund and shall be spent as provided by the General Appropriations Act only on warrants issued by the Comptroller of Public Accounts pursuant to duly certified requisitions of the State Board of Insurance [~~Insurance Examination Fund out of which shall be paid, by warrant of the State Comptroller of Public Accounts on voucher of the State Board of Insurance, the examiners' remuneration and expenses in the amounts determined by the method hereinafter provided, when verified by their affidavit and approved by the Commissioner of Insurance; and said money is hereby appropriated for that purpose, the balance, if any, to remain in the Insurance Examination Fund in the State Treasury subject to be expended for the purposes as are other funds placed therein. Examiners' remuneration and expenses shall be the same as that which would be paid by the home state of a company under examination to persons conducting the examination of a Texas company admitted to do business in that State. If there be no recognized charge for such service, the Commissioner of Insurance shall fix the remuneration and expense allowance of the examiners at such reasonable figure as he may determine~~].

"Article 1.17. APPOINTMENT OF EXAMINERS [~~AND ASSISTANTS~~] AND ACTUARIES [~~ACTUARY~~] BY STATE BOARD OF INSURANCE [~~COMMISSIONERS~~]; SALARIES. The State Board of Insurance [~~Commissioners~~] shall appoint a chief examiner and such number of assistant examiners[~~, one of whom shall be the chief examiner, and such number of assistants~~] as it deems [may

~~deem~~] necessary for the purpose of making [~~on behalf of the State of Texas and of the Board of Insurance Commissioners all such~~] examinations of insurance companies, corporations, or associations at the expense of such companies, [~~or~~] corporations, or associations as are [~~required to be made or~~] provided for by law. The State Board of Insurance[~~; and it~~] shall also appoint the number of actuaries it considers necessary [~~an actuary to the Board of Insurance Commissioners~~] to advise it [~~the Board~~] in connection with the performance of its duties and for aid, [~~and~~] advice, and counsel in connection with [~~all~~] such examinations [~~required by law~~]. Such examiners and actuaries [~~assistants~~] shall[~~, as directed by the Board of Insurance Commissioners,~~] perform all the duties relative to [~~all~~] examinations. It [~~provided by law to be made by the Board of Insurance Commissioners of the State of Texas, and it~~] is the purpose of this Article and Articles 1.16 and 1.18 of this Code to provide for the examination [~~hereunder~~] by the State Board of Insurance [~~Commissioners~~] of all corporations, firms, or persons engaged in the business of writing insurance of any kind in this State whether now subject to the supervision of the State Board of Insurance [~~Department~~] or not.

"All such examiners and actuaries [~~assistants and such actuary~~] shall be employed [~~hold office~~] subject to the will of the State Board of Insurance [~~Commissioners~~] and the number of such examiners and actuaries [~~assistants~~] may be increased or decreased from time to time to suit the needs of the examining work. [~~The actuary and all such examiners and assistants shall be paid out of the Insurance Examination Fund, such salaries as shall be fixed from time to time by the Legislature, and their necessary traveling expenses shall be paid out of said Fund upon sworn, itemized accounts thereof, to be rendered monthly and approved by the Board of Insurance Commissioners before payment.~~]

"Where the State Board of Insurance [~~Commissioners~~] shall deem it advisable it may commission any [~~the~~] actuary of the Board, the chief examiner, or any other examiner or employee of the Board [~~Department~~], or any other person, to conduct or assist in the examination of any company not organized under the laws of Texas and allow them compensation as herein provided, except that they may not be otherwise compensated during the time they are assigned to such foreign company examinations. Other than as [~~thus~~] provided herein, neither any [~~the~~] actuary nor any examiner of the State Board of Insurance may [~~Commissioners nor any examiner or assistant shall~~] continue to serve as such if, while holding such position, he [~~shall~~] directly or indirectly accepts [~~accept~~] from any insurance company any employment or pay or compensation or gratuity on account of any service rendered or to be rendered on any account whatsoever."

"Article 4.07. FEES OF STATE BOARD OF INSURANCE. The State Board of Insurance shall charge and receive for the use of the State the following fees:

"For filing each declaration or certified copy of charter of an insurance company $25.00

"For filing the annual statement of an insurance company, or certificate in lieu thereof $20.00

"For certificate of authority and certified copy thereof ..... $ 1.00

"For affixing the official seal and certifying to the same ..... $ 1.00

"For valuing policies of life insurance, and for each one million of insurance or fraction thereof $10.00

"The State Board of Insurance shall set and collect a sales charge for making copies of any paper of record in the State Board [~~Department~~] of Insurance, such charge to be in an amount deemed sufficient to reimburse the State for the actual expense; provided, however, that the State Board of Insurance may make and distribute copies of papers containing rating information without charge or for such charge as the Board shall deem appropriate to administer the premium rating laws

by properly disseminating such rating information; and provided further that Article 5.29, Texas Insurance Code, shall remain in full force and effect without amendment.

"All fees collected by virtue of this Article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and appropriated to the use and benefit of the State Board of Insurance to be used in the payment of salaries and other expenses arising out of and in connection with the examination of insurance companies and/or the licensing of insurance companies and investigations of violations of the insurance laws of this State in such manner as provided in the general appropriation bill."

"Article 5.12. MAINTENANCE TAX ON GROSS [~~MOTOR VEHICLE INSURANCE~~] PREMIUMS. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not to exceed one-fifth of one percent of the correctly reported gross motor vehicle insurance premiums of all authorized insurers writing motor vehicle insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating motor vehicle insurance during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. [~~The State of Texas shall assess and collect an additional one-fifth (1/5) of one (1%) per cent of the gross motor vehicle insurance premiums, of all insurers writing motor vehicle insurance in this State, according to the reports made to the Board of Insurance Commissioners as required by law. The tax herein required shall supersede the tax heretofore collected upon fire premiums of automobile insurance for the support of the Board of Insurance Commissioners. Said taxes when collected shall be deposited with the State Treasurer to the credit of a special fund to be designated as the Motor Vehicle Insurance Division Fund, to be used for the sole purpose of administering this subchapter, and to be expended only on warrants issued by the Comptroller upon vouchers drawn by the Board of Insurance Commissioners, such vouchers to be accompanied by itemized sworn statements of the expenditures, and to be in addition to all taxes now imposed, or which may hereafter be imposed, not in conflict with this section of this subchapter. Should there be an unexpended balance at the end of any year in said fund, the Board of Insurance Commissioners shall reduce the assessment for the succeeding year so that the amount produced and paid into the State Treasury together with said unexpended balance in the Treasury will not exceed the amount necessary for the current year to pay all expenses of maintaining the motor vehicle division of the Board of Insurance Commissioners.~~]"

"Article 5.24. MAINTENANCE TAX ON GROSS PREMIUMS. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not to exceed two-fifths of one percent of the correctly reported gross premiums of all classes of insurance covered by this subchapter of all authorized insurers writing those classes of insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the

expenses of regulating all classes of insurance covered by this subchapter during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. [~~MAINTENANCE TAX. The State of Texas shall assess and collect not exceeding an additional two-fifths (2/5) of one (1%) per cent of the gross premiums on all classes of insurance covered by this subchapter, of all insurers writing such insurance in this state, according to the reports made to the Board of Insurance Commissioners as required by law. Said taxes when collected shall be deposited with the State Treasurer to the credit of a special fund to be designated as the Casualty Insurance Fund, which fund shall be kept separate and apart from all other funds and moneys in his hands, to be used for the sole purpose of administering this subchapter, and to be expended only on warrants issued by the Comptroller upon vouchers drawn by the Board of Insurance Commissioners, such vouchers to be accompanied by itemized sworn statements of the expenditures, and to be in addition to all taxes now imposed, or which may hereafter be imposed, not in conflict with this article of this subchapter. Should there be an unexpended balance at the end of any year in said fund, the Board shall reduce the assessment for the succeeding year so that the amount produced and paid into the Treasury will not exceed the amount necessary for the current year to pay all expenses of maintaining the division of the Board of Insurance Commissioners administering this subchapter.~~]"

"Article 5.49. MAINTENANCE TAX ON GROSS PREMIUMS [~~AS ADDITIONAL TAX~~]. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not to exceed one and one-fourth percent of the correctly reported gross premiums of fire, lightning, tornado, windstorm, hail, smoke or smudge, cyclone, earthquake, volcanic eruption, rain, frost and freeze, weather or climatic conditions, excess or deficiency of moisture, flood, the rising of the waters of the ocean or its tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, any order of a civil authority made to prevent the spread of a conflagration, epidemic, or catastrophe, vandalism or malicious mischief, strike or lockout, explosion as defined in Article 5.52 of this code, water or other fluid or substance resulting from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, water pipes, or other conduits or containers insurance coverage collected by all authorized insurers writing those types of insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating all classes of insurance specified by this subchapter during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. [~~The State of Texas shall assess and collect not exceeding an additional one and one-fourth (1 and 1/4%) per cent of the gross fire, lightning, tornado, windstorm, hail, smoke or smudge, cyclone, earthquake, volcanic eruption, rain, frost and freeze, weather or climatic conditions, excess or deficiency of moisture, flood, the rising of the waters of the ocean or its tributaries, bombardment, invasion, insurrection, riot, civil war or commotion, military or usurped power, any order of a civil authority made to prevent the spread of a~~

~~conflagration, epidemic or catastrophe, vandalism or malicious mischief, strike or lockout, explosion as defined in Article 5.52 of this code, water or other fluid or substance, resulting from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, water pipes or other conduits or containers, insurance premiums of all companies doing such character of insurance business in this State according to reports made to the Board of Insurance Commissioners as required by law, and said taxes, when collected, shall be placed with the State Treasury, in a separate fund, which shall be known as the Fire Insurance Division Fund, which fund shall be kept separate and apart from other funds and moneys in his hands, and said special fund, or so much thereof as may be necessary, shall be held and expended for the purpose of carrying out the provisions of this subchapter, and should there be any unexpended balance at the end of any year, said balance shall remain in said fund and the Board of Insurance Commissioners shall reduce the assessment for the succeeding year so that the amount produced and paid into the State Treasury, together with said unexpended balance in said fund in the Treasury, will be sufficient to pay all expenses for the current year and not exceed the amount necessary to pay all necessary expenses of maintaining the Fire Insurance Division of said Board, so that no deficit shall occur in said fund, which fund shall be paid out upon requisition made out and filed by a majority of the Board, when the Comptroller shall issue warrants therefor. The taxes levied and assessed by this article shall be independent of and in addition to all other taxes now imposed, or which may hereafter be imposed by law, against any company mentioned herein.]"~~

"Article 5.68. MAINTENANCE TAX ON GROSS PREMIUMS. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect from each stock company, mutual company, reciprocal or interinsurance exchange, and Lloyd's association a maintenance tax in an amount not to exceed three-fifths of one percent of the correctly reported gross workers' compensation insurance premiums of all authorized insurers writing workers' compensation insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating workers' compensation insurance during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. ~~[To defray the expense of carrying out the provisions of this subchapter, there shall be annually assessed and collected by the State of Texas from each stock company, mutual company, reciprocal or interinsurance exchange, or Lloyds association writing Workmen's Compensation Insurance in this State, in addition to all other taxes now imposed, or which may hereafter be imposed by law, a tax of three-fifths (3/5) of one (1%) per cent of gross premiums collected by such company or association during the preceding year, under Workmen's Compensation policies written by said companies or associations covering risks in this State, according to the reports made to the Board as required by law. Said taxes when collected shall be placed in a separate fund with the State Treasurer which shall be kept separate and apart from other funds and moneys in his hands, and shall be known as the Compensation Insurance Division Fund, said Fund to be expended during the current and succeeding years, or so much thereof as may be necessary, in carrying out such provisions. Such expenditures hereunder shall not exceed in the aggregate the sum assessed and collected from said companies and associations;~~

~~and should there be an unexpended balance at the end of any year, the Board of Insurance Commissioners shall reduce the assessment for the succeeding year so that the amount produced and paid into the State Treasury together with said unexpended balance in the Treasury will be sufficient to pay all expenses of carrying out the provisions of this subchapter, which funds shall be paid out upon requisition made out and filed by a majority of the Board of Insurance Commissioners when the Comptroller shall issue warrants therefor. Any amount remaining in said Fund at the end of any year shall be carried over and expended in accordance with the provisions of this subchapter during the subsequent year or years.]~~"

"Article 5.91. MAINTENANCE TAX ON GROSS PREMIUMS. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not to exceed two-fifths of one percent of the correctly reported gross premiums on all classes of insurance covered by this subchapter of all authorized insurers writing those classes of insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating all classes of insurance specified by this subchapter during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. [~~The State of Texas shall assess and collect not exceeding an additional two-fifths of one percent of the gross premiums on all classes of insurance covered by this subchapter, of all insurers writing such insurance in this state, according to the reports made to the State Board of Insurance as required by law. Said taxes when collected shall be deposited with the state treasurer to the credit of a special fund to be designated as the aircraft insurance fund, which fund shall be kept separate and apart from all other funds and money in his or her hands, to be used for the sole purpose of administering this subchapter, and to be expended only on warrants issued by the comptroller upon vouchers drawn by the State Board of Insurance, such vouchers to be accompanied by itemized sworn statements of the expenditures, and to be in addition to all taxes now imposed, or which may hereafter be imposed, not in conflict with this article of this subchapter. Should there be an unexpended balance at the end of any year in said fund, the board shall reduce the assessment for the succeeding year so that the amount produced and paid into the treasury will not exceed the amount necessary for the current year to pay all expenses of maintaining the division of the State Board of Insurance administering this subchapter.~~]"

"Article 9.46. MAINTENANCE TAX ON GROSS PREMIUMS. The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not to exceed one percent of the correctly reported gross title insurance premiums of all authorized insurers writing title insurance in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating title insurance during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public

accounts pursuant to duly certified requisitions of the State Board of Insurance. [; ~~DISPOSITION OF UNEXPENDED BALANCE. To defray the expense of carrying out the provisions of this Act the State of Texas shall assess and collect not exceeding an additional one (1%) percent of the gross premiums collected by every insurer on all title insurance premiums according to the reports made to the Board as required by law. Said taxes when collected shall be deposited with the State Treasurer to the credit of a special fund to be designated as the Title Insurance Fund, which fund shall be kept separate and apart from all other funds and moneys in his hands, to be used for the sole purpose of administering the provisions of this chapter, and to be expended only on warrants issued by the Comptroller upon vouchers drawn by the Board, such vouchers to be accompanied by itemized sworn statements of the expenditures, and to be in addition to all taxes now imposed, or which may hereafter be imposed, not in conflict with this Article. Should there be an unexpended balance at the end of any year in said fund, the Board shall reduce the assessment for the succeeding year so that the amount produced and paid into the Treasury will not exceed the amount necessary for the current year to pay all expenses of maintaining the division of the Board administering the provisions of this Act.~~]"

"Article 10.01. FRATERNAL BENEFIT SOCIETY. Any corporation, society, order or [~~of~~] voluntary association, without capital stock, organized and carried on solely for the mutual benefit of its members and their beneficiaries, and not for profit, and having a lodge system and representative form of government, or which limits its membership to a secret fraternity having a lodge system and representative form of government, and which shall make provision for the payment of benefits in accordance with Article 10.05 is hereby declared to be a fraternal benefit society. Fees collected by the board under this article must be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to fees collected under this article."

"Article 12.18. FEES. For the filing [~~articles of association and approval of constitution, by-laws and certificates prior to organization, the Board shall charge a filing fee of Twenty ($20.00) Dollars, for filing~~] of each annual statement, the Board [~~report it~~] shall charge a fee of Five ($5.00) Dollars[~~, and it shall also charge a fee of One ($1.00) Dollar for issuance of a certificate of authority to do business~~], which amount shall be paid to the State Board of Insurance and must be deposited in the State Treasury to the credit of the State Board of Insurance operating fund, and Article 1.31A of this code applies to that fee [~~into the general fund~~]."

"Article 13.08. FEES. [~~The Board shall charge a fee of One ($1.00) Dollar per each certificate and permit to do business issued.~~] For the filing of each annual statement, [~~report~~] the Board shall charge a filing fee of Ten ($10.00) Dollars. The fee shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund, and Article 1.31A of this code applies to that fee. [~~All of said fees upon receipt shall be paid into the General Fund of the State.~~]"

"Article 14.16. EXAMINATION. In addition to the annual report required by this chapter, the State [~~Chairman of the~~] Board of Insurance [~~Commissioners~~] shall, once in every two (2) years or oftener if it [~~he~~] deems it advisable, require the books, records, accounts, and affairs of any corporation or association qualifying and acting under this chapter to be examined and audited by an accountant or accountants or examiner designated and commissioned by the Board [~~him~~]. For the purpose of any examination, the [~~Chairman of the~~] Board and the auditors and examiners shall have free access to all books, records, papers, and accounts of the corporation; and the cost for the time required in making such examination and audit and all necessary expenses in connection therewith shall be paid by the corporation upon presentation of a bill showing the charges made by the Board [~~Department~~], which shall include the salaries, traveling expenses, hotel bills, and

other expenses of such auditors and/or examiners, together with all other expenses in connection with such examination. Each corporation or association shall be charged with the salary of the auditors and examiners for the time required in making such examination and the time required in connection with going to and coming from the place or places necessary in connection with such examination, together with all expenses incurred by such auditors and/or examiners, and in addition thereto such corporation or association shall be charged by the Board with an amount equal to the salaries of the actuaries [~~actuary~~], examination clerk or clerks, stenographers, and all other employees employed in connection with the examination work in the Board [~~Department~~] for the time said employees are performing duties in connection with the examination of each corporation so examined.

"The amounts so collected shall be paid into the [~~Examination Fund of the~~] State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance [~~Department and paid out in accordance with the general examination laws~~].

"The Commissioner [~~Chairman of the Board~~] of Insurance [~~Commissioners~~] or any [~~his~~] deputy or [~~any~~] examiner shall have the right to require any officer, agent, or employee of any company or association operating under this law, or any other person, to be sworn and to answer under oath any questions regarding the affairs or activities of said association or company, and said Commissioner [~~Chairman of the Board~~], [~~his~~] deputy, [~~and/or any~~] examiner, or auditor is hereby authorized to administer such oath."

"Article 14.42. ANNUAL ASSESSMENT[~~; BURIAL ASSOCIATION RATE FUND~~]. There is levied upon each burial association having a permit to do business in Texas [~~and upon each burial association which may hereafter be granted a permit to do business in Texas~~], an annual assessment of one-half of one cent (1/2 of 1¢) per member in the association as of December thirty-first of each year but not less than Five ($5.00) Dollars annually, which shall be in addition to any other fees now payable and which assessment shall be paid by each association between January first and March first of each year. Said assessments shall be paid to the State Board of Insurance along with and at the same time each association files with said Board its annual statement. Said assessment shall be based upon the calendar year [~~and a proportionate part of said assessment for the remaining part of the current calendar year~~]. All assessments paid to the State Board of Insurance under this article shall be and the same are here and now appropriated for and to the use and benefit of the State Board of Insurance for the purpose of obtaining advice, information, and knowledge relative to adequate and reasonable rates to be charged by burial associations of Texas and compiling records thereof and carrying out Articles 14.42-14.52 of this code. All assessments collected under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to assessments under this article [~~as a special fund to be known as the Burial Association Rate Fund to be used as and for the purposes aforesaid~~]."

"Article 14.60. FEES APPROPRIATED. All [~~Effective with this code, all~~] fees paid to the State Board of Insurance [~~Commissioners~~] by all associations regulated by this chapter shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent [~~and the same are here and now appropriated for the balance of the fiscal year ending August 31, 1951, to the use and benefit of the Life Insurance Division of the Board of Insurance Commissioners, to be used by the Life Insurance Commissioner~~] for the purpose of enforcing and carrying out the provisions of this chapter and other laws relating

to the regulation and supervision of such associations as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance[~~; provided, however, that such fees shall continue to be expended under such limitations as the Legislature may designate in the general departmental appropriation bill; such fees to be deposited in the State Treasury as a special fund to be used as and for the purposes aforesaid~~]."

"Article 16.22. FEES. For the renewal and extension of the granting of any charter, the Board shall charge and collect a filing fee of Ten ($10.00) Dollars and a like amount for any amendment to the charter of any such company.

"The Board shall charge a fee of One ($1.00) Dollar for the issuance of a certificate of authority or renewal thereof to all companies operating under this chapter, and for filing such annual statement required by the Board, it shall charge a filing fee of Twenty ($20.00) Dollars.

"Fees collected under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to fees collected under this article."

"Article 18.04. LICENSE. Such underwriters and their attorney shall be subject to the provisions of Article 2.01 and Article 2.04 of this Code, except that:

"1. The Articles of Agreement shall be in lieu of Articles of Incorporation; and

"2. The aggregate of guaranty fund and free surplus shall constitute capital structure within the meaning of Article 2.01.

"The attorney for such underwriters shall pay a fee of $10.00 to the State Board of Insurance [~~Commissioners~~] upon the filing of the application for license.

"Upon determination by the State Board of Insurance [~~Commissioners~~] that such underwriters and their attorneys have fully complied with the law the Board shall issue a Certificate of Authority as provided by Article 1.14 of this code.

"Fees collected under this article must be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to fees collected under this article.

"[~~In the event, however, of first applications for licenses on behalf of newly formed Lloyd's, or in the event of proposed amendment to the text of the Articles of Agreement of currently licensed Lloyd's, the Board shall not issue certificates of authority until receipt of certification by the Attorney General that such underwriters and their attorneys have fully complied with the law.~~]"

"Article 21.46. RETALIATORY PROVISIONS; PAYMENT OF TAXES, FINES, PENALTIES, ETC.; CONDITION PRECEDENT TO DOING BUSINESS IN STATE; EXEMPTIONS. Whenever by the laws of any other state or territory of the United States any taxes, licenses, fees, fines, penalties, deposit requirements or other obligations, prohibitions or restrictions are imposed upon any insurance company organized in this State and licensed and actually doing business in such other state or territory which, in the aggregate are in excess of the aggregate of taxes, licenses, fees, fines, penalties, deposit requirements or other obligations, prohibitions or restrictions directly imposed upon a similar insurance company of such other state or territory doing business in this State, the State Board of Insurance [~~Commissioners of this State~~] shall impose upon any similar company of such state or territory in the same manner and for the same purpose, the same taxes, licenses, fees, fines, penalties, deposit requirements or other obligations, prohibitions or restrictions; provided, however, the aggregate of taxes, licenses, fees, fines, penalties or other obligations imposed by this State pursuant to this Article [~~21.46~~] on an insurance company of another state or territory shall not exceed the aggregate of such charges imposed by such other state or territory on a similar insurance company of this State actually licensed and doing business therein; provided, further, that wherever under any law of this State the basic rate of taxation of any

insurance company of another state or territory is reduced if any such insurance company has made investments in Texas securities then in computing the aggregate Texas premium tax burdens of any such insurance company of any other state or territory each shall for purposes of comparison with the premium tax laws of their home states be considered to have assumed and paid an aggregate premium tax burden equal to the basic rate; provided, further, that for the purpose of this Section, an alien insurer shall be deemed a company of the State designated by it wherein it has (a) established its principal office or agency in the United States, or (b) maintains the largest amount of its assets held in trust or on deposit for the security of its policyholders or policyholders and creditors in the United States, or (c) in which it was admitted to do business in the United States.

"Licenses and fees collected by the State Board of Insurance under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund.

"The provisions of this Section shall not apply to ad valorem taxes on real or personal property or to personal income taxes.

"The provisions of this Act shall not apply to a company of any other state doing business in this State if fifteen per cent (15%) or more of the voting stock of said company is owned by a corporation organized under the laws of this State, and domiciled in this State; however, the prior provisions of this Act shall apply without exception to any and all person or persons, company or companies, firm or firms, association or associations, group or groups, corporation or corporations, or any insurance organization or organizations of any kind, which did not qualify as a matter of fact, under the exception of this paragraph, on or before January 29, 1957."

"Article 22.06. SHALL FILE ANNUAL STATEMENT. Each stipulated premium company shall after the first day of January of each year and before the first day of April prepare under oath of two (2) of its officers and deposit in the office of the State Board of Insurance a statement accompanied with the fee for filing annual statements of Twenty Dollars ($20.00) showing the condition of the stipulated premium company on the 31st day of December next preceding, which shall include a statement in detail showing the character of its assets and liabilities on that date, the amount and character of business transacted, monies received, and how expended during the year, and the number and amount of its policies in force on that date and the total amount of its policies in force, except that insureds under family group policies as defined in Art. 22.11, Section 1(b) of this Code will be accounted for only if a reserve is required as to such insured under said Art. 22.11, Section 1(b). The form of such annual statement shall be prepared and determined by the State Board of Insurance. Filing fees collected by the State Board of Insurance under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to filing fees under this article."

SECTION 17. Section 11, Article 1.10, Insurance Code, is amended to read as follows:

"11. Give Certified Copies. At the request of any person, and on the payment of the legal fee, the Board shall give certified copies of any record or papers in its office, when it deems it not prejudicial to public interest and shall give such other certificates as are provided for by law. The fees collected by the Board under this section shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund."

SECTION 18. Article 1.14, Insurance Code, as amended, is amended by adding Section 1A to read as follows:

"Section 1A. Fees collected by the State Board of Insurance under this article certificate of authority shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund."

SECTION 19. Subsection (b), Section 4, Article 1.14-2, Insurance Code, is amended to read as follows:

"(b) The fee for the issuance of a surplus lines license shall be in an amount not to exceed $50 as determined by the State Board of Insurance. Fees and renewal fees for a license [~~$25.00, which fee~~] shall be deposited [~~placed~~] in the State Treasury to the credit of the State Board of Insurance operating fund [~~separate fund that is provided pursuant to Section 21 of Article 21.14 of the Insurance Code. No diminution of the license fee herein provided shall occur as to any license effective after January 1 of any year~~]."

SECTION 20. Subsection (b), Section 13, Article 3.72, Insurance Code, is amended to read as follows:

"(b) The Commissioner of Insurance shall collect in advance from variable annuity agent applicants a license fee in an amount not to exceed $50 [~~of $25~~] and an examination fee in an amount not to exceed $20 [~~of $10~~]. The State Board of Insurance shall determine the amount of the fees. A new examination fee shall be paid for each and every examination. The examination fee shall not be returned under any circumstance other than for failure to appear and take the examination after the applicant has given at least 24 hours notice of an emergency situation to the Commissioner of Insurance and received the commissioner's approval. All fees collected pursuant to this section shall be deposited in the State Treasury [~~paid into the State Treasury~~] to the credit of the State Board of Insurance operating fund [~~Insurance Agents License Fund~~] to be used to administer the provisions of this section and Article 21.07-1, Insurance Code."

SECTION 21. Subsection (b), Section 10, Article 3.73, Insurance Code, is amended to read as follows:

"(b) The Commissioner of Insurance shall collect in advance from variable life insurance agent applicants a license fee in an amount not to exceed $50 [~~of $25~~] and an examination fee in an amount not to exceed $20 [~~of $10~~]. The State Board of Insurance shall determine the amount of the fees. A new examination fee shall be paid for each examination. The examination fee shall not be returned under any circumstance other than for failure to appear and take the examination after the applicant has given at least 24 hours notice of an emergency situation to the Commissioner of Insurance and received the commissioner's approval. The examination fee, [~~and~~] license fee, and renewal fee shall be deposited in the State Treasury [~~paid into the State Treasury~~] to the credit of the State Board of Insurance operating fund [~~Insurance Agents License Fund~~]."

SECTION 22. Section 11, Article 3.73, Insurance Code, is amended to read as follows:

"Section 11. ADDITIONAL APPOINTMENTS. Any agent licensed under this article may represent and act as an agent for more than one insurance carrier any time while his or its license is in force, if he or it so desires. Any such agent and the insurance carrier involved must give notice to the State Board of Insurance of any additional appointment or appointments authorizing him or it to act as agent for an additional insurance carrier or carriers. Such notice must set forth the insurance carrier or carriers which the agent is then licensed to represent and shall be accompanied by a certificate from each insurance carrier to be named in each additional appointment that said insurance carrier desires to appoint the applicant as its agent. This notice shall also contain such other information as the State Board of Insurance may require. The agent or insurance carrier shall be required to pay a fee in an amount not to exceed $16 as determined by the State Board of Insurance [~~of $8~~] for each additional appointment applied for, which fee shall accompany the notice. All fees collected pursuant to this section and Section 10 of this article shall be deposited in [~~with~~] the State Treasury to the credit of the State Board of Insurance operating fund [~~Insurance Agents License Fund~~] to be used to administer the provisions of this article and Article 21.07-1, Insurance Code."

SECTION 23. Section 2, Article 4.09, Insurance Code, is amended to read as follows:

"Section 2. All fees collected by virtue of this Article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and appropriated to the use and benefit of the State Board of Insurance to be used in the payment of salaries and other expenses arising out of and in connection with the examination of insurance companies and/or the licensing of insurance companies and investigations of violations of the insurance laws of this State."

SECTION 24. Section 11, Article 5.43-1, Insurance Code, is amended to read as follows:

"Section 11. USE OF FUNDS. All funds collected through the licensing and other provisions of this article, excepting penalties and monetary forfeitures, shall be paid to the State Board of Insurance and be deposited in the State Treasury to the credit of the State Board of Insurance operating fund for use in [~~a special fund with the State Treasurer for~~] carrying out the administration of this article."

SECTION 25. Section 8, Article 5.43-2, Insurance Code, is amended to read as follows:

"Section 8. FEES COLLECTED. The fees herein provided for, when collected, shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund [~~placed with the State Treasurer in a separate fund, which shall be known as the fire alarm and detection systems fund, and expenditures shall be made from said fund as set forth in the General Appropriations Act~~]."

SECTION 26. Section A, Article 9.36, Insurance Code, as amended, is amended to read as follows:

"A. Before an initial license is issued to any person, firm, association or corporation to act as agent within the State of Texas for any title insurance company, there shall first be filed by the title insurance company with the Board an application for agent's license, on forms to be provided by the Board, accompanied by a license fee in an amount not to exceed Fifty Dollars ($50) as determined by the Board [~~of Twenty-Five Dollars ($25)~~], which fee including license renewal fees shall be deposited in [~~paid into~~] the state treasury to the credit of the State Board of Insurance operating [~~title insurance~~] fund to be used by the State Board of Insurance to enforce the provisions of this article and all laws of this state governing and regulating title agents for such insurance companies. On initial application if an applicant fails to qualify for, or is refused a license, the license fee shall be refunded. The application shall be signed and duly sworn to by the title insurance company and the proposed agent. Such application shall contain the following:

"(1) That the proposed agent, if an individual, is a bona fide resident of Texas; or if a firm or association, that it is composed wholly of Texas residents; or if a corporation, that it is a Texas corporation or a foreign corporation which has been authorized to do business in Texas; and

"(2) That the proposed agent (and if a corporation, its managerial personnel) has reasonable experience or instruction in the field of title insurance; and

"(3) That the proposed agent is known to the title insurance company to have a good business reputation and is worthy of the public trust and said title insurance company knows of no fact or condition which would disqualify him from receiving a license; and

"(4) That the proposed agent qualified as a title insurance agent as defined in this Act.

"The Board shall grant such license if it determines from the application and its own investigation that the foregoing requirements have been met."

SECTION 27. Section A, Article 9.43, Insurance Code, as amended, is amended to read as follows:

"A. Before an initial license is issued to any person to act as escrow officer within the State of Texas for any title insurance agent, there shall be first filed by such title insurance agent with the Board an application for an escrow officer's license on forms provided by the Board, accompanied by a license fee in an amount not to exceed Fifty Dollars ($50) as determined by the Board [~~of Twenty-Five Dollars ($25)~~], which fees including license renewal fees under Article 9.42 shall be deposited in [~~paid into~~] the state treasury to the credit of the State Board of Insurance operating [~~title insurance~~] fund to be used by the State Board of Insurance to enforce the provisions of this article and all laws of this state governing and regulating escrow officers for such title insurance agents. In the event an applicant fails to qualify for, or is refused a license, the license fee shall be refunded. The application shall be signed and duly sworn to by such title insurance agent and by the proposed escrow officer."

SECTION 28. Subsection (f), Section 15, Chapter 214, Acts of the 64th Legislature, Regular Session, 1975 (Article 20A.15, Vernon's Texas Insurance Code), is amended to read as follows:

"(f) It shall be the duty of the commissioner to collect from every agent of any health maintenance organization in the State of Texas under the provisions of this section a licensing fee and an initial appointment fee for each appointment by a health maintenance organization. All fees collected under this section[~~, which fees~~] shall [~~constitute a fund to~~] be used by the State Board of Insurance to administer the provisions of the Texas Health Maintenance Organization Act and all laws of this state governing and regulating agents for such health maintenance organizations [~~as provided for in this section~~]. All of such funds shall be paid into the State Treasury to the credit of the State Board of Insurance operating fund [~~Health Maintenance Organization Fund~~] and shall be paid out for salaries, traveling expenses, office expenses, and other incidental expenses incurred and approved by the State Board of Insurance."

SECTION 29. Section 32, Chapter 214, Acts of the 64th Legislature, Regular Session, 1975, as amended (Article 20A.32, Vernon's Texas Insurance Code), is amended to read as follows:

"Section 32. FEES. Every organization subject to this chapter shall pay to the commissioner the following fees:

"(a) for filing its original application for a certificate of authority, $250;

"(b) for filing each annual report pursuant to Section 10 of this Act, $100;

"(c) the expenses of any examinations conducted pursuant to this Act; and

"(d) the licensing, appointment, and examination fees pursuant to Section 15, Texas Health Maintenance Organization Act (Article 20A.15, Vernon's Texas Insurance Code).

"Fees collected under this section must be deposited in the State Treasury to the credit of the State Board of Insurance operating fund."

SECTION 30. Subsection (a), Section 33, Chapter 214, Acts of the 64th Legislature, Regular Session, 1975, as amended (Article 20A.33, Vernon's Texas Insurance Code), is amended to read as follows:

"(a) Each health maintenance organization shall on or before the first day of March of each year file its annual statement showing the gross amount of revenues collected during the year ending December 31 preceding, and each such health maintenance organization if organized under the laws of this state shall pay an annual tax for the gross amounts of revenues collected for the issuance of health maintenance certificates or contracts in accordance with Article 4.11, Insurance Code, as amended [~~7064a, Revised Civil Statutes of Texas, 1925, as amended~~]; if such health maintenance organization is not organized under Texas laws, said health maintenance organization shall pay an annual tax for the gross amounts of revenues collected for the issuance of health maintenance certificates or contracts

in accordance with Article 4769, Revised Civil Statutes of Texas, 1925, as amended. For the purposes of computing and collecting the tax herein provided, a health maintenance organization is an 'insurance organization' within the terms of Article 4.11 [~~Article 7064a, Revised Civil Statutes of Texas, 1925, as amended, and Article 4.03~~], Insurance Code, as amended.

"Upon receipt of the sworn statement above provided, the State Board of Insurance shall certify to the State Treasurer the amount of taxes due by such health maintenance organization which shall be paid to the State Treasurer on or before March 15 following, and the State Treasurer shall issue his receipt therefor as evidence of the payment of such tax. Such taxes shall be for and on account of business transacted within this state during the calendar year ending December 31 in which such payments were collected, or for that portion of the year during which the health maintenance organization transacted business in this state. Taxes collected under this section shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A, Insurance Code, applies to taxes collected under this section."

SECTION 31. Section 14, Article 21.07, Insurance Code, as amended, is amended to read as follows:

"Section 14. FEES AND USE OF FUNDS. (a) It shall be the duty of the State Board of Insurance to collect from every agent of any insurance carrier writing insurance in the State of Texas under the provisions of this Article, a licensing fee and an initial appointment fee, as provided in Subsection (b) of this section, for each and every appointment by any insurance carrier, which fees together with examination fees and renewal license fees shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall [~~constitute a fund to~~] be used by the State Board of Insurance to enforce the provisions of this Article [~~21.07~~] and all laws of this State governing and regulating agents for such insurance carriers[~~, as provided in Subsection (b) of this section~~].

"(b) For those agents subject to licensing under the provisions of this Act, the license fee shall be in an amount not to exceed Fifty Dollars ($50) [~~Twenty-five Dollars ($25)~~] and in an amount not to exceed Sixteen Dollars ($16) [~~Eight Dollars ($8)~~] for each appointment.

"(c) The State Board of Insurance is hereby given full power and authority under the provisions of this Article to use any portion of the fees collected [~~funds herein created~~] for the purpose of enforcing the provisions of this Article [~~21.07~~]; and said State Board of Insurance is authorized to employ such person or persons as it may deem necessary to investigate and make reports upon any and all alleged violations of said laws and misconduct on the part of such agents and to pay the salaries and expenses of such person or persons so designated by it and all office employees and expenses necessary in the enforcement of this Article [~~21.07~~] out of the fees collected [~~funds created hereunder~~] and such person or persons so appointed by the State Board of Insurance are hereby authorized and empowered to administer the oath and to examine under oath any person deemed necessary in gathering information and evidence and to have the same reduced to writing if deemed necessary and all such expenses shall be paid from such fees [~~out of said fund~~]. If any residue for any years shall remain [~~in said fund~~] over and above the amount necessary to carry on the work and investigation and pay the expenses herein provided for, the same shall be carried over to the following year or years and used in the continuation of the enforcement of this Article [~~21.07~~] and the insurance laws of this State and all such funds are hereby appropriated for such purpose. The funds collected under this provision shall be paid into the State Treasury to the credit of the State Board of Insurance operating fund [~~at least once each week and kept in a special fund~~] and shall be paid out for salaries, traveling expenses, office expenses and other incidental expenses incurred by the State Board of Insurance hereunder upon proper account duly approved by the State Board of Insurance.

"The State Board of Insurance shall determine the amount of all fees under this article [~~Provided, however, that at the termination of each biennium after the payment of all expenses of enforcement hereinbefore provided, any surplus of the enforcement fund created by the collection of the fees provided herein shall be transferred by the State Treasurer to the Examination Fund of the State Board of Insurance for such use as the State Board of Insurance may deem necessary in furthering the duties of the Examining Division of the State Board of Insurance~~]."

SECTION 32. Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended by adding Section 10A to read as follows:

"Section 10A. DEPOSIT OF FEES IN FUND. Fees collected under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund."

SECTION 33. Section 17, Chapter 757, Acts of the 60th Legislature, Regular Session, 1967 (Article 21.07-3, Vernon's Texas Insurance Code), is amended to read as follows:

"Section 17. FEES COLLECTED. The fees herein provided for, when collected, shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund; [~~placed with the state treasurer in a separate fund, which shall be known as the managing general agents' fund,~~] provided that no expenditures shall be made from said fund except under authority of the Legislature as set forth in the general appropriations bill; provided further that no appropriation shall ever be made out of the general revenue fund for the purpose of administering this Act or any provision thereof."

SECTION 34. Subsection (c), Section 14, Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's Texas Insurance Code), is amended to read as follows:

"(c) When collected, the fees provided for by this Act [~~section~~] shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund; [~~placed with the state treasurer in a separate fund, which shall be known as the insurance adjusters' fund,~~] provided that no expenditure shall be made from said fund except under authority of the Legislature as set forth in the general appropriations bill."

SECTION 35. Section 21, Article 21.14, Insurance Code, is amended to read as follows:

"Section 21. FEES, DISPOSITION OF; APPROPRIATIONS. The fees herein provided for, when collected, shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund; [~~placed with the State Treasurer in a separate fund, which shall be known as the local recording agents' and solicitors' license fund,~~] provided that no expenditures shall be made from said fund except under authority of the Legislature as set forth in the General Appropriation Bill; provided further that no appropriation shall ever be made out of the General Revenue Fund for the purpose of administering this article or any provision thereof."

SECTION 36. Sections (a) and (b), Article 23.08, Insurance Code, are amended to read as follows:

"(a) The State Board of Insurance shall charge a fee of $50 for filing the annual statement of each corporation operating under this chapter; an application fee of $100 for each corporation applying under this chapter; and a fee of $25 for the issuance of each certificate of authority to the corporation. The fees collected by the Board under this subsection shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund, and Article 1.31A of this code applies to fees collected under this subsection.

"(b) The State of Texas by and through the State Board of Insurance shall determine the rate of assessment and collect a maintenance tax in an amount not

to exceed one percent of the correctly reported gross revenues received by all corporations issuing prepaid legal services contracts in this state. The tax required by this article is in addition to all other taxes now imposed or that may be subsequently imposed and that are not in conflict with this article. The State Board of Insurance, after taking into account the unexpended funds produced by this tax, if any, shall adjust the rate of assessment each year to produce the amount of funds that it estimates will be necessary to pay all the expenses of regulating nonprofit legal services corporations during the succeeding year. The taxes collected shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall be spent as authorized by legislative appropriation only on warrants issued by the comptroller of public accounts pursuant to duly certified requisitions of the State Board of Insurance. Article 1.31A of this code applies to taxes collected under this section. [~~To defray the expense of carrying out the provisions of this chapter, there shall be annually assessed and collected by the State of Texas, through the State Board of Insurance, from each corporation operating under this chapter, in addition to all other taxes now imposed, or which may hereafter be imposed by law, a tax of one percent of all revenues received by such corporation in return for issuance of prepaid legal services contracts in this state, according to the reports made to the State Board of Insurance as required by law. Said taxes, when collected, shall be placed in a separate fund with the State Treasurer which shall be kept separate and apart from other funds and money in his hands, and shall be known as the Prepaid Legal Services Fund, said fund to be expended during the current and succeeding years, or so much thereof as may be necessary, in carrying out such provisions. Such expenditures shall not exceed in the aggregate the sum assessed and collected from such corporations, and should there be an unexpended balance at the end of any year, the State Board of Insurance shall reduce the assessment for the succeeding year so that the amount produced and paid into the State Treasury together with said unexpended the balance in the treasury will be sufficient to pay all expenses of carrying out the provisions of this chapter, which funds shall be paid out and filed by a majority of the State Board of Insurance when the comptroller shall issue warrants therefor. Any amount remaining in said fund at the end of any year shall be carried over and expended in accordance with the provisions of this article during the subsequent year or years. Provided, that no expenditures shall be made from said fund except under authority of the legislature as set forth in the general appropriations bill.~~]"

SECTION 37. Section (f), Article 23.23, Insurance Code, is amended to read as follows:

"(f) All fees collected pursuant to this article must be deposited in the State Treasury to the credit of the State Board of Insurance operating fund and shall [~~constitute a fund to~~] be used by the State Board of Insurance to administer the provisions of Chapter 23 and all laws of this state governing and regulating agents for such corporations. The fees may be used to pay [~~complying with this chapter, which fees shall be paid into the State Treasury to the credit of the Prepaid Legal Services Fund and shall be paid out for~~] salaries, traveling expenses, office expenses, and other incidental expenses incurred in the administration of this chapter. Article 1.31A of this code applies to fees collected under this section [~~and approved by the State Board of Insurance~~]."

SECTION 38. Article 24.03, Insurance Code, is amended by adding Section (h) to read as follows:

"(h) Fees collected under this article shall be deposited in the State Treasury to the credit of the State Board of Insurance operating fund. Article 1.31A of this code applies to fees collected under this article."

SECTION 39. Sections (d) and (e), Article 24.06, Insurance Code, are amended to read as follows:

"(d) Fees collected under this chapter shall be deposited in the State Treasury to the credit of the State Board of Insurance operating [~~shall be placed in the State Treasury in a separate~~] fund. The board may use any portion of those fees to enforce this chapter. The board may employ persons as necessary to examine or investigate and make reports on alleged violations of this chapter or on compliance with the other provisions of this code by persons licensed under this chapter and may pay the salaries and expenses of those persons and of all office employees and the expenses necessary to enforce this chapter.

"(e) If any residue of those funds remains after the amounts necessary to carry on the work, examinations, and investigations and to employ the persons as authorized by this chapter have been paid, the residue shall be carried over from year to year and used in the enforcement of this chapter [~~article~~]. All funds collected under this provision must be deposited in [~~shall be paid into~~] the State Treasury [~~at least once each week and kept~~] in the State Board of Insurance operating [~~a special~~] fund and shall be paid out for salaries, traveling expenses, office expenses, and other expenses incurred by the board under this chapter [~~on proper account duly approved by the board~~]."

SECTION 40. Section 12, Chapter 498, Acts of the 55th Legislature, Regular Session, 1957 (Article 9205, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 12. Be it further enacted, that all moneys derived from the license fees provided in Section 5 of this Act must be deposited in the State Treasury to the credit of the State Board of Insurance operating [~~shall be paid into the State Treasury by the State Fire Marshal for safe keeping and shall by the State Treasurer be placed in a separate~~] fund to be made available in such amounts as may be appropriated by the Legislature for the use of the State Fire Marshal in the administration of this Act and upon requisition by the State Fire Marshal. All such moneys deposited in [~~so paid into~~] the State Treasury and thus appropriated may be used by the State Fire Marshal for salaries and expenses of all persons employed for the administration and enforcement of this Act including all necessary travel expenses of the State Fire Marshal, or any assistant or appointee, and the Attorney General or persons authorized to act for either, when performing duties hereunder.

"The [~~On January 1st of each year the~~] unused portion of said funds in the State Board of Insurance operating fund [~~said special account~~] for the past fiscal year shall remain in the fund for use as provided by this section [~~be paid over and become a part of the general revenue fund~~]."

SECTION 41. Subsection (a), Section 4, Article 1.14-2, Insurance Code, is amended to read as follows:

"(a) The State Board of Insurance may issue a surplus lines license to any authorized agent which shall grant such agent authority to procure the kinds of insurance provided for in this Article from companies not licensed in this state under the conditions prescribed in this Article. Unless the State Board of Insurance adopts a system for staggered renewal of licenses under Subsection (c) of this section, every [~~Every~~] license issued pursuant to this section shall be for a term expiring on the 31st day of December next following the date of issuance, and every license may be renewed for ensuing periods of 12 months. Before any such license shall be issued and before each renewal thereof a written application shall be filed by the applicant in such form as the State Board of Insurance prescribes and the fee provided therefor by this Article shall be paid."

SECTION 42. Section 4, Article 1.14-2, Insurance Code, as amended, is amended by adding Subsections (c) through (e) to read as follows:

"(c) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license

fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(d) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original fee for the license. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original issuance fee for the license. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(e) At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address."

SECTION 43. Subsections (c), (d), and (e), Section 13, Article 3.72, Insurance Code, are amended to read as follows:

"(c) Unless a system of staggered renewal is adopted under Subsection (f) of this section, each [~~Each~~] license issued to a variable annuity agent shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the Commissioner of Insurance or the authority of the agent to act for the insurer is terminated. The term of a license is two years.

"(d) Licenses which have not expired or which have not been suspended or revoked may be renewed upon request in writing of the agent and payment of a renewal fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of $25~~].

"(e) Any agent licensed under this article may represent and act as an agent for more than one insurance carrier any time while his or its license is in force, if he or it so desires. Any such agent and the insurance carrier involved must give notice to the State Board of Insurance of any additional appointment or appointments authorizing him or it to act as agent for an additional insurance carrier or carriers. Such notice must set forth the insurance carrier or carriers which the agent is then licensed to represent and shall be accompanied by a certificate from each insurance carrier to be named in each additional appointment that said insurance carrier desires to appoint the applicant as its agent. This notice shall also contain such other information as the State Board of Insurance may require. The agent or company shall be required to pay a fee in an amount not to exceed $16 as determined by the State Board of Insurance [~~of $8~~] for each additional appointment applied for, which fee shall accompany the notice."

SECTION 44. Section 13, Article 3.72, Insurance Code, as amended, is amended by adding Subsections (f) through (j) to read as follows:

"(f) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(g) An unexpired license may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying

to the State Board of Insurance the required renewal fee and a fee that is one-half of the original fee for the license. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original fee for the license. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(h) Not later than the 30th day after the day on which a licensing examination is administered under this section, the commissioner of insurance shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner of insurance shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner of insurance receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner of insurance shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this section, the commissioner of insurance shall send to the person an analysis of the person's performance on the examination.

"(i) The State Board of Insurance may adopt procedures for certifying and may certify continuing education programs for persons licensed under this section. Participation in the programs is voluntary.

"(j) The State Board of Insurance may waive any license requirement for each applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 45. Subsections (c) and (d), Section 10, Article 3.73, Insurance Code, are amended to read as follows:

"(c) Unless a system of staggered renewal is adopted under Subsection (f) of this section, each [~~Each~~] license issued to a variable life insurance agent shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the Commissioner of Insurance or the authority of the agent to act for the insurer is terminated. The term of a license is two years.

"(d) Licenses which have not expired or which have not been suspended or revoked may be renewed upon request in writing of the agent and the payment of a [~~$25~~] renewal fee in an amount not to exceed $50 as determined by the State Board of Insurance."

SECTION 46. Section 10, Article 3.73, Insurance Code, is amended by adding Subsections (e) through (h) to read as follows:

"(e) An unexpired license may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original fee for the license. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original fee for the license. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his or its last known address. This

subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(f) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(g) The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs. Participation in the programs is voluntary.

"(h) The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 47. Sections 4 and 7, Article 5.43-1, Insurance Code, as amended, are amended to read as follows:

"Section 4. REGISTRATION, LICENSING, AND FEES. (a) Each firm engaged in the business of installing or servicing portable fire extinguishers or installing or servicing fixed fire extinguisher systems must have a certificate of registration issued by the State Board of Insurance. The initial fee for the certificate of registration must be in an amount not to exceed $450 [~~is $225~~] and the renewal fee for each year thereafter must be in an amount not to exceed $300 [~~is $150~~]. Each separate office location of a firm engaged in the business of installing or servicing portable fire extinguishers or installing or servicing fixed extinguisher systems, other than the location identified on the certificate of registration, must have a branch office registration certificate issued by the board. The initial fee for a branch office registration certificate must be in an amount not to exceed $100 [~~is $50~~], and the renewal fee for each year thereafter must be in an amount not to exceed $100 [~~is $50~~]. The board shall identify each branch office location as a part of a registered firm before a branch office registration certificate may be issued.

"(b) A [~~$10~~] fee in an amount not to exceed $20 shall be charged for a duplicate certificate of registration, license, or apprentice permit issued under this article or for any request requiring changes to a certificate of registration, license, or permit. A new certificate of registration with a new number shall be issued to a registered firm on a change of ownership for a [~~$225~~] fee in an amount not to exceed $450. A [~~$50~~] fee in an amount not to exceed $100 shall be charged for a change of ownership of a branch office.

"(c) Each employee, other than an apprentice, of firms engaged in the business of installing or servicing portable fire extinguishers or installing or servicing fixed fire extinguisher systems who services extinguishers or fixed systems, must have a license issued by the State Board of Insurance. The initial fee for the license, including the initial examination, must be in an amount not to exceed $50 [~~is $25~~] and the license renewal fee for each year thereafter must be in an amount not to exceed $50 [~~is $25~~]. A [~~$10~~] fee in an amount not to exceed $20 shall be charged for each reexamination.

"(d) Each person servicing portable fire extinguishers or fixed fire extinguisher systems as an apprentice shall, before servicing any portable fire extinguisher or servicing any fixed fire extinguisher system, apply to the State Board of Insurance for an apprentice permit. The fee for the apprentice permit must be in an amount not to exceed $30 [~~is $15~~]. An apprentice may perform the services only under direct supervision of a person holding a valid license under this article who works for the same firm as the apprentice. An apprentice permit is valid for one year from the date of issuance.

"(e) Each firm performing hydrostatic testing of fire extinguishers manufactured in accordance with the specifications and procedures of the United States Department of Transportation shall do so in accordance with the procedures specified by that department for compressed gas cylinders and shall be required to have a hydrostatic testing certificate of registration authorizing such testing issued by the state fire marshal. Persons qualified to do this work shall be given such authority on their licenses. The initial fee must be in an amount not to exceed $250 [~~shall be $125~~], and the renewal fee for each year thereafter must be in an amount not to exceed $150 [~~shall be $75~~]. Hydrostatic testing of fire extinguishers not performed pursuant to the United States Department of Transportation specifications shall be performed as recommended by the National Fire Protection Association.

"(f) The State Board of Insurance shall, within the limits fixed by this section, prescribe the fees to be charged under this section."

"Section 7. APPLICATIONS AND HEARINGS ON LICENSES, PERMITS AND CERTIFICATES. (a) Applications and qualifications for licenses, permits, and certificates issued hereunder shall be made pursuant to regulations adopted by the State Board of Insurance.

"(b) The State Board of Insurance may through the State Fire Marshal conduct hearings or proceedings concerning the suspension, revocation, or refusal of the issuance or renewal of licenses, apprentice permits, hydrostatic testing certificates, certificates of registration, or approvals of testing laboratories issued under this article or the application to suspend, revoke, refuse to renew, or refuse to issue the same.

"(c) An applicant, registrant, licensee, or permit holder whose certificate of registration, license, or permit has been refused or revoked under this article, except for failure to pass a required written examination, may not file another application for a certificate of registration, license, or permit within one year from the effective date of the refusal or revocation. After one year from that date, the applicant may reapply and in a public hearing show good cause why the issuance of his certificate of registration, license, or permit is not against the public safety and welfare.

"(d) A person whose license to service portable fire extinguishers or to install or service fixed fire extinguisher systems has been revoked must retake and pass the required written examination before a new license may be issued.

"(e) An unexpired license or registration may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license or registration. If a license or registration has been expired for not longer than 90 days, the license or registration may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original fee for the license or registration. If a license or registration has been expired for longer than 90 days but less than two years, the license or registration may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original fee for the license or registration. If a license or registration has been expired for two years or longer, the license or registration may not be renewed. A new license or certificate of registration may be obtained by complying with the requirements and procedures for obtaining an original license or registration. At least 30 days before the expiration of a license or registration, the State Fire Marshal shall send written notice of the impending license or registration expiration to the licensee or registrant at his or its last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(f) The State Board of Insurance by rule may adopt a system under which certificates of registration, licenses, and permits expire on various dates during the year. For the year in which the certificate of registration, license, or permit

expiration date is less than one year from its issuance or anniversary date, the fee shall be prorated on a monthly basis so that each registrant, licensee, or permittee shall pay only that portion of the fee that is allocable to the number of months during which the certificate of registration, license, or permit is valid. On each subsequent renewal, the total renewal fee is payable.

"(g) Not later than the 30th day after the day on which a licensing examination is administered under this Act, the State Fire Marshal shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the State Fire Marshal shall send notice to the examinees of the results of the examination within two weeks after the date on which the State Fire Marshal receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the State Fire Marshal shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this Act, the State Fire Marshal shall send to the person an analysis of the person's performance on the examination.

"(h) The State Board of Insurance may adopt procedures for certifying and may certify continuing education programs for persons licensed under this Act. Participation in the programs is voluntary.

"(i) The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state. [~~A person whose license to service portable fire extinguishers or to install or service fixed fire extinguisher systems has expired may not renew the license until he has taken and passed the required written examination for a license.~~]"

SECTION 48. Subsections (a) through (d), Section 5, Article 5.43-2, Insurance Code, as amended, are amended to read as follows:

"(a) Each organization engaged in the business of selling, servicing, installing, or maintaining fire alarm or fire detection devices shall have a certificate of registration issued by the board. The initial fee for the certificate of registration must be in an amount not to exceed $500 [~~is $250~~] and the renewal fee for each year thereafter must be in an amount not to exceed $500 [~~is $250~~].

"(b) Each separate office location of an organization engaged in the act of selling, leasing, servicing, maintaining, or installing fire detection or fire alarm devices or systems, other than the location identified on the certificate of registration, shall have a branch office registration certificate, issued by the board. The initial fee for this branch office registration certificate must be in an amount not to exceed $150 [~~is $75~~] and the renewal fee for each year thereafter must be in an amount not to exceed $150 [~~is $75~~]. The board shall identify each branch office location as a part of a registered organization before a branch office registration certificate may be issued.

"(c) Each fire alarm installation superintendent must obtain a license issued by the board. The initial fee for the license must be in an amount not to exceed $100 [~~is $50~~] and the renewal fee for each year thereafter must be in an amount not to exceed $100 [~~is $50~~].

"(d) A [~~$10~~] fee in an amount not to exceed $20 shall be charged for a duplicate certificate of registration or license issued by the board and for any requested change to a certificate of registration or license."

SECTION 49. Section 5, Article 5.43-2, Insurance Code, as amended, is amended by adding Subsection (i) to read as follows:

"(i) The board shall, within the limits fixed by this section, prescribe the fees to be charged under this section."

SECTION 50. Article 5.43-2, Insurance Code, as amended, is amended by deleting Subsection (b) of Section 5A and adding Sections 5C, 5D, 5E, and 5F to read as follows:

"Section 5A. EXPIRATION DATES OF LICENSES. (a) Each renewal of a license issued under this article is valid for a period of two years. The total license fee for both years is payable on renewal.

"[~~(b) The State Board of Insurance by rule may adopt a system under which the licenses issued under this article expire on various dates during the year. For the year in which the expiration date is changed, license fees payable on the date of issuance shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is applicable to the number of months during which the license is valid. On renewal of the license on the new expiration date, the total license fee is payable.~~]"

"Section 5C. RENEWAL. (a) An unexpired license or registration may be renewed by paying the required renewal fee to the board before the expiration date of the license or registration. If a license or registration has been expired for not longer than 90 days, the license or registration may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original fee for the license or registration. If a license or registration has been expired for longer than 90 days but less than two years, the license or registration may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original fee for the license or registration. If a license or registration has been expired for two years or longer, the license or registration may not be renewed. A new license or registration may be obtained by complying with the requirements and procedures for obtaining an original license or registration. At least 30 days before the expiration of a license or registration, the State Fire Marshal shall send written notice of the impending license or registration expiration to the licensee or registrant at his or its last known address. This section may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(b) The State Board of Insurance by rule may adopt a system under which licenses and registrations expire on various dates during the year. For the year in which the license or registration expiration date is less than one year from its issuance or anniversary date, the fee shall be prorated on a monthly basis so that each licensee or registrant shall pay only that portion of the fee that is allocable to the number of months during which the license or registration is valid. On each subsequent renewal, the total renewal fee is payable.

"Section 5D. EXAMINATION. Not later than the 30th day after the day on which an examination is administered under this article, the State Fire Marshal shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the State Fire Marshal shall send notice to the examinees of the results of the examination within two weeks after the date on which the State Fire Marshal receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the State Fire Marshal shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the examination administered under this article, the State Fire Marshal shall send to the person an analysis of the person's performance on the examination.

"Section 5E. CONTINUING EDUCATION. The State Board of Insurance may adopt procedures for certifying and may certify continuing education programs. Participation in the programs is voluntary.

"Section 5F. LICENSE BY RECIPROCITY. The board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 51. Section B, Article 9.36, Insurance Code, as amended, is amended to read as follows:

"B. Unless a staggered renewal system is adopted under Section E of this article, on [~~On~~] or before the first day of June of each year, every title insurance

company, domestic or foreign, operating under the provisions of this Act, shall certify to the Board, on forms provided by the Board, the names and addresses of every title insurance agent of said company within the state whose license is to be renewed, and shall apply for and pay a license renewal fee in an amount not to exceed $50 as determined by the Board [~~of Twenty-Five Dollars ($25)~~] for a license in the name of each such agent included in said list; if any such company shall terminate any licensed agent, it shall immediately notify the Board in writing of such act and request cancellation of such license, notifying the agent of such action. No such title insurance company shall permit any agent appointed by it to write, sign, or deliver title insurance within the state until the foregoing conditions have been complied with, and the Board has granted said license. The Board shall deliver such license to the title insurance company for transmittal to the Agent.

"Unless a staggered renewal system is adopted under Section E of this article, a [~~A~~] license shall continue in force until the second June first following its issuance, unless previously cancelled; provided, however, that if any title insurance company surrenders or has its certificate of authority revoked by the Board, all existing licenses of its title insurance agents shall automatically terminate without notice.

"Any title insurance agent may be licensed to represent one or more such title insurance companies, with a separate license granted for each.

"The Board shall keep a record of the names and addresses of all licensed agents in such manner that the agents appointed by any company authorized to transact title insurance business within the State of Texas may be conveniently ascertained and inspected by any person upon request."

SECTION 52. Article 9.36, Insurance Code, as amended, is amended by adding Sections E through H to read as follows:

"E. The board by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that only that portion of the license fee that is allocable to the number of months during which the license is valid will be paid. On each subsequent renewal of the license, the total license renewal fee is payable.

"F. An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original fee for the license. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original fee for the license. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address. This section may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"G. The board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state.

"H. The board may adopt procedures for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

SECTION 53. Article 9.42, Insurance Code, as amended, is amended to read as follows:

"Article 9.42. LIST OF ESCROW OFFICERS MUST BE FILED

"A. Unless a system of staggered renewal is adopted under Section B of this article, every [~~Every~~] title insurance agent licensed and operating under the

provisions of this Act shall on or before the first day of June of each year, certify to the Board on forms provided by the Board the names and addresses of every person employed by it to serve in the capacity of escrow officer within the state, whose license is to be renewed, and shall apply for and pay a license renewal fee in an amount not to exceed Fifty Dollars ($50) as determined by the Board [~~of Twenty-Five Dollars ($25)~~] for each person included in said list. If it shall terminate any licensed escrow officer, it shall immediately notify the Board in writing of such act and request cancellation of the license, notifying such escrow officer of such action. No agent shall permit any person to act as escrow officer within the state until the foregoing conditions have been complied with, and the Board has granted the said license.

"Unless a system of staggered renewal is adopted under Section B of this article, a [~~A~~] license shall continue in force until the second June first following its issuance, unless previously cancelled. Provided, however, that if any title insurance agent surrenders all its licenses, or has all its licenses revoked by the Board, all existing licenses of its escrow officers shall automatically terminate without notice.

"The Board shall keep a record of the names and addresses of all escrow officers licensed by it in such manner that the escrow officers employed by any title insurance agent within the state may be conveniently determined.

"B. The Board by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"C. An unexpired license may be renewed by paying the required renewal fee to the Board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the Board the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the Board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the Board shall send written notice of the impending license expiration to the licensee at his last known address. This section may not be construed to prevent the Board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"D. The Board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 54. Section 6, Article 9.56, Insurance Code, is amended to read as follows:

"Section 6. TITLE ATTORNEY'S LICENSES. (a) Before an initial license is issued to any Texas licensed attorney to act as a title attorney within the State of Texas for an attorney's title insurance company, there shall first be filed by the attorney's title insurance company with the board an application for a title attorney's license, on forms to be provided by the board, accompanied by a fee in an amount not to exceed $50 as determined by the board [~~of $2~~]. The application shall be signed and duly sworn to by the attorney's title insurance company and the applicant title attorney. Such application shall contain the following:

"(1) that the applicant title attorney is a bona fide licensed Texas attorney, resident of Texas; and

"(2) that the applicant title attorney is actively engaged in the practice of law; and

"(3) that the applicant title attorney is known to the attorney's title insurance company to have a good business reputation, to be a current member of the State Bar of Texas, in good standing, and is worthy of the public trust and said attorney's title insurance company knows of no fact or condition which would disqualify him from receiving a license; and

"(4) that the applicant title attorney is qualified as defined in this Article 9.56 of this Chapter 9.

"The board shall grant such title attorney's license if it determines from the application and its own investigation that the foregoing requirements have been met.

"(b) Unless a system of staggered renewal is adopted under Subsection (d) of this section, on [~~On~~] or before the first day of June of each year, every attorney's title insurance company operating under the provisions of this Chapter 9 shall certify to the board, on forms provided by the board, the names and addresses of every title attorney of said attorney's title insurance company, and shall apply for and pay a fee in an amount not to exceed $50 as determined by the board [~~of $2~~] for an annual license in the name of each title attorney included in said list; if any such attorney's title insurance company shall terminate any licensed title attorney, it shall immediately notify the board in writing of such act and request cancellation of such license, notifying the title attorney of such action. No such attorney's title insurance company shall permit any title attorney appointed by it to write, sign, or deliver title insurance policies within the state until the foregoing conditions have been complied with, and the board has granted said license. The board shall deliver such license to the attorney's title insurance company for transmittal to the title attorney.

"Unless a system of staggered renewal is adopted under Subsection (d) of this section, licenses [~~Licenses~~] shall continue until the first day of the next June unless previously cancelled; provided, however, that if any attorney's title insurance company surrenders or has its certificate of authority revoked by the board, all existing licenses of its title attorneys shall automatically terminate without notice.

"The board shall keep a record of the names and addresses of all licensed title attorneys in such manner that the title attorneys appointed by any attorney's title insurance company authorized to transact the business of an attorney's title insurance company within the State of Texas may be conveniently ascertained and inspected by any person upon request.

"(c) If an attorney's title insurance company terminates its contract with a title attorney or gives notice of termination to the title attorney, then any such title attorney may, within 30 days after either occurrence apply to the board for continuation of his license with an amendment thereto showing the name of another attorney's title insurance company for whom he is or will be authorized to act.

"(d) The board by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(e) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original license fee. If a license

has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(f) The board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state.

"(g) The board may adopt a procedure for certifying and may certify continuing education programs. Participation in the programs is voluntary."

SECTION 55. Subsections (b) through (e), Section 15, Chapter 214, Acts of the 64th Legislature, Regular Session, 1975 (Article 20A.15, Vernon's Texas Insurance Code), are amended to read as follows:

"(b) The Commissioner of Insurance shall collect in advance from health maintenance organization agent applicants a license fee in an amount not to exceed $50 as determined by the board [~~of $25~~] and an examination fee in an amount not to exceed $20 as determined by the board [~~of $10~~]. A new examination fee shall be paid for each examination. The examination fee shall not be returned under any circumstances other than for failure to appear and take the examination after the applicant has given at least 24 hours notice of an emergency situation to the Commissioner of Insurance and received the commissioner's approval.

"(c) Except as may be provided by a staggered renewal system adopted under Subsection (i) of this section, each [~~Each~~] license issued to a health maintenance organization agent shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the commissioner or the authority of the agent to act for the health maintenance organization is terminated.

"(d) Licenses which have not expired or been suspended or revoked may be renewed upon written request and payment by the agent of a [~~$25~~] renewal fee in an amount not to exceed $50 as determined by the board [~~by the agent~~].

"(e) Any agent licensed under this section may represent and act as an agent for more than one health maintenance organization at any time while the agent's license is in force. Any such agent and the health maintenance organization involved must give notice to the State Board of Insurance of any additional appointment or appointments authorizing the agent to act as agent for an additional health maintenance organization or health maintenance organizations. Such notice must set forth the health maintenance organization or health maintenance organizations which the agent is then licensed to represent and shall be accompanied by a certificate from each health maintenance organization to be named in each additional appointment that said health maintenance organization desires to appoint the applicant as its agent. This notice shall contain such other information as the State Board of Insurance may require. The agent shall be required to pay a fee in an amount not to exceed $16 as determined by the board [~~of $8~~] for each additional appointment applied for, which fee shall accompany the notice."

SECTION 56. Section 15, Chapter 214, Acts of the 64th Legislature, Regular Session, 1975, as amended (Article 20A.15, Vernon's Texas Insurance Code), is amended by adding Subsections (h) through (l) to read as follows:

"(h) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the

required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner shall send written notice of the impending license expiration to the licensee at his last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(i) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(j) Not later than the 30th day after the day on which a licensing examination is administered under this section, the commissioner shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner shall send notice to the examinees of the results of the examination within two weeks after the date on which the comissioner receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this section, the commissioner shall send to the person an analysis of the person's performance on the examination.

"(k) The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state.

"(l) The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

SECTION 57. Subdivision (i), Subsection (b), Section 4, Article 21.07, Insurance Code, as amended, is amended to read as follows:

"(i) The State Board of Insurance shall, within sixty (60) days from the effective date of this Act, establish reasonable rules and regulations with respect to the scope, type and conduct of such written examination and the times and places within this State where such examinations shall be held; applicants, shall, however, be permitted to take such examinations at least once in each week at the office of the State Board of Insurance. The rules and regulations of the State Board of Insurance shall designate text books, manuals and other materials to be studied by applicants in preparation for examination pursuant to this Section. Such text books, manuals and other materials may consist of matter available to applicants by purchase from the publisher or may consist of matter prepared at the direction of the State Board of Insurance and distributed to applicants upon request therefor and payment of the reasonable cost thereof. All examination questions shall be prepared from the contents of the text books, manuals and other materials designated or prepared by the State Board of Insurance pursuant to this Section and such questions shall be limited to and substantially similar to the questions relating to health and accident insurance contained in the written examination prescribed by the State Board of Insurance pursuant to Article 21.07—1 of this Insurance Code. The State Board of Insurance shall charge each applicant a fee in an amount not

to exceed $20 as determined by the State Board of Insurance [~~of $10.00~~] for the privilege of taking such written examination and which fee shall not be returned under any circumstance other than for failure to appear and take the examination after the applicant has given at least 24 hours' notice of an emergency situation to the State Board of Insurance and received board approval. A new examination fee shall be paid for each and every examination."

SECTION 58. Section 4, Article 21.07, Insurance Code, as amended, is amended by adding Subsection (f) to read as follows:

"(f) Not later than the 30th day after the day on which a licensing examination is administered under this article, the commissioner of insurance shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner of insurance shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner of insurance receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner of insurance shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this article, the commissioner of insurance shall send to the person an analysis of the person's performance on the examination."

SECTION 59. Sections 5 and 6, Article 21.07, Insurance Code, as amended, are amended to read as follows:

"Section 5. FAILURE OF APPLICANT TO QUALIFY FOR LICENSE. If the State Board of Insurance is not satisfied that the applicant for a license is trustworthy and of good character, or, if applicable, that the applicant, if required to do so, has not passed the written examination to the satisfaction of the State Board of Insurance, the State Board of Insurance shall forthwith notify the applicant and the insurance carrier in writing that the license will not be issued to the applicant, and return to said agent the [~~$25.00~~] fee for application for license and the [~~$8.00~~] fee for appointment.

"Section 6. AGENT MAY BE LICENSED TO REPRESENT ADDITIONAL INSURERS. Any agent licensed under this Article may represent and act as an agent for more than one insurance carrier at any time while his or its license is in force, if he or it so desires. Any such agent and the insurance carrier involved must give notice to the State Board of Insurance of any additional appointment or appointments authorizing him or it to act as agent for an additional insurance carrier or carriers. Such notice must set forth the insurance carrier or carriers which the agent is then licensed to represent, and shall be accompanied by a certificate from each insurance carrier to be named in each additional appointment, that said insurance carrier desires to appoint the applicant as its agent. This notice shall also contain such other information as the State Board of Insurance may require. The agent shall be required to pay a fee in an amount not to exceed $16 as determined by the State Board of Insurance [~~of $8.00~~] for each additional appointment applied for, which fee shall accompany the notice."

SECTION 60. Subsection (a), Section 7, Article 21.07, Insurance Code, as amended, is amended to read as follows:

"(a) Except as may be provided by a staggered renewal system adopted under Subsection (f) of this section, each [~~Each~~] license issued to an agent shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the State Board of Insurance or the authority of the agent to act for the insurance carrier is terminated."

SECTION 61. Section 7, Article 21.07, Insurance Code, as amended, is amended by adding Subsections (e) and (f) to read as follows:

"(e) An unexpired license may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license

has been expired for not longer than 90 days, the license may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his or its last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(f) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable."

SECTION 62. Article 21.07, Insurance Code, as amended, is amended by adding Sections 3A and 15A to read as follows:

"Section 3A. CONTINUING EDUCATION. The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for dealers, salesmen, or agents. Participation in the programs is voluntary."

"Section 15A. LICENSE BY RECIPROCITY. The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 63. Subsection (b), Section 19, Article 21.07, Insurance Code, is amended to read as follows:

"(b) The State Board of Insurance may, upon request of such insurer on application forms furnished by the State Board of Insurance and upon payment of a license fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of $25~~], issue such license to such person which will be valid only for such limited representation of such insurer as provided herein. The application shall be accompanied by a certificate, on forms to be prescribed and furnished by the State Board of Insurance and signed by an officer or properly authorized representative of the insurance company the applicant proposes to represent, stating that the insurance company has investigated the character and background of the applicant and is satisfied that the applicant is trustworthy and qualified to hold himself out in good faith as an insurance agent, and that the insurance company desires that the applicant act as an insurance agent to represent the insurance company. The insurer shall also certify to the State Board of Insurance that it has provided the applicant with at least forty (40) hours of training, has tested the applicant and found the applicant qualified to represent the insurer, and that the insurer is willing to be bound by the acts of such applicant within the scope of such limited representation."

SECTION 64. Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended by adding Section 3A to read as follows:

"Section 3A. CONTINUING EDUCATION. The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

SECTION 65. Subsection (c), Section 4, Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended to read as follows:

"(c) The application, when filed, shall be accompanied by a filing fee in an [~~the~~] amount not to exceed $50 as determined by the State Board of Insurance [~~of $25.00~~] and, in the case of applicants required to take an examination administered by the Commissioner of Insurance as hereafter prescribed, by an examination fee in an [~~the~~] amount not to exceed $20 as determined by the State Board of Insurance [~~of $10.00~~]. In the event an applicant fails to qualify for, or is refused a license, the filing fee shall be returned; the examination fee shall not be returned for any reason other than for failure to appear and take the examination after the applicant has given at least 24 hours' notice of an emergency situation to the Commissioner of Insurance and received the commissioner's approval. A new examination fee shall be paid for each and every examination."

SECTION 66. Section 5, Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended by adding Subsection (e) to read as follows:

"(e) Not later than the 30th day after the day on which a licensing examination is administered under this article, the commissioner of insurance shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner of insurance shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner of insurance receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner of insurance shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this Act, the commissioner of insurance shall send to the person an analysis of the person's performance on the examination."

SECTION 67. Subsection (a), Section 8, Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended to read as follows:

"(a) Any life insurance agent licensed in this state may represent and act as a life insurance agent for more than one legal reserve life insurance company at any time while his or its license is in force, if he or it so desires. Any such life insurance agent and the company involved must give notice to the Commissioner of Insurance of any additional appointment or appointments authorizing him or it to act as a life insurance agent for an additional legal reserve life insurance company or companies. Such notice must set forth the insurer or insurers which the agent is then licensed to represent, and shall be accompanied by a certificate from each insurer to be named in each additional appointment, that said insurer desires to appoint the applicant as its agent. This notice shall also contain such other information as the Commissioner may require. The agent shall be required to pay a fee in an amount not to exceed $16 as determined by the State Board of Insurance [~~of $8.00~~] for each additional appointment applied for, which fee shall accompany the notice. Any insurer may file a request with the Insurance Commissioner for notification in the event any agent licensed to represent such insurer has given the Commissioner of Insurance notice of an additional appointment to represent another insurer; and in such event the Commissioner shall notify the insurer filing such request."

SECTION 68. Subsections (a) and (d), Section 9, Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), are amended to read as follows:

"(a) Except as may be provided by a staggered renewal system adopted under Subsection (g) of this section, each [~~Each~~] license issued to a life insurance agent

shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the Insurance Commissioner or the authority of the agent to act for the insurer is terminated."

"(d) Upon the filing of a request for renewal of license, and payment of a renewal fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of $25.00~~] for such license, prior to the date of expiration, the current license shall continue in force until the renewal license is issued by the Commissioner or until the Commissioner has refused, for cause, to issue such renewal license, as provided in Section 12, of this Act, and has given notice of such refusal in writing to the insurer and the agent."

SECTION 69. Section 9, Chapter 213, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-1, Vernon's Texas Insurance Code), is amended by adding Subsections (f) and (g) to read as follows:

"(f) An unexpired license may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his or its last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(g) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable."

SECTION 70. Section 5, Chapter 29, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 21.07-2, Vernon's Texas Insurance Code), is amended to read as follows:

"Section 5. MODE OF LICENSING AND REGULATION. The licensing and regulation of a Life Insurance Counselor, as that term is defined herein, shall be in the same manner and subject to the same requirements as applicable to the licensing of agents of legal reserve life insurance companies as provided in Article 21.07—1 of the Texas Insurance Code, 1951, or as provided by any existing or subsequent applicable law governing the licensing of such agents, and all the provisions thereof are hereby made applicable to applicants and licensees under this Act, except that a Life Insurance Counselor shall not advertise in any manner and shall not circulate materials indicating professional superiority or the performance of professional service in a superior manner; provided, however, that an appointment to act for an insurer shall not be a condition to the licensing of a Life Insurance Counselor.

"In addition to the above requirements, the applicant for licensure as a Life Insurance Counselor shall submit to the Commissioner evidence of high moral and ethical character, documentation that he has been licensed as a life insurance agent in excess of three years. After the Insurance Commissioner has satisfied himself as to these requirements, he shall then cause the applicant for a Life Insurance Counselor's license to sit for an examination which shall include the following:

"Such examination shall consist of five subjects and subject areas:

"(a) Fundamentals of life and health insurance;

"(b) Group life insurance, pensions and health insurance;

"(c) Law, trust and taxation;

"(d) Finance and economics; and

"(e) Business insurance and estate planning.

"No license shall be granted until such individual shall have successfully passed each of the five parts above enumerated. Such examinations may be given and scheduled by the Commissioner at his discretion. Individuals currently holding Life Insurance Counselor licenses issued by the Texas State Board of Insurance, who do not have the equivalent of the requirements above listed, shall have one year from the date of enactment hereof to so qualify.

"Not later than the 30th day after the day on which a licensing examination is administered under this Section, the Commissioner shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the Commissioner shall send notice to the examinees of the results of the examination within two weeks after the date on which the Commissioner receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the Commissioner shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this Section, the Commissioner shall send to the person an analysis of the person's performance on the examination."

SECTION 71. Chapter 757, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 21.07-3, Vernon's Texas Insurance Code), is amended by adding Sections 5A and 6A to read as follows:

"Section 5A. LICENSE BY RECIPROCITY. The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

"Section 6A. CONTINUING EDUCATION. The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

SECTION 72. Sections 8, 9, and 10, Chapter 757, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 21.07-3, Vernon's Texas Insurance Code), are amended to read as follows:

"Section 8. CONDUCT OF EXAMINATIONS. (a) All examinations provided hereunder shall be conducted by the commissioner at such times and places as prescribed by the commissioner, but not less than four times annually. Applicants shall be given ten days' notice of the time and place of such examinations. All examinations shall be in writing.

"(b) Not later than the 30th day after the day on which a licensing examination is administered under this section, the commissioner shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner shall send notice to the examinee of the reason for the delay before the 90th day.

"(c) If requested in writing by a person who fails the licensing examination administered under this section, the commissioner shall send to the person an analysis of the person's performance on the examination.

"Section 9. EXPIRATION OF LICENSE; RENEWAL. (a) Except as may be provided by a staggered renewal system adopted under Subsection (c) of this section,

every [~~Every~~] license issued hereunder shall expire one year from the date of its issue, unless an application to qualify for renewal of such license shall be filed with the commissioner and fee paid on or before such date, in which event the license sought to be renewed shall continue in full force and effect until renewed or renewal is denied.

"(b) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner shall send written notice of the impending license expiration to the licensee at his or its last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(c) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"Section 10. FEES. Any applicant for a managing general agent's license shall pay a fee [~~of $15~~] at the time application is made in an amount not to exceed $30 as determined by the State Board of Insurance.

"Any application for the renewal of a managing general agent's license shall pay a fee [~~of $25~~] at the time application is made in an amount not to exceed $50 as determined by the State Board of Insurance."

SECTION 73. Sections 4, 5, and 10, Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's Texas Insurance Code), are amended to read as follows:

"Section 4. LICENSE BY RECIPROCITY. The board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state. [~~NONRESIDENTS MAY BE LICENSED. (a) A person, not a resident of this state, may be licensed as an insurance adjuster upon compliance with the provisions of this Act, provided that the state in which such person resides will accord the same privilege to a citizen of this state.~~

"[~~(b) The commissioner is authorized to enter into a reciprocal agreement with the appropriate official of any state whereby any examination of any applicant resident in such other state is waived, provided:~~

"[~~(1) that a written examination be required of applicants for an insurance adjuster's license in such other state;~~

"[~~(2) that the appropriate official of such other state certifies that such applicant holds a currently valid license as an insurance adjuster in such other state by passing such written examination, or holds a currently valid license issued by reason of the applicant's exemption from the requirements of an examination;~~

"[~~(3) that the applicant has no place of business in this state for the transaction of business as an insurance adjuster;~~

"[~~(4) that in such other state a resident of Texas is privileged to procure an insurance adjuster's license upon the foregoing conditions and without~~

~~discrimination as to fees or otherwise in favor of the residents of such other state; and~~

"[~~(5) payment of fees as required by this Act.~~]

"Section 5. CATASTROPHE OR EMERGENCY ADJUSTERS. In the event of a catastrophe or emergency which arises out of a disaster, act of God, riot, civil commotion, conflagration or other similar occurrence, the commissioner shall, upon application, issue an emergency license to persons who are residents or nonresidents of this state and who may or may not be otherwise licensed adjusters. Such emergency license shall remain in force for a period not to exceed 90 days, unless extended for an additional period of 90 days by the commissioner. The applicant must be certified by (i) a person licensed under the provisions of this Act, or by (ii) an insurer which maintains an office in this state and is licensed to do business in this state. The licensed adjuster or insurer who certifies said applicant under the provisions of this section of this Act shall be responsible for the loss or claims practices of the emergency license holder.

"Within five days of any applicant commencing work as an adjuster hereunder, the employer of such adjuster shall certify to the commissioner such application without being deemed in violation of this Act, provided that the commissioner may, after notice and hearing, revoke said emergency license upon the grounds as otherwise contained in this Act providing for revocation of an adjuster's license.

"The fee for an emergency license shall be in an amount not to exceed $20 as determined by the board [~~$10~~] and shall be due and payable within 30 days of the issuance of such emergency license."

"Section 10. EXAMINATION FOR LICENSE. (a) Each applicant for a license as an adjuster shall, prior to the issuance of such license, personally take and pass, to the satisfaction of the commissioner, an examination given by the commissioner as a test of his qualifications and competency; but the requirement of an examination shall not apply to any of the following:

"(1) an applicant who for the 90-day period next preceding the effective date of this Act has been principally engaged in the investigation, adjustment, or supervision of losses and who is so engaged on the effective date of this Act;

"(2) an applicant for the renewal of a license issued hereunder; or

"(3) an applicant who is licensed as an insurance adjuster, as defined by this statute, in another state with which state a reciprocal agreement has been entered into by the commissioner;

"(4) any person who has completed a course or training program in adjusting of losses as prescribed and approved by the commissioner and is certified to the commissioner upon completion of the course that such person has completed said course or training program, and has passed an examination testing his knowledge and qualification, as prescribed by the commissioner.

"(b) Not later than the 30th day after the day on which a licensing examination is administered under this section, the commissioner shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner shall send notice to the examinee of the reason for the delay before the 90th day.

"(c) If requested in writing by a person who fails the licensing examination administered under this section, the commissioner shall send to the person an analysis of the person's performance on the examination."

SECTION 74. Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 21.07-4, Vernon's Texas Insurance Code), is amended by adding Section 7A to read as follows:

"Section 7A. CONTINUING EDUCATION. The board may adopt a procedure for certifying and may certify continuing education programs. Participation in the programs is voluntary."

SECTION 75. Subsection (a), Section 14, Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's Texas Insurance Code), is amended to read as follows:

"(a) The commissioner shall collect in advance the following fees for an adjuster's license and examination:

"(1) Insurance adjuster's license, each year, in an amount not to exceed $50 as determined by the board [~~not in excess of $25~~].

"(2) For each examination, given by the board, a fee, in an amount not to exceed $50 as determined by the board [~~not in excess of $25~~]."

SECTION 76. Subsection (a), Section 16, Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's Texas Insurance Code), is amended to read as follows:

"(a) Except as may be provided by a staggered renewal system adopted under Subsection (e) of this section, an [~~An~~] adjuster's license shall expire one year next following the date of issuance."

SECTION 77. Section 16, Chapter 407, Acts of the 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's Texas Insurance Code), is amended by adding Subsections (d) and (e) to read as follows:

"(d) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a person's license, the commissioner shall send written notice of the impending license expiration to the licensee at his last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(e) The board by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable."

SECTION 78. Article 21.14, Insurance Code, as amended, is amended by adding Sections 5b and 7a to read as follows:

"Section 5b. CONTINUING EDUCATION. The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

"Section 7a. NOTICE OF RESULTS; EXAM ANALYSIS. (a) Not later than the 30th day after the day on which a licensing examination is administered under this article, the commissioner of insurance shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner of insurance shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner of insurance receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after

the examination date, the commissioner of insurance shall send notice to the examinee of the reason for the delay before the 90th day.

"(b) If requested in writing by a person who fails the licensing examination administered under this article, the commissioner of insurance shall send to the person an analysis of the person's performance on the examination."

SECTION 79. Sections 8, 9, and 10, Article 21.14, Insurance Code, as amended, are amended to read as follows:

"Section 8. EXPIRATION OF LICENSE; RENEWAL. (a) Except as may be provided by a staggered renewal system adopted under Subsection (c) of this section, every [~~Every~~] license issued to a local recording agent shall expire two years from the date of its issue, unless an application to qualify for the renewal of any such license shall be filed with the State Board of Insurance [~~Commissioners~~] and fee paid on or before such date, in which event the license sought to be renewed shall continue in full force and effect until renewed or renewal is denied. Every license issued to a solicitor for a local recording agent shall expire on the same date that the license of the local recording agent expires, unless an application to qualify for the renewal of the local recording agent's license and the solicitor's license shall be filed with the State Board of Insurance [~~Commissioners~~] and fee paid on or before such date, in which event the solicitor's license sought to be renewed shall continue in full force and effect until renewed or renewal is denied.

"(b) An unexpired license may be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his or its last known address. This subsection may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(c) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"Section 9. FEES PAYABLE BEFORE EXAMINATION. Applicants required to be examined shall, at time and place of examination, pay prior to being examined the following fees: For a local recording agent's license a fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of Twenty-five Dollars ($25.00)~~] and for a solicitor's license a fee in an amount not to exceed $20 as determined by the State Board of Insurance [~~of Ten Dollars ($10.00)~~]. The fees paid under this section shall not be returned for any reason other than failure to appear and take the examination after the applicant has given at least 24 hours' notice of an emergency situation to the State Board of Insurance and received board approval. A new fee shall be paid before each and every examination.

"Section 10. RENEWAL FEES. (a) An applicant for the renewal of a local recording agent's license shall pay, at the time the renewal application is filed, a fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of~~

~~Twenty-five Dollars ($25.00)~~]. An applicant for the renewal of a solicitor's license shall pay, at the time the renewal application is filed, a fee in an amount not to exceed $20 as determined by the State Board of Insurance [~~of Ten Dollars ($10.00)~~]."

SECTION 80. Sections (b), (c), (d), and (e), Article 23.23, Insurance Code, are amended to read as follows:

"(b) The Commissioner of Insurance shall collect in advance from agents of corporations complying with this chapter a license fee in an amount not to exceed $50 as determined by the State Board of Insurance [~~of $25~~] and an examination fee in an amount not to exceed $20 as determined by the State Board of Insurance [~~of $10~~]. A new examination fee shall be paid for each and every examination. The examination fee shall not be returned under any circumstances other than for failure to appear and take the examination after the applicant has given at least 24 hours notice of an emergency situation to the Commissioner of Insurance and received the commissioner's approval.

"(c) Except as may be provided by a staggered renewal system adopted under Section (h) of this article, each [~~Each~~] license issued to agents of corporations complying with this chapter shall expire two years following the date of issue, unless prior thereto it is suspended or revoked by the Commissioner of Insurance or the authority of the agent to act for the corporation complying with this chapter is terminated.

"(d) Licenses which have not expired or which have not been suspended or revoked may be renewed upon request in writing of the agent and payment of a [~~$25~~] renewal fee in an amount not to exceed $50 as determined by the State Board of Insurance.

"(e) Any agent licensed under this article may represent and act as an agent for more than one corporation complying with this chapter at any time while his or its license is in force, if he or it so desires. Any such agent and the corporation complying with this chapter involved must give notice to the State Board of Insurance of any additional appointment or appointments authorizing him or it to act as agent for an additional corporation complying with this chapter. Such notice must set forth the corporation or corporations complying with this chapter which the agent is then licensed to represent and shall be accompanied by a certificate from each corporation complying with this chapter to be named in each additional appointment that said corporation desires to appoint the applicant as its agent. This notice shall also contain such other information as the State Board of Insurance may require. The agent shall be required to pay a fee in an amount not to exceed $16 as determined by the State Board of Insurance [~~of $8~~] for each additional appointment applied for, which fee shall accompany the notice."

SECTION 81. Article 23.23, Insurance Code, as amended, is amended by adding Sections (g) through (k) to read as follows:

"(g) An unexpired license must be renewed by paying the required renewal fee to the State Board of Insurance before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the State Board of Insurance the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Board of Insurance all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address. This section may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(h) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(i) Not later than the 30th day after the day on which a licensing examination is administered under this article, the commissioner of insurance shall send notice to each examinee of the results of the examination. If an examination is graded or reviewed by a national testing service, the commissioner of insurance shall send notice to the examinees of the results of the examination within two weeks after the date on which the commissioner of insurance receives the results from the testing service. If the notice of the examination results will be delayed for longer than 90 days after the examination date, the commissioner of insurance shall send notice to the examinee of the reason for the delay before the 90th day. If requested in writing by a person who fails the licensing examination administered under this article, the commissioner of insurance shall send to the person an analysis of the person's performance on the examination.

"(j) The State Board of Insurance may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state.

"(k) The State Board of Insurance may adopt a procedure for certifying and may certify continuing education programs for agents. Participation in the programs is voluntary."

SECTION 82. Sections (a) and (f), Article 24.03, Insurance Code, are amended to read as follows:

"(a) Each application for a license to engage in the business of insurance premium financing must be in writing and in the form prescribed by the board. It must be accompanied by an investigation fee in an amount not to exceed $400 as determined by the board [~~of $200~~]."

"(f) The fee for each license may be in an amount not to exceed $200 as determined by the board [~~is $100~~] and shall be paid to the board. Except as may be provided by a staggered renewal system adopted under Section (j) of this article, each [~~Each~~] license shall be issued for the calendar year and shall remain in force until December 31 of each year, unless suspended, revoked, or surrendered in accordance with Article 24.05 of this chapter. If a license is granted after June 30 of any year, the fee may be in an amount not to exceed $100 as determined by the board [~~is $50~~] for that year."

SECTION 83. Article 24.03, Insurance Code, is amended by adding Sections (i) through (k) to read as follows:

"(i) An unexpired license may be renewed by paying the required renewal fee to the board before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the board the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the board all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the commissioner of insurance shall send written notice of the impending license expiration to the licensee at his last known address. This section may not be construed to prevent the board from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(j) The board by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from the issuance or anniversary date, the ~~license~~ fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable.

"(k) The board may waive any license requirement for an applicant with a valid license from another state having license requirements substantially equivalent to those of this state."

SECTION 84. Subsections A, B, C, D, E, F, H, and L, Section 5, Chapter 498, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 9205, Vernon's Texas Civil Statutes), are amended to read as follows:

"A. A license fee in an amount not to exceed $1,000 a year as determined by the State Board of Insurance [~~of $500.00 per year~~]; due and payable on or before February 1st of each and every year [~~beginning February 1, 1958~~], to the State Fire Marshal subject to the provisions of Section 12 of this Act, will be charged for the permit to manufacture, possess and sell fireworks. The manufacturer may manufacture, possess and sell items other than those enumerated in Section 2, but for sale and delivery only to states where other types of fireworks are legal but may not be sold or used in the State of Texas.

"The same license fee will apply to and shall be paid by any and all out-of-state manufacturers offering goods for sale in the State of Texas, as a condition to their sale in Texas.

"B. A similar license fee in an amount not to exceed $1,500 a year as determined by the State Board of Insurance [~~of $750.00 annually~~], due and payable on February 1st of each and every year, as provided in Section 5A above, will be charged all distributors who possess and sell the fireworks enumerated in Section 2.

"The license fee provided herein shall be due and payable by all out-of-state distributors offering goods for sale within the State of Texas.

"C. A license fee, due and payable as provided in Section 5A above, in an amount not to exceed $1,000 a year as determined by the State Board of Insurance [~~of $500.00 per year~~], will be charged all jobbers who possess and sell the fireworks enumerated in Section 2.

"The license fee provided herein shall apply to and be payable by out-of-state jobbers as a condition for selling within the State of Texas.

"D. An annual license fee in an amount not to exceed $20 as determined by the State Board of Insurance [~~of $10~~] will be charged all retailers who possess and sell fireworks enumerated in Section 2, for which an annual retailer's license shall be issued effective until midnight of the following 31st day of January. No person, firm or corporation shall offer fireworks for sale to individuals at retail before the 24th day of June and after the 4th day of July, or the 20th day of December of each year and after midnight of the 1st day of January of the following year.

"E. An annual license fee, due and payable as provided in Section 5A above, in an amount not to exceed $200 as determined by the State Board of Insurance [~~of $100.00~~], shall be due and payable by each importer who possesses and sells the fireworks enumerated in Section 2 above to any persons, firms, corporation or association within the State of Texas.

"F. An annual license fee in an amount not to exceed $20 as determined by the State Board of Insurance [~~of $10.00~~], due and payable as provided in Section 5D above, shall be due and payable by all salesmen who take orders for the sale of fireworks enumerated in Section 2 above and all salesmen are prohibited from taking orders from any firm, individual, corporation, association or partnership not

licensed and each order for the sale of fireworks taken must reflect the license number of the purchaser. Furthermore, salesmen are prohibited from possessing any fireworks described in Section 2."

"H. A license fee in an amount not to exceed $35 as determined by the State Board of Insurance [~~of $17.50~~] for each public display shall be paid at the time of obtaining the permit, as hereafter provided, being payable to and in the manner provided in Section 5A."

"L. An annual license fee in an amount not to exceed $400 as determined by the State Board of Insurance [~~of $200~~] will be charged all persons securing a general license under Section 10, for which a general license shall be issued effective until midnight of the following 31st day of January. Provided that a person holding a general license shall not be required to obtain a permit for each public display of fireworks which is conducted at a single location for which an original permit has been obtained. Nothing herein shall limit the authority of the State Fire Marshal or his authorized representatives to inspect the single location or to require such fire protection measures as may be appropriate."

SECTION 85. Chapter 498, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 9205, Vernon's Texas Civil Statutes), is amended by adding Section 5a to read as follows:

"Section 5a. RENEWAL. (a) An unexpired license may be renewed by paying the required renewal fee to the State Fire Marshal before the expiration date of the license. If a license has been expired for not longer than 90 days, the license may be renewed by paying to the State Fire Marshal the required renewal fee and a fee that is one-half of the original license fee. If a license has been expired for longer than 90 days but less than two years, the license may be renewed by paying to the State Fire Marshal all unpaid renewal fees and a fee that is equal to the original license fee. If a license has been expired for two years or longer, the license may not be renewed. A new license may be obtained by complying with the requirements and procedures for obtaining an original license. At least 30 days before the expiration of a license, the State Fire Marshal shall send written notice of the impending license expiration to the licensee at his or its last known address. This section may not be construed to prevent the State Fire Marshal from denying or refusing to renew a license under applicable law or rules of the State Board of Insurance.

"(b) The State Board of Insurance by rule may adopt a system under which licenses expire on various dates during the year. For the year in which the license expiration date is less than one year from its issuance or anniversary date, the license fee shall be prorated on a monthly basis so that each licensee shall pay only that portion of the license fee that is allocable to the number of months during which the license is valid. On each subsequent renewal of the license, the total license renewal fee is payable. On adoption of a staggered renewal system under this subsection, the renewal dates provided by Section 5 of this Act no longer apply."

SECTION 86. Article 4.11, Insurance Code, as amended, is amended by adding Section 3A to read as follows:

"Section 3A. (a) The premium tax imposed by this article may be paid under protest as provided by Subchapter B, Chapter 112, Tax Code.

"(b) If no payment under protest is made, a suit for refund must be filed within four years from the date the tax is due and payable. This article may not be construed as a waiver of any defense, immunity, or jurisdictional bar available to the state or its officers or employees, including obtaining legislative authorization to sue."

SECTION 87. Chapter 619, Acts of the 51st Legislature, Regular Session, 1949, as amended (Article 4769, Vernon's Texas Civil Statutes), is amended by adding Section 1A to read as follows:

"Section 1A. (a) The premium tax imposed by Section 1 of this Act may be paid under protest as provided by Subchapter B, Chapter 112, Tax Code.

"(b) If no payment under protest is made, a suit for refund must be filed within four years from the date the tax is due and payable. This Act may not be construed as a waiver of any defense, immunity, or jurisdictional bar available to the state or its officers or employees, including obtaining legislative authorization to sue."

SECTION 88. Chapter 279, Acts of the 49th Legislature, Regular Session, 1945 (Article 4769a, Vernon's Texas Civil Statutes), is amended by adding Section 1A to read as follows:

"Section 1A. (a) The premium tax imposed by Section 1 of this Act may be paid under protest as provided by Subchapter B, Chapter 112, Tax Code.

"(b) If no payment under protest is made, a suit for refund must be filed within four years from the date the tax is due and payable. This Act may not be construed as a waiver of any defense, immunity, or jurisdictional bar available to the state or its officers or employees, including obtaining legislative authorization to sue."

SECTION 89. Chapter 9, Insurance Code, is amended by adding Article 9.57 to read as follows:

"Article 9.57. TITLE INSURANCE POLICY PROVISIONS. (a) Each policy of title insurance insuring an owner of real property delivered or issued for delivery in this state shall include certain provisions, the form, substance, and content of which shall be promulgated by the State Board of Insurance, in accordance with this article.

"(b) If after the policy of title insurance has been issued, the insured reports to the title insurance company that a lien or encumbrance exists which is not excepted under the policy or excluded from coverage, or that there is a defect in the title likewise not excepted under the policy or excluded from coverage:

"(1) the title insurance company will promptly investigate to determine if that lien or encumbrance is valid and not barred by law or statute; and

"(2) if the title insurance company concludes that a valid lien or encumbrance, not barred by law or statute, exists or that a title defect exists, the title insurance company will take one of the following actions:

"(A) institute all necessary legal proceedings to clear the title to the property;

"(B) indemnify the insured pursuant to the terms of the policy;

"(C) reinsure at current value the title to the property without making exception to the lien, encumbrance, or defect or indemnify another insurer for reinsuring the title without making exception to the lien, encumbrance, or defect;

"(D) secure a release of the encumbrance, lien, or defect; or

"(E) effect a combination of Subdivisions (A) through (D) of this subsection.

"(c) The State Board of Insurance may promulgate, by amendment to the Owner Policy of Title Insurance or by separate endorsement to the Owner Policy of Title Insurance, language to carry out this article in a manner consistent with the terms, provisions, conditions, and stipulations of the policy or the exceptions to coverage contained in the schedules to the policy. Nothing in this article prohibits the State Board of Insurance from adopting for use in this state a policy or policies in a simplified, generally more understandable, and usable form."

SECTION 90. Subdivision (4), Section 5, Article 21.28-D, Insurance Code, is amended to read as follows:

"(4) 'Contractual obligation' means any policy or contract benefit (including but not limited to death, disability, hospitalization, medical, premium deposits, advance premiums, supplemental contracts, cash surrender, loan, nonforfeiture, extended coverage, annuities, and coupon and dividend accumulations to the owner, beneficiary, assignee, certificate holder, or third-party beneficiary), arising

from an insurance policy or annuity contract to which this Act applies, issued or assumed by an insurer who becomes an impaired insurer. A contractual obligation shall not include an amount in excess of $300,000 in the aggregate under one or more covered policies on any one life; nor shall a contractual obligation include an amount in excess of $300,000 in the aggregate under one or more annuity contracts within the scope of this Act issued to the same [~~contract~~] holder of individual annuity policies or to the same annuitant or participant under group annuity policies. If the impaired insurer has no assets within the State of Texas, or has insufficient assets to pay the expenses of administering the receivership or conservatorship of the impaired insurer, that portion of the expenses of administration incurred in the processing and payment of claims against the impaired insurer shall also be a contractual obligation under this Act."

SECTION 91. Article 21.49-2, Insurance Code, is amended to read as follows:

"Article 21.49-2. DECLINATION, CANCELLATION, AND NONRENEWAL OF CERTAIN POLICIES. The State Board of Insurance is authorized and directed to prescribe, adopt, promulgate, and enforce reasonable rules and regulations as to the cancellation and the nonrenewal of family automobile and residential fire insurance and homeowners policies, including notice requirements thereof, applicable to all insurance companies writing the above-mentioned policies. The State Board of Insurance is also authorized, as it finds necessary, to prescribe, adopt, promulgate, and enforce reasonable rules and regulations as to the cancellation and the nonrenewal of all other policies of insurance regulated by the Board pursuant to Chapter 5, Texas Insurance Code, including notice requirements thereof, applicable to all such companies. The Board shall require a written statement of the reason or reasons for declination, cancellation, or nonrenewal of any of the policies covered by this article to be given by the insurer to the policyholder or applicant upon request by the policyholder or applicant. There shall be no liability on the part of, and no cause of action shall arise against any insurer or agent or employees of the insurer or agent, for any statements, disclosures, or communications made in good faith by them under this article; except there shall be no immunity under this article for a disclosure of information known to be false or a disclosure with malice or wilful intent to injure any person. In prescribing and adopting such rules and regulations, the Board will give consideration to the reasonable needs of the public and to the operations of the insurance companies. The Board shall have authority to alter or amend, as it deems necessary, any and all of the rules and regulations prescribed and adopted by it."

SECTION 92. Chapter 21, Insurance Code, is amended by adding Article 21.21-3 to read as follows:

"Article 21.21-3. DISCRIMINATION AGAINST HANDICAPPED PROHIBITED. An insurer who delivers or issues for delivery or renews any insurance in this state may not refuse to insure, refuse to continue to insure, limit the amount, extent, or kind of coverage available to an individual, or charge an individual a different rate for the same coverage solely because of handicap or partial handicap, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience."

SECTION 93. (a) On September 1, 1983, the comptroller shall transfer to and deposit in the State Board of Insurance operating fund all money in the following funds:

(1) motor vehicle insurance fund (Fund No. 10);
(2) fire insurance fund (Fund No. 13);
(3) compensation insurance fund (Fund No. 14);
(4) insurance examination fund (Fund No. 54);
(5) insurance agents license fund (Fund No. 85);
(6) managing general agents fund (Fund No. 93);

(7) credit insurance fund (Fund No. 103);
(8) fire extinguisher fund (Fund No. 110);
(9) mutual assessment fund (Fund No. 113);
(10) insurance fee fund (Fund No. 115);
(11) fireworks license fund (Fund No. 119);
(12) recording agents & solicitors license fund (Fund No. 124);
(13) casualty insurance fund (Fund No. 161);
(14) title insurance fund (Fund No. 162);
(15) aircraft insurance fund (Fund No. 178);
(16) insurance premium financing fund (Fund No. 179);
(17) burial association rate fund (Fund No. 180);
(18) fire alarm and detection systems fund (Fund No. 181);
(19) health maintenance organizations fund (Fund No. 182);
(20) prepaid legal services fund (Fund No. 183);
(21) insurance adjusters fund (Fund No. 184); and
(22) insurance board operating fund (Fund No. 36).

(b) On transfer and deposit of the money to the State Board of Insurance operating fund as provided by Subsection (a) of this section, the funds listed in Subsection (a) are abolished.

SECTION 94. The fees prescribed by law before the effective date of this Act shall remain in effect and shall apply until the State Board of Insurance adopts fees as provided by this Act.

SECTION 95. Section (f), Article 1.02, Insurance Code, is amended to read as follows:

"(f) The State Board of Insurance is subject to the Texas Sunset Act, as amended (Article 5429k, Vernon's Texas Civil Statutes); and unless continued in existence as provided by that Act, the board is abolished effective September 1, 1995 [~~1983~~]."

SECTION 96. (a) Subsection (h), Article 1.09, Insurance Code, takes effect September 1, 1984.

(b) Subsection (i), Article 1.09, Insurance Code, takes effect September 1, 1985.

(c) Section 8 and Section 89 of this Act take effect January 1, 1984.

(d) Except as provided by Subsections (a) through (c) of this section, this Act takes effect September 1, 1983.

SECTION 97. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 135, Creating a special interim committee to study state investment in South Africa. (With amendment)

S.B. 1274, Relating to public school finance and the calculation of the effective tax rate of a school district. (As amended)

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.J.R. 40**. House Conferees: Gavin, Chairman; Craddick, Geistweidt, Kemp, Buchanan.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 895**. House Conferees: Geistweidt, Chairman; Craddick, Buchanan, Jones, Tow.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 1026**. House Conferees: Kemp, Chairman; Craddick, Geistweidt, Buchanan, Tow.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 1091**. House Conferees: Wallace, Chairman; Coody, Robnett, Green, Schlueter.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 1235**. House Conferees: Polk, Chairman, Craddick, Geistweidt, Buchanan, Tow.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 1236**. House Conferees: Craddick, Chairman; Geistweidt, Buchanan, Kemp, Tow.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 1355**. House Conferees: Presnal, Chairman; Millsap, Hall of Denton, Lee of Harris, Leonard.

The House has concurred in Senate amendments to **H.B. 141** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 208** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1157** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1186** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1701** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2008** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2087** by a non-record vote.

The House has adopted the Conference Committee Report on **H.B. 2154** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 149** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 255** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 448** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 705** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 179** by a record vote of 97 Ayes, 51 Noes, and 1 Present-not voting.

The House has concurred in Senate amendments to **H.B. 2436** by a record vote of 136 Ayes, 0 Noes, and 1 Present-not voting.

The House has concurred in Senate amendments to **H.B. 2427** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

(Senator Brooks in Chair)

SENATE BILL 1040 WITH HOUSE AMENDMENT

Senator Glasgow called **S.B. 1040** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - D. Lee

Amend **S.B. 1040**, Section 3, page 4 beginning at line 16, by deleting Subsections (b) and (c) and substituting in lieu thereof the following:

"(b) No insurer doing business in this state shall pay directly or indirectly any commission, or other valuable consideration, to any person, firm, partnership or corporation for services as a local recording agent within this state, unless such person, firm, partnership or corporation shall hold a currently valid license and appointment to act as a local recording agent as required by the laws of this state; nor shall any person, firm, partnership or corporation other than a duly licensed and appointed local recording agent accept any such commission or other valuable consideration; provided, however, that nothing contained in this subsection shall prohibit an assigned risk pool or assigned risk plan, duly authorized to operate by the laws of this state, from paying commissions, or other valuable consideration, to a duly licensed person, firm, partnership or corporation for services as a local recording agent.

"(c) No licensed local recording agent, managing general agent or surplus lines agent doing business in this state shall pay directly or indirectly any commission, or other valuable consideration, to any person, firm, partnership or corporation for services as a local recording agent within this state, unless such person, firm, partnership or corporation shall hold a currently valid license to act as a local recording agent as required by the laws of this state; nor shall any person, firm, partnership or corporation other than a duly licensed local recording agent accept any such commission or other valuable consideration.

"(d) No local recording agent doing business in this state shall pay directly or indirectly any commission, or other valuable consideration, to any person for services as a solicitor within this state, unless such person shall hold a currently valid license and appointment to act as a solicitor for such local recording agent as required by the laws of this state; not shall any person other than a duly licensed and appointed solicitor accept any such commission or other valuable consideration."

The amendment was read.

Senator Glasgow moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 382 WITH HOUSE AMENDMENTS

Senator Mauzy called **S.B. 382** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Patronella

Substitute the following for **S.B. 382**:

A BILL TO BE ENTITLED
AN ACT

relating to the number of ballots furnished for each polling place.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 64(a), Texas Election Code (Article 6.09, Vernon's Texas Election Code), is amended to read as follows:

(a) The authority responsible for furnishing the ballots in an election shall furnish each election precinct a percentages of ballots equal to the percentage of voters who voted in that precinct in the most recent corresponding election plus 25 percent of that number. The number of ballots furnished may not exceed the total number of registered voters in the precinct [~~sufficient to conduct the election~~]. The official ballots to be counted before delivery and sealed up and together with the instruction cards, with poll lists, tally sheets, distance markers, returning blanks and stationery, shall be delivered to the precinct judges, and the number of each endorsed on the package, and entered of record by the clerk in the minutes of the Commissioners Court or, in an election ordered by an authority of a political subdivision other than a county, on the minutes of the governing body of that subdivision. In like manner, shall be sent the list of qualified voters for the precinct certified to by the collector.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Floor Amendment No. 1 - Oliveira

Amend **C.S.S.B. 382** by adding a new section two (2) and renumbering the subsequent sections to wit:

(a) Membership in the Texas Legislature for twelve (12) years, or Membership in the Texas Legislature for four (4) years with a bachelor's degree or its equivalent and adequate study of the law for at least two (2) years at an acredited law school, or Membership in the Texas Legislature for eight (8) years with a bachelor's degree or its equivalent, or Membership in both Houses of the Texas Legislature with a master's degree or its equivalent, or Membership in either House for four (4) years with a master's or doctor's degree, prior to making application to take the Bar examination, shall be considered equivalent to the prelegal study and training and study of the law required under Article 306, Revised Civil Statutes, 1925, as amended, as a prerequisite to taking the regular examination for license to practice law and may be substituted in lieu thereof, provided the applicant meets all requirements of the Supreme Court relative to moral character; and any person complying with the above is declared to be eligible to take such examination for license to practice law. In such cases thirty (30) days' written notice of intention to

take the Bar examination, directed and delivered to the Clerk of the Supreme Court of Texas, shall be sufficient notice.

The amendments were read.

(President in Chair)

Senator Mauzy moved that the Senate do not concur in the House amendments, but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

RECORD OF VOTE

Senator Washington asked to be recorded as voting "Nay" on the motion to not concur in the House amendments.

The President asked if there were any motions to instruct the Conference Committee on **S.B. 382** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Mauzy, Chairman; Farabee, Doggett, Brooks and Caperton.

LOCAL CALENDAR SESSION SCHEDULED

On motion of Senator Blake and by unanimous consent, a session for consideration of Local and Uncontested Bills will be held at conclusion of this morning's session.

HOUSE CONCURRENT RESOLUTION 239

The President laid before the Senate the following resolution:

H.C.R. 239, Congratulating Mrs. Becky Brooks, president-elect of T.S.T.A.

The resolution was read.

On motion of Senator Howard and by unanimous consent, the resolution was considered immediately and was adopted.

GUEST PRESENTED

Senator Howard escorted Mrs. Brooks to the President's Rostrum.

The President presented Mrs. Brooks with an enrolled copy of **H.C.R. 239**.

(Senator Brooks in Chair)

CONFERENCE COMMITTEE REPORT
SENATE BILL 921

Senator Doggett submitted the following Conference Committee Report:

Austin, Texas
May 28, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 921** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

DOGGETT	BUSH
GLASGOW	MANKINS
McFARLAND	LEONARD
SHARP	GLOSSBRENNER
MAUZY	MILLSAP
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to charges for the return of certain checks following their dishonor.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) The holder of a check or its assignee, agent, representative, or any other person retained by the holder to seek collection of the face value of the dishonored check on return of the check to the holder following its dishonor by a payor may charge the drawer or endorser a reasonable processing fee, which shall not exceed $15.

(b) Nothing herein shall be construed as affecting any right or remedy to which the holder of a check may be entitled under any rule, regulation, written contract, judicial decision, or other statute.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE BILL 1306 WITH HOUSE AMENDMENTS

Senator Glasgow called **S.B. 1306** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Parker

Amend Section 2, **S.B. 1306**, by striking the words "Cass County" on page two, line 11.

Floor Amendment No. 2 - Armbrister

Amend **S.B. 1306** as follows:

1) Reinsert the bracketed and stricken figure on page 1, line 21.

The amendments were read.

Senator Glasgow moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE BILL 1241 WITH HOUSE AMENDMENTS

Senator Brown called **S.B. 1241** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Craddick

Amend **S.B. 1241** on page 2, line 13, by adding the following between the word "state" and the period:

"or, with the exception of transportation spills, regulated by the Railroad Commission of Texas".

Floor Amendment No. 2 - Craddick

Amend committee amendment No. 1 for **S.B. 1241** as follows:

1) On page 2, line 13, add "or, with the exception of transportation spills and spills in coastal waters, regulated by the Railroad Commission of Texas" between the word "state" and the period.

2) On page 2 and 3, strike subdivision (4) in its entirety and substitute the following:

"(4) [~~(6)~~] 'Hazardous substance' means any substance designated as such by the administrator of the Environmental Protection Agency pursuant to the [~~Federal Water Pollution Control Act~~] Comprehensive Environmental Response, Compensation, and Liability Act, regulated pursuant to Section 311 of the Federal Water Pollution Control Act, or designated [~~and~~] by the board.

The amendments were read.

Senator Brown moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

CONFERENCE COMMITTEE REPORT
SENATE BILL 151

Senator Glasgow submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 151** have met and had the same

under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

GLASGOW	EVANS
JONES	WALLACE
HARRIS	RUSSELL
McFARLAND	BOMER
HENDERSON	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation, operation, membership, terms, and grounds for removal of member of the State Banking Board; making certain financial statements confidential; amending Article 15, Chapter I, The Texas Banking Code of 1943 (Article 342-115, Vernon's Texas Civil Statutes) and amending Article 5, Chapter III, The Texas Banking Code of 1943 (Article 342-305, Vernon's Texas Civil Statutes), by amending Section D and adding Section F.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 15, Chapter I, The Texas Banking Code of 1943 (Article 342-115, Vernon's Texas Civil Statutes), is amended to read as follows:

"Article 15. STATE BANKING BOARD—MEMBERS—DUTIES—RULES OF PRACTICE—APPEAL. 1. The State Banking Board shall consist of three (3) members[~~, to wit~~]: the Banking Commissioner, who shall serve as Chairman; the State Treasurer; and a citizen of this State, who shall represent the interests of the general public. The citizen member[~~, and who~~] shall be appointed by the Governor [~~for a term of two (2) years~~] with the advice and consent of the Senate for a two-year term expiring on January 31 of each odd-numbered year. Appointment of the citizen member to the Board shall be made without regard to the race, creed, sex, religion, or national origin of the appointee. [~~The term of the citizen member appointed to fill the present vacancy shall expire on January 31, 1973, and on said date of every odd-numbered year thereafter.~~]

"2. A person who is required to register as a lobbyist under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), by virtue of his activities for compensation in or on behalf of a profession related to the operation of the board may not serve as a member of the board or act as the general counsel to the board.

"3. It is a ground for removal of the citizen member from the State Banking Board if the member:

"(a) does not have at the time of appointment the qualifications required by Section 1 of this article for appointment to the Board;

"(b) does not maintain during the service on the Board the qualifications required by Section 1 of this article for appointment to the Board; or

"(c) violates a prohibition established by Section 2 or Subsection (c) of Section 6 of this article.

"4. The validity of an action of the State Banking Board is not affected by the fact that it was taken when a ground for removal of the citizen member of the Board existed.

"5. The State Banking Board shall hear and determine applications for State banking charters, and shall make such other determinations and perform such other duties as are provided elsewhere in this Code.

"6. [~~3.~~] The State Banking Board shall adopt and publish such rules and procedural regulations as may be necessary to facilitate the fair hearing and adjudication of charter applications and such other business to come before it,

provided, however, that such Board shall be governed by, and shall implement by appropriate regulations, the following rules of practice and procedure:

"(a) Notwithstanding any law or statute to the contrary, the State Banking Board shall enter into executive session and shall meet in private for their personal deliberations on the following questions[~~, to wit~~]: the proposed officers and directors of proposed banks, and their character and fitness; the good faith of the applicants; and the evidence concerning applications for conversion of national banks to State banks.

"(b) The minutes of the meetings of the Board shall set forth the names of persons appearing as applicants, as opponents, and their respective counsel, representatives, and expert witnesses, together with the substance of their testimony or presentations. The decision of the Board shall be evidenced in the minutes by the vote of each Board member in respect to each of the five statutory requisites for issuance of a bank charter, and no member shall abstain from voting unless he shall be disqualified for some ethical or personal reason, which ground of disqualification shall be stated in the record.

"(c) No member of the Board shall be an officer, director or otherwise interested in the management or operation of any State or national bank or savings and loan association; provided further, that if any Board member shall own or otherwise control any shares of stock in any State or national bank, or savings and loan association, that he shall file with the chairman a list of all such stocks, describing the security, the quantity, and the value thereof, which list shall be a public record of the Banking Board.

"(d) When either the State Treasurer or Commissioner is unable to personally attend an official meeting of the Board, the respective first deputy of such member may appear and vote in his stead, provided that the Board rules shall prescribe the deputy by name and title who is so authorized, and provided further, that two such deputies may not both sit as substitute members of the Board at the same meeting.

"7. [~~4.~~] Any person, firm or corporation who is a party to, or is necessarily aggrieved by any final order, ruling or judgment of the State Banking Board shall have the right to appeal by filing a suit to set aside such order, ruling or judgment in the District Court of Travis County, Texas, within thirty (30) days following the date of rendition of such order, ruling or judgment. Provided, that in such cases the substantial evidence rule shall apply and govern the trial, as is the common practice in cases of appeal from administrative orders and as construed by the courts of this State. Pending final judgment of the court the order shall remain in effect, unless otherwise stayed or enjoined by the court upon proper application.

"8. [~~5.~~] The State Banking Board is subject to the Texas Sunset Act, as amended (Article 5429k, Vernon's Texas Civil Statutes); and unless continued in existence as provided by that Act the board is abolished effective September 1, 1995 [~~1983~~].

"9. The State Banking Board is subject to the open meetings act, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 6252-17, Vernon's Texas Civil Statutes), and the Administrative Procedure and Texas Register Act, as amended (Article 6252-13a, Vernon's Texas Civil Statutes).

"10. The State Banking Board shall keep an information file about each complaint filed with the Board relating to a State bank. If a written complaint is filed with the Board relating to a State bank, the Board, at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an undercover investigation."

SECTION 2. Section D, Article 5, Chapter III, The Texas Banking Code of 1943 (Article 342-305, Vernon's Texas Civil Statutes), is amended to read as follows:

"D. Upon filing of the application, the Commissioner shall promptly set the time and place for public hearing of the application for charter, giving the applicants [~~and such other banks in the same trade area~~] reasonable notice thereof. Before the 10th day preceding the day on which the hearing is held, the Commissioner shall publish notice of the hearing in a newspaper of general circulation in the county where the proposed bank is to be located. After full and public hearing the Board shall vote and determine whether the necessary conditions set out in Section A above have been established. Should the Board, or a majority of the Board, determine all of the said conditions affirmatively, then the application shall be approved; if not, then the application shall be denied. If approved, and when the Commissioner receives satisfactory evidence that the capital has been paid in full in cash, the Commissioner shall deliver to the incorporators a certified copy of the Articles of Association, and the bank shall come into corporate existence. Provided however, that the State Banking Board may make its approval of any application conditional, and in such event shall set out such condition in the resolution granting the charter, and the Commissioner shall not deliver the certified copy of the Articles of Association until such condition has been met, after which the Commissioner shall in writing inform the State Banking Board as to compliance with such condition and delivery of the Articles of Association."

SECTION 3. Article 5, Chapter III, The Texas Banking Code of 1943 (Article 342-305, Vernon's Texas Civil Statutes), is amended by adding Section F to read as follows:

"F. The financial statement of a proposed officer or director filed under this article is confidential and not subject to public disclosure."

SECTION 4. This Act takes effect September 1, 1983.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE BILL 1144 WITH HOUSE AMENDMENT

Senator Brown called **S.B. 1144** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - A. Smith

Amend **S.B. 1144** by renumbering Sections 2 and 3 as 3 and 4, and inserting a new Section 2 to read as follows:

SECTION 2. The Court of Appeals for the Second Supreme Judicial District may transact its business in any county in the district as the court determines is necessary or convenient.

The amendment was read.

Senator Brown moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 988 WITH HOUSE AMENDMENT

Senator Glasgow called **S.B. 988** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - G. Hill

Substitute the following for **S.B. 988**:

A BILL TO BE ENTITLED
AN ACT

relating to the due dates for certain taxes, reports, estimated taxes and to forfeitures; amending the Tax Code by amending Section 202.201, 202.202, 201.203, 181.081, and 182.082; by adding Sections 202.1515, 201.2015, 201.2035, Subsection (e) to Section 153.118, Subsection (e) to Section 153.221, and Subsection (c) to Section 153.310; and by repealing Section 202.203.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D of Chapter 202, Tax Code, is amended by adding a new Section 202.1515 to read as follows:

Sec. 202.1515. ESTIMATED TAX PAYMENTS. On August 15th of each odd-numbered calendar year, each person required to pay a tax under this chapter must remit a reasonable estimate of the tax liability for oil that has been produced during the month of July. A reasonable estimate must be at least an amount equal to the tax due on July 25th for oil produced in June.

SECTION 2. Section 202.201, Tax Code, is amended to read as follows:

Sec. 202.201. PRODUCER'S REPORT. (a) On or before the 25th day of each calendar month, each producer or his authorized agent shall file a report with the comptroller. The report must contain the following information concerning oil produced during the preceding calendar month:

(1) the number of barrels of oil produced;
(2) the counties in which oil was produced;
(3) the names of the leases from which the oil was produced;
(4) the name and address of each first purchaser of the oil;
(5) the price received for the oil from each first purchaser; and
(6) other information the comptroller may reasonably require.

(b) If the report the producer is required to file shows additional tax due, the producer must pay the additional tax when he files the report. Notwithstanding any other provision of this code, if the producer fails to remit a reasonable estimate of the tax due in accordance with Section 202.1515 of this chapter, a penalty of 10% of the delinquent required reasonable estimate will be forfeited and due along with any additional tax due with the report specified in this Section.

SECTION 3. Section 202.202, Tax Code, is amended to read as follows:

Sec. 202.202. FIRST PURCHASER'S REPORT. (a) On or before the 25th day of each calendar month, each first purchaser or his authorized agent shall file a report with the comptroller. The report must contain the following information concerning oil purchased from a producer during the preceding calendar month:

(1) the number of barrels of oil purchased from each producer;
(2) the price paid each producer for the oil;
(3) the name and address of each producer;
(4) the counties in which the oil was produced;
(5) the names of the leases from which the oil was produced; and
(6) other information the comptroller may reasonably require.

(b) If the report the first purchaser is required to file shows additional tax due [~~to pay a tax on oil reported under this section~~], the first purchaser must [~~shall~~] pay

the additional tax when he files the report [~~is filed~~]. Notwithstanding any other provision of this code, if the first purchaser fails to remit a reasonable estimate of the tax due in accordance with Section 202.1515 of this chapter, a penalty of 10% of the delinquent required reasonable estimate will be forfeited and due along with any additional tax due with the report specified in this section.

SECTION 4. Section 202.203, Tax Code, is repealed.

SECTION 5. Section 153.118, Tax Code, is amended by adding Subsection (e) as follows:

(e) On or before August 15th of each odd-numbered calendar year each person required to pay a tax under this section must remit a reasonable estimate of the tax liability for gasoline which was required to be collected during the preceding month. A reasonable estimate must be at least an amount equal to the tax due on July 25th for gasoline tax owing in June.

SECTION 6. Section 153.221, Tax Code, is amended by adding Subsection (e) as follows:

(e) On or before August 15th of each odd-numbered calendar year each person required to pay a tax under this section must remit a reasonable estimate of the tax liability for diesel fuel which was required to be collected during the preceding month. A reasonable estimate must be at least an amount equal to the tax due on July 25th for diesel fuel tax owing in June.

SECTION 7. Subchapter E of Chapter 201, Tax Code; is amended by adding a new Section 201.2015 to read as follows:

Sec. 201.2015. ESTIMATED TAX PAYMENTS. On August 15th of each odd-numbered calendar year, each person required to pay a tax under this chapter must remit a reasonable estimate of the tax liability for gas that has been and will be produced and saved during the month of July. A reasonable estimate must be at least an amount equal to the tax due on the last day of July for gas produced and saved in June.

SECTION 8. Section 201.203, Tax Code, is amended to read as follows:

Sec. 201.203. PRODUCER'S REPORT. (a) On or before the last day of each calendar month, each producer shall file a report with the comptroller on forms prescribed by the comptroller. The report must contain the following information concerning gas produced during the preceding calendar month:

(1) the gross amount of gas produced that is subject to the tax imposed by this chapter;

(2) the leases from which the gas was produced;

(3) the names and addresses of the first purchasers of the gas; and

(4) other information the comptroller may reasonably require.

(b) If the report the producer is required to file shows additional tax due [~~pay a tax on gas reported under this section~~], the producer must [~~shall~~] pay the additional tax when he files the report. Notwithstanding any other provision of this code, if the producer fails to remit a reasonable estimate of the tax due in accordance with Section 201.2015 of this chapter, a penalty of 10% of the delinquent required reasonable estimate will be forfeited and due along with any additional tax due with the report specified in this Section.

SECTION 9. Subchapter E of Chapter 201, Tax Code, is amended by adding a new Section 201.2035 to read as follows:

Sec. 201.2035. FIRST PURCHASER'S REPORT. (a) On or before the last day of each calendar month, each first purchaser must file a report with the comptroller on forms prescribed by the comptroller. The report must contain the following information concerning gas purchased from a producer during the preceding calendar month:

(1) the gross amount of gas purchased from each producer;

(2) the price paid for the gas;

(3) the leases from which the gas was produced; and

(4) other information the comptroller may reasonably require.

(b) If the report the first purchaser is required to file shows any additional tax due, the first purchaser must pay the tax when he files the report. Notwithstanding any other provision of this code, if the purchaser fails to remit a reasonable estimate of the tax due in accordance with Section 201.2015 of this chapter, a penalty of 10% of the delinquent required reasonable estimate will be forfeited and due along with any additional tax due with the report specified in this Section.

SECTION 10. Sections 182.081 and 182.082, Tax Code, are amended to read as follows:

Sec. 182.081. REPORTS. (a) A person required to pay a tax under this chapter shall report to the comptroller on the last [first] day of January, April, July, and October of each year.

(b) A report must include a statement of the gross receipts from business done, as defined in this chapter for each taxpayer, during the preceding quarterly period.

Sec. 182.082. TAX PAYMENTS: DUE DATE. Except as provided in [by] Section 182.083 of this code, the taxes imposed by this chapter are due and payable to the treasurer on the last [first] day of January, April, July, and October of each year.

SECTION 11. The effective date of this Act is September 1, 1983.

SECTION 12. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

Senator Glasgow moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 29, Nays 1.

Nays: Lyon.

Absent: Santiesteban.

SENATE BILL 987 WITH HOUSE AMENDMENT

Senator Glasgow called **S.B. 987** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - G. Hill

Substitute the following for **S.B. 987**:

A BILL TO BE ENTITLED
AN ACT

relating to the filing of returns and payment of estimated insurance gross premium taxes; giving the State Board of Insurance certain rulemaking authority; amending the Insurance Code, as amended, by amending Sections 6 and 18, Article 4.10; adding Section 5 to Article 4.11; and amending Chapter 619, Acts of the 51st Legislature, Regular Session, 1949, as amended (Article 4769, Vernon's Texas Civil Statutes).

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 6, Article 4.10, Insurance Code, as amended, is amended to read as follows:

Sec. 6. TIME OF FILING AND PAYMENT. (a) A premium tax return for each taxable year ending the 31st day of December preceding shall be filed and the

total amount of the tax due under this article shall be paid on or before the 1st day of March each year.

(b) A quarterly prepayment of premium tax must be made on March 1st, May 15th, August 15th, and November 15th by all insurers with net tax liability for the previous calendar year in excess of $1,000. The tax paid on each date must equal one-fourth of the total premium tax paid for the previous calendar year. Should no premium tax have been paid during the previous calendar year, the quarterly payment shall equal the tax which would be owed on the gross premium receipts during the previous calendar quarter ending March 31st, June 30th, September 30th or December 31st at the minimum tax rate specified by law. The State Board of Insurance is authorized to certify for refund to the State Treasurer any overpayment of premium taxes that results from the quarterly prepayment system herein established.

(c) The State Board of Insurance may establish such rules, regulations, minimum standards, or limitations which are fair and reasonable as may be appropriate for the augmentation and implementation of this Article.

SECTION 2. Section 18, Article 4.10, Insurance Code, as amended, is amended to read as follows:

Sec. 18. STATUTE OF LIMITATIONS. Any suit for refund must be filed in accordance with law within four years of the [~~March 1~~] due date for the taxes in question. Any claim for refund filed within any other time period shall be barred by this statute of limitation except that on request of the insurance carrier, the four-year statute of limitation provided for in this article may be extended by written order of the State Board of Insurance for a period not to exceed 90 days from the expiration of the four-year period provided that such order is entered prior to the expiration of the four-year period.

SECTION 3. Article 4.11, Insurance Code, as amended, is amended by adding a new Section 5 to read as follows:

Sec. 5. ESTIMATED TAX RETURNS AND PAYMENTS. (a) A quarterly prepayment of premium tax must be made on March 1st, May 15th, August 15th, and November 15th by all insurers with net tax liability for the previous calendar year in excess of $1,000. The tax paid on each date must equal one-fourth of the total premium tax paid for the previous calendar year. Should no premium tax have been paid during the previous calendar year, the quarterly payment shall equal the tax which would be owed on the gross premium receipts during the previous calendar quarter ending March 31st, June 30th, September 30th or December 31st at the minimum tax rate specified by law. The State Board of Insurance is authorized to certify for refund to the State Treasurer any overpayment of premium taxes that results from the quarterly prepayment system herein established.

(b) The State Board of Insurance may establish such rules, regulations, minimum standards, or limitations which are fair and reasonable as may be appropriate for the augmentation and implementation of this Article.

SECTION 4. Article 4769, Texas Revised Civil Statutes, as amended, is amended to read as follows:

Art. 4769. TAX ON INSURANCE ORGANIZATIONS NOT ORGANIZED UNDER LAWS OF TEXAS. Every group of individuals, society, association or corporation (all of which shall be deemed included in the term "insurance organization" wherever used in this Act) not organized under the laws of this State and transacting the business of life insurance, personal accident insurance, life and accident insurance, or health and accident insurance for profit, or for mutual benefit, or protection in this State shall on or before the first day of March of each year file its annual statement showing the gross amount of premiums collected during the year ending December 31st, preceding, from persons residing or domiciled in this State on policies of insurance, and showing in separate columns

the first-year premiums and the renewal premiums collected on such Texas policies, and each such insurance organization, except local mutual aid associations, fraternal benefit societies, and fraternal insurance associations or societies that limit their membership to one (1) occupation, shall pay an annual tax of 3.3% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas on policies of insurance. Each such insurance organization shall also report to the Board of Insurance Commissioners on or before the first day of March of each year the amount that it had invested on the 31st of December, preceding, in Texas securities as defined by Article 4766 of the Revised Civil Statutes of Texas, 1925, as amended, and the amount that it had invested on said date in similar securities in the State in which it had its highest percentage of admitted assets invested, and in computing the amount of such investments it shall include as a part thereof that percentage of its investments in bonds of the United States of America that its reserves on policies of insurance issued on the lives of persons residing or domiciled in Texas are of its total reserves on all policies outstanding, but in no event shall it include any amount of such bonds in excess of the amount thereof reported by said Company as Texas Securities in its Texas tax return covering the year 1946. If the report of such insurance organization as of December 31st, preceding, shows that such organization, has invested in such Texas securities an amount which is more than seventy-five percent (75%) and not more than eighty percent (80%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 3.025% of such gross premium receipts; if the report shows that such insurance organization had invested in such Texas securities on such date an amount which is more than eighty percent (80%) and not more than eighty-five [~~eight-five~~] percent (85%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.75% of such gross premium receipts; if the report shows that such insurance organization had invested in such Texas securities on such date an amount which is more than eighty-five percent (85%) and not more than ninety percent (90%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 2.2% of such gross premium receipts; if the report shows such insurance organization had invested in such Texas securities on such date an amount which is in excess of ninety percent (90%) of the amount that it had invested in similar securities in the State in which it then had the highest percentage of its admitted assets invested, its tax shall be 1.925% of such gross premium receipts; provided, however, that all such insurance companies whose gross premium receipts are less than Four Hundred and Fifty Thousand Dollars ($450,000) for the preceding year ending December 31st, wherever and irrespective of from whom collected, according to its annual statement which shall disclose such information, shall pay a tax of 55/80 of 1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas except as to first-year premiums as provided, however, that the gross premium taxes herein imposed shall not be applicable to first-year premiums; and provided further that where any policy is written on a term plan only the premium collected during the first year shall be deducted on such policy or any renewal, extension or substitution thereof by the company issuing such term policy, and provided further that the amount of examination and valuation fees paid in such taxable year to or for the use of the State of Texas by any insurance organization hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance organization for such taxable year. Such gross premium receipts so reported shall not include premiums received from other licensed companies for reinsurance of business in Texas and there shall be no deduction for premiums paid for

reinsurance. If any such insurance organization does more than one (1) kind of insurance business, then it shall pay the tax herein levied upon the gross premiums on each kind of insurance written. The report of the gross premium receipts and the invested assets shall be made upon the sworn statement of two (2) principal officers.

A quarterly prepayment of premium tax must be made on March 1st, May 15th, August 15th, and November 15th by all insurers with net tax liability for the previous calendar year in excess of $1,000. The tax paid on each date must equal one-fourth of the total premium tax paid for the previous calendar year. Should no premium tax have been paid during the previous calendar year, the quarterly payment shall equal the tax which would be owed on the gross premium receipts during the previous calendar quarter ending March 31st, June 30th, September 30th or December 31st at the minimum tax rate specified by law. The State Board of Insurance is authorized to certify for refund to the State Treasurer any overpayment of premium taxes that results from the quarterly prepayment system herein established.

The State Board of Insurance may establish such rules, regulations, minimum standards, or limitations which are fair and reasonable as may be appropriate for the augmentation and implementation of this Article.

Upon receipt by it of the sworn statement above provided, the Board of Insurance Commissioners shall certify to the State Treasurer the amount of taxes due by such insurance organizations which shall be paid to the State Treasurer on or before the fifteenth day of March, following, and the State Treasurer shall issue his receipt therefor as evidence of the payment of such tax. Such taxes shall be for and on account of business transacted within this State during the calendar year ending December 31st, in which such premiums were collected, or for that portion of the year during which the insurance organization transacted business in this State. The taxes aforesaid shall constitute all taxes and license fees collectible under the laws of this State from any such insurance organization, not organized under the laws of this State, except, and only except unemployment compensation taxes levied under Senate Bill No. 5, passed at the Third Called Session of the Forty-fourth Legislature and amendments thereto; and the fees provided for under Article 3920 of the Revised Civil Statutes of Texas, 1925, the deposit fees prescribed by that Article and amendments thereto; and in case of companies writing workman's compensation insurance, the taxes otherwise provided by law on account of such business; and no other taxes shall be levied or collected by the State or any county, city, or town, except State, county and municipal ad valorem taxes upon real or personal properties of such insurance organizations.

SECTION 5. This bill shall be implemented as follows:

On November 15, 1983, the estimated tax must be paid for the fourth quarter of 1983. On February 15, 1984, the estimated tax must be paid for the first quarter of 1984. On March 1, 1984, the remaining unpaid tax for 1983 must be paid. On May 15, August 15 and November 15, 1984, the estimated tax for the second, third and fourth quarters of 1984 respectively, must be paid.

SECTION 6. Subsection (b) of Section 112.052, Tax Code, is amended to read as follows:

Sec. 112.052. TAXPAYER SUIT AFTER PAYMENT UNDER PROTEST. (b) A suit under this section must be brought within 90 days after the day the protest payment was made or the suit is barred; provided that with respect to any tax assessed on an annual basis but which is required to be paid in installments, the protest required by Section 112.051 may be filed with the final annual return and suit for the recovery for any such installment may be filed within 90 days of the time the final annual return is due.

SECTION 7. Subsection (a) of Section 112.056, Tax Code, is amended to read as follows:

Sec. 112.056. ADDITIONAL PROTEST PAYMENTS BEFORE HEARING. (a) A petitioner shall pay additional taxes when due under protest after the filing of a suit authorized by this sub-chapter and before the trial. The petitioner may [~~shall~~] amend the original petition to include all additional taxes paid under protest before five days prior to the day the suit is set for a hearing or may elect to file a separate suit. No such election shall prevent the court from exercising its power to consolidate or sever suits and claims under the Texas Rules of Civil Procedure.

SECTION 8. The effective date of this Act is September 1, 1983.

SECTION 9. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read.

Senator Glasgow moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 985 WITH HOUSE AMENDMENT

Senator Glasgow called **S.B. 985** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - G. Hill

Substitute the following for **S.B. 985**:

A BILL TO BE ENTITLED
AN ACT

relating to the time periods for filing sales and use taxes, and the prepayment discount for paying sales and use taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 151.401, Tax Code, is amended to read as follows:

Sec. 151.401. TAX DUE DATES. (a) The taxes imposed by this chapter are due and payable to the comptroller on or before the 20th day of the month following the end of each calendar month [~~quarterly on the last day of the month after the end of the quarter~~] unless a taxpayer qualifies as a quarterly filer under [~~owes for a month more than the amount provided by~~] Subsection (b) of this section or unless the taxpayer prepays the tax on a quarterly basis as permitted by Section 151.424 of this code.

(b) If a taxpayer owes less [~~more~~] than $500 [~~$1,500~~] for a calendar month or $1,500 for a calendar quarter, the taxes [~~for that month~~] are due and payable on the 20th [~~last~~] day of the month following the end of the calendar quarter [~~after that month, except that the taxpayer may file the tax reports on a quarterly basis if the taxpayer prepays the tax as permitted by Section 151.424 of this code~~].

SECTION 2. Section 151.405, Tax Code, is amended to read as follows:

Sec. 151.405. OTHER DUE DATES SET BY COMPTROLLER. The comptroller may require a seller, retailer, or purchaser to file a return or pay the taxes imposed by this chapter [~~for a quarterly period other than a calendar quarter or~~] for a period other than a monthly [~~quarterly~~] period if necessary to ensure the payment or to facilitate the collection of the taxes due.

SECTION 3. Section 151.419(b)(1)(B), Tax Code, is amended as follows:

(B) pay the imposed taxes monthly [~~quarterly~~] on or before the 20th [~~last~~] day of the month following the [~~last~~] end of each calendar month [~~of the quarter~~]; and

SECTION 4. Section 151.423, Tax Code, is amended to read as follows:

Sec. 151.423. REIMBURSEMENT TO TAXPAYER FOR TAX COLLECTIONS. A taxpayer may deduct and withhold one percent of the amount of taxes due from the taxpayer on a timely [~~quarterly or monthly~~] return as reimbursement for the cost of collecting the taxes imposed by the [~~this~~] chapter.

SECTION 5. Section 151.424, Tax Code, is amended to read as follows:

Sec. 151.424. DISCOUNT FOR PREPAYMENTS. (a) A taxpayer who prepays the taxpayer's tax liability on the basis of a reasonable estimate of the tax liability for a quarter in which a prepayment is made or for a month in which a prepayment is made may deduct and withhold 1.25 [~~two~~] percent of the amount of the prepayment in addition to the amount permitted to be deducted and withheld under Section 151.423 of the [~~this~~] code. A reasonable estimate of the tax liability must be at least ninety percent (90%) of the tax ultimately due or the amount of tax paid in the same quarter, or month, if a monthly prepayer, in the last preceding year. Failure to prepay a reasonable estimate of the tax will result in the loss of the entire prepayment discount.

(b) In order to qualify for the deduction permitted by Subsection (a) of this section, the taxpayer must make the tax prepayment: (1) on or before the 15th day of the second month of the calendar quarter for which the prepayment is made if the taxpayer pays the tax quarterly; or

(2) on or before the 15th day of the month for which the prepayment is made if the taxpayer pays the tax monthly.

(c) A taxpayer who prepays the tax liability as permitted by this section must file a report when due as provided by this chapter. The amount of a prepayment made by a taxpayer under this section shall be credited against the amount of actual tax liability of the taxpayer as shown on the tax report of the taxpayer. If there is a tax liability owed by the taxpayer in excess of the prepayment credit, the taxpayer shall send to the comptroller the remaining tax liability at the time of filing the quarterly or monthly report. The taxpayer is entitled to the deduction permitted under Section 151.423 of the [~~this~~] code on the amount of the remaining tax liability.

(d) If the amount of a prepayment exceeds the actual tax liability, the excess of the prepayment shall be credited against future tax liability of the taxpayer or refunded to the taxpayer as provided by Subchapter C of Chapter 111 of this code.

SECTION 6. Section 151.404, Tax Code, is repealed.

SECTION 7. Section 151.253(b), Tax Code, is amended to read as follows:

Sec. 151.253(b). The comptroller shall fix the amount of security required in each case, taking into consideration the amount of tax that has or is expected to become due from the person under this chapter and the Local Sales and Use Tax Act and the necessity to protect the state against the failure to pay these taxes, except that the maximum amount of security that may be required is the lesser of $50,000 or three times the amount of the person's average monthly [~~quarterly~~] tax liability.

SECTION 8. This Act takes effect October 1, 1983.

SECTION 9. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

Senator Glasgow moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 923 WITH HOUSE AMENDMENT

Senator Doggett called **S.B. 923** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Green

Substitute the following for **S.B. 923**:

A BILL TO BE ENTITLED
AN ACT

relating to the regulation of lobbying; providing for advisory opinions by the secretary of state; providing penalties; amending Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), by amending Subsections (b) and (c), Section 5; Subsection (b), Section 6; Subsection (b), Section 9; Subsection (c), Section 13; and Sections 1, 3, 4, and 10; by adding Subdivision (10) to Section 2; Subsection (d) to Section 5; Subsections (d), (e), and (f) to Section 6; and Section 14A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 1. POLICY. The legislature declares that the operation of responsible democratic government requires that the fullest opportunity be afforded to the people to petition their government for the redress of grievances and to express freely to individual members of the legislature, to committees of the legislature, to state agencies, and to members of the executive branch, their opinions on legislation, on pending executive actions, and on current issues. To preserve and maintain the integrity of the legislative and administrative processes [~~process~~], it is necessary that the identity, expenditures, and activities of certain persons who, by direct communication to such officers, engage in efforts to persuade members of the legislative branch or executive branch to take specific actions be publicly and regularly disclosed."

SECTION 2. Section 2, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended by adding Subdivision (10) to read as follows:

"(10) 'Administrative action' means rulemaking, licensing, or any other matter that may be a subject of action by a state agency, including the proposal, consideration, or approval of the matter."

SECTION 3. Sections 3 and 4, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), are amended to read as follows:

"Section 3. PERSONS REQUIRED TO REGISTER. A person [~~The following persons~~] must register with the secretary as provided in Section 5 of this Act if the person:

"(a) [~~a person who~~] makes a total expenditure in excess of $200 in a calendar quarter, not including his own travel, food, or lodging expenses, or his own membership dues, on activities described in Subsection (b) of Section 6 of this Act for communicating directly with one or more members of the legislative or executive branch to influence legislation or administrative action; and

"(b) [~~a person who~~] receives compensation or reimbursement in excess of $200 in a calendar quarter from another to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action. This subsection requires the registration of a person, other than a member of the judicial, legislative, or executive branch, who, as a part of his regular employment, has communicated directly with a member of the legislative or executive branch to influence legislation on behalf of the person by whom he is compensated or reimbursed, whether or not any compensation in addition to the salary for that regular employment is received for the communication.

"Section 4. EXCEPTIONS. The following persons are not required to register under the provisions of this Act:

"(1) persons who own, publish, or are employed by a newspaper or other regularly published periodical, or a radio station, television station, wire service, or other bona fide news medium which in the ordinary course of business disseminates news, letters to the editors, editorial or other comment, or paid advertisements which directly or indirectly oppose or promote legislation or administrative action, if such persons engage in no further or other activities and represent no other persons in connection with influencing legislation or administrative action;

"(2) persons whose only direct communication with a member of the legislative or executive branch to influence legislation or administrative action is an appearance before or testimony to one or more members of the legislative or executive branch in a hearing conducted by or on behalf of either the legislative or executive branch if such persons receive no special or extra compensation for their appearance other than actual expenses in attending the hearing;

"(3) persons whose only activity is to [~~who~~] encourage or solicit members, employees, or stockholders of an entity by whom the person is reimbursed, employed, or retained [~~others~~] to communicate directly with members of the legislative or executive branch to influence legislation or administrative action; [~~and~~]

"(4) persons whose only activity to influence legislation or administrative action is compensating or reimbursing an individual registrant to act in their behalf to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action;

"(5) persons whose only activity to influence legislation or administrative action is attendance at a meeting or entertainment event attended by a member or members of the legislative or executive branch, the total cost of which meeting or entertainment event is paid for by a business entity, union, or association; and

"(6) persons whose only compensation subject to Subsection (b) of Section 3 of this Act consists of reimbursement for any wages not earned due to attendance at a meeting or entertainment event, travel to and from the meeting or entertainment event, admission to the meeting or entertainment event, and any food and beverage consumed at the meeting or entertainment event if the meeting or entertainment event is attended by a member or members of the legislative or executive branch and the total cost of the meeting or entertainment event is paid by a business entity, union, or association."

SECTION 4. Section 5, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

"(b) The registration shall be written, verified, and shall contain the following information:

"(1) the registrant's full name and address;

"(2) the registrant's normal business and business address;

"(3) [~~the full name and address of each person who paid a membership fee, dues or other assessment in excess of $500 during the preceding calendar or fiscal~~

~~year to the registrant or to the person by whom the registrant is reimbursed, retained, or employed regardless of whether it was paid solely to influence legislation;~~

"[~~(4)~~] the full name and address of each person:

"(A) by whom the registrant is reimbursed, retained, or employed to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action; and

"(B) on whose behalf the registrant has communicated directly with a member of the legislative or executive branch to influence legislation or administrative action; and

"(4) [~~(5)~~] a list of the specific categories of subject matters [~~specific description of, or, if pending, the number assigned to the legislation~~] about which the registrant has communicated directly with a member of the legislative or executive branch to influence legislation or administrative action[~~, including, if known, the bill numbers and, if known, whether the registrant supports or opposes each bill listed~~].

"(c) If a registrant's activities are done on behalf of the members of a group other than a corporation, the registration form shall include a statement of the number of members of the group, the name of each person in the group or organization who determines the policy of the group or organization relating to influencing legislative or administrative action, and a full description of the methods by which the registrant develops and makes decisions about positions on policy.

"(d) If there is a change in the information required to be reported by a registrant under this section, the registrant shall file an amended statement reflecting the change with the secretary of state not later than the date of the next report due under Section 6 of this Act."

SECTION 5. Section 6, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended by amending Subsection (b) and adding Subsections (d) and (e) to read as follows:

"(b) The report shall be written, verified, and contain the following information:

"(1) the total expenditures under a category listed in this subsection that are made by the registrant for directly communicating with a member of the legislative or executive branch to influence legislation or administrative action, including expenditures under a category listed in this subsection that are made by others on behalf of the registrant for those direct communications if the expenditures were made with his [~~express or implied~~] consent or were ratified by him. The expenditures for directly communicating with a member of the legislative or executive branch to influence legislation or administrative action shall be stated in the following categories:

"(A) [~~postage;~~

"[~~(B) telegraph;~~

"[~~(C) publication, printing, and reproduction;~~

"[~~(D)~~] entertainment, including but not limited to food, beverages, maintenance of a hospitality room, sporting events, theatrical and musical events, and any transportation, [~~dining;~~] lodging, or admission expenses incurred in connection with the [~~such~~] entertainment; and

"(B) [~~(E)~~] gifts, awards, or loans, other than contributions as defined by Article 14.01 of the Texas Election Code;

"(2) the total expenditures made by the registrant or by others on his behalf and with his consent or ratification for broadcast or print advertisements, direct mailings, and other mass media communications made:

"(A) to persons other than members, employees, or stockholders of an entity by whom the registrant is reimbursed, retained, or employed; and

"(B) that support or oppose, or encourage another to support or oppose pending legislation or administrative action; and

"(3) a list of the specific categories of subject matters [~~legislation~~], including, if known [~~pending~~], the number or other designation assigned to the legislation or administrative action, about which the registrant, any person retained or employed by the registrant to appear on his behalf, or any other person appearing on his behalf, communicated directly with a member of the legislative or executive branch[~~; including, if known, a statement of the registrant's position on such legislation~~].

"(d) A registrant or other person may request an advisory opinion from the secretary of state under Section 14A of this Act to determine whether or not an event is an entertainment event.

"(e) The first quarterly report following a legislative session may omit an expenditure previously reported under this section."

SECTION 6. Subsection (b), Section 9, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended to read as follows:

"(b) A person who receives compensation or reimbursement or makes an expenditure for engaging in direct communication to influence legislation or administrative action and who fails to file any registration form or activities report which such person is required to file by this Act, in addition, shall pay to the state an amount equal to three times the compensation, reimbursement, or expenditure."

SECTION 7. Section 10, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon's Texas Civil Statutes), are amended to read as follows:

"Section 10. FALSE COMMUNICATIONS. No person, for the purpose of influencing legislation or administrative action, may:

"(1) knowingly or wilfully make any false statement or misrepresentation of the facts to a member of the legislative or executive branch; or

"(2) knowing a document to contain a false statement, cause a copy of the document to be received by a member of the legislative or executive branch without notifying such member in writing of the truth."

SECTION 8. Subsection (c), Section 13, Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended to read as follows:

"(c) The secretary of state shall determine whether all persons registered under this Act have filed all required forms, statements, and reports. Whenever the secretary of state determines that a person has failed to file any form, statement, or report as required by this Act, [~~if he deems it appropriate,~~] the secretary of state shall send a written statement of this finding to the person involved. Notice to the person involved must be sent by certified mail. If the person fails to file such form, statement, or report as required by this Act before the 21st day after the date the notice was sent, the secretary of state shall file a sworn complaint of the violation with the appropriate prosecuting attorney."

SECTION 9. Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), is amended by adding Section 14A to read as follows:

"Section 14A. ADVISORY OPINIONS. (a) The secretary of state shall in response to a written request issue an advisory opinion based on a real or hypothetical situation that relates to this Act.

"(b) The secretary shall issue a written opinion under this section and shall make the opinion available for public inspection at the office of the secretary of state and at the office of the Texas Register. The secretary shall publish each opinion made under this section in the Texas Register in a timely manner after the opinion has been issued.

"(c) It is a defense in a criminal prosecution or civil proceeding arising under this Act that the conduct for which the prosecution or proceeding is instituted was performed in reasonable reliance on an advisory opinion made by the secretary under this section stating that the conduct would not result in liability under this Act.

"(d) The secretary shall adopt rules to expedite the processing of requests for advisory opinions under this section."

SECTION 10. This Act applies to conduct that occurs on or after the effective date of this Act. Conduct that occurs before the effective date of this Act and any duty, requirement, or liability arising from that conduct are covered by the law as it existed at the time the conduct occurred, and that law is continued in effect for that purpose.

SECTION 11. This Act takes effect October 1, 1983.

SECTION 12. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

Senator Doggett moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 559 WITH HOUSE AMENDMENTS

Senator Farabee called **S.B. 559** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - B. Gibson

Amend **S.B. 559** as follows:

(1) Delete SECTION 1 of the bill and renumber subsequent sections accordingly.

(2) On page 15, line 12, delete the word "liabilities" and insert the word "debts".

(3) On page 15, line 24 insert the number "(1)" after the letter "E". and renumber subsections (1) through (5) on pages 15 and 16 as subsections (a) through (e).

(4) On page 16, after line 17, add "(2) This section E, and the determinations made in accordance with this section, do not apply to the calculation of the Texas franchise tax or any other tax imposed on corporations under the laws of this state."

Committee Amendment No. 2 - B. Gibson

Amend **S.B. 559**, page 23, line 19, by inserting the following section, preceding the emergency clause, and renumbering the emergency clause:

"SECTION 11. Section 8.01B(7) of the Texas Business Corporation Act is amended to read as follows:

(7) Creating [~~evidence of debt~~] as borrower or lender, or acquiring, indebtedness or mortgages [~~or liens on~~] or other security interests in real or personal property."

The amendments were read.

Senator Farabee moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

(President in Chair)

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1190 ADOPTED

Senator Farabee called from the President's table the Conference Committee Report on **S.B. 1190**. (The Conference Committee Report having been filed with the Senate and read on Friday, May 27, 1983.)

On motion of Senator Farabee, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE BILL 1281 WITH HOUSE AMENDMENT

Senator Santiesteban called **S.B. 1281** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - P. Moreno

Amend **S.B. 1281** as follows:

On page 5, line 1, strike "$1,000" and substitute in lieu thereof "$3,000."

The amendment was read.

Senator Santiesteban moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in House amendment.

SENATE BILL 864 WITH HOUSE AMENDMENT

Senator Lyon called **S.B. 864** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Watson

Substitute the following for **S.B. 864**:

A BILL TO BE ENTITLED
AN ACT

relating to attorney's fees in certain workers' compensation death cases; amending Section 8, Article 8306, Revised Statutes, as amended.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 8, Article 8306, Revised Statutes, as amended, is amended to read as follows:

"Section 8. DEATH BENEFIT. (a) If death results from the injury, the association shall pay the legal beneficiaries of the deceased employee a weekly payment equal to sixty-six and two-thirds per cent (66-2/3%) of the employee's average weekly wage, but not less than the minimum weekly benefit nor more than the maximum weekly benefit set forth in Section 29 of this article.

"(b) The weekly benefits payable to the widow or widower of a deceased employee shall be continued until the death or remarriage of the beneficiary. In the event of remarriage a lump sum payment equal in amount to the benefits due for a period of two (2) years shall be paid to the widow or widower. The weekly benefits payable to a child shall be continued until the child reaches eighteen (18) years of age, or beyond such age if actually dependent, or until twenty-five (25) years of age if enrolled as a full-time student in any accredited educational institution. All other legal beneficiaries are entitled to weekly benefits for a period of three hundred and sixty (360) weeks.

"(c) Upon the termination of the eligibility of any child to receive benefits, the portion of compensation paid to such child shall thereafter be paid to any remaining child or children entitled to benefits under the provisions of this Act. If there is no other eligible child then such benefits shall be added to those being paid to the surviving spouse entitled to receive benefits under the provisions of this Act.

"(d) The benefits payable to a widow, widower, or children under this section shall not be paid in a lump sum except in events of remarriage or in case of bona fide disputes as to the liability of the association for the death. Any settlement of a disputed case shall be approved by the board or court only upon an express finding that a bona fide dispute exists as to such liability. If the association fails to admit liability prior to the final award, decision or ruling of the Board, or disputes liability subsequent to such award, decision or ruling, the Court shall award reasonable attorney's fees, in a lump sum, not to exceed 25% of the recovery.

"Upon settlement of all cases where the carrier admits liability for the death but a dispute exists as to the proper beneficiary or beneficiaries, the settlement shall be paid in periodic payments as provided by the law, with a reasonable attorney's fee not to exceed twenty-five per cent (25%) of the settlement. The attorney's fee shall be paid periodically and not in a lump sum."

SECTION 2. This Act applies to all suits instituted on or after the effective date of this Act.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read.

Senator Lyon moved to concur in the House amendment.

The motion prevailed.

SENATE BILL 757 WITH HOUSE AMENDMENT

Senator Mauzy called **S.B. 757** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Blanton

Amend **S.B. 757** on page 3 at line 11 by inserting "with the provision that funds paid from the general revenue fund of the County must have Commissioners' Court approval" between "both" and ".".

The amendment was read.

Senator Mauzy moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Lyon.

SENATE BILL 607 WITH HOUSE AMENDMENT

Senator Sarpalius called **S.B. 607** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Uher

Amend **S.B. 607**, SECTION 1, Subdivision (1), page 1, line 13 by striking the words "fish and other seafood".

The amendment was read.

Senator Sarpalius moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 752 WITH HOUSE AMENDMENT

Senator Uribe called **S.B. 752** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Laney

Substitute the following for **S.B. 752**:

A BILL TO BE ENTITLED
AN ACT

to be known as the Texas Hospital Equipment Financing Act; providing for the administration of this Act by a public benefit corporation created herein and known as the Texas Hospital Equipment Financing Council; providing for a twelve member board of trustees of such Financing Council; providing for the powers and duties of such Financing Council under this Act; providing for indemnification of any trustee by such Financing Council in certain circumstances; relating to the establishment of health related equipment sale, lease, or loan programs for certain qualified participating health care providers; providing for sale, lease, and loan agreements for such health related equipment; providing the procedures to be followed; authorizing the issuance of revenue bonds, notes, or other evidences of indebtedness, and the refunding of outstanding obligations; prescribing prerequisites and procedures for issuance and the terms of such bonds or notes, including the maximum rate of interest which may be borne thereby; providing permissible security for such bonds or notes; prohibiting use of any money of the state or any political subdivision or agency of the state except revenue from any

agreements with participating health care providers for payments on the bonds and notes which providers are either a political subdivision or an agency of the state; prohibiting the impairment of the rights and remedies of the holders of such bonds and notes by the state; making provisions in the event of default in payment of such bonds or notes or in the event of violation of such agreements; authorizing the refunding of such bonds or notes; providing for the use and issuance of temporary receipts or temporary notes or bonds; providing that such bonds or notes shall be legal investments eligible to secure public deposits; providing for the perfection of security interests granted by such Financing Council; providing exemption from taxation of such Financing Council and its bonds or notes or income related thereto and providing for the taxation of health related equipment, as herein defined, to the extent and under the conditions described herein; providing that such bonds or notes shall be exempt securities under the Texas Securities Act, as amended; providing for the relationship of this Act to the Texas Hospital Survey and Construction Act; containing other provisions relating to the subject; providing for severability; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. This Act may be cited as the "Texas Hospital Equipment Financing Act."

SECTION 2. It is hereby found, determined, and declared that health related equipment, as defined in this Act, in many portions of this state is presently obsolete, inadequate, or insufficient; that the cost of providing such health related equipment within this state has in many cases become excessive; and that the present and prospective health, safety, and general welfare of the people of this state require as a public purpose the promotion and development of new and expanded methods of providing such health related equipment. It is the purpose of this Act to establish the Texas Hospital Equipment Financing Council, the board of trustees of which shall be comprised of the members of the Hospital Advisory Council, as created under the Texas Hospital Survey and Construction Act, Article 4437d, Vernon's Texas Civil Statutes, as amended, or shall be appointed by the Hospital Advisory Council, as hereinafter provided, and to enable the Financing Council and the participating health care providers, as herein defined, to provide at a reasonable cost health related equipment, as herein defined, which the Financing Council determines will improve the adequacy, cost, and accessibility of health care within this state. It is therefore determined and declared as a matter of public policy that the establishment of the Financing Council, as herein defined, the issuance of revenue bonds and notes by the Financing Council, and the exercise of the other powers of the Financing Council, all as herein provided, are in the public interest and in furtherance of an important public purpose. The necessity in the public interest of the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

SECTION 3. When used in this Act, unless the context requires a different definition, the following terms shall mean as follows:

(1) "Act" means the Texas Hospital Equipment Financing Act.

(2) "Board" means the board of trustees of the Financing Council, as herein defined.

(3) "Bonds" means revenue bonds, notes, interim certificates, bond anticipation notes, or other evidences of indebtedness of the Financing Council, as herein defined, issued pursuant to this Act, including refunding bonds.

(4) "Cost" as applied to health related equipment, as herein defined, means and includes any and all costs of, or related or incidental to, such equipment and, without limiting the generality of the foregoing, shall include the following:

(A) the cost of the acquisition, repair, reconditioning, restoration, modification, refinancing, or installation of any such health related equipment;

(B) the cost of any property interest in such health related equipment including an option to purchase or a leasehold interest;

(C) the cost of architectural, engineering, legal, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the feasibility and practicability of such health related equipment;

(D) the cost of financing charges and interest prior to acquisition and installation of such health related equipment and for a maximum of two years after such acquisition and installation and start-up costs related to such health related equipment and for a maximum of two years after such acquisition and installation;

(E) any and all costs paid or incurred in connection with the financing of such health related equipment, including out-of-pocket expenses, the cost of financing, legal, accounting, financial advisory, and consulting fees, expenses, and disbursements; the cost of any policy of insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent;

(F) all direct or indirect costs of the Financing Council, as herein defined, and all direct or indirect costs, if any, of the Hospital Advisory Council, as herein defined, incurred in connection with providing such health related equipment, including, without limitation, reasonable sums to reimburse such Financing Council and, if necessary, the Hospital Advisory Council for time spent by its agents or employees with respect to providing such health related equipment and the financing and refinancing thereof; and

(G) any and all costs paid or incurred for the administration of any program for the purchase or lease of or the making of loans for health related equipment, as herein defined, by the Financing Council; any program for the sale or lease of such health related equipment to any participating health care provider, as herein defined; and any program for loans to such participating health care providers or to any entity which will provide loans to any participating health care provider in either case to enable such providers to purchase such health related equipment.

(5) "Financing Council" means the Texas Hospital Equipment Financing Council created and existing under the provisions of this Act as a public benefit corporation and constituted authority for the purposes set forth in this Act.

(6) "Health facility" means and includes any health care facility which is utilized in providing medical care, medical research, or the training or teaching of health care personnel, any one or all, within this state, and without limiting the generality of the foregoing, shall include a public or private hospital, kidney disease treatment facility, radiation therapy facility, and alcoholism and drug treatment facility, so long as such health care facility shall be licensed by the Texas Department of Health, the Texas Department of Mental Health and Mental Retardation, or the Texas Commission on Alcoholism, or any successor or successors to such entities, and health facility shall also include any facility or building related to any health care facility such as a pharmacy, laboratory, laundry facility, and food service and preparation facility.

(7) "Health related equipment" means and includes any equipment which will improve medical care, research, training, or teaching, any one or all, in this state.

(8) "Hospital Advisory Council" means the Texas Hospital Advisory Council, as established under the Texas Hospital Survey and Construction Act, Article 4437d, Vernon's Texas Civil Statutes, as amended.

(9) "Participating health care provider" means a public or private, profit or non-profit, corporation, association, foundation, trust, cooperative, agency, body politic, or similar person or organization authorized by the laws of this state to provide or operate a health facility, as herein defined, and which, pursuant to the

provisions of this Act, contracts with, or borrows from, the Financing Council, as herein defined, or any entity which will provide loans for the financing or refinancing of the lease or other acquisition of health related equipment, as herein defined, as provided in this Act.

(10) "State" means the State of Texas.

(11) "Trustee" means any member of the Board, as herein defined. The use of a singular term herein shall also include the plural of such term and the use of a plural term herein shall also include the singular of such term and words of the masculine, feminine, or neuter gender shall include other genders unless the context clearly requires a different connotation.

SECTION 4. There is hereby created a nonmember, nonstock public benefit corporation to be known as the Texas Hospital Equipment Financing Council with the powers herein set forth for the purpose of providing at a reasonable cost health related equipment which the Financing Council determines will improve the adequacy, cost, and accessibility of health care within this state, which purpose is hereby declared to be a public purpose of this state. The exercise by the Financing Council of all powers and duties conferred by this Act shall constitute and be deemed and held to be an essential public purpose of the state, acting by and through the Financing Council, in promoting the general health, welfare, and prosperity of the state and all of its citizens. Neither the state nor the Hospital Advisory Council shall be authorized to lend its credit or grant or loan any public money or thing of value in aid of the Financing Council.

SECTION 5. (a) The board of the Financing Council shall consist of twelve (12) members, entitled trustees.

(b) The members of the Hospital Advisory Council shall serve, ex officio, as trustees. Each such member shall serve as a trustee during the entire time such person is a member unless such member shall decline to serve by so notifying the Hospital Advisory Council in writing in which event the Hospital Advisory Council by majority vote shall appoint a person to serve as a trustee in lieu of such member.

(c) If all or any of the trustees are appointed by the Hospital Advisory Council, each trustee so appointed shall hold office for a term expiring on July 17 of each odd numbered year. Each trustee so appointed shall hold office until a successor is appointed and has qualified by executing the surety bond required by this Act of each trustee. Appointments to the hospital advisory council shall be made with due regard for the race, creed, sex, religion, and national origin of the appointees and the geographical distribution of the members of the hospital advisory council.

(d) Each trustee shall be eligible for reappointment.

(e) Any vacancy in the office of a trustee appointed by the Hospital Advisory Council shall be filled by majority vote by the Hospital Advisory Council. Any such vacancy, except for a vacancy resulting from the expiration of the term of such trustee, shall be filled for the unexpired term only.

(f) To be eligible to serve as a trustee appointed by the Hospital Advisory Council, a person shall be a qualified voter of the state. Members and employees of the Hospital Advisory Council are eligible to serve as trustees. No officer, director, or employee of a participating health care provider shall be eligible to serve as a trustee. Any trustee appointed by the Hospital Advisory Council having any pecuniary interest in any participating health care provider shall resign from the board prior to the authorization of any bonds for the benefit of such participating health care provider and such vacancy shall be filled as otherwise provided in this Act.

SECTION 6. (a) The trustees shall serve as such without compensation except that each trustee shall be reimbursed for his or her actual expenses incurred in the performance of his or her duties hereunder to the extent authorized by the board.

(b) The board shall elect one of the trustees as chairman, who shall preside at all meetings of the board and perform such other duties as are prescribed by the board and this Act. The board shall elect one of the trustees as vice-chairman to perform the duties of the chairman when the chairman is not present or is incapable of performing his duties. The board shall elect a secretary to be the official custodian of the minutes, books, records, and seal of the board and to perform other duties as prescribed by the board. The board may elect a treasurer to perform duties prescribed by the board. The offices of secretary and treasurer may be held by one person and the holder of each of these offices need not be a trustee. The board may appoint one or more persons who need not be trustees to be assistant secretaries who may perform any duty of the secretary.

(c) The chairman, vice-chairman, secretary, and, if elected, the treasurer and any assistant secretaries of the board shall be elected at the first meeting of the board after all trustees have been appointed and qualified for office by executing the surety bond required by this Act of each trustee. Thereafter, officers of the board shall be elected at the first meeting of the board on or following July 17 of each odd-numbered year, or at any time necessary to fill a vacancy.

(d) The chairman is the chief executive and administrative officer of the board. In addition to any other powers and duties prescribed by the board and this Act, the chairman shall administer the duties and functions of the board.

(e) Seven of the members of the board shall constitute a quorum for the transaction of business by the board.

(f) The board shall act and proceed by and through written resolutions adopted by the board. The act of the majority of the trustees present at a meeting at which a quorum of the board is present shall be the act of the board.

(g) The board shall hold regular meetings at any location within the state and at times specified by written resolution of the board and shall hold special meetings at any location within the state when called by the chairman of the board or any two of the trustees.

(h) Written notice of the date, hour, place, and subject of each meeting of the board must be posted at least 72 hours preceding the scheduled time of the meeting by the Secretary of State, who may publish such notice in the Texas Register. In the case of emergency or urgent public necessity, which shall be expressed in the notice, it shall be sufficient if the notice is posted two hours before the meeting is convened. Any action taken by the board at a meeting on a subject for which notice as required above in this paragraph has not been given is voidable.

(i) Prior to taking office as trustee, each trustee shall execute a surety bond in the penal sum of Ten Thousand Dollars, conditioned on the faithful performance of the duties of trustee, executed by a surety company authorized to transact business in this state and filed with the Secretary of State of Texas. The surety bond shall be kept in force at all times thereafter and the cost shall be paid by the Financing Council.

(j) A trustee shall not be liable personally for any bonds issued or contracts executed by the Financing Council.

(k) The initial bylaws of the Financing Council shall be adopted by the board. The power to alter, amend, or repeal the bylaws or to adopt new bylaws shall be vested in the board. The bylaws may contain any provisions for the regulation or management of the affairs of the Financing Council not inconsistent with law, including this Act.

(l) The board, by resolution adopted by a majority of the trustees present at a meeting at which a quorum of the board is present, may designate one or more committees, which committees shall, however, not have the authority of the board in the management of the Financing Council. Membership on such committees may, but need not be, limited to trustees.

(m) The Financing Council shall indemnify any trustee or officer or former trustee or officer of the Financing Council for expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of his being or having been a trustee or officer, except in relation to matters as to which he shall have been guilty of gross negligence or misconduct in respect of the matter in which indemnity is sought.

(n) If the Financing Council has not fully indemnified him, the court in the proceeding in which any claim against such trustee or officer has been asserted, or any court having the requisite jurisdiction of an action instituted by such trustee or officer on his claim for indemnity, may assess indemnity against the Financing Council or its receiver or trustee for the amount paid by such trustee or officer in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the Financing Council), and any expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection therewith to the extent that the court shall deem reasonable and equitable; provided, nevertheless, that indemnity may be assessed under this section only if the court finds that the person indemnified was not guilty of gross negligence or misconduct in respect of the matter in which indemnity is sought.

SECTION 7. The Financing Council shall have all the rights and powers necessary or convenient to accomplish the purposes of the Financing Council as set forth in this Act, including without limitation the powers:

(1) to provide, or cause to be provided by a participating health care provider, by acquisition, lease, fabrication, repair, reconditioning, or installation, one or more items of health related equipment to be located within a health facility in this state;

(2) to lease as lessor any item of health related equipment for such rentals and upon such terms and conditions as the Financing Council may deem advisable and as are not in conflict with the provisions of this Act;

(3) to sell for installment payments or otherwise, to option or contract for sale, and to convey all or any part of any item of health related equipment for such price and upon such terms and conditions as the Financing Council may deem advisable and as are not in conflict with the provisions of this Act;

(4) to make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its bonds in accordance with the provisions of this Act, and secure any of its bonds or obligations by mortgage or pledge of all or any of its property and income;

(5) to make secured or unsecured loans for the purpose of providing temporary or permanent financing or refinancing of all or any part of the cost of any health related equipment, including the refunding of any outstanding obligations, mortgages, or advances issued, made, or given by any person for the cost of an item of health related equipment, and to charge and collect interest on such loans for such loan payments and upon such terms and conditions as the board may deem advisable and as are not in conflict with provisions of this Act and such loans may be made to a participating health care provider or to any bank, savings and loan association, or other entity which will, directly or indirectly, provide such financing or refinancing;

(6) to lend money for its corporate purposes, invest and reinvest its funds, and take and hold property as security for the payment of funds so loaned or invested;

(7) to purchase, receive, lease, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with, health related equipment, or any interest therein, wherever situated, as the purposes of the Financing Council shall require;

(8) to sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets;

(9) to sue and be sued, and plead and be impleaded, in its own name;

(10) to contract for services with engineers, attorneys, accountants, and health care and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment, and to fix their compensation;

(11) to select its depository or depositories, subject only to the provisions of this Act and any covenants with respect to the bonds issued pursuant to this Act;

(12) to procure and pay premiums on insurance of any type whatsoever, in amounts and from insurers as the Financing Council deems necessary or advisable;

(13) to appoint agents of the Financing Council for such period of time as the Financing Council may determine and define their duties;

(14) to have a corporate seal which may be altered at its pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed on, affixed to, or in any manner reproduced on instruments of any nature required or authorized to be executed by its proper officers;

(15) to make and alter bylaws, not inconsistent with the laws of this state, for the administration and regulation of the affairs of the Financing Council; and

(16) whether included in the foregoing or not, to have and exercise all powers necessary or appropriate to effect any or all of the purposes for which the Financing Council is organized. Provided, however, that, the Financing Council shall not be authorized to incur financial obligations under this Act unless payable solely from the proceeds of bonds, revenues derived from the lease or sale of health related equipment or realized from a loan made by the Financing Council to finance or refinance in whole or in part directly or indirectly health related equipment, revenues derived from the operation or ownership of health related equipment, or any other revenues, including insurance proceeds, as may be provided by a participating health care provider, any one or more; provided further, however, that nothing in this Act shall be interpreted to bestow upon the Financing Council the power of taxation, the power of eminent domain, the police power, or any equivalent sovereign power of this state or the Hospital Advisory Council. Nothing in this section grants any authority to officers or trustees of the Financing Council for the exercise of any of the foregoing powers, inconsistent with limitations on any of the same which may be expressly set forth in this Act or in the bylaws or in any other laws of this state. Authority of officers and trustees to act beyond the scope of the purpose or purposes of the Financing Council is not granted by any provisions of this section.

SECTION 8. The Financing Council is not an "agency" as defined in the Administrative Procedure and Texas Register Act, Article 6252-13a, Vernon's Texas Civil Statutes, as amended, and is not subject to the provisions of such Act. The Financing Council is not a political subdivision or body politic of the state, is prohibited from using any money of the state or the Hospital Advisory Council, and, therefore, shall not be subject to public bidding requirements of the state.

SECTION 9. In addition to the other powers and duties of the Financing Council, the Financing Council is specifically authorized to initiate a program of providing health related equipment to be operated by participating health care providers in health facilities located within the state. In this regard, the Financing Council shall be authorized to exercise the following powers:

(1) to establish financial eligibility standards for participating health care providers;

(2) to obtain or aid in obtaining from any department, agency, or instrumentality of the United States or the state or any private company any insurance or guarantee as to, or of, or for the payment or repayment of, loan payments, rent payments on any lease or principal, redemption premium, or interest, or any part thereof, on any bonds;

(3) to enter into any agreement, contract, or other instrument with respect to any insurance and to accept payment in the event of damage to or destruction of any health related equipment;

(4) to enter into any agreement, contract, or other instrument with respect to any insurance, guarantee, or letter of credit, to accept payment in such manner and form as provided therein in the event of default by a participating health care provider or other entity to which a loan has been made, and to assign any such insurance or guarantee as security for bonds issued by the Financing Council;

(5) to procure letters of credit from any national or state banking association or other entity authorized to issue a letter of credit to secure the payment of any bonds issued by the Financing Council or to secure the payment of any loan, lease, or purchase payment owed by a participating health care provider to the Financing Council, including the power to pay the cost of obtaining such letter of credit;

(6) to enter into an agreement with any entity securing the payment of bonds issued pursuant to this Act, authorizing said entity to approve the participating health care providers that can receive reimbursement for or finance or refinance health related equipment with proceeds from the bonds secured by said entity and to approve any banks, savings and loan associations, or other entities to which the Financing Council may loan its funds to finance or refinance, directly or indirectly, the cost of health related equipment for participating health care providers; and

(7) to loan to any participating health care provider or a bank or savings and loan association or other entity under an installment purchase contract or loan agreement money to reimburse, finance or refinance, directly or indirectly, the cost of specific items of health related equipment for a participating health care provider and to take back a secured or unsecured promissory note evidencing such loan upon such terms and conditions as the Financing Council may approve.

SECTION 10. (a) The Financing Council may employ such experts and agents and may contract with such independent contractors, as it may see fit, and it may delegate to such experts, agents, and independent contractors the power to manage the routine affairs of the Financing Council required or permitted by this Act including the processing of any applications from any health care providers for loans from the Financing Council for the financing of health related equipment and for the lease or purchase from the Financing Council or financing by the Financing Council of health related equipment.

(b) Notwithstanding anything set forth in paragraph (a) of this Section 10 of this Act, the Financing Council shall not delegate to any employee, expert, agent, or other person any of the following specific duties and powers:

(1) the power to issue, sell, and deliver bonds, as more specifically provided elsewhere in this Act; or

(2) the power to establish financial eligibility standards for participating health care providers.

SECTION 11. All expenses of the Financing Council incurred in carrying out the provisions of this Act shall be payable solely from funds provided under the authority of this Act and no liability under this Act shall be incurred by the Financing Council beyond the extent to which money shall have been provided under this Act by the sale of bonds or by participating health care providers; except that, for the purposes of meeting the necessary expenses of initial organization and operation of the Financing Council for the period commencing with the organization of the Financing Council and continuing until such a date as the Financing Council derives money from funds provided to it under the authority of this Act, the Financing Council is empowered to borrow such money as the Financing Council may require. Such money borrowed by the Financing Council shall subsequently be charged to and apportioned among participating health care providers. No expenses of the Financing Council shall be paid by the Hospital Advisory Council and the Hospital Advisory Council and each member shall incur no liability under this Act. The Hospital Advisory Council shall not lend money to the Financing Council.

SECTION 12. (a) The Financing Council is hereby authorized to issue, sell, and deliver its bonds, in accordance with the terms of this Act, for the purpose of paying all or any part of the cost of health related equipment and to make, either directly or indirectly, through banks, savings and loan associations, or other entities, loans to participating health care providers as provided elsewhere in this Act.

(b) The bonds shall be dated, shall bear interest at such rate or rates (fixed or variable), shall mature at such time or times not exceeding 20 years from their date, and may be made redeemable prior to maturity at such price or prices and upon such terms and conditions as may be determined by the Financing Council. The bonds, including any interest coupons to be initially attached thereto, shall be in such form and denomination or denominations and payable at such place or places, and may be executed or authenticated in such manner, as the Financing Council may determine. In cases where any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of and payment for such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery and payment. The bonds may be issued in coupon or in registered form, or both, or may be payable to a specific person, as the Financing Council may determine, and provision may be made for the registration of any coupon bonds as to principal alone, for the conversion of coupon bonds into fully registered bonds without coupons, and for the reconversion into coupon bonds of any fully registered bonds without coupons. The duty of conversion or reconversion may be imposed upon a bank as trustee in a trust agreement.

(c) The principal of and redemption premium, if any, and interest on such bonds shall be payable solely from and may be secured by a pledge of all or any part of the proceeds of bonds, revenues derived from the lease or sale of health related equipment or realized from a loan made by the Financing Council to finance or refinance in whole or in part health related equipment, revenues derived from operating health related equipment, including insurance proceeds, or any other revenues as may be provided by a participating health care provider, or a bank, savings and loan association, or other entity to which a loan is made, any one or more.

(d) The Financing Council shall sell the bonds at such price or prices as it shall determine, at public or private sale. The net effective interest rate, calculated in accordance with Article 717k-2, Vernon's Texas Civil Statutes, as amended, on any bonds may not exceed 15 percent.

(e) The proceeds of the bonds of each issue shall be used solely for the payment of all or part of the cost of, or for the making of a loan in the amount of all or part of the cost of, health related equipment and, at the option of the Financing Council, for the deposit to a reserve fund or reserve funds for the bonds. Such proceeds shall be disbursed in such manner and under such restrictions, if any, as may be determined by the Financing Council. The Financing Council shall be paid, out of money from the proceeds of the sale and delivery of its bonds issued in accordance with this Act, an amount of money equal to all of the Financing Council's out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of such bonds, including, without limitation, all financing, legal, financial advisory, printing, and other expenses and costs in issuing such bonds, plus an amount of money equal to the compensation paid to the employees, if any, of the Financing Council for the time such employees have spent on activities relating to the issuance, sale, and delivery of such bonds.

(f) Any bond resolution or related trust agreement, trust indenture, indenture of mortgage or deed of trust may contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized, as to: (1) pledging or assigning the revenues generated by health related equipment, or pledging or

assigning the mortgage, lease, or other security given or to be given by participating health care providers (whether or not identified at the time of issuance of such bonds) with respect to which such bonds are to be issued or other specified revenues of the Financing Council; (2) the rentals, fees, and other amounts to be charged, the schedule of principal payments, and the sums to be raised in each year thereby, and the use, investment, and disposition of such sums; (3) setting aside the reserves or sinking funds, and the regulation, investment, and disposition thereof; (4) limitations on the use of health related equipment financed or to be financed by the proceeds of the sale of such bonds; (5) limitations on the purpose to which or the investments in which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied; (6) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the terms upon which additional bonds may rank on a parity with, or be subordinate or superior to, other bonds; (7) the refunding of outstanding bonds; (8) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amounts of bonds the holders of which must consent thereto, the manner in which such consent may be given and restrictions on the individual rights of action by bondholders; (9) omissions which shall constitute a default in the duties of the Financing Council to holders of its bonds and providing the rights and remedies of such holders in the event of default; and (10) any other matters relating to the bonds which the Financial Council deems desirable. In addition to the foregoing, bonds of the Financing Council may be secured by a pooling of leases, of loan agreements, or of mortgages or other securities (whether or not such leases, loan agreements, or mortgages or other securities exist at the time of sale and delivery of such bonds or are agreed to by the Financing Council or granted to the Financing Council thereafter) whereby the Financing Council may assign its rights, as lessor, and pledge rents under two or more leases of health related equipment with two or more participating health care providers, as lessees, or assign its rights, as lender, and pledge loan payments under two or more loan agreements relating to two or more items of health related equipment with two or more participating health care providers, as borrowers, or assign its rights as mortgagee and pledge mortgages from two or more participating health care providers, banks, savings and loan associations, or other entities, upon such terms as may be provided for in bond resolutions or other instruments under which such bonds are issued.

(g) Neither the trustees nor any person executing the bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of issuance thereof.

(h) Prior to the preparation or issuance of definitive bonds, the Financing Council may issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. Such interim receipts or temporary bonds shall be for a maximum term of three years.

(i) The Financing Council shall have the power to purchase its bonds out of any available funds thereof. The Financing Council may hold, pledge, cancel, or resell such bonds subject to and in accordance with the resolution or trust indenture relating to such bonds.

(j) All bonds and appurtenant interest coupons, if any, shall be deemed to be "securities" within the meaning of Chapter 8, Texas Uniform Commercial Code, notwithstanding anything in Section 8.102 thereof to the contrary.

SECTION 13. The Financing Council is hereby authorized to issue, sell, and deliver its bonds for the purpose of refunding any bonds of the Financing Council then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds. The issuance of such bonds, the maturities and other terms thereof, the rights of the

holders thereof, and the rights, duties, and obligations of the Financing Council in respect thereof shall be governed by the provisions of this Act insofar as the same shall be applicable. Within the discretion of the Financing Council, such refunding bonds may be issued in exchange or substitution for outstanding bonds or may be sold and the proceeds used for the purpose of paying or redeeming outstanding bonds.

SECTION 14. Bonds issued under the provisions of this Act, and coupons, if any, representing interest thereon, shall be exempt securities under The Securities Act, Article 581-1, et seq., Vernon's Texas Civil Statutes, as amended. A lease agreement, sales agreement, or other contract under this Act shall not be a security within the meaning of The Securities Act.

SECTION 15. (a) The Financing Council's bonds issued under the provisions of this Act shall not constitute obligations of the Hospital Advisory Council, the Texas Department of Health, the state or any political subdivision or agency thereof or a pledge of the faith and credit of any of them. The issuance of bonds under the provisions of this Act shall not, directly or indirectly or contingently, obligate the state or any political subdivision or agency thereof to levy any form of taxation therefor or to make any appropriation for their payment. All bonds issued by the Financing Council pursuant to the provisions of this Act are payable and shall state that they are payable solely from the funds pledged for their payment in accordance with the resolution authorizing their issuance or of any trust indenture or mortgage or deed of trust executed as security therefor.

(b) Each bond of the Financing Council shall contain on its face a statement to the effect that (i) the state is not obligated to pay the principal of and redemption premium, if any, or interest on such bond and (ii) neither the faith and credit nor the taxing power of the state is pledged, given, or loaned to such payment.

(c) The state hereby pledges to and agrees with the holders of any bonds issued under this Act that the state will not limit or alter the rights hereby vested in the Financing Council to fulfill the terms of any agreements made with the said holders thereof or in any way impair the rights and remedies of such holders until such bonds, together with the interest thereon and all costs and expenses in connection with any action or proceeding by or on behalf of such holders are fully met and discharged. The Financing Council is authorized to include this pledge and undertaking for the state in any agreement with the holders of such bonds.

SECTION 16. (a) This Act shall be cumulative of all other laws on the subject, but this Act shall be wholly sufficient within itself for the creation of the Financing Council authorized herein and all actions by the Financing Council authorized hereby without reference to any other general or special laws or specific acts or any restrictions contained therein; and in any case, to the extent of any conflict or inconsistency between any provisions of this Act and any other provisions of law, this Act shall prevail and control; provided, however, that the Financing Council shall have the right to use the provisions of any other laws not in conflict with the provisions hereof to the extent convenient or necessary to carry out any power or authority, express or implied, granted by this Act.

(b) Notwithstanding any provision of this Act, nothing in this Act shall exempt the Financing Council or any participating health care provider from compliance with the Texas Health Planning and Development Act, Article 4418h, Vernon's Texas Civil Statutes, as amended.

SECTION 17. Any health related equipment, including any leasehold estate therein, owned by the Financing Council which would otherwise be taxable to the Financing Council under the provisions of the Property Tax Code but for the purposes and non-profit nature of the Financing Council shall be assessed to the participating health care provider using such health related equipment or, if more than one such participating health care provider exists, to such providers in

proportion to the value of the rights of such providers to use such health related equipment, all to the same extent and subject to the same exemptions from taxation, if any, as if such health related equipment were owned by such participating health care provider or providers. Each participating health care provider shall be considered to be the owner of any health related equipment being used by such participating health care provider for the purposes of taxes levied or imposed by this state or any political subdivision of this state. It is hereby declared as a matter of public policy that the Financing Council shall be engaged exclusively in the performance of charitable functions and shall be exempt from all taxation by this state and every municipal corporation and political subdivision hereof. All bonds issued by the Financing Council hereunder, their transfer, the interest thereon, and any profits from the sale or exchange thereof shall at all times be free from taxation by this state or any municipal corporation or political subdivision hereof.

SECTION 18. Chapter 151, Tax Code, is amended by adding a Section 151.3131 to read as follows:

"Section 151.3131. TEXAS HOSPITAL EQUIPMENT FINANCING COUNCIL. There are exempted from the taxes imposed by this chapter the receipts from the sale, lease, or rental of any taxable items to or the storage, use, or other consumption of taxable items by the Texas Hospital Equipment Financing Council if the items are for the exclusive use and benefit of the council. The exemption provided by this section does not apply to an item that is to be leased, sold, or lent by the council."

SECTION 19. Unless the bonds issued under this Act are ineligible for investments in accordance with the criterion established in other statutes, rulings, or regulations of the state or the United States, then the bonds issued under this Act shall be and are hereby declared to be legal and authorized investments for any banks; savings banks; trust companies; building and loan associations; insurance companies; fiduciaries; trustees and guardians; and sinking funds of cities, towns, villages, counties, school districts, and other political corporations or subdivisions of the state. Such bonds shall be eligible to secure the deposit of any and all public funds of the state and any and all public funds of cities, towns, villages, counties, school districts, and other political corporations or subdivisions of the state, and they shall be lawful and sufficient security for said deposits at their face value when accompanied by all unmatured coupons, if any, appurtenant thereto.

SECTION 20. The Financing Council may provide procedures for the replacement of any mutilated, lost, stolen, or destroyed bond or interest coupon.

SECTION 21. No trustee or employee of the Financing Council shall have any direct or indirect financial interest in any bond issue or in any transaction pursuant to this Act to which the Financing Council is a party.

SECTION 22. No person in the state shall, on the grounds of race, color, religion, national origin, age, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

SECTION 23. This Act shall be construed liberally to effect the legislative intent and the purposes of this Act, and all powers herein granted shall be broadly interpreted to effect such intent and purposes and not as a limitation of powers.

SECTION 24. No lease, sale, or other transaction involving any health related equipment shall be eligible for financing under this Act until the participating health care provider complies with the requirements, if any, of the Texas Health Planning and Development Act, Article 4418h, Vernon's Texas Civil Statutes, as amended.

SECTION 25. Any security interest granted by the Financing Council may be perfected in the manner and with the effect specified in Chapter 9, Texas Uniform Commercial Code, as amended, any provision in Section 9.104 of such Code to the contrary notwithstanding.

SECTION 26. (a) The Financing Council shall be a non-profit public benefit corporation, and no part of its net earnings remaining after its bonds and its expenses have been paid shall inure to the benefit of any person other than the state.

(b) The legislature may, in its sole discretion and at any time, alter the structure, organization, programs or activities of the Financing Council, subject only to any limitation provided by the Constitution and the laws of the state and of the United States relating to the impairment of contracts entered into by the Financing Council. Representatives of the Hospital Advisory Council shall have access at any time to all books and records of the Financing Council.

(c) Whenever all bonds and obligations of the Financing Council have been paid and discharged, or adequate provision has been made therefor, the legislature may dissolve the Financing Council.

(d) Whenever dissolution of the Financing Council occurs the title to all funds and properties then owned by the Financing Council shall automatically vest in the state without any further conveyance, transfer, or act of any kind whatsoever.

(e) The dissolution of the Financing Council shall not take away or impair any remedy available to or against the Financing Council or its trustees or officers for any right or claim existing, or any liability incurred, prior to such dissolution if action or other proceeding thereon is commenced within three years after the date of such dissolution. Any such action or proceeding by or against the Financing Council may be prosecuted or defended by the Financing Council in its corporate name. The trustees and officers shall have the power to take such corporate or other action that shall be appropriate to protect such remedy, right, or claim.

SECTION 27. Whenever any notice is required to be given to any trustee under the provisions of this Act or under the provisions of the bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

SECTION 28. In case any one or more of the sections, provisions, clauses, or words of this Act or the application of such sections, provisions, clauses, or words to any situation or circumstance shall for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect any other sections, provisions, clauses, or words of this Act or the application of such sections, provisions, clauses, or words to any other situation or circumstance, it being intended that this Act shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, provision, clause, or word has not been included herein.

SECTION 29. There is an urgent need to promote the present and prospective health, safety, and general welfare of the people of this state, and the promotion of new and expanded methods of providing health related equipment creates an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and such rule is hereby suspended and this Act shall take effect and be in force from and after its passage, and it is so enacted.

The amendment was read.

Senator Uribe moved to concur in the House amendment.

Senator Howard made the substitute motion that the Senate not concur in the House amendment but that a Conference Committee be appointed to adjust the differences between the two Houses.

The substitute motion prevailed by the following vote: Yeas 16, Nays 13.

Yeas: Blake, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Leedom, Lyon, Parker, Sarpalius, Sims, Truan.

Nays: Brooks, Brown, Kothmann, Mauzy, McFarland, Montford, Parmer, Traeger, Uribe, Vale, Washington, Whitmire, Williams.

Absent: Santiesteban, Sharp.

The President asked if there were any motions to instruct the Conference Committee on **S.B. 752** before appointment.

There were no motions offered.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

The House has concurred in Senate amendments to **H.B. 788** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2134** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 401** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 411** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2227** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1999** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2174** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1421** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1580** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 490** by a non-record vote.

The House has concurred in Senate amendments to **H.C.R. 62** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1745** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1277** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

SENATE RESOLUTION 777

Senator Brooks offered the following resolution:

S.R. 777, In memory of William Russell Brown.

The resolution was read and was adopted by a rising vote of the Senate.

On motion of Senator Truan and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

SENATE BILL 194 WITH HOUSE AMENDMENT

Senator Doggett called **S.B. 194** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Gilley

Substitute the following for **S.B. 194**:

A BILL TO BE ENTITLED
AN ACT

relating to the times at which certain vacancies in state and district offices may be filled, the terms of certain state and district officers, and the time at which certain terms expire.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE I

SECTION 1. VACANCIES COVERED. (a) This article applies to a vacancy that occurs in a state or district office and that is to be filled by appointment by the governor.

(b) For the purposes of this article, the expiration of a state or district officer's term of office is considered to create a vacancy in the office.

SECTION 2. VACANCIES GOVERNOR MAY NOT FILL. (a) Except as provided by Subsection (d) of this section, during the period beginning on the November 1 preceding the day of a general election for the office of governor and ending on the day the person elected governor at the election takes office or, if the person elected is unable for any reason to take office as governor, on the day his successor takes office as governor, the incumbent governor may not appoint a person to fill a vacancy covered by this article that occurred before and still existed on that November 1.

(b) This prohibition does not apply to an incumbent governor if the secretary of state proclaims that, according to his count of the returns from the general election, the incumbent governor is reelected.

(c) An appointment made in violation of this section is void.

(d) The prohibition established by Subsection (a) of this section does not apply to a vacancy covered by this Act that:

(1) is caused by the death of the officeholder that occurs after the October 1 but before the November 1 preceding the day of a general election for the office of governor; and

(2) would not have occurred anyway during that period by the expiration of the officeholder's term of office.

SECTION 3. VACANCIES GOVERNOR MAY FILL FOR PARTIAL TERM. (a) If a vacancy covered by this article occurs during the period prescribed by Subsection (a) of Section 2 of this article, the incumbent governor may appoint a person to fill the vacancy, but only for a partial term expiring February 1 following the occurrence of the vacancy or, if Article V of the constitution of this state

prescribes another date until which the vacancy in the specific office may be filled, expiring on the constitutional date.

(b) The limitation to a partial term does not apply to an appointee of an incumbent governor if the secretary of state proclaims that, according to his count of the returns from the general election, the incumbent governor is reelected.

(c) The limitation to a partial term does not apply to an appointment made under Subsection (d) of Section 2 of this article.

ARTICLE II

SECTION 1. Subsection (a), Section 3, Chapter 344, Acts of the 49th Legislature, Regular Session, 1945, as amended (Article 46c-3, Vernon's Texas Civil Statutes), is amended to read as follows:

"(a) The Texas Aeronautics Commission[~~, created in 1945,~~] shall consist of six Commissioners to be appointed by the Governor and confirmed by the Senate. Appointments to the Commission shall be made without regard to the race, creed, sex, religion, or national origin of the appointees. Commissioners are appointed for staggered terms of six years with two Commissioners' terms expiring February 1 of each odd-numbered year. [~~The terms of the Commissioners shall be for a period of six years. Such terms shall begin on the first day of an odd numbered year and end on the last day of an even-numbered year. The present Commissioners shall continue in office for a term as designated by the Governor at the time of their appointment.~~] The Governor shall appoint successors for the [~~present~~] Commissioners (who may be reappointed) at the expiration of their [~~present~~] terms. Any member appointed to fill a vacancy occurring prior to the expiration of the term to which his predecessor was appointed shall be appointed to only the remainder of such term. Each member shall serve until the appointment and qualification of his successor. Each member is entitled to a per diem as set by legislative appropriation for each day that the member engages in the business of the Commission. A member may not receive any compensation for travel expenses, including expenses for meals and lodging, other than transportation expenses. A member is entitled to compensation for transportation expenses as provided by the General Appropriations Act."

SECTION 2. (a) A person appointed to the Texas Aeronautics Commission who held office immediately preceding the effective date of this Act and who was eligible to be a member of the commission under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a commission member's term that expires on December 31, 1984, expires on February 1, 1991. The term of office succeeding a commission member's term that expires on December 31, 1986, expires on February 1, 1993. The term of office succeeding a commission member's term that expires on December 31, 1988, expires on February 1, 1995.

SECTION 3. Subsection (c), Section 91.011, Human Resources Code, as amended, is amended to read as follows:

"(c) Members of the commission hold office for terms of six years with the terms of three [~~two~~] members expiring on February [~~January~~] 1 of odd-numbered years."

SECTION 4. (a) A person appointed to the State Commission for the Blind who held office immediately preceding the effective date of this Act and who was eligible to be a member of the commission under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

"(b) The term of office succeeding a commission member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a commission member's term that expires on January 1, 1987, expires on February

1, 1993. The term of office succeeding a commission member's term that expires on January 1, 1989, expires on February 1, 1995."

SECTION 5. Subsection (a), Section 10, Chapter 482, Acts of the 44th Legislature, 3rd Called Session, 1936, as amended (Article 5221b-8, Vernon's Texas Civil Statutes), is amended to read as follows:

"(a) Organization: There is hereby created a Commission to be known as the Texas Unemployment Compensation Commission. The Commission shall consist of three (3) members, one of whom shall be a representative of labor, one of whom shall be a representative of employers, and one of whom shall be impartial and shall represent the public generally. Each of the three (3) members of the Commission shall be appointed by the Governor. The Governor shall make an appointment to fill [~~immediately after the effective date of this Act or after~~] any vacancy that occurs in the membership of the Commission. During his term of membership on the Commission, no member shall engage in any other business, vocation or employment. Members are appointed for staggered terms of six (6) years with one member's term expiring on February 1 of each odd-numbered year. A [~~Each member shall hold office for a term of six (6) years, except that (1) any~~] member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term[~~; and (2) the terms of office of the members first taking office after the date of enactment of this Act shall expire, as designated by the Governor at the time of appointment, one at the end of two (2) years, one at the end of four (4) years, and one at the end of six (6) years after the date of his appointment~~]."

SECTION 6. (a) A person appointed to the Texas Unemployment Compensation Commission, also known as the Texas Employment Commission, who held office immediately preceding the effective date of this Act and who was eligible to be a member of the commission under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a commission member's term that expires on November 21, 1984, expires on February 1, 1991. The term of office succeeding a commission member's term that expires on November 21, 1986, expires on February 1, 1993. The term of office succeeding a commission member's term that expires on November 21, 1988, expires on February 1, 1995.

SECTION 7. Section 2, Chapter 500, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 6145, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 2. The term of office of the members of the Texas Historical Commission shall be six years. The [~~One third of the~~] members shall be appointed [~~every two years~~] by the Governor with the advice and consent of the Senate. The terms of one-third of the members expire on February 1 of each odd-numbered year. [~~Provided, however, that the present eighteen members now constituting the Texas State Historical Survey Committee, hereafter referred to as the Commission, shall continue to serve as members of the Commission for the term of office to which they were appointed. One-third of the membership of the Commission shall serve for a term of office to expire January 1, 1975; one-third of the membership shall serve for a term to expire January 1, 1977; one-third of the membership shall serve for a term to expire January 1, 1979.~~] All vacancies occurring on the Commission shall be filled by the Governor with the advice and consent of the Senate for the unexpired term of office. The members of the Commission shall be citizens of Texas, who have demonstrated an interest in the preservation of our historical heritage, and in making appointments, the Governor shall seek to have each geographical section of the state represented on the Commission as nearly as possible."

SECTION 8. (a) A person appointed to the Texas Historical Commission who held office immediately preceding the effective date of this Act and who was eligible to be a member of the commission under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a commission member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a commission member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a commission member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 9. Section 3, Chapter 19, Acts of the 41st Legislature, 1st Called Session, 1929, as amended (Article 2328a, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 3. (a) The ex officio members of the Council shall consist of the following: (1) the Chief Justice of the Supreme Court of Texas, who shall remain a member as long as he holds the position of Chief Justice; (2) the Presiding Judge of the Court of Criminal Appeals, who shall remain a member as long as he holds the position of Presiding Judge; (3) two Justices of the Courts of Appeals, to be designated by the Governor for staggered terms of four years with one justice's term expiring on February 1 of each odd-numbered year [~~for overlapping four-year terms, one to be designated in January, 1971, for a four-year term and one to be designated in January, 1973, for a four-year term with the replacement in each case to be designated by the Governor in January of odd-numbered years~~]; (4) two presiding judges of the administrative judicial districts, to be designated by the Governor for staggered terms of four years with one judge's term expiring on February 1 of each odd-numbered year [~~for four-year terms, one to be designated in January, 1971, for a four-year term and one to be designated in January, 1973, for a four-year term, with the replacement in each case to be designated by the Governor in January of odd-numbered years~~]; (5) the Chairman and the immediate past Chairman of the Senate Jurisprudence Committee; and (6) the Chairman and the immediate past Chairman of the House Judiciary Committee.

"(b) The Chief Justice of the Supreme Court may from time to time designate some other Justice of that Court to act in his stead, and at his pleasure, as member of the Council. The Presiding Judge of the Court of Criminal Appeals may from time to time designate some other Judge of that Court to act in his stead, and at his pleasure, as member of the Council.

"(c) The foregoing references to justices and judges, other than the Chief Justice of the Supreme Court and the Presiding Judge of the Court of Criminal Appeals, include respectively such retired justices and judges of the same grade as are legally eligible for assignment to part-time judicial duties.

"(d) In the event the Chairman of the Senate Jurisprudence Committee or the Chairman of the House Judiciary Committee is reappointed to such position, his immediate predecessor shall continue to serve on the Council as immediate past Chairman, it being the intent of the Legislature that two members of the Senate and two members of the House be at all times members of the Council; provided, however, that in the case of legislative members, cessation of membership in the Legislature shall not terminate their membership on the Council, but they shall continue to serve for their full term notwithstanding their cessation of membership in the Legislature. In the event of a vacancy in a legislative membership, such vacancy shall be filled for the unexpired term only by the presiding officer of the appropriate house of the Legislature, and vacancies in other official memberships shall be filled in the same manner as the original appointment and for the unexpired term only.

"(e) Ex officio members of the Council shall be entitled to all the privileges of full membership thereon and shall be regarded and treated in every respect as full members thereon."

SECTION 10. (a) A person appointed to the Texas Judicial Council who held office immediately preceding the effective date of this Act and who qualified for membership on the council as a justice of a court of appeals or as a presiding judge of an administrative judicial district is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office on the council succeeding a court of appeals justice's or an administrative judicial district judge's term that expires on January 1, 1985, expires on February 1, 1989. The term of office on the council succeeding a court of appeals justice's or an administrative judicial district judge's term that expires on January 1, 1987, expires on February 1, 1991.

SECTION 11. Subsection (a), Section 65.004, Title 110B, Revised Statutes, is amended to read as follows:

"(a) The trustees hold office for staggered terms of six years, with the terms of two trustees expiring February 1 [~~December 31~~] of each odd-numbered [~~even-numbered~~] year."

SECTION 12. (a) A person appointed to the board of trustees of the Texas Municipal Retirement System who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on December 31, 1984, expires on February 1, 1991. The term of office succeeding a board member's term that expires on December 31, 1986, expires on February 1, 1993. The term of office succeeding a board member's term that expires on December 31, 1988, expires on February 1, 1995.

SECTION 13. Subsection (a), Section 1, Article 5781, Revised Statutes, is amended to read as follows:

"(a) The Adjutant General shall be the head of the Adjutant General's Department and shall have the rank of Major General. He shall be appointed for a term of two (2) years by the Governor, by and with the advice and consent of the Senate, if in session. The Adjutant General's term expires on February 1 of each odd-numbered year."

SECTION 14. (a) A person appointed to the office of adjutant general who held office immediately preceding the effective date of this Act and who was eligible to be adjutant general under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding the adjutant general's term that expires on January 16, 1985, expires on February 1, 1987.

ARTICLE III

SECTION 1. Section 65.12, Texas Education Code, is amended to read as follows:

"Section 65.12. QUALIFICATIONS; TERMS. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered [~~every two~~] years."

SECTION 2. Section 85.12, Texas Education Code, is amended to read as follows:

"Section 85.12. QUALIFICATIONS; TERMS. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered [~~every two~~] years."

SECTION 3. Section 95.02, Texas Education Code, is amended to read as follows:

"Section 95.02. BOARD MEMBERS: APPOINTMENT, QUALIFICATIONS, TERMS. The board is composed of nine members appointed by the governor with the advice and consent of the senate. The members hold office for terms of six years, with the terms of three members expiring February 1 of odd-numbered [~~every two~~] years. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state."

SECTION 4. Section 107.21, Texas Education Code, is amended to read as follows:

"Section 107.21. BOARD OF REGENTS. The board of regents of the university is composed of nine persons, four of whom shall be women, appointed by the governor with the advice and consent of the senate. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered [~~every two~~] years."

SECTION 5. A member of the board of regents of The University of Texas System, The Texas A&M University System, The Texas State University System, or Texas Woman's University who was appointed under prior law for a term expiring in 1985, 1987, or 1989 serves for a term expiring February 1 of the applicable year or until a successor is appointed and has qualified.

ARTICLE IV

SECTION 1. Section 4, Chapter 7, Acts of the 43rd Legislature, 4th Called Session, 1934, as amended, is amended to read as follows:

"Section 4. (a) The powers, rights, privileges and functions of the district shall be exercised by a board of 15 directors (herein called the 'board'), consisting of at least one director from each of the counties named in Section 1 of the Lower Colorado River Authority Act, with the exception of Travis County which shall have two directors. There shall be three directors appointed at large by the governor with the advice and consent of the senate from the counties served with electric power, other than those counties included in Section 1 of the Lower Colorado River Authority Act, whose powers shall be limited to matters of electricity generation, distribution, and rates or related matters. No director appointed at large shall serve for a period of more than six consecutive years. No county, other than those included in Section 1 of the Lower Colorado River Authority Act, shall be represented on the board for more than six consecutive years. No county, other than Travis, shall have two directors for a period greater than six consecutive years. All such directors shall be appointed by the governor with the advice and consent of the senate for staggered terms of six years with five members' terms expiring on February 1 of each odd-numbered year [~~a term of six years to begin on January 1 in odd numbered years and end on December 31 six years thereafter~~]; provided that each director shall be a resident of and freehold property taxpayer of the county from which he is appointed and shall have been such for not less than two years next preceding such appointment. Not more than two of such directors shall be residents of the same county. No person shall be eligible for such appointment if he has, during the preceding three years before his appointment been employed by an electric power and light company, telephone company, or any other utility company.

"(b) At the expiration of the term of any director, another director shall be appointed by the governor with the advice and consent of the senate. Each director shall hold office until the expiration of the term for which he was appointed, and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act provided. Any director may be removed by the governor for inefficiency, neglect of duty or misconduct in office, after at least 30 days written

notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation or removal of any director shall be filled by the governor, for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by the Constitution or general statute of the State of Texas.

"(c) Each director shall receive a fee of $50 per day for each day spent in attending meetings of the board, and a like per diem for each day spent in attending to business of the district when authorized by resolution of the board, together with actual expenses incurred in attending such meetings, and in attending to such business of the district. It is provided, however, that no director shall be paid per diem in excess of 150 days in any one calendar year.

"(d) Eight directors shall constitute a quorum at any meeting and, except as otherwise provided in this Act or in the bylaws, all action may be taken by the affirmative vote of a majority of the directors present at any such meeting, except that no contract which involves an amount greater than $10,000 or which is to run for a longer period than a year, and no bonds, notes, or other evidence of indebtedness and no amendment of the bylaws shall be valid unless authorized or ratified by the affirmative vote of at least eight directors, unless otherwise specifically provided for in this Act.

"[~~It is expressly provided, however, that nothing herein shall be construed to prevent the present membership of the Board of Directors of the Lower Colorado River Authority from continuing as such until the expiration of their respective terms of office; and it is the express intent that the present membership of said board shall continue to serve until the expiration of their respective terms of office.~~]

"(e) It is expressly provided that said board of directors is a state board as contemplated by Section 30a of Article 16 of the Constitution of Texas."

SECTION 2. (a) A person appointed to the board of directors of the Lower Colorado River Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 3. Section 3, Chapter 412, Acts of the 53rd Legislature, Regular Session, 1953, as amended, is amended to read as follows:

"Section 3. GOVERNING BODY OF THE DISTRICT. The District's powers shall be exercised through a Board of Directors. The present Directors of the District heretofore appointed from the three constituent cities by the Governor with the advice and consent of the Senate and whose terms expire on January 1st of the years shown as follows, towit: from the City of Jacksonville, Gus Blankinship, 1961, T. E. Acker, 1963, and Frank W. Ebaugh, 1965; from the City of Palestine, Lester Hamilton, 1961, John D. McDonald, 1963, and Eugene Fish, 1965; from the City of Rusk, Lewis R. McCarroll, 1961, E. B. Musick, 1963, and Franklin L. Summers, 1965, are hereby recognized and confirmed as Directors of the District and shall continue to serve as such until the expiration of their terms of office as aforementioned, or until their successors are elected and have qualified, or until the abolishment of their office under the provisions of Section 24-A hereof. In the event the City of Tyler, Smith County, Texas, shall become a part of the District by annexation under the provisions of Section 6 hereof, a number of Directors shall be appointed to the District's Board from such city equal to the combined number of Directors appointed from all other cities then members of the Authority and if

the membership of the Board shall be increased after entry of the City of Tyler by the addition of Directors from any other area the number of Directors from the City of Tyler shall be increased so that the number shall always equal one-half (1/2) of the entire Board membership. In the event the City of Athens, Henderson County, Texas, shall become a part of the District by annexation under the provisions of Section 6 hereof three (3) Directors shall be appointed to the District's Board from such city. The additional Directors, to which the City of Tyler and the City of Athens are entitled, shall be appointed by the Governor of Texas with the advice and consent of the Senate, with their respective initial terms likewise staggered and of such duration as will permit the appointment of their successors at the same time as successors of the other members then comprising the Board of Directors, one-third of the number to which each city is entitled to be appointed from that city for each term. The Governor, with the advice and consent of the Senate, shall appoint all successors to the Directors. Directors are appointed for staggered terms of six (6) years with one-third (1/3) of the Directors' terms expiring on February 1 of each odd-numbered year. Directors [~~aforementioned and they~~] shall serve [~~for a term of six (6) years and thereafter~~] until their successors have been appointed and qualified. Any vacancy on the Board of Directors shall be filled by the Governor as herein provided. As used herein, the word 'appointed' shall be considered as synonymous with the words 'elected,' used elsewhere in this Act with reference to the selection of Directors."

SECTION 4. (a) A person appointed to the board of directors of the Upper Neches River Municipal Water Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 5. Section 9, Chapter 5, page 1062, Special Laws, Acts of the 46th Legislature, 1939, as amended, is amended to read as follows:

"Section 9. (a) All powers of the District shall be exercised by a Board of nine (9) Directors. Each Director shall serve for his term of office as herein provided, and thereafter until his successor shall be appointed and qualified. No person shall be appointed a Director unless such person is twenty-one (21) years of age or over and a resident of Kerr County and owns land therein. Each Director shall subscribe to the oath of office and shall give bond in the amount of Five Thousand Dollars ($5,000) for the faithful performance of his duties, the cost of which shall be borne by the District. A majority of Directors shall constitute a quorum.

"(b) Directors are appointed by the Governor. Directors are appointed for staggered terms of six (6) years with three Directors' terms expiring on February 1 of each odd-numbered year. [~~Immediately after this Act becomes effective, the following named persons, all of whom are twenty-one (21) years of age or over and residents of Kerr County and own land therein, shall be the Directors of the District and shall constitute the Board of Directors of the District:~~

"[~~(1) Dr. J. L. Bullard~~

"[~~(2) Darrell Lochte~~

"[~~(3) Fred Junkin~~

"[~~(4) Clyde Parker~~

"[~~(5) Jasper Moore~~

"[~~(6) Arthur Lochte~~

"[~~(7) Gene Lehmann~~

"[~~(8) Fred Miller~~

"[~~(9) Raymond Mosty~~

[~~If any of the aforementioned persons shall fail or refuse to serve, die, become incapacitated or otherwise not be qualified to assume the duties of a Director of the District under this Act, the Governor of Texas shall appoint a successor or successors. Succeeding Directors shall be appointed as provided for in this Act. The terms of office of the first three Directors named above expire on November 1, 1966; of the second three, on November 1, 1968; and of the last three, on November 1, 1970. On November 1, 1966, and every two years thereafter, the Governor shall appoint successors to Directors whose terms expire. Except as provided above, all Directors have six-year terms of office.~~] The Governor shall fill a vacancy on the Board by appointment for the unexpired term.

"(c) The Board of Directors shall elect from its number a president, a vice president and a secretary of the Board of Directors and of the District, and such other officers as in the judgment of the Board are necessary. The president shall be chief executive officer of the District and the presiding officer of the Board, and shall have the same right to vote as any other Director. The vice president shall perform all duties and exercise all power conferred by this Act or the general law upon the president when the president is absent or fails or declines to act. The secretary shall keep and sign the minutes of the meetings of the Board of Directors; and in his absence at any board meeting, a secretary pro tem shall be named for that meeting who may exercise all the duties and powers of the secretary for such meeting, sign the minutes thereof, and attest all orders passed or other action taken at such meeting. The secretary shall be the custodian of all minutes and records of the District.

"(d) The Board shall appoint all necessary engineers, attorneys, auditors, and other employees.

"(e) The Board shall adopt a seal for the District."

SECTION 6. (a) A person appointed to the board of directors of the Upper Guadalupe River Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on November 1, 1984, expires on February 1, 1991. The term of office succeeding a board member's term that expires on November 1, 1986, expires on February 1, 1993. The term of office succeeding a board member's term that expires on November 1, 1988, expires on February 1, 1995.

SECTION 7. Section 3, Chapter 126, General Laws, Acts of the 44th Legislature, Regular Session, 1935, as amended, is amended to read as follows:

"Section 3. (a) The powers, rights, privileges and functions of the District shall be exercised by a Board of nine (9) directors (herein called the Board), all of whom shall be residents of and freehold property taxpayers in the State of Texas; it is further provided that three (3) of said directors shall be resident citizens of Tom Green County, three (3) of said directors shall be resident citizens of Coke County, and the remaining three (3) directors shall be resident citizens of counties contiguous to the District, or in any County any part of which may be within twenty-five (25) miles of said District. All of the directors shall be appointed by the Governor of the State of Texas and confirmed by the Senate of Texas. Provided that no person shall be eligible for such appointment if he has, during the preceding three (3) years before his appointment been employed by an electric power and light company, gas company, telephone company, or any other utility company of any kind or character whatsoever. Directors are appointed for staggered terms of six (6) years with three directors' terms expiring on February 1 of each odd-numbered year.

[~~Of the nine (9) directors first appointed by the Governor, three (3) shall be appointed for a term expiring January 1, 1937, three (3) for a term expiring January 1, 1939, and three (3) for a term expiring January 1, 1941.~~] At the expiration of the term of any director, another director shall be appointed by the Governor. Each director shall hold office until the expiration of the term for which he was appointed and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act provided. Any director may be removed by the Governor for inefficiency, neglect of duty or misconduct in office, after at least ten (10) days written notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation or removal of any director shall be filled by the Governor for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by General Statute.

"(b) Each director shall receive a fee of Fifty ($50.00) Dollars per day for each day spent in attending meetings of the Board.

"(c) Until the adoption of by-laws fixing the time and place of regular meetings, and the manner in which special meetings may be called, meetings of the Board shall be held at such times and places as five (5) of the directors may designate in writing. Five (5) directors shall constitute a quorum at any meeting, and, except as otherwise provided in this Act, or in the by-laws, all actions may be taken by the affirmative vote of a majority of the directors present at any such meeting, except that no contract which involves an amount greater than Ten Thousand ($10,000.00) Dollars or which is to run for a longer period than a year, and no bonds, notes or other evidence of indebtedness and no amendment of the by-laws shall be valid unless authorized or ratified by the affirmative vote of at least five directors."

SECTION 8. (a) A person appointed to the board of directors of the Upper Colorado River Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 9. Section 4, Chapter 376, Acts of the 54th Legislature, 1955, is amended to read as follows:

"Section 4. (a) The powers, rights, privileges, and functions of the District shall be exercised by a Board of Directors (hereinafter called the Board) which Board shall consist of two (2) persons residing within each of the four (4) Commissioners precincts in Runnels County and one (1) director at large. The Board of Directors shall be selected in the following manner: Two (2) directors from each Commissioners precinct shall be nominated by the Governor. The Governor shall also appoint one (1) director at large. All of the directors shall be appointed with the advice and consent of the Senate of Texas. Directors are appointed for staggered terms of six (6) years with three directors' terms expiring on February 1 of each odd-numbered year. [~~Of the nine (9) directors first appointed, three (3) shall be appointed for a term expiring January 1, 1957, three (3) for a term expiring January 1, 1959, and three (3) for a term expiring January 1, 1961.~~] At the expiration of the term of any director, another director shall be appointed by the Governor. Each director shall be appointed by the Governor. Each director shall hold office until the expiration of the term for which he was appointed, and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act

provided. Any director may be removed by the Governor for inefficiency, neglect of duty or misconduct in office, after at least ten (10) days written notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation, or removal of any director shall be filled by the Governor for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by General Statute.

"(b) Each director shall receive a fee of Five Dollars ($5) a day for each day spent in attending meetings of the Board, and Eight Cents (8¢) a mile for traveling expenses. Any director may perform any service required by the Board, but in any such case may not receive the per diem and any other compensation allowed at the same time.

"(c) Five (5) directors shall constitute a quorum at any meeting of the Board and, except as otherwise provided in this Act or in the bylaws, all actions may be taken by the affirmative vote of the majority of the directors present at any such meeting; except that no bonds, notes or other evidences of indebtedness, and no amendment of the bylaws shall be valid unless authorized or ratified by the affirmative vote of at least five (5) directors."

SECTION 10. (a) A person appointed to the board of directors of the Runnels County Water Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 11. Section 4, Chapter 3, page 1053, Special Laws, Acts of the 46th Legislature, 1939, is amended to read as follows:

"Section 4. (a) The powers, rights, privileges, and functions of the District shall be exercised by a Board of Directors (hereinafter called the Board) which Board shall consist of two (2) men residing within each of the four (4) Commissioners precincts in Concho County and one director at large. The Board of Directors shall be selected in the following manner: Two (2) directors from each Commissioners precinct shall be nominated by the Commissioners Court of Concho County, Texas, and appointed by the Governor. The Governor shall also appoint one director at large. All of the directors shall be appointed with the advice and consent of the Senate of Texas. Directors are appointed for staggered terms of six (6) years with three directors' terms expiring on February 1 of each odd-numbered year. [~~Of the nine (9) directors first appointed, three (3) shall be appointed for a term expiring January 1, 1941, three (3) for a term expiring January 1, 1943, and three (3) for a term expiring January 1, 1945.~~] At the expiration of the term of any director, another director shall be appointed by the Governor. Each director shall hold office until the expiration of the term for which he was appointed, and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act provided. Any director may be removed by the Governor for inefficiency, neglect of duty or misconduct in office, after at least ten (10) days written notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation, or removal of any director shall be filled by the Governor for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by General Statute.

"(b) Each director shall receive a fee of Five Dollars ($5) a day for each day spent in attending meetings of the Board, and Three (3) Cents a mile for traveling

expenses. Any director may perform any service required by the Board, but in any such case may not receive the per diem and any other compensation allowed at the same time.

"(c) Five (5) directors shall constitute a quorum at any meeting of the Board and, except as otherwise provided in this Act or in the bylaws, all actions may be taken by the affirmative vote of the majority of the directors present at any such meeting; except that no bonds, notes, or other evidences of indebtedness, and no amendment of the bylaws shall be valid unless authorized or ratified by the affirmative vote of at least five (5) directors."

SECTION 12. (a) A person appointed to the board of directors of the Lower Concho River Water and Soil Conservation Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 13. Section 4, Chapter 338, General Laws, Acts of the 44th Legislature, Regular Session, 1935, as amended, is amended to read as follows:

"Section 4. (a) The powers, rights, privileges and functions of the District shall be exercised by a board of nine directors (herein called the Board), all of whom shall be residents of and freehold property taxpayers in the State of Texas and shall be residents of the District herein created, said nine directors of the Board to be appointed by the Governor of the State of Texas and confirmed by the Senate of Texas. Provided that no person shall be eligible for such appointment if he has during the preceding three years before his appointment been employed by an electric power and light company, gas company, telephone company, or any other utility company of any kind or character whatsoever. Directors are appointed for staggered terms of six years with three directors' terms expiring on February 1 of each odd-numbered year. [~~Of the nine directors first appointed three shall be appointed for a term expiring January 1, 1939, three for the term expiring January 1, 1941, and three for the term expiring January 1, 1943.~~] At the expiration of the term of any director, another director shall be appointed by the Governor. Each director shall hold office until the expiration of the term for which he was appointed and thereafter until his successor shall have been appointed and qualified, unless sooner removed as in this Act provided.

"(b) Any director may be removed by the Authority which appointed him, for inefficiency, neglect of duty or misconduct in office, after at least ten days written notice of the charges against him and an opportunity to be heard in person or by counsel at public hearing. A vacancy resulting from the death, resignation or removal of any director shall be filled by the Authority which appointed him, for the unexpired term of such director. Each director shall qualify by taking the official oath of office prescribed by general statute. Each director shall receive a fee of Ten ($10.00) Dollars per day for each day spent in attending meetings of the Board.

"(c) Until the adoption of by-laws fixing the time and place of regular meetings and the manner in which special meetings may be called, meetings of the Board shall be held at such times and places as five of the directors may designate in writing. Five directors shall constitute a quorum at any meeting, and, except as otherwise provided in this Act, or in the by-laws, all actions may be taken by the affirmative vote of a majority of the directors present at any such meeting, except that no contract which involves an amount greater than Ten Thousand ($10,000.00) Dollars, or which is to run for a longer period than a year, and no

bonds, notes or other evidence of indebtedness and no amendment of the by-laws shall be valid unless authorized or ratified by the affirmative vote of at least five directors."

SECTION 14. (a) A person appointed to the board of directors of the Central Colorado River Authority who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1991. The term of office succeeding a board member's term that expires on January 1, 1987, expires on February 1, 1993. The term of office succeeding a board member's term that expires on January 1, 1989, expires on February 1, 1995.

SECTION 15. Subsection (b), Section 6, Chapter 197, Acts of the 59th Legislature, Regular Session, 1965, is amended to read as follows:

"(b) Four of the directors are elected at elections provided for in Section 10 of this Act; the fifth director is appointed by the Governor. A director serves a two-year term. The term of the appointed director expires on February 1 of each odd-numbered year."

SECTION 16. (a) The person appointed to the board of directors of the Evergreen Underground Water Conservation District who held office immediately preceding the effective date of this Act and who was eligible to be an appointed member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding the appointed member's term that expires on January 1, 1985, expires on February 1, 1987.

SECTION 17. Section 4, Chapter 95, Acts of the 56th Legislature, Regular Session, 1959, is amended to read as follows:

"Section 4. GOVERNING BODY OF THE DISTRICT. The District's power shall be exercised through a Board of Directors, hereinafter referred to as the Board. The County Judge of Lavaca County and the Mayor of the City of Hallettsville in Lavaca County shall be ex-officio members of the Board. Five (5) other Directors shall be appointed by the Governor of Texas for terms of two (2) years, with three (3) Directors' terms expiring on February 1 of each even-numbered year and two (2) Directors' terms expiring on February 1 of each odd-numbered year.[~~, three (3) of whom shall serve until January 1 of the first year following their appointment, and two (2) of whom shall serve until January 1 of the second year following their appointment. Each year the Governor shall appoint successors to those Directors whose terms expire to serve for terms of two (2) years each.~~] Each Director named by the Governor shall serve until his successor shall have been appointed and shall have qualified. All vacancies in office of Directors named by the Governor shall be filled by him to serve out the unexpired terms of their predecessors."

SECTION 18. (a) A person appointed to the board of directors of the Lavaca County Flood Control District No. 3 who held office immediately preceding the effective date of this Act and who was eligible to be a member of the board under the law as it existed at the time of his appointment is entitled to serve the remainder of the term for which he was appointed.

(b) The term of office succeeding a board member's term that expires on January 1, 1984, expires on February 1, 1986. The term of office succeeding a board member's term that expires on January 1, 1985, expires on February 1, 1987.

ARTICLE V

SECTION 1. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public

necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read.

Senator Doggett moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: McFarland.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 385 ADOPTED

Senator Doggett called from the President's table the Conference Committee Report on **S.B. 385**. (The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Doggett, the Conference Committee Report was adopted.

SENATE BILL 1213 WITH HOUSE AMENDMENTS

Senator Brooks called **S.B. 1213** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1 - G. Thompson

Amend **S.B. 1213** on page 4, line 8, by striking "1993" and substituting "1985".

Floor Amendment No. 2 - G. Thompson

Amend **S.B. 1213** by striking Section 8 of the bill and substituting a new Section 8 to read as follows:

SECTION 8. COMPENSATION. Each member of the board is entitled to a per diem as set by legislative appropriation for each day that the member engages in the business of the board.

The amendments were read.

Senator Brooks moved to concur in the House amendments.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Lyon.

SENATE BILL 812 WITH HOUSE AMENDMENT

Senator Brooks called **S.B. 812** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - A. Smith

Substitute the following for **S.B. 812**:

A BILL TO BE ENTITLED
AN ACT

relating to insurance coverage for the services of certain audiologists, speech pathologists, and language pathologists.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2, Chapter 397, Acts of the 54th Legislature, Regular Session, 1955 (Article 3.70-2, Vernon's Texas Insurance Code), is amended by amending ubsection (B) and adding Subsection (F) to read as follows:

(B) No policy of accident and sickness insurance shall make benefits contingent upon treatment or examination by a particular practitioner or by particular practitioners who will be recognized by the insurer and those who will not be recognized by this insurer. Such provision may be located in the "Exceptions" or "Exceptions and Reductions" provisions or elsewhere in the policy, or by endorsement attached to the policy, at the insurer's option. In designating the practitioners who will and will not be recognized, such provision shall use the following terms: Doctor of Medicine, Doctor of Osteopathy, Doctor of Dentistry, Doctor of Chiropractic, Doctor of Optometry, Doctor of Podiatry, Audiologist, and Speech-language Pathologist. For purposes of this Act, such designations shall have the following meanings:

Doctor of Medicine: One licensed by the Texas State Board of Medical Examiners on the basis of the degree of "Doctor of Medicine";

Doctor of Osteopathy: One licensed by the Texas State Board of Medical Examiners on the basis of the degree of "Doctor of Osteopathy";

Doctor of Dentistry: One licensed by the State Board of Dental Examiners;

Doctor of Chiropractic: One licensed by the Texas Board of Chiropractic Examiners;

Doctor of Optometry: One licensed by the Texas State Board of Examiners in Optometry; [~~and~~]

Doctor of Podiatry: One licensed by the State Board of Chiropody Examiners;

Audiologist: One with a master's or doctorate degree in audiology from an accredited college or university and who is certified by the American Speech-language and Hearing Association; and

Speech-language Pathologist: One with a master's or doctorate degree in speech pathology or speech-language pathology from an accredited college or university and who is certified by the American Speech-language and Hearing Association.

(F) Insurers, nonprofit hospital and medical service plan corporations subject to Chapter 20 of this code, and health maintenance organizations transacting health insurance or providing other health coverage in this state shall offer and make available, under group policies, contracts, and plans providing hospital and medical coverage on an expense incurred, service or prepaid basis, benefits for the necessary care and treatment of loss or impairment of speech or hearing that are not less favorable than for physical illness generally, subject to the same durational limits, dollar limits, deductibles, and coinsurance factors. Such offer of benefits shall be subject to the right of the group policy or contract holder to reject the coverage or to select any alternative level of benefits if such right is offered by or negotiated with such insurer, service plan corporation, or health maintenance organization.

SECTION 2. Article 21.52, Insurance Code, is amended to read as follows:

Art. 21.52. RIGHT TO SELECT PRACTITIONER UNDER HEALTH AND ACCIDENT POLICIES. Sec. 1. DEFINITIONS. As used in this Article:

(a) "health insurance policy" means any individual, group, blanket, or franchise insurance policy, insurance agreement, or group hospital service contract, providing benefits for medical or surgical expenses incurred as a result of an accident or sickness;

(b) "doctor of podiatric medicine" includes D.P.M., podiatrist, doctor of surgical chiropody, D.S.C. and chiropodist;

(c) "doctor of optometry" includes optometrist, doctor of optometry, and O.D.; [~~and~~]

(d) "doctor of chiropractic" means a person who is licensed by the Texas Board of Chiropractic Examiners to practice chiropractic;[.]

(e) [(d)] "licensed dentist" means a person who is licensed to practice dentistry by the State Board of Dental Examiners;

(f) "audiologist" means a person who has received a master's or doctorate degree in audiology from an accredited college or university and is certified by the American Speech-language and Hearing Association; and

(g) "speech-language pathologist" means a person who has received a master's or doctorate degree in speech-language pathology from an accredited college or university and is certified by the American Speech-language and Hearing Association to restore speech loss or correct a speech impairment.

Sec. 2. APPLICATION OF THIS ARTICLE. This article applies to and embraces all insurance companies, associations, and organizations, whether incorporated or not, which provide health benefits, accident benefits, or health and accident benefits for medical or surgical expenses incurred as a result of an accident or sickness. Without limiting the foregoing, this article specifically applies to the insurance companies, associations, and organizations which come within the purview of the following designated chapters of the Insurance Code: Chapter 3, pertaining to life, health and accident insurance companies; Chapter 8, pertaining to general casualty companies; Chapter 10, pertaining to fraternal benefit societies; Chapter 11, pertaining to mutual life insurance companies; Chapter 12, pertaining to local mutual aid associations; Chapters 13 and 14, pertaining to statewide mutual assessment companies, mutual assessment companies, and mutual assessment life, health and accident associations; Chapter 15, pertaining to mutual insurance companies writing other than life insurance; Chapter 18, pertaining to underwriters making insurance on the Lloyd's Plan; Chapter 19, pertaining to reciprocal exchanges; and Chapter 22, pertaining to stipulated premium insurance companies. This article also applies to health maintenance organizations established pursuant to Chapter 214, Acts of the 64th Legislature, Regular Session, 1975 (Articles 20A.01-20A.33., Insurance Code), as now or hereafter amended.

Sec. 3. SELECTION OF PRACTITIONERS. Any person who is issued, who is a party to, or who is a beneficiary under any health insurance policy delivered, renewed, or issued for delivery in this state by any insurance company, association, or organization to which this article applies may select a licensed doctor of podiatric medicine, a licensed dentist, or a doctor of chiropractic to perform the medical or surgical services or procedures scheduled in the policy which fall within the scope of the license of that practitioner, [doctor or] a licensed doctor of optometry to perform the services or procedures scheduled in the policy which fall within the scope of the license of that doctor of optometry, an audiologist to measure hearing for the purpose of determining the presence or extent of a hearing loss and to provide aural rehabilitation services to a person with a hearing loss if those services or procedures are scheduled in the policy, or a speech-language pathologist to evaluate speech and language and to provide habilitative and rehabilitative services to restore speech or language loss or to correct a speech or language impairment if those services or procedures are scheduled in the policy. The [and] payment or reimbursement by the insurance company, association or organization for those services or procedures in accordance with the payment schedule or the payment provisions in the policy shall not be denied because the same were performed by a licensed doctor of podiatric medicine, a licensed doctor of optometry, [or] a licensed doctor of chiropractic, a licensed dentist, an audiologist, or a speech-language pathologist. There shall not be any classification, differentiation, or other discrimination in the payment schedule or the payment provisions in a health insurance policy, nor in the amount or manner of payment or reimbursement thereunder, between scheduled services or procedures when

performed by a doctor of podiatric medicine, a doctor of optometry, [or] a doctor of chiropractic, a licensed dentist, an audiologist, or a speech-language pathologist which fall within the scope of his license or certification and the same services or procedures when performed by any other practitioner of the healing arts whose services or procedures are covered by the policy. Any provision in a health insurance policy contrary to or in conflict with the provisions of this article shall, to the extent of the conflict, be void, but such invalidity shall not affect the validity of the other provisions of this policy. Any presently approved policy form containing any provision in conflict with the requirements of this Act shall be brought into compliance with this Act by the use of riders and endorsements which have been approved by the State Board of Insurance or by the filing of new or revised policy forms for approval by the State Board of Insurance.

[~~Sec. 3. SELECTION OF PRACTITIONERS. Any person who is issued, who is a party to, or who is a beneficiary under any health insurance policy delivered, renewed, or issued for delivery in this state by any insurance company, association, or organization to which this article applies may select a licensed doctor of podiatric medicine or a licensed dentist to perform the medical or surgical services or procedures scheduled in the policy which fall within the scope of the license of that doctor or a licensed doctor of optometry or licensed dentist to perform the services or procedures scheduled in the policy which fall within the scope of the license of that doctor of optometry or licensed dentist, and payment or reimbursement by the insurance company, association, or organization for those services or procedures in accordance with the payment schedule or the payment provisions in the policy shall not be denied because the same were performed by a licensed doctor of podiatric medicine, a licensed doctor of optometry, or a licensed dentist. There shall not be any classification, differentiation, or other discrimination in the payment schedule or the payment provisions in a health insurance policy, nor in the amount or manner of payment or reimbursement thereunder, between scheduled services or procedures when performed by a doctor of podiatric medicine, a doctor of optometry, or a licensed dentist which fall within the scope of his license and the same services or procedures when performed by any other practitioner of the healing arts whose services or procedures are covered by the policy. Any provision in a health insurance policy contrary to or in conflict with the provisions of this article shall, to the extent of the conflict, be void, but such invalidity shall not affect the validity of the other provisions of this policy. Any presently approved policy form containing any provision in conflict with the requirements of this Act may be brought into compliance with this Act by the use of riders and endorsements which have been approved by the State Board of Insurance or by the filing of new or revised policy forms for approval by the State Board of Insurance.~~]

SECTION 3. CERTAIN EXEMPTIONS NOT APPLICABLE. The exemptions and exceptions in Articles 13.09 and 21.41 of the Insurance Code do not apply to this article.

SECTION 4. This Act takes effect September 1, 1983.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended and this rule is hereby suspended.

The amendment was read.

Senator Brooks moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

CONFERENCE COMMITTEE REPORT
HOUSE BILL 2251

Senator Parker submitted the following Conference Committee Report:

Austin, Texas
May 27, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 2251** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

PARKER	DELCO
EDWARDS	CARY
DOGGETT	WATSON
On the part of the Senate	On the part of the House

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE BILL 306 WITH HOUSE AMENDMENTS

Senator Kothmann called **S.B. 306** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Patronella

Substitute the following or **S.B. 306**:

A BILL TO BE ENTITLED
AN ACT

relating to accessibility of polling places to the elderly and physically handicapped.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2, Texas Election Code, is amended by adding Section 11a to read as follows:

11a. ACCESSIBILITY OF POLLING PLACES TO THE ELDERLY AND PHYSICALLY HANDICAPPED. (a) Each polling place must be accessible to and usable by the elderly and physically handicapped. Each polling place must meet the following standards of accessibility:

(1) the polling place must be on the ground-level floor or be accessible from the ground-level floor by an elevator with doors that provide an opening of at least 30 inches in width;

(2) doors, entrances, and exits used to gain access to or egress from the polling place must have a minimum width of 30 inches;

(3) any curb adjacent to the main entrance to a polling place must have curb cuts or temporary nonslip ramps;

(4) any stairs necessary to enter the polling place must have a handrail and nonslip ramp; and

(5) the polling place may not have a barrier that impedes the path of the physically handicapped to the voting booth.

(b) Subsection (a) of this section does not apply to a polling place that is temporary.

(c) Each authority responsible for designating polling places may only designate sites that meet the standards of accessibility prescribed by Subsection (a) of this section, except that a site not meeting the standards may be designated if:

(1) an acceptable and accessible site that is available for the election does not exist within the precinct; and

(2) it is anticipated that the site can be brought into compliance with the standards by affirmative governmental action.

(d) Not later than January 1, 1986, the commissioners court in each county shall provide a polling place that complies with Subsection (a) of this section in at least 85 percent of the county election precincts. Not later than January 1, 1988, the commissioners court shall provide a polling place that complies with Subsection (a) of this section in each county election precinct. The site must be available for use as a polling place on every day that an election may be held within the precinct by any authority that holds elections. The commissioners court may make expenditures from either the general fund or the permanent improvement fund to bring an existing county owned site into compliance with Subsection (a) of this section. If the commissioners court provides temporary ramps or handrails, a charge may not be made for their use at any election, and the county shall pay any transportation and installation charges incidental to their use.

(e) Except as otherwise provided by Subsection (f) of this section, any authority other than the county commissioners court that designates as a polling place a site that does not meet the standards prescribed by Subsection (a) of this section shall report that designation to the commissioners court. The report must state that the authority making the designation has determined that the polling place can be made accessible to and usable by the elderly and physically handicapped in the foreseeable future by affirmative governmental action.

(f) Each county commissioners court that receives a report under Subsection (e) of this section shall take affirmative action to bring the designated polling place into compliance with the standards prescribed by Subsection (a) of this section not later than two years after the report is received, except that the earliest date by which compliance must be obtained is the appropriate deadline under Subsection (d) of this section. However, the commissioners court is not required to provide more than one accessible and acceptable polling place in each county election precinct on each day that an election is held. If more than one polling place is needed in a county election precinct on the same day, any site used as a polling place except the site designated by the commissioners court as the polling place for elections held by the county is exempt from the requirements of Subsection (a) of this section, and its designation need not be reported to the commissioners court.

(g) The governing body of each political subdivision that holds elections shall cooperate with the commissioners court in its respective county in implementing this section. If the authority holding an election rejects a county-designated polling place that is available and chooses to use a different site of its own designation, it must provide a polling place that complies with Subsection (a) of this section at its own expense. A political party that is holding a primary election may not reject an available county-designated polling place without the prior consent of the secretary of state.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public

necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Floor Amendment No. 1 - G. Hill

Amend **C.S.S.B. 306** as follows:

(1) On page 2, lines 9 through 12, strike the first sentence in Subsection (d) and substitute in lieu thereof the following: "Not later than January 1, 1986, the commissioners court in each county shall provide a polling place that complies with Subsection (a) of this section in at least 60 percent of the county election precincts. Not later than January 1, 1987, the commissioners court in each county shall provide a polling place that complies with Subsection (a) of this section in at least 85 percent of the county election precincts."

(2) On page 3, line 25, add the following at the end of the first sentence in Subsection (g): ", and is subject to the same deadlines for compliance as prescribed by Subsection (d) of this section"

Floor Amendment No. 2 - D. Hudson

Amend **C.S.S.B. 306** on pages 2 and 3, by striking the last sentence in Subsection (d) and by striking Subsections (e) and (f) in their entirety.

Floor Amendment No. 3 - Armbrister

Amend **C.S.S.B. 306** by inserting the following on page 1, line 24, after "temporary": "or that is a private residence".

Floor Amendment No. 4 - Eckels

Amend **C.S.S.B. 306** by inserting the following on page 1, line 24, after "temporary": "or that is a private building".

The amendments were read.

Senator Kothmann moved to concur in the House amendments.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Lyon.

SENATE RULE 74a SUSPENDED

On motion of Senator Parker and by unanimous consent, Senate Rule 74a was suspended as it relates to House amendments to **S.C.R. 135**.

SENATE CONCURRENT RESOLUTION 135 WITH HOUSE AMENDMENT

Senator Parker called **S.C.R. 135** from the President's table for consideration of the House amendment to the resolution.

The President laid the resolution and the House amendment before the Senate.

Committee Amendment No. 1 - Schlueter

Amend **S.C.R. 135** by substituting the following:

SENATE CONCURRENT RESOLUTION

WHEREAS, The United States government by law denies certain forms of foreign assistance, except where of direct benefit to needy recipients, to nations that engage in a consistent pattern of violation of internationally recognized human rights (22 U.S.C. 2151n); and

WHEREAS, The same law requires the United States Secretary of State to transmit annually to the Speaker of the United States House of Representatives and

to the Committee on Foreign Relations of the United States Senate a report on human rights as it applies to that foreign assistance; and

WHEREAS, The Legislature of the State of Texas, being equally committed to principles of justice and freedom, is concerned about investment ties of this state, through various funds administered by state agencies and institutions, which might be supportive of foreign nations that seriously deny basic human rights; and

WHEREAS, To address that concern, the legislature feels it appropriate to study the nature and extent of its investment ties with certain foreign nations; now, therefore, be it

RESOLVED by the Senate of the State of Texas, the House of Representatives concurring, That the 68th Legislature hereby establish the Joint Conference Committee on Investments in Foreign Nations; and, be it further

RESOLVED, That the committee investigate, with respect to investment in business and financial enterprises having commercial ties with, or subsidiaries in, foreign nations that by their official policy deny or through their toleration of certain practices condone the denial of basic human rights, the following:

(1) assets of the permanent university fund;
(2) assets of the veterans land fund;
(3) assets of the Employees Retirement System of Texas;
(4) assets of the Teacher Retirement System of Texas;
(5) assets of the Texas Municipal Retirement System; and
(6) of the Texas County and District Retirement System; and, be it further

RESOLVED, That in making its determination as to which foreign nations seriously deny basic human rights, the committee use as a guide, but not be limited to, the latest edition of the report to the Speaker of the United States House of Representatives and the Committee on Foreign Relations of the United States Senate required by 22 U.S.C. 2151n; and, be it further

RESOLVED, That the committee determine those business and financial enterprises having commercial ties with or subsidiaries in nations denying basic human rights and notify those included on the portfolios of the six funds and systems that the legislature of the State of Texas is concerned about the state's investment ties with such nations and will be studying the impact on the portfolios of withdrawing from investment in those enterprises; and, be it further

RESOLVED, That the committee be composed of six members: three members of the senate and three members of the house of representatives. The house delegation of the study committee shall be a subcommittee of the House Committee on State, Federal, and International Relations, to be appointed by the chair of the standing committee; however, the speaker of the house may appoint the members of the subcommittee from the entire house membership. The senate delegation of the study committee shall be appointed by the lieutenant governor; and, be it further

RESOLVED, That the lieutenant governor shall designate a co-chair of the committee and the chair of the House Committee on State, Federal, and International Relations shall designate a co-chair, and that the committee shall hold meetings and public hearings at the call of the co-chairs; and, be it further

RESOLVED, That the house delegation of the study committee be authorized to utilize, for purposes of assisting in the study, existing staff of the standing committee, of the house, or of legislative service agencies; the senate delegation may employ staff or use existing staff resources of the senate or legislative service agencies for the purposes of assisting in the study; and, be it further

RESOLVED, That the committee have the power to issue process to witnesses at any place in the State of Texas, to compel the attendance of such witnesses, and to compel the production of all books, records, documents, and instruments that the committee may require; if necessary to obtain compliance with subpoenas and

other process, the committee shall have the power to issue writs of attachment; all process issued by the committee may be addressed to and served by any peace officer of the State of Texas or any of its political subdivisions; the co-chairs shall issue, in the name of the committee, such subpoenas and other process as the committee may direct; witnesses attending proceedings of the committee under process shall be allowed the same mileage and per diem as are allowed members of the committee when in travel status; the testimony given at any hearing conducted pursuant to this resolution shall be given under oath subject to the penalties of perjury; and, be it further

RESOLVED, That the committee be authorized to request the assistance, where needed in the discharge of its duties, of all state agencies and institutions and that it be the duty of such state agencies and institutions to assist the committee when requested to do so; the committee shall have the power to inspect the records, documents, and files of every agency and institution of the state to the extent necessary to the discharge of its duties within the area of its jurisdiction; and, be it further

RESOLVED, That the expenses incurred by the house delegation of the study committee in carrying out the provisions of this resolution be paid from the funds provided the House Committee on State, Federal, and International Relations for interim activities; and, be it further

RESOLVED, That the expenses incurred by the senate delegation of the study committee, including staff expenses, be paid from the contingent expense fund of the senate; and, be it further

RESOLVED, That clerical material, printing, and other necessary operating expenses incurred jointly by the senate and house delegations be shared equally by the senate and house; and, be it further

RESOLVED, That the committee make a complete report to the 69th Legislature when it convenes in January, 1985. Five copies of the completed report shall be filed in the Legislative Reference Library; five copies, with the Texas Legislative Council; two copies, with the Secretary of the Senate; and two copies, with the Chief Clerk of the House. Following official distribution of the committee report, all remaining copies shall be deposited with the legislative reference librarian.

The amendment was read.

Senator Parker moved that the Senate do not concur in the House amendment, but that a Conference Committee be appointed to adjust the differences between the two Houses on the resolution.

The motion prevailed.

The President asked if there were any motions to instruct the Conference Committee on **S.C.R. 135** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the resolution: Senators Parker, Chairman; Washington, Doggett, Mauzy and McFarland.

SENATE BILL 1352 WITH HOUSE AMENDMENT

Senator Parker called **S.B. 1352** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Rangel

1) On page 1, Section 1, line 9, delete the word criminal. The sentence would then read as follows: "This Act applies to the district courts and to the county courts at law that give preference to criminal cases in Jefferson County."

2) On page 5, Section 11, line 17, delete the subsection (15).

The amendment was read.

Senator Parker moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Nays: Lyon.

Present-not voting: Caperton.

SENATE BILL 123 WITH HOUSE AMENDMENT

Senator Leedom called **S.B. 123** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Harrison

SECTION 2. Section 151.310(a), Tax Code, is amended to read as follows:

(5) a chamber of commerce or a convention and tourist promotional agency representing at least one Texas city or county if the chamber of commerce or the agency [~~that~~] is not organized for profit and no part of its [~~the~~] net earnings [~~of which~~] inures to a private shareholder or other individual.

SECTION 3. This Act takes effect September 1, 1983.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

Senator Leedom moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" the motion to concur in the House amendment.

SENATE BILL 60 WITH HOUSE AMENDMENTS

Senator Leedom called **S.B. 60** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Blanton

Substitute the following for **S.B. 60**:

A BILL TO BE ENTITLED
AN ACT

relating to certificates of completion withheld by proprietary schools, refunds given by proprietary schools, and fees imposed on proprietary schools and their representatives.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 32.33(f), Texas Education Code, is amended to read as follows:

(f) Except as provided by Section 32.40 of this code, on [~~Upon~~] completion of training, the student is given a certificate by the school indicating the course and that training was satisfactorily completed.

SECTION 2. Subchapter D, Chapter 32, Texas Education Code, is amended by adding Section 32.40 to read as follows:

Sec. 32.40. WITHHOLDING CERTIFICATE OF COMPLETION. A proprietary school may withhold a student's certificate of completion of training until the student has fulfilled his financial obligation to the school.

SECTION 3. Section 32.39(b), Texas Education Code, is amended to read as follows:

(b) As a condition for granting certification, each school must maintain a policy for the refund of the unused portion of tuition, fees, and other charges in the event the student, after expiration of the 72-hour cancellation privilege, fails to enter the course, or withdraws, or is discontinued therefrom at any time prior to completion, and such policy must provide:

(1) refunds for resident courses will be based on the period of enrollment computed on the basis of course time expressed in clock hours;

(2) the effective date of the termination for refund purposes in residence schools will be the earliest of the following:

(A) the last date of attendance, if the student is terminated by the school;

(B) the date of receipt of written notice from the student;

(C) ten school days following the last date of attendance;

(3) if tuition is collected in advance of entrance, and if, after expiration of the 72-hour cancellation privilege, the student does not enter the residence school, not more than $100 [~~$50~~] shall be retained by the school;

(4) for the student who enters a residence course of not more than 12 months in length, terminates or withdraws, the school may retain $100 [~~$50~~] of tuition and fees and the minimum refund of the remaining tuition will be:

(A) during the first week or one-tenth of the course, whichever is less, 90 percent of the remaining tuition;

(B) after the first week or one-tenth of the course, whichever is less, but within the first quarter of the course, 75 percent of the remaining tuition;

(C) during the second quarter of the course, 50 percent of the remaining tuition;

(D) during the third quarter of the course, 25 percent of the remaining tuition;

(E) during the last quarter of the course, the student may be considered obligated for the full tuition;[~~.~~]

(5) for residence courses more than 12 months in length, the refund shall be applied to each 12-month period, or part thereof separately;

(6) refunds of items of extra expense to the student, such as instructional supplies, books, student activities, laboratory fees, service charges,

rentals, deposits, and all other such ancillary miscellaneous charges, where these items are separately stated and shown in the data furnished the student before enrollment, will be made in a reasonable manner acceptable to the administrator;

(7) refunds based on enrollment in residence schools will be totally consummated within 30 days after the effective date of termination;

(8) refunds for correspondence courses will be computed on the basis of the number of lessons in the course;

(9) the effective date of the termination for refund purposes in correspondence courses will be the earliest of the following:

(A) the date of notification to the student if the student is terminated;

(B) the date of receipt of written notice from the student;

(C) the end of the third calendar month following the month in which the student's last lesson assignment was received unless notification has been received from the student that he wishes to remain enrolled;[.]

(10) if tuition is collected before any lessons have been completed, and if, after expiration of the 72-hour cancellation privilege, the student fails to begin the course, not more than $50 shall be retained by the school;

(11) in cases of termination or withdrawal after the student has begun the correspondence course, the school may retain $50 of tuition and fees, and the minimum refund policy must provide that the student will be refunded the pro rata portion of the remaining tuition fees and other charges that the number of lessons completed and serviced by the school bears to the total number of lessons in the course;

(12) refunds based on enrollment in correspondence schools will be totally consummated within 30 days after the effective date of termination.

SECTION 4. Section 32.39, Texas Education Code, is amended by adding Subsection (e) to read as follows:

(e) Subsection (b)(4) or (b)(5) of this section does not apply to a school if the school is accredited by a national or regional accrediting commission approved by the United States Department of Education and complies with a refund policy of that commission in giving refunds to students who enter residency courses and terminate or withdraw from the courses before completing the courses.

SECTION 5. Section 32.71, Texas Education Code, is amended to read as follows:

Sec. 32.71. CERTIFICATE AND REGISTRATION FEES. Certificate and registration fees shall be collected by the Administrator and deposited with the State Treasurer in accordance with the following schedule:

(1) the initial fee for a school is $500 [~~Two Hundred Fifty Dollars ($250.00)~~];

(2) the annual renewal fee for a school is $400 [~~Two Hundred Dollars ($200.00)~~];

(3) the initial registration fee for a representative is $40 [~~Twenty Dollars ($20.00)~~]; and

(4) the annual renewal fee for a representative is $20 [~~Ten Dollars ($10.00)~~].

SECTION 6. (a) Section 3 of this Act applies only to a proprietary school's retention of tuition, fees, and other charges for a course that begins on or after September 1, 1983. Retention of tuition, fees, and other charges for a course that began before September 1, 1983, is governed by Section 32.39(b), Texas Education Code, as it existed before amendment by this Act, and that law is continued in effect for that purpose.

(b) Section 4 of this Act applies only to refunds given by a proprietary school for a course that begins on or after September 1, 1983.

(c) Section 5 of this Act applies only to fees payable by a proprietary school or its representative on or after September 1, 1983.

SECTION 7. This Act takes effect September 1, 1983.

SECTION 8. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Floor Amendment No. 1 - Delco

Amend **C.S.S.B. 60** on page 4, by striking out SECTION 4 of the bill and renumbering the remaining sections of the bill accordingly.

Floor Amendment No. 2 - Delco

Amend **C.S.S.B. 60** on page 2, by striking lines 24-27, and on page 3 by striking lines 1-5 and substituting the following:

(B) after the first week or one-tenth of the course, whichever is less, but within the first three weeks [~~quarter~~] of the course, 80 [~~75~~] percent of the remaining tuition;

(C) after the first three weeks of the course, but within the first quarter of the course, 75 percent of the remaining tuition;

(D) [~~C~~] during the second quarter of the course, 50 percent of the remaining tution;

(E) [~~D~~] during the third quarter of the course 10 [~~25~~] percent of the remaining tution;

(F) [~~E~~] during the last quarter of the course, the student may be considered obligated for the full tuition; [~~.~~]

The amendments were read.

Senator Leedom moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Mauzy and Lyon asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

(Senator Brooks in Chair)

SENATE BILL 42 WITH HOUSE AMENDMENT

Senator Brown called **S.B. 42** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Gibson/Jackson/Wolens

Amend **S.B. 42** by adding a new Section 3 and renumbering accordingly, as follows:

Section 3. Section 243, Texas Election Code (Article 14.07, Vernon's Texas Election Code), is amended by adding Subsection (C-1) to read as follows:

(C-1) In addition to the filing of a sworn statement under this section, the information required to be reported on the statement regarding contributions from a person that in the aggregate exceed $1000 to a candidate for the office of state senator or $200 to a candidate for the office of state representative and that are accepted during the period beginning on the ninth day before election day and ending at 12 noon on the second day before election day shall be reported by each

candidate and specific-purpose political committee by telegram or delivered by hand to the appropriate authority within 48 hours of acceptance.

The amendment was read.

Senator Brown moved to concur in the House amendment.

(President in Chair)

On motion of Senator Brown and by unanimous consent, the motion to concur was withdrawn.

Senator Brown moved that the Senate do not concur in the House amendment, but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

SENATE RULE 74a SUSPENDED

On motion of Senator Jones and by unanimous consent, Senate Rule 74a was suspended as it relates to House amendments to **S.B. 1274**.

SENATE BILL 1274 WITH HOUSE AMENDMENTS

Senator Jones called **S.B. 1274** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1 - Messer/Gibson/Craddick

Amend Floor Amendment No. _____ to **S.B. 1274** by inserting a new Section _____ to read as follows and by renumbering appropriate sections of the amendment accordingly:

SECTION ____. Section 72.01, Texas Education Code, is amended to read as follows:

Sec. 72.01. ESTABLISHMENT. The Board of Regents of The University of Texas System shall establish and maintain a fully state-supported coeducational institution of higher education to be known as The University of Texas of the Permian Basin. The institution is [~~shall be~~] organized to teach [~~accept~~] only junior-, senior-, and graduate-level courses approved by the Coordinating Board, Texas College and University System [~~students, with at least 60 semester hours of accredited college or university study~~].

Floor Amendment No. 2 - Messer

Amend **S.B. 1274** by striking all below the enacting clause and substituting the following:

SECTION 1. Section 72.01, Texas Education Code, is amended to read as follows:

Sec. 72.01. ESTABLISHMENT. The Board of Regents of The University of Texas System shall establish and maintain a fully state-supported coeducational institution of higher education to be known as The University of Texas of the Permian Basin. The institution is [~~shall be~~] organized to teach [~~accept~~] only junior-, senior-, and graduate-level courses approved by the Coordinating Board, Texas College and University System [~~students, with at least 60 semester hours of accredited college or university study~~].

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days

in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendments were read.

Senator Jones moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTE

Senator Lyon asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

The House has refused to concur in Senate amendments to **H.B. 337** and has requested the appointment of a Conference Committee to consider the differences between the two Houses. House Conferees: Green, Chairman; Smith of Travis, Rangel, Evans of Harris, Garcia of Bexar.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE REPORT ON SENATE BILL 216 ADOPTED

Senator Leedom called from the President's table the Conference Committee Report on **S.B. 216**. (The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Leedom, the Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 448 ADOPTED

Senator Caperton called from the President's table the Conference Committee Report on **S.B. 448**. (The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Caperton, the Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 482 ADOPTED

Senator Harris called from the President's table the Conference Committee Report on **S.B. 482**.) The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Harris, the Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 705 ADOPTED

Senator Brooks called from the President's table the Conference Committee Report on **S.B. 705**. (The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Brooks, the Conference Committee Report was adopted.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 149 ADOPTED

Senator Henderson called from the President's table the Conference Committee Report on **S.B. 149**. (The Conference Committee Report having been filed with the Senate and read on Friday, May 27, 1983.)

On motion of Senator Henderson, the Conference Committee Report was adopted.

SENATE BILL 1363 WITH HOUSE AMENDMENTS

Senator Henderson called **S.B. 1363** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Wieting

Amend **S.B. 1363** on page 2, line 7, by inserting after the period the following:

Before bonds or other obligations of the district may be issued, the creation of the district must be approved at a confirmation election called and held as provided by Chapter 54, Water Code, for confirmation elections.

Commitee Amendment No. 2 - Wieting

Amend **S.B. 1363** on page 5, line 20, by striking the sentence beginning with the word "No" and ending with the period after the word "required" on line 18.

The amendments were read.

Senator Henderson moved to concur in the House amendments.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Lyon.

SENATE BILL 733 WITH HOUSE AMENDMENT

Senator Henderson called **S.B. 733** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Ambrister

Amend **S.B. 733**, page 2, line 5, by inserting after the period the following:

The district is not obligated to pay interest on amounts retained except as provided herein. The district shall not be obligated to pay any interest on the 10 percent retainage held on the first 50 percent of work completed. If the district holds any retainage on the remaining 50 percent of the work completed, the district shall pay interest on such retainage from the date the retainage is withheld to the date of payment to the contractor. The interest rate to be paid on such retainage shall be the rate of interest paid by the

district's depository bank on interest bearing accounts of similar amounts during the period of time interest accrues as provided herein.

and by deleting on page 2, lines 5 and 6, the following:

The district is not required to pay interest on amounts retained.

and by deleting SECTION 2 on page 2, lines 7 through 25, and renumbering SECTION 3 as SECTION 2.

The amendment was read.

Senator Henderson moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 642 WITH HOUSE AMENDMENTS

Senator Henderson called **S.B. 642** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Jackson

Amend **S.B. 642** as follows:

(1) On page 2 by deleting the word "commissioner" at the end of line 16 and by deleting line 17 in its entirety and substituting in lieu thereof the following:

examinations shall be offered only in Travis County, and shall be offered on a quarterly basis.

(2) On page 3, line 6 by deleting the word "defray" and substituting "pay".

(3) On page 3, line 21 by deleting the "." and adding the following:

and have at least three years of practical experience in air conditioning work. For purposes of the experience requirement, a degree or diploma in air conditioning engineering or mechanical engineering from an institution of higher education whose program is approved by the State Board of Registration for Professional Engineers for the purpose of licensing professional engineers is considered the equivalent of two years of practical experience.

(4) On page 5, line 17 by adding the following:

(4) assists in the performance of air conditioning work under the direct personal supervision of a licensee.

Floor Amendment No. 1 - Wolens

Amend Committee Amendment No. 1 to **S.B. 642** to read as follows:

Amend **S.B. 642** as follows:

(1) On page 2 by deleting the word "commissioner" at the end of line 16 and by deleting line 17 in its entirety and substituting in lieu thereof the following:

Examinations shall be offered only in Travis County, and shall be offered on a quarterly basis.

(2) On page 3, line 6 by deleting the word "defray" and substituting "pay".

(3) On page 3, line 21, by deleting the "." and adding the following:

and have at least three years of practical experience in air conditioning work. For purposes of the experience requirement, a degree or diploma in air conditioning engineering or mechanical engineering from an institution of higher education whose program is approved by the State Board of Registration for Professional Engineers for the purpose of licensing professional engineers is condsidered the equivalent of two years of practical experience;

(4) On page 5, line 13 by deleting the word "or".

(5) On page 5 by deleting lines 15 through 17 and substituting in lieu thereof the following:

employed by a regulated electric or gas utility;

(4) performs plumbing work and is licensed under the the Plumbing License Law (Article 6243-101, Vernon's Texas Civil Statutes); or

(5) assists in the performance of air conditioning work under the direct personal supervision of a licensee.

Floor Amendment No. 2 - Wolens

Amend **S.B. 642** on page 6 by deleting line 11, and substituting in lieu thereof the following:

SECTION 8. PENALTY. Except as provided in Section 9, a person commits an offense if the

The amendments were read.

Senator Henderson moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE BILL 1228 WITH HOUSE AMENDMENT

Senator Mauzy called **S.B. 1228** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Fox

Amend **S.B. 1228** as follows:

(1) On page 2, line 1, between "rules" and "by" insert "adopted under Section 220b of this Code (Article 13.43b, Vernon's Texas Election Code)"

(2) On page 2, line 22, between "rules" and the bracketing insert "adopted under Section 220b of this Code

The amendment was read.

Senator Mauzy moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTE

Senator Lyon asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 1304 WITH HOUSE AMENDMENTS

Senator Mauzy called **S.B. 1304** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Haley

Amend **S.B. 1304**, page 1, lines 10 and 12 by deleting the number "2,500" and adding the number "5,000"

Floor Amendment No. 2 - Shaw

Amend **S.B. 1304**, SECTION 1, page 1, lines 10 and 12 by deleting the number "5000" and inserting in lieu thereof the number "3500".

The amendments were read.

Senator Mauzy moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Farabee, Kothmann, Montford and Vale asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE BILL 253 WITH HOUSE AMENDMENTS

Senator Washington called **S.B. 253** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Ceverha

Amend **S.B. 253** by adding the following language after the word "constables" on line 13, page 1: "and in compliance with the applicable Texas Rules of Civil Procedures governing service and return of civil process".

Committee Amendment No. 2 - Ceverha

Amend **S.B. 253** on line 25, page 1 by adding the following after the word "process": "or be in the civil process serving business prior to the effective date of this act".

Committee Amendment No. 3 - Ceverha

Amend **S.B. 253** by adding a new subsection (c) to Section 11 to read as follows: "(c) Fees charged and collected by a licensee for service of process under this act shall be no more than the cost of similar service of process by an officer of the court."

The amendments were read.

Senator Washington moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 244 ADOPTED

Senator Washington called from the President's table the Conference Committee Report on **S.B. 244**. (The Conference Committee Report having been filed with the Senate and read on Friday, May 27, 1983.)

On motion of Senator Washington, the Conference Committee Report was adopted by the following vote: Yeas 20, Nays 11.

Yeas: Brooks, Caperton, Doggett, Edwards, Farabee, Kothmann, Lyon, Mauzy, McFarland, Montford, Parmer, Santiesteban, Sharp, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Brown, Glasgow, Harris, Henderson, Howard, Jones, Leedom, Parker, Sarpalius, Sims.

CONFERENCE COMMITTEE REPORT SENATE BILL 1091

Senator Harris submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 1091** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HARRIS	WALLACE
GLASGOW	COODY
HENDERSON	GREEN
McFARLAND	ROBNETT
SHARP	SCHLUETER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED AN ACT

relating to the electronic transfer of funds from the accounts of customers at certain financial institutions to the accounts of merchants at the same or different financial institutions; providing for compliance; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter IX, The Texas Banking Code of 1943, as amended (Art. 342-901 et. seq., Vernon's Texas Civil Statutes), is amended by adding Article 3c to read as follows:

ART. 342-903c. CUSTOMER CONVENIENCE TERMINALS.

Section 1. Construction and Application. The underlying purpose of this Article shall be to enhance the convenient and efficient transaction of retail trade

by allowing electronic fund transfer technology to enter the existing financial payment and settlement system. This purpose shall be achieved by use of a particular type of unmanned teller machine of a different type from the type described in Article 3a, and its use shall be governed by the terms of this Article 3c, except as otherwise herein provided in Section 6. This Article shall be liberally construed to this end.

Section 2. Definitions. As used in this Article:

(a) "account" means an asset account in a financial instituition.

(b) "financial" institution" means

(1) a state, national or private bank,

(2) a savings and loan association, and

(3) a credit union.

(c) "merchant" means any person, other than a financial institution or a system.

(d) "customer convenience terminal" is a device which is a particular kind of unmanned teller machine (i.e., the use of which does not involve personnel of a financial institution):

(1) by which a customer of a financial institution can authorize and effect the electronic transfer of funds from the customer's account at the financial institution to a merchant's account at a financial institution within the county or the city in which the terminal is located, in order to obtain cash or purchase or rent or pay for goods or services or both; and

(2) by which the merchant can ascertain that the transaction has been completed and the funds have been or will be transferred to the merchant's account at the merchant's financial institution within the county or the city in which the terminal is located.

(e) "system means an electronic information communication and processing facility owned or operated by a person other than a merchant and used to receive, transmit or retransmit electronic impulses or other electronic indicia of transactions, orginating at a customer convenience terminal, to financial institutions or to other transmission facilities for purposes of effecting transfers of funds to or from one or more accounts.

Section 3. Customer Convenience Transactions. Any person may install, maintain, operate, utilize, own or lease customer convience terminals. For purposes of Chapter IX of this Code, as amended, (Art. 342-901 et. seq., Vernon's Texas Civil Statutes), no customer convenience terminal shall be deemed to constitute a branch office and no person who installs, maintains, operates, utilizes, owns or leases a customer convenience terminal shall be deemed to be conducting a banking business. Nothing herein shall be deemed to affect the rights of any party to a transaction of the type described herein under any applicable statute or contract.

Section 4. Sharing. All financial institutions domiciled in this state shall have the right to share in the use of any system operated in this state on a reasonable, nondiscriminatory basis, and any system may require the utilization of reasonable and necessary technical standards.

Section 5. Advertising. No participants in a system shall receive greater prominence in the identification necessary to enable the public to determine accessiblity of the terminal and no advertising with regard to the terminal shall suggest, imply or claim that any particular financial institution has exclusive control over the use of the terminal.

Section 6. Compliance. On written complaint by a financial institution that is utilizing or that seeks to utilize a system that it is being denied the use of that

system on a reasonable, non-discriminatory basis, the State Banking Board shall have jurisdiction to determine whether or not the financial institution has been denied the right to utilize the system under this Article. The provisions of Sections 6 and 13 of Article 342-903a shall apply to this Article.

Section 7. Unauthorized Use

A customer of a financial institution shall not be liable for an unauthorized electronic fund transfer or a series of related unauthorized transfers in an amount in excess of $50 if the customer notifies the financial institution within 2 business days after learning of the loss or theft of the access device and if the customer fails to notify the financial institution, the customer's liability shall not exceed $500. The terms "access device" and "unauthorized electronic transfer" as used herein shall have the same meaning as the same terms under the "Electronic Fund Transfer Act," 15 U.S.C. 1693 a (1) as amended and Regulation E promulgated thereunder.

Section 8. Charges. No charges or fees may be imposed by a financial institution in relation to an account in which funds located in that account may be electronically transferred unless such charges or fees are reasonably related to the cost of services performed by the financial institution. The burden of proving the reasonableness of such fees or charges is on the financial institution.

SECTION 2. Emergency. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE ON HOUSE BILL 337

Senator Brooks called from the President's table for consideration at this time, the request of the House for a Conference Committee to adjust the differences between the two Houses on **H.B. 337** and moved that the request be granted.

The motion prevailed.

The President asked if there were any motions to instruct the Conference Committee on **H.B. 337** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Brooks, Chairman; Caperton, Farabee, Mauzy and Washington.

HOUSE BILL 1075 ON SECOND READING

On motion of Senator Edwards and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1075, Relating to the protection of public employees who report a violation of law.

The bill was read second time.

Senator Doggett offered the following amendment to the bill:

Amend **H.B. 1075** by adding a new Section 7 of the bill to read as follows and by renumbering the subsequent sections accordingly:

SECTION 7. CONFORMING AMENDMENT. Section 16, Chapter 413, Acts of the 53rd Legislature, Regular Session, 1953 (Article 4442c, Vernon's Texas Civil Statutes), is amended by adding Subsection (i) to read as follows:

(i) Effect of Retaliation Because of Report. (1) A person has a cause of action against an institution, or the owner or employee of an institution, that suspends or terminates the employment of the person or otherwise disciplines or discriminates against the person for reporting the abuse or neglect of a nursing home patient to the person's supervisors, to the Licensing Agency, or to a law enforcement agency. The person may recover:

(A) actual damages, including damages for mental anguish even though no other injury is shown, or $1,000, whichever amount is greater;

(B) exemplary damages;

(C) costs of court; and

(D) reasonable attorney's fees.

(2) In addition to amounts recovered under Subdivision (1) of this subsection, a person whose employment is suspended or terminated in violation of this subsection is entitled to:

(A) reinstatement in his former position or severance pay in an amount equal to three months of the employee's most current salary; and

(B) compensation for wages lost during the period of suspension or termination.

(3) A person who sues under this subsection has the burden of proof, but in the event of a determination by either the Licensing Agency or a court of competent jurisdiction that the reported case made the subject of the cause of action was one of abuse or neglect, it is a rebuttable presumption that a person's employment was suspended or terminated for reporting abuse or neglect if the person is suspended or terminated within 60 days after making a report in good faith.

(4) An action under this subsection may be brought in the district court of the county:

(A) in which the plaintiff resides;

(B) in which the plaintiff was employed by the defendant; or

(C) in which the defendant conducts business."

The amendment was read.

On motion of Senator Doggett and by unanimous consent, the amendment was withdrawn.

The bill was passed to third reading.

CONFERENCE COMMITTEE APPOINTED ON SENATE BILL 42

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Brown, Chairman; Sarpalius, Lyon, McFarland and Edwards.

(Senator Blake in Chair)

LOCAL AND UNCONTESTED BILLS CALENDAR

The Presiding Officer (Senator Blake in Chair) announced that the time had arrived for the consideration of the Local and Uncontested Bills Calendar.

On motion of Senator Mauzy and by unanimous consent, the regular order of business was suspended on the bills and resolutions on the Local and Uncontested Bills Calendar so they could be considered on second reading in the order they are listed on the Calendar.

After suspending the regular order by unanimous consent, the following bills were laid before the Senate, read second time, amended where applicable, passed to third reading, read third time and passed: (Sponsor, vote on Constitutional Three-Day Rule and final passage indicated after caption of each bill)

H.B. 21 (Mauzy) Relating to disruption of classes. (30-1) Washington "Nay" (31-0)

Senator Mauzy offered the following committee amendment to the bill:

Amend **H.B. 21**, Section 2 by striking "$2,000 or confinement in jail for not less than 10 days or more than one year of both" and placing in lieu thereof the words "$200".

The committee amendment was read and was adopted.

On motion of Senator Mauzy and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

H.B. 160 (Washington) Relating to the required elements of disclosure for political advertising. (30-1) Washington "Nay" (31-0)

H.B. 470 (Harris) Relating to registration of antique motor vehicles. (30-1) Washington "Present-not voting" (30-1) Washington "Present-not voting"

H.B. 624 (Sarpalius) Relating to the authority of certain counties concerning cemeteries. (30-1) Washington "Nay" (31-0)

H.B. 1169 (Mauzy) Relating to suits for the dissolution of marriage and affecting the parent-child relationship and to orders and decrees in these suits, including the enforcement and limitations of orders and decrees. (30-1) Washington "Nay" (31-0)

The bill was read second time and was passed to third reading.

Senator Mauzy moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1169** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Washington.

Question - Shall the bill be read third time and finally passed?

H.B. 1322 (Uribe) Relating to the compensation of the county auditor in Cameron County. (30-1) Washington "Nay" (31-0)

H.B. 1511 (Sarpalius) Relating to the regulation of bees, beekeepers, and honey. (30-1) Washington "Nay" (31-0)

H.B. 1517 (Sims) Relating to the duty of a county to provide physical facilities, equipment, and utilities for offices of the Adult Probation Commission. (30-1) Washington "Nay" (31-0)

H.B. 1858 (Traeger) Relating to the terms of Office of Directors of certain general law water districts. (30-1) Washington "Nay" (31-0)

The bill was read second time.

Senator Traeger offered the following amendment to the bill:

Amend **H.B. 1858**, page 1, line 17, by striking the word "Chapter" and inserting in lieu thereof the following:

Chapters 54 and

and on page 3, lines 9-21, by striking SECTION 6 and appropriately renumbering the remaining sections.

The amendment was read and was adopted.

On motion of Senator Traeger and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

Senator Traeger moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1858** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Washington.

Question - Shall the bill be read third time and finally passed?

H.B. 1967 (Whitmire) Relating to the designation of county roads as farm-to-market roads. (30-1) Washington "Nay" (31-0)

H.B. 2150 (Henderson) Relating to local regulation of alcoholic beverage advertising. (30-1) Washington "Nay" (31-0)

H.B. 2302 (Uribe) Relating to the jurisdiction of the County Courts at Law in Cameron County and to the qualifications and compensation of the judge. (30-1) Washington "Nay" (31-0)

CONFERENCE COMMITTEE REPORT WITHDRAWN

On motion of Senator Vale and by unanimous consent, the Conference Committee Report on **H.B. 2298** was withdrawn.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 123, Authorizing the Lieutenant Governor and Speaker to appoint joint committee during the interim. (As amended)

The House has adopted the Conference Committee Report on **H.B. 2251** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1651** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1401** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 773** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1269** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2068** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 888** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 52** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1282** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2061** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1018** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1985** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1344** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

H.B. 2345 (Jones) Relating to the election and terms of office of Directors of the Comanche Hills Utility District. (30-1) Washington "Nay" (31-0)

H.B. 2346 (Jones) Relating to the election and terms of office of Directors of the Bell County Water Control and Improvement District No. 3. (30-1) Washington "Nay" (31-0)

H.B. 2347 (Jones) Relating to the election and terms of office of Directors of the Bell County Water Control and Improvement District No. 1. (30-1) Washington "Nay" (31-0)

H.B. 2359 (Jones) Relating to the election and terms of office of Directors of the Bell County Control and Improvement District No. 6. (30-1) Washington "Nay" (31-0)

H.B. 2433 (Uribe) Relating to the civil jurisdiction of the County Court at Law of Hidalgo County and the County Court at Law No. 2 of Hidalgo County. (30-1) Washington "Nay" (31-0)

H.B. 2434 (Uribe) Relating to the validation of notes, refunding bonds, and other acts and proceedings of certain cities and towns. (29-2) Mauzy, Washington "Nay" (30-1) Mauzy "Nay"

H.B. 2435 (Sarpalius) Relating to the composition and compensation of the Randall County Juvenile Board. (30-1) Washington "Nay" (31-0)

H.B. 1869 (Brown) Relating to an exemption from sales and use taxes for gold, silver, and numismatic coins and platinum, gold, and silver bullion. (30-1) Washington "Nay" (31-0)

CONCLUSION OF SESSION FOR LOCAL AND UNCONTESTED BILLS CALENDAR

The Presiding Officer (Senator Blake in Chair) announced that the session for the consideration of the Local and Uncontested Bills Calendar was concluded.

AT EASE

Senator Blake at 12:27 o'clock p.m. announced the Senate would Stand At Ease until 2:00 o'clock p.m. today.

IN LEGISLATIVE SESSION

The President at 2:00 o'clock p.m. called the Senate to order as In Legislative Session.

BILLS AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bills and resolutions:

S.C.R. 119	**S.B. 638**	**S.B. 1185**
S.C.R. 121	**S.B. 640**	**S.B. 1286**
S.C.R. 134	**S.B. 641**	**S.B. 1308**
S.B. 11	**S.B. 661**	**S.B. 1318**
S.B. 23	**S.B. 671**	**S.B. 1323**
S.B. 24	**S.B. 701**	**S.B. 1330**
S.B. 84	**S.B. 748**	**S.B. 1348**
S.B. 126	**S.B. 763**	**S.B. 1350**
S.B. 138	**S.B. 764**	**S.B. 1351**
S.B. 160	**S.B. 791**	**S.B. 1356**
S.B. 161	**S.B. 802**	**S.B. 1366**
S.B. 223	**S.B. 810**	**S.B. 1370**
S.B. 224	**S.B. 845**	**S.B. 1379**
S.B. 291	**S.B. 875**	**S.B. 1388**
S.B. 370	**S.B. 891**	**S.B. 1395**
S.B. 380	**S.B. 898**	**S.B. 1397**
S.B. 429	**S.B. 910**	**S.B. 1398**
S.B. 551	**S.B. 926**	**S.B. 1408**
S.B. 565	**S.B. 970**	**S.B. 1409**
S.B. 572	**S.B. 986**	**S.B. 1426**
S.B. 621	**S.B. 1125**	**S.B. 1427**
S.B. 631	**S.B. 1166**	**S.B. 1438**
S.B. 634	**S.B. 1184**	**S.B. 827**
		S.B. 757

S.B. 659 (Signed subject to Art. III, Sec. 49a of the Constitution)

S.B. 813 (Signed subject to Art. III, Sec. 49a of the Constitution)

CONFERENCE COMMITTEE REPORT
SENATE BILL 106

Senator Howard submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 106** have met and had the same

under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HOWARD	EVANS
JONES	COODY
TRAEGER	WOLENS
GLASGOW	THOMPSON
McFARLAND	BOMER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation of the State Securities Board and to the membership, qualifications, powers and duties, and administration of the board and the duties of the Securities Commissioner; to procedures for registration of dealers, agents, and salesmen; authorizing certain fees, assessments, and charges; providing for hearings and judicial review; providing for exemption of certain transactions; requiring an annual audit; providing enforcement procedures and penalties and a limitation period for indictment for certain offenses; amending The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), by amending Sections 2, 5, 11, 13, 14, 18, 19, 24, 25, 27, 29, 32, 35, and 36 and Subsection F, Section 28-1; adding Section 29-1; and repealing Subsections G through L, Section 28-1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2, 5, 11, 13, 14, 18, 19, 24, 25, 27, 29, 32, 35, and 36, The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), are amended to read as follows:

"Section 2. CREATING THE STATE SECURITIES BOARD AND PROVIDING FOR APPOINTMENT OF SECURITIES COMMISSIONER. A. The State Securities Board is hereby created [~~for the purpose of electing the State Securities Commissioner~~]. The Board shall consist of three citizens of the state. With the advice and consent of the Senate, the Governor shall biennially appoint one member. The [~~to serve for a term of six years. The Governor shall, however, initially designate members of the Board for the following respective terms: one member until the installation of the Governor in 1959; one member until the installation of the Governor in 1961; one member until the installation of the Governor in 1963. Upon the expiration of these initial terms, the~~] term of each member shall be six (6) years from the time of his appointment and qualification, and until his successor shall qualify. Vacancies shall be filled by the Governor for the unexpired term. Members shall be eligible for reappointment. Appointments to the Board shall be made without regard to the race, creed, sex, religion, or national origin of the appointees.

"B. Board members must be members of the general public. A person is not eligible for appointment as a member if the person or the person's spouse:

"(1) is registered as a dealer, salesman, agent, or investment adviser;

"(2) is employed by or participates in the management of a business entity engaged in business as a securities dealer or investment adviser; or

"(3) has, other than as a consumer, a financial interest in a business entity engaged in business as a securities dealer or investment adviser.

"C. A person who is required to register as a lobbyist under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), because of the person's activities for compensation in or for a profession related to the operation of the Board, may not serve as a member of the Board or act as the general counsel to the Board.

"D. Each member of the Board is entitled to per diem as set by legislative appropriation for each day that the member engages in the business of the Board.

"[~~No person shall be eligible for appointment, nor shall hold the office of member of the Board, nor be appointed by the Board, nor hold any office or position under the Board, while licensed to sell or entitled to deal in securities under any of the provisions of this Act. The members shall receive their actual expenses while engaged in the performance of their duties and a per diem of Ten Dollars ($10.00) per day for not exceeding sixty (60) days for any one year~~]. They shall select their own chairman. A majority of the members shall constitute a quorum for the transaction of any business.

"E. It is a ground for removal from the Board if a member:

"(1) does not have at the time of appointment the qualifications required by Subsection A or B of this section for appointment to the Board;

"(2) does not maintain during the service on the Board the qualifications required by Subsection A or B of this section for appointment to the Board; or

"(3) violates a prohibition established by Subsection C of this section.

"F. The validity of an action of the Board is not affected by the fact that it was taken when a ground for removal of a member of the Board existed.

"G. [~~B.~~] The Board shall appoint a Securities Commissioner who serves at the pleasure of the Board and who shall, under the supervision of the Board, administer the provisions of this Act. Each member of the Board shall have access to all offices and records under his supervision, and the Board, or a majority thereof, may exercise any power or perform any act authorized to the Securities Commissioner by the provisions of this Act.

"H. [~~C.~~] The Commissioner, with the consent of the Board, may designate a Deputy Securities Commissioner who shall perform all the duties required by law to be performed by the Securities Commissioner when the said Commissioner is absent or unable to act for any reason.

"I. [~~D.~~] Before assuming office, the Securities Commissioner shall first give a bond in the sum of Twenty-five Thousand Dollars ($25,000.00) payable to and to be approved by the Governor, conditioned that he will faithfully execute the duties of his office. The same requirement is made of the Deputy Securities Commissioner, and the Securities Commissioner may require any or all of his staff and employees to be likewise bonded. The expense of all such bonds may be paid by the state.

"J. On or before January 1 of each year, the [~~E. The~~] Board, with the advice of the Commissioner, shall report [~~annually in November~~] to the Governor and the presiding officer of each house of the Legislature as to its administration of this Act, as well as plans and needs for future securities regulation. The report must include a detailed accounting of all funds received and disbursed by the Board during the preceding year.

"K. The Commissioner or his designee shall develop an intraagency career ladder program, one part of which shall be the intraagency posting of all nonentry level positions for at least ten (10) days before any public posting. The Commissioner or his designee shall develop a system of annual performance evaluations based on measurable job tasks. All merit pay for Board employees must be based on the system established under this section.

"L. The Board shall prepare information of consumer interest describing the regulatory functions of the Board and Commissioner and describing the Board's and Commissioner's procedures by which consumer complaints are filed with and resolved by the Board or Commissioner. The Board shall make the information available to the general public and appropriate state agencies. There shall be prominently displayed at all times in the place of business of each dealer, salesman, or agent regulated under this Act, a sign containing the name, mailing address, and telephone number of the Board and a statement informing consumers that complaints against a dealer, salesman, or agent may be directed to the Board.

"M. The State Auditor shall audit the financial transactions of the Board during each fiscal year.

"N. The Board and Commissioner are subject to the open meetings law, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 6252-17, Vernon's Texas Civil Statutes), and the Administrative Procedure and Texas Register Act, as amended (Article 6252-13a, Vernon's Texas Civil Statutes).

"O. [~~F.~~] The State Securities Board is subject to the Texas Sunset Act, as amended (Article 5429k, Vernon's Texas Civil Statutes); and unless continued in existence as provided by that Act the board is abolished, and this Act expires effective September 1, 1995 [~~1983~~]."

"Section 5. EXEMPT TRANSACTIONS. Except as hereinafter in this Act specifically provided, the provisions of this Act shall not apply to the sale of any security when made in any of the following transactions and under any of the following conditions, and the company or person engaged therein shall not be deemed a dealer within the meaning of this Act; that is to say, the provisions of this Act shall not apply to any sale, offer for sale, solicitation, subscription, dealing in or delivery of any security under any of the following transactions or conditions:

"A. At any judicial, executor's, administrator's, guardian's or conservator's sale, or any sale by a receiver or trustee in insolvency or bankruptcy.

"B. The sale by or for the account of a pledge holder or mortgagee, selling or offering for sale or delivery in the ordinary course of business to liquidate a bona fide debt, of a security pledged in good faith as security for such debt.

"C. (1) Sales of securities made by or in behalf of a vendor, whether by dealer or other agent, in the ordinary course of bona fide personal investment of the personal holdings of such vendor, or change in such investment, if such vendor is not engaged in the business of selling securities and the sale or sales are isolated transactions not made in the course of repeated and successive transactions of a like character; provided, that in no event shall such sales or offerings be exempt from the provisions of this Act when made or intended by the vendor or his agent, for the benefit, either directly or indirectly, of any company or corporation except the individual vendor (other than a usual commission to said agent), and provided further, that any person acting as agent for said vendor shall be registered pursuant to this Act;

"(2) Sales by or on behalf of any insurance company subject to the supervision or control of the Board of Insurance Commissioners of any security owned by such company as a legal and bona fide investment, provided that in no event shall any such sale or offering be exempt from the provisions of this Act when made or intended, either directly or indirectly, for the benefit of any other company as that term is defined in this Act.

"D. The distribution by a corporation of securities direct to its stockholders as a stock dividend or other distribution paid out of earnings or surplus.

"E. Any offer and any transaction pursuant to any offer by the issuer of its securities to its existing security holders (including persons who at the time of the transaction are holders of convertible securities or nontransferable warrants) if no commission or other remuneration (other than a stand-by commission) is paid or given directly or indirectly for soliciting any security holder in this State.

"F. The issue in good faith of securities by a company to its security holders, or creditors, in the process of a bona fide reorganization of the company made in good faith, or the issue in good faith of securities by a company, organized solely for the purpose of taking over the assets and continuing the business of a predecessor company, to the security holders or creditors of such predecessor company, provided that in either such case such securities are issued in exchange for the securities of such holders or claims of such creditors, or both, and in either such case

security holders or creditors do not pay or give or promise and are not obligated to pay or give any consideration for the securities so issued other than the securities of or claims against said company or its predecessor then held or owned by them.

"G. The issue or sale of securities (a) by one corporation to another corporation or the security holders thereof pursuant to a vote by one or more classes of such security holders, as required by the certificate of incorporation or the applicable corporation statute, in connection with a merger, consolidation or sale of corporate assets, or (b) by one corporation to its own stockholders in connection with the change of par value stock to no par value stock or vice versa, or the exchange of outstanding shares for the same or a greater or smaller number of shares; provided that in any such case such security holders do not pay or give or promise and are not obligated to pay or give any consideration for the securities so issued or sold other than the securities of the corporation then held by them.

"H. The sale of any security to any bank, trust company, building and loan association, insurance company, surety or guaranty company, savings institution, investment company as defined in the Investment Company Act of 1940, small business investment company as defined in the Small Business Investment Act of 1958, as amended, or to any registered dealer actually engaged in buying and selling securities; or the issue or sale of any investment contract in connection with an employees' stock bonus, annuity, pension, profit-sharing or similar employee benefit plan provided the securities purchased under the plan either would be exempt if sold by a registered dealer under Section 6 hereof or shall be qualified under Section 7 hereof or purchased in a transaction exempt under Section 5 hereof.

"I. Provided such sale is made without any public solicitation or advertisements, (a) the sale of any security by the issuer thereof so long as the total number of security holders of the issuer thereof does not exceed thirty-five (35) persons after taking such sale into account; (b) the sale of shares of stock pursuant to the grant of an employees' restricted stock option as defined in the Internal Revenue Laws of the United States; or (c) the sale by an issuer of its securities during the period of twelve (12) months ending with the date of the sale in question to not more than fifteen (15) persons (excluding, in determining such fifteen (15) persons, purchasers of securities in transactions exempt under other provisions of this Section 5, purchasers of securities exempt under Section 6 hereof and purchasers of securities which are part of an offering registered under Section 7 hereof), provided such persons purchased such securities for their own account and not for distribution.

"[~~The issuer shall file a notice not less than five (5) days prior to the date of consummation of any sale claimed to be exempt under the provisions of clause (c), of this Subsection I, setting forth the name and address of the issuer, the total amount of the securities to be sold under this clause, the price at which the securities are to be sold, the date on which the securities are to be sold, the names and addresses of the proposed purchasers, and such other information as the commissioner may reasonably require, including a certificate of a principal officer of the issuer that reasonable information concerning the plan of business and the financial condition of the issuer has been furnished to the proposed purchasers.~~] The commissioner may by order revoke or suspend the exemption under [~~this~~] clause (c) of this Subsection I with respect to any security if he has reasonable cause to believe that the plan of business of the issuer of such security, the security, or the sale thereof would tend to work a fraud or deceit upon the purchaser or purchasers thereof, such order to be subject to review in the manner provided by Section 24 of this Act. The revocation or suspension of this exemption shall be inapplicable to the issuer until such issuer shall have received actual notice from the commissioner of such revocation or suspension.

"J. Wherein the securities disposed of consist exclusively of notes or bonds secured by mortgage or vendor's lien upon real estate or tangible personal property,

and the entire mortgage is sold or transferred with all of the notes or bonds secured thereby in a single transaction.

"K. Any security or membership issued by a corporation or association, organized exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any stockholder, shareholder, or individual members, and where no commission or remuneration is paid or given or is to be paid or given in connection with the disposition thereof.

"L. The sale by the issuer itself, or by a registered dealer, of any security issued or guaranteed by any bank organized and subject to regulation under the laws of the United States or under the laws of any State or territory of the United States, or any insular possession thereof, or by any savings and loan association organized and subject to regulation under the laws of this State, or the sale by the issuer itself of any security issued by any federal savings and loan association.

"M. The sale by the issuer itself, or by a registered dealer, of any security either issued or guaranteed by the United States or by any territory or insular possession thereof, or by the District of Columbia, or by any state of the United States, or political subdivision thereof (including but not limited to any county, city, municipal corporation, district, or authority), or by any public or governmental agency or instrumentality of any of the foregoing.

"N. The sale and issuance of any securities issued by any farmers' cooperative association organized under Article 5737 et seq., Revised Civil Statutes of Texas, 1925, as amended; the sale and issuance of any securities issued by mutual loan corporations organized under Article 2500 et seq., Revised Civil Statutes of Texas, 1925; the sale and issuance of any equity securities issued by any cooperative association organized under the Cooperative Association Act, as amended (Article 1396-50.01, Vernon's Texas Civil Statutes); and the sale of any securities issued by any farmers' cooperative society organized under Article 2514 et seq., Revised Civil Statutes of Texas, 1925. Provided, however, this exemption shall not be applicable to agents and salesmen of any farmers' cooperative association, mutual loan corporation, cooperative association, or farmers' cooperative society when the sale of such securities is made to non-members, or when the sale of such securities is made to members or non-members and a commission is paid or contracted to be paid to the said agents or salesmen.

"O. The sale by a registered dealer of outstanding securities provided that:

"(1) Such securities form no part of an unsold allotment to or subscription by such dealer as a participant in the distribution of such securities by the issuer thereof; and

"(2) Securities of the same class, of the same issuer, are outstanding in the hands of the public; and

"(3) Such securities are offered for sale, in good faith, at prices reasonably related to the current market price of such securities at the time of such sale; and

"(4) No part of the proceeds of such sale are paid directly or indirectly to the issuer of such securities; and

"(5) Such sale is not directly or indirectly for the purposes of providing or furthering any scheme to violate or evade any provision of this Act; and

"(6) The right to sell or resell such securities has not been enjoined by any court of competent jurisdiction in this State by proceedings instituted by an officer or agency of this State charged with enforcement of this Act; and

"(7) The right to sell such securities has not been revoked or suspended by the commissioner under any of the provisions of this Act, or, if so, revocation or suspension is not in force and effect; and

"(8) At the time of such sale, the issuer of such securities shall be a going concern actually engaged in business and shall then be neither in an organization stage nor in receivership or bankruptcy; and

"(9) Such securities or other securities of the issuer of the same class have been registered by qualification, notification or coordination under Section 7 of this Act; or at the time of such sale at least the following information about the issuer shall appear in a recognized securities manual or in a statement, in form and extent acceptable to the commissioner, filed with the commissioner by the issuer or by a registered dealer:

"(a) A statement of the issuer's principal business;

"(b) A balance sheet as of a date within eighteen (18) months of the date of such sale; and

"(c) Profit and loss statements and a record of the dividends paid, if any, for a period of not less than three (3) years prior to the date of such balance sheet or for the period of existence of the issuer, if such period of existence is less than three (3) years.

"The term 'recognized securities manual' means a [~~shall include the manuals published by Moody's Investment Service, Standard & Poor's Corporation, Best's Life Insurance Reports, and such other~~] nationally distributed manual [~~manuals~~] of securities that is [~~as may be~~] approved for use hereunder by the Board [~~commissioner~~].

"The commissioner may issue a stop order or by order prohibit, revoke or suspend the exemption under this Subsection O with respect to any security if he has reasonable cause to believe that the plan of business of the issuer of such security, the security, or the sale thereof would tend to work a fraud or deceit upon any purchaser or purchasers thereof, such order to be subject to review in the manner provided by Section 24 of this Act. Notice of any court injunction enjoining the sale, or resale, of any such security, or of an order revoking or suspending the exemption under this subdivision with respect to any security, shall be delivered or shall be mailed by certified or registered mail with return receipt requested, to any dealers believed to be selling, or offering for sale, securities of the type referred to in the notice; and the prohibitions of (6) and (7) above of this Subsection O shall be inapplicable to any dealer until he has received actual notice from the commissioner of such revocation or suspension.

"The Board [~~Except for the manuals published by Moody's Investment Service, Standard & Poor's Corporation, and Best's Life Insurance Reports, the commissioner~~] may for cause shown revoke or suspend the recognition hereunder of any manuals previously approved [~~by the commissioner~~] under this Subsection but no such action may be taken [~~by the commissioner~~] unless upon notice and opportunity for hearing before the Board or a hearings officer appointed by the Board [~~as provided by Section 24 of this Act. Any interested party aggrieved by any decision of the commissioner pursuant to such hearing may appeal to the district court of Travis County, Texas, in the manner provided by Section 27 of this Act~~]. A judgment sustaining the Board [~~commissioner~~] in the action complained of shall not bar after one year an application by the plaintiff for approval of its manual or manuals hereunder, nor shall a judgment in favor of the plaintiff prevent the Board [~~commissioner~~] from thereafter revoking such recognition for any proper cause which may thereafter accrue or be discovered.

"P. The execution by a dealer of an unsolicited order for the purchase of securities, where the initial offering of such securities has been completed and provided that the dealer acts solely as an agent for the purchaser, has no direct or indirect interest in the sale or distribution of the security ordered, and receives no commission, profit, or other compensation from any source other than the purchaser.

"Q. The sales of interest in and under oil, gas or mining leases, fees or titles, or contracts relating thereto, where (1) the total number of sales by any one owner of interests, whether whole, fractional, segregated or undivided in any single oil, gas

or mineral lease, fee or title, or contract relating thereto, shall not exceed thirty-five (35) within a period of twelve (12) consecutive months and (2) no use is made of advertisement or public solicitation; provided, however, if such sale or sales are made by an agent for such owner or owners, such agent shall be licensed pursuant to this Act. No oil, gas or mineral unitization or pooling agreement shall be deemed a sale under this Act.

"R. The sale by the issuer itself, or by a subsidiary of such issuer, of any securities which would be exempt if sold by a registered dealer under Section 6 (other than Subsection 6-E) of this Act.

"S. The sale by or through a registered dealer of any option if at the time of the sale of the option:

"(1) the performance of the terms of the option is guaranteed by any broker-dealer registered under the federal Securities Exchange Act of 1934, as amended, which guaranty and broker-dealer are in compliance with such requirements or regulations as may be approved or adopted by the board;

"(2) the option is not sold by or for the benefit of the issuer of the security which may be purchased or sold upon exercise of the option;

"(3) the security which may be purchased or sold upon exercise of the option is either (a) exempted under Subsection F of Section 6 of this Act or (b) quoted on the National Association of Securities Dealers Automated Quotation system and meets the requirements of Paragraphs (1), (6), (7), and (8) of Subsection O of Section 5 of this Act; and

"(4) such sale is not directly or indirectly for the purposes of providing or furthering any scheme to violate or evade any provisions of this Act.

"For purposes of this subsection the term 'option' shall mean and include any put, call, straddle, or other option or privilege of buying or selling a specified number of securities at a specified price from or to another person, without being bound to do so, on or prior to a specified date, but such term shall not include any option or privilege which by its terms may terminate prior to such specified date upon the occurrence of a specified event.

"T. Such other transactions or conditions as the board by rule, regulation, or order may define or prescribe, conditionally or unconditionally."

"Section 11. PAPERS FILED WITH COMMISSIONER; RECORDS OPEN TO INSPECTION. All information, papers, documents, instruments and affidavits required by this Act to be filed with the Commissioner shall be deemed public records of this state, and shall be open to the inspection and examination of any purchaser or prospective purchaser of said securities or the agent or representative of such purchaser or prospective purchaser; and the Commissioner shall give out to any such purchaser or prospective purchaser or his agent or representative any information required to be filed with him under the provisions of this section, or any other part of this Act, and shall furnish any such purchaser, prospective purchaser, or his agent or representative requesting it, certified copies of any and all papers, documents, instruments and affidavits filed with him under the provisions of this section or of any part of this Act. The [~~Provided, however, this provision shall not apply to the information supplied by dealers or salesmen under Sections 13 and 18 in response to requirements for licenses to sell securities, which shall be confidential except for the courts or governmental agencies in the performance of official duties. But the~~] Commissioner shall maintain a record, which shall be open for public inspection, upon which shall be entered the names and addresses of all registered dealers and salesmen and all orders of the Commissioner denying, suspending or revoking registration."

"Section 13. METHOD OF REGISTRATION REQUIRED OF EACH DEALER AND EACH AGENT OR SALESMAN OF EACH DEALER. A. A dealer to be registered must submit a sworn application therefor to the

Commissioner, which shall be in such form as the Commissioner may determine and which shall state:

"(1) The principal place of business of the applicant wherever situated;

"(2) The location of the principal place of business and all branch offices in this state, if any;

"(3) The name or style of doing business and the address of the dealer;

"(4) The names, residences and the business addresses of all persons interested in the business as principal, officer, director or managing agent, specified as to each his capacity and title; and

"(5) The general plan and character of business of such applicant and the length of time during and the places at which the dealer has been engaged in the business.

"B. Such application shall also contain such additional information as to applicant's previous history, record, associations and present financial condition as may be required by the Commissioner, or as is necessary to enable the Commissioner to determine whether the sale of any securities proposed to be issued or dealt in by such applicant would result in fraud.

"C. Each application shall be accompanied by certificates or other evidences satisfactory to the Commissioner establishing the good reputation of the applicant, his directors, officers, copartners or principals.

"D. The Commissioner shall require as a condition of registration for all registrations granted after the effective date of this Subsection D that the applicant (and, in the case of a corporation or partnership, the officers, directors or partners to be licensed by the applicant) pass successfully a written examination to determine the applicant's qualifications and competency to engage in the business of dealing in and selling securities as a dealer or as a salesman, or rendering services as an investment adviser. This condition may be waived as to any applicant or class of applicants by action of the State Securities Board.

"E. Not later than the 30th day after the day on which an examination is administered under this Act, the Board shall notify each examinee of the results of the examination. However, if an examination is graded or reviewed by a national testing service, the Board shall notify examinees of the results of the examination not later than the 14th day after the day on which the Board receives the results from the testing service. If the notice of the examination results will be delayed for longer than ninety (90) days after the examination date, the Board shall notify the examinee of the reason for the delay before the 90th day.

"F. If requested in writing by a person who fails an examination administered under this Act, the Board shall furnish the person with an analysis of the person's performance on the examination.

"G. [~~E.~~] If the applicant is a corporation organized under the laws of any other state or territory or government or shall have its principal place of business therein, it shall accompany the application with a copy of its Articles of Incorporation and all amendments thereto, certified by the proper officer of such state or government or of the corporation, and its regulations and by laws.

"H. [~~F.~~] If a limited partnership, either a copy of its Articles of Copartnership or a verified statement of the plan of doing business.

"I. [~~G.~~] If an unincorporated association or organization under the laws of any other state, territory or government, or having its principal place of business therein, a copy of its Articles of Association, Trust Agreement or other form of organization.

"J. [~~H.~~] It shall be the duty of the Commissioner to prepare a proper form to be used by the applicant under the terms of this Section, and the Commissioner shall furnish copies thereof to all persons desiring to make application to be registered as a dealer.

"K. The Board may waive any registration requirement for an applicant with a valid registration from another state having registration requirements substantially equivalent to those of this state.

"Section 14. [~~BASES FOR~~] DENIAL, SUSPENSION OR REVOCATION OF REGISTRATION AS DEALER, [~~OR~~] AGENT, OR SALESMAN.

"A. The Commissioner shall deny, revoke, or suspend a registration, place on probation a dealer, agent, or salesman whose registration has been suspended, or reprimand a person registered under this Act if the person [~~The registration of a dealer or agent or salesman may be denied, suspended or revoked if the Commissioner finds, after notice and opportunity for hearing as provided in Section 25, that such dealer, agent, salesman, or any officer, director, partner, member, trustee, or manager of such dealer~~]:

"(1) has [~~A. Has~~] been convicted of a felony, or of any misdemeanor of which fraud is an essential element;

"(2) has [~~B. Has~~] engaged in any inequitable practice in the sale of securities or in any fraudulent business practice;

"(3) in [~~C. In~~] the case of a dealer, is insolvent;

"(4) in [~~D. In~~] the case of a dealer, is selling or has sold securities in this state through a salesman other than a registered salesman, or, in the case of a salesman, is selling or has sold securities in this state for a dealer, issuer or controlling person with knowledge that such dealer, issuer or controlling person has not complied with the provisions of this Act;

"(5) has [~~E. Has~~] violated any of the provisions of this Act or a rule of the Board;

"(6) has [~~F. Has~~] made any material misrepresentation to the Commissioner or Board in connection with any information deemed necessary by the Commissioner or Board to determine a dealer's financial responsibility or a dealer's or salesman's business repute or qualifications, or has refused to furnish any such information requested by the Commissioner or Board; or[~~;~~]

"(7) has [~~G. Has~~] not complied with a condition imposed by the Commissioner under Section 13-D. Provided, however, that this subdivision [~~Subsection G~~] shall not apply to any person or company registered as a dealer or salesman on August 23, 1963 [~~the effective date of this Subsection G~~].

"B. The Commissioner shall keep an information file about each complaint filed with the Commissioner or Board relating to a person registered under this Act.

"C. If a written complaint is filed with the Commissioner or Board relating to a person registered under this Act, the Commissioner, at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an undercover investigation.

"D. If the Commissioner proposes to suspend or revoke a person's registration, the person is entitled to a hearing before the Commissioner. Proceedings for the suspension or revocation of a registration are governed by the Administrative Procedure and Texas Register Act, as amended (Article 6252-13a, Vernon's Texas Civil Statutes).

"E. This section does not affect the confidentiality of investigative records maintained by the Commissioner or Board."

"Section 18. REGISTRATION OF AGENTS OR SALESMEN OF DEALERS. Upon written application by a registered dealer, and upon satisfactory compliance with the requirements of the Act above, the Commissioner shall register as agents or salesmen of such dealer such persons as the dealer may request. The application shall be in such form as the Commissioner may prescribe and shall state the residences and addresses of the persons whose registration is requested, together with such information as to such agent's or salesman's previous history, record and

association as may be required by the Commissioner. Such application shall also be signed and sworn to by the agent or salesman for whom registration is requested. The Commissioner shall issue to such dealer, to be retained by such dealer for each person so registered, evidence of [a] registration [~~certificate~~] stating the person's [~~his~~] name [~~and residence~~], the address of the dealer, and the fact that the person [~~he~~] is registered for the current calendar year as an agent or salesman of the dealer. The evidence of registration [~~certificate~~] shall be in such form as the Commissioner shall determine. Upon application by the dealer, the registration of any agent or salesman shall be cancelled.

"Section 19. ANNUAL REGISTRATION; RENEWALS. A. Except as provided in Subsections B and C of this section, all [~~All~~] registrations shall expire at the close of the calendar year, but new registrations for the succeeding year shall be issued upon written application and upon payment of the fees as hereinafter provided, without filing of further statements or furnishing any further information unless specifically requested by the Commissioner. Applications for renewals must be made not less than thirty (30) days nor more than sixty (60) days before the 1st of January of the ensuing year. If [~~All applications for renewals received otherwise shall be treated as original applications; provided, that if~~] any applicant is registered after December 1st of any year, he may immediately apply for a renewal of his registration for the ensuing year.

"B. The Board by rule may adopt a system under which registrations expire on various dates during the year. For the year in which the registration expiration date is changed, registration fees payable after the 60th day and before the 30th day before January 1st of the next year shall be prorated on a monthly basis so that each person shall pay only that portion of the registration fee that is allocable to the number of months during which the registration is valid. On renewal of the registration on the new expiration date, the total registration renewal fee is payable.

"C. A person may renew an unexpired registration by paying to the Board before the expiration date of the registration the required renewal fee. If a person's registration has been expired for not longer than ninety (90) days, the person may renew the registration by paying to the Board the required renewal fee and a fee that is one-half of the original application fee for the registration. If a person's registration has been expired for longer than ninety (90) days but less than two years, the person may renew the registration by paying to the Board all unpaid renewal fees and a fee that is equal to the original application fee for the registration. If a person's registration has been expired for two years or longer, the person may not renew the registration. The person may obtain a new registration by submitting to reexamination and complying with the requirements and procedures for obtaining an original registration. At least thirty (30) days before the expiration of a person's registration the person shall be notified in writing of the impending registration expiration. A person who sells securities after the person's registration has expired and before it is renewed is subject to the sanctions provided by this Act for selling securities without being registered.

"D. The Board may recognize, prepare, or administer continuing education programs for dealers, salesmen, or agents. Participation in the programs is voluntary."

"Section 24. HEARINGS [~~BY COMMISSIONER UPON NOTICE,~~] UPON EXCEPTION [~~BY ANY PARTY AT INTEREST,~~] TO ACTIONS OF COMMISSIONER. A. If any person or company should take exception to the action of the Commissioner [~~under Section 10 in failing or refusing to issue a permit for the sale of securities~~] under Sections 15 or 18, in failing or refusing to register and issue certificate for a dealer or salesman, under Section 23 in issuing an order against the sale of securities or the use of materials therein, or in any other particular where this Act specifies no other procedure, the complaining party may request a

hearing before the Commissioner. [~~Within thirty (30) days after receipt of such request, the hearing must be held, except that the Commissioner may continue same on consent of the complaining party. The complaining party shall be given at least seven (7) days notice of the time and date of such hearing. After fair hearing, the Commissioner shall issue a written order or decision, upholding, amending, extending, or reversing the previous action, and stating reasons therefor.~~]

"B. On complaint by a person aggrieved by a denial of a permit for the sale of securities under Section 10 of this article or a failure or refusal to register securities under Section 7 of this article, the Board or a hearings officer appointed by the Board shall conduct a hearing.

"Section 25. REVOCATION OF REGISTRATION OF ANY DEALER, [~~OR~~] AGENT, OR SALESMAN [~~OF ANY DEALER, UPON HEARING AFTER NOTICE~~]. [~~If the Commissioner at any time has reason to believe any dealer or salesman has in any way violated, or is violating or about to violate any of the provisions of this Act, or has been guilty of any fraud or fraudulent practice, or has failed to meet the requirements of Section 14, then the Commissioner may, after hearing, and having reasonable cause to believe the dealer or salesman has been guilty of such offense or failed in such respect, revoke the registration of said dealer or salesman. Notice of the time and place of any such hearing shall be sent to such dealer or salesman at least seven (7) days prior thereto. The dealer or salesman shall not be regarded as registered under the provisions hereof until restored to registration by the Commissioner, either on the Commissioner's own initiative or upon the order of the court, as in this Act hereinafter provided.~~] The revocation of a [the] dealer's registration shall constitute a revocation of the registration of any agent or salesman of the dealer and notice of its operation on such agent or salesman shall be forthwith sent by the Commissioner to each of such agents or salesmen. All registrations revoked shall at once be surrendered to the Commissioner upon request."

"Section 27. JUDICIAL REVIEW [~~PETITION TO DISTRICT COURT OF TRAVIS COUNTY ON COMPLAINT OF DECISION OF COMMISSIONER~~]. Judicial review of a decision of the Commissioner or Board is under the substantial evidence rule. [~~Any dealer, salesman or applicant aggrieved by any decision of the Commissioner may file within thirty (30) days thereafter in the District Court of Travis County, Texas, a petition against the Commissioner, officially as defendant, alleging therein in brief detail the action and decision complained of. Upon service of a summons upon the Commissioner, returnable within ten (10) days from its date, the Commissioner shall, on or before the return day, file an answer in which he shall allege, by way of defense, the grounds for his decision. The Commissioner shall also, on or before the return day of such summons, certify to said District Court the record of the proceedings to which the petition refers. Such record shall include the testimony taken therein, the finding of fact, if any, of the Commissioner based upon such testimony, a copy of all orders made by the Commissioner in the proceedings, and a copy of the action or decision of the Commissioner which the petition calls upon the court to reverse. The cost of preparing and certifying such record shall be paid to the Commissioner by the petitioner and taxed as a part of the cost in the case, to be paid as directed by the court upon the final determination of the case.~~

"[~~All appeals to the District Court shall be tried by such court as a trial de novo as that term is used in an appeal from Justice of the Peace Court to a County Court, as if there had been no previous determination or hearing on the matters in controversy, and under no circumstances shall the substantial evidence rule as interpreted by the courts of Texas ever be applied to appeals taken under this Act.~~

"[~~From the decision of the District Court an appeal may be taken to the Court of Appeals by either party as in other cases, and no bond shall be required by the Commissioner.~~

"[~~A judgment sustaining the refusal of the Commissioner to grant or renew a registration as a dealer or as an agent or salesman of any dealer, shall not bar, after one (1) year, a new application by the plaintiff for registration, nor shall a judgment in favor of the plaintiff prevent the Commissioner from thereafter revoking or refusing to renew such registration for any proper cause which may thereafter accrue or be discovered. The court shall have full power to dispose of all costs.~~]"

"Section 29. PENAL PROVISIONS. Any person who shall:

"A. Sell, offer for sale or delivery, solicit subscriptions or orders for, dispose of, invite offers for, or who shall deal in any other manner in any security or securities without being a registered dealer or salesman or agent as in this Act provided shall be deemed guilty of a felony, and upon conviction thereof shall be sentenced to pay a fine of not more than $5,000 or imprisonment in the penitentiary for not more than 10 years, or by both such fine and imprisonment.

"B. Sell, offer for sale or delivery, solicit subscriptions to and orders for, dispose of, invite orders for, or who shall deal in any other manner in any security or securities issued after September 6, 1955, unless said security or securities have been registered or granted a permit as provided in Section 7 of this Act, shall be deemed guilty of a felony, and upon conviction thereof shall be sentenced to pay a fine of not more than $5,000 or imprisonment in the penitentiary for not more than 10 years, or by both such fine and imprisonment.

"C. In connection with the sale, offering for sale or delivery of, the purchase, offer to purchase, invitation of offers to purchase, invitations of offers to sell, or dealing in any other manner in any security or securities, whether or not the transaction or security is exempt under Section 5 or 6 of this Act, directly or indirectly (1) engage in any fraud or fraudulent practice, or (2) employ any device, scheme, or artifice to defraud, or (3) knowingly make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or (4) engage in any act, practice or course of business which operates or will operate as a fraud or deceit upon any person, is guilty of a felony and upon conviction shall be imprisoned for not less than 2 or more than 10 years, [~~or~~] fined not more than $5,000, or both, if the amount involved in the offense is less than $10,000, or imprisoned for not less than 2 or more than 20 years, fined not more than $10,000, or both, if the amount involved in the offense is $10,000 or more.

"D. Sell or offer for sale any security or securities named or listed in a notice in writing given him by the commissioner under the authority of Section 23A of this Act shall be deemed guilty of a felony, and upon conviction thereof shall be sentenced to pay a fine of not more than $1,000 or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

"E. Knowingly make or cause to be made, in any document filed with the commissioner or in any proceeding under this Act, whether or not such document or proceeding relates to a transaction or security exempt under the provisions of Sections 5 or 6 of this Act, any statement which is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect shall be deemed guilty of a felony, and upon conviction thereof shall be sentenced to pay a fine of not more than $1,000 or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

"F. Knowingly make any false statement or representation concerning any registration made under the provisions of this Act shall be deemed guilty of a felony, and upon conviction thereof shall be sentenced to pay a fine of not more than $1,000 or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment.

"G. Make an offer within this State as to any security that is not in compliance with the requirements set forth in Section 22 of this Act shall be deemed guilty of

a felony, and upon conviction thereof, shall be sentenced to pay a fine of not more than $1,000 or imprisonment in the penitentiary for not more than two years, or by both such fine and imprisonment."

"Section 32. INJUNCTIONS AND RESTITUTION. A. Whenever it shall appear to the Commissioner either upon complaint or otherwise, that in the issuance, sale, promotion, negotiations, advertisement or distribution of any securities within this state, including any security embraced in the subsections of Section 6, and including any transaction exempted under the provisions of Section 5, any person or company who shall have employed, or is about to employ any device, scheme or artifice to defraud or to obtain money or property by means of any false pretense, representation or promise, or that any such person or company shall have made, makes or attempts to make in this state fictitious or pretended purchases or sales of securities or shall have engaged in or is about to engage in any practice or transaction or course of business relating to the purchase or sale of securities which is in violation of law or which is fraudulent or which has operated or which would operate as a fraud upon the purchaser, any one or all of which devices, schemes, artifices, fictitious or pretended purchases, or sales of securities, practices, transactions and courses of business are hereby declared to be and are hereafter referred to as fraudulent practices; or that any person or company is acting as dealer or salesman within this state without being duly registered as such dealer or salesman as provided in this Act, the Commissioner and Attorney General may investigate, and whenever he shall believe from evidence satisfactory to him that any such person or company has engaged in, is engaged in, or is about to be engaged in any of the practices or transactions heretofore referred to as and declared to be fraudulent practices, or is selling or offering for sale any securities in violation of this Act or is acting as a dealer or salesman without being duly registered as provided in this Act, the Attorney General may, on request by the Commissioner, and in addition to any other remedies, bring action in the name and on behalf of the State of Texas against such person or company and any other person or persons heretofore concerned in or in any way participating in or about to participate in such fraudulent practices or acting in such violation of this Act, to enjoin such person or company and such other person or persons from continuing such fraudulent practices or engaging therein or doing any act or acts in furtherance thereof or in violation of this Act. In any such court proceedings, the Attorney General may apply for and on due showing be entitled to have issued the court's subpoena requiring the forthwith appearance of any defendant and his employees, salesmen or agents and the production of documents, books and records as may appear necessary for the hearing of such petition, to testify and give evidence concerning the acts or conduct or things complained of in such application for injunction. The District Court of any county, wherein it is shown that the acts complained of have been or are about to be committed, shall have jurisdiction of any action brought under this section, and this provision shall be superior to any provision fixing the jurisdiction or venue with regard to suits for injunction. No bond for injunction shall be required of the Commissioner or Attorney General in any such proceeding.

"B. The Attorney General may, in an action under Subsection A of this section or in a separate action in District Court, seek restitution for a victim of fraudulent practices. The court may order the defendant to deliver to the person defrauded the amount of money or the property that the defendant obtained from the person by the fraudulent practices."

"Section 35. FEES. The Commissioner or Board shall charge and collect the following fees and shall daily pay all fees received into the State Treasury:

"A. For the filing of any original [~~or renewal~~] application of a dealer, Seventy Dollars ($70.00), and for the filing of any renewal application of a dealer, Thirty-five Dollars ($35.00);

"B. For the filing of any original [~~or renewal~~] application for each salesman, Thirty Dollars ($30.00), and for the filing of any renewal application for each salesman, Fifteen Dollars ($15.00);

"C. For any filing to amend the registration certificate of a dealer or evidence of registration of a salesman, or issue a duplicate certificate or evidence of registration, Five Dollars ($5.00);

"D. For the filing of any original, amended or renewal application to sell or dispose of securities, Ten Dollars ($10.00);

"E. For the examination of any original or amended application filed under Subsection A, B, or C of Section 7 of this Act, regardless of whether the application is denied, abandoned, withdrawn, or approved, a fee of one-tenth (1/10) of one percent (1%) of the aggregate amount of securities described and proposed to be sold to persons located within this state based upon the price at which such securities are to be offered to the public;

"F. For certified copies of any papers filed in the office of the Commissioner, the Commissioner shall charge such fees as are reasonably related to costs; however, in no event shall such fees be more than those which the Secretary of State is authorized to charge in similar cases; and

"G. For the filing of any application for approval of a stock exchange so that securities fully listed thereon will be exempt, a fee of Two Hundred and Fifty Dollars ($250.00).

"Section 36. DEPOSIT TO GENERAL REVENUE FUND. Upon and after the effective date of this Act all moneys received from fees, assessments, or charges under this Act shall be paid by the Commissioner or Board into the General Revenue Fund. If the Commissioner or Board determines that all or part of a registration fee should be refunded, the Commissioner may make the refund by warrant on the State Treasury from funds appropriated from the General Revenue Fund for that purpose."

SECTION 2. Subsection F, Section 28-1, The Securities Act (Article 581-28-1, Vernon's Texas Civil Statutes), is amended to read as follows:

"F. The Board may not adopt rules restricting competitive bidding or advertising by a person registered under this Act except to prohibit false, misleading, or deceptive practices by the person. The Board may not include in its rules to prohibit false, misleading, or deceptive practices by a person regulated by the Board a rule that restricts the person's use of any medium for advertising, restricts the person's personal appearance or use of his voice in an advertisement, relates to the size or duration of an advertisement by the person, or restricts the person's advertisement under a trade name. However, this section does not affect limitations on advertising contained in Subsections I or Q of Section 5 of this Act or in rules adopted by the Board under Subsection T of Section 5 of this Act. [~~In exercising the power granted by this Section 28-1 to make or adopt rules and regulations, the board shall be bound by and shall follow the provisions of any administrative procedure act or other like act of general applicability to state boards, commissions, or departments having statewide jurisdiction, heretofore or hereafter adopted by the legislature of this state, with respect to procedures for adoption, filing, and taking effect, availability, and declaratory judgments on the validity or applicability of rules and regulations; provided, however, that, if there is no such act of general applicability, the board shall be bound by and shall follow the provisions of Subsections G through L of this Section 28-1 with respect to such matters.~~]"

SECTION 3. The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), is amended by adding Sections 10-1 and 29-1 to read as follows:

"Section 10-1. PURPOSES. A. This Act may be construed and implemented to effectuate its general purpose to maximize coordination with federal and other states' law and administration, particularly with respect to:

"(1) procedure, reports, and forms; and

"(2) exemptions.

"B. This Act may be construed and implemented to effectuate its general purposes to protect investors and consistent with that purpose, to encourage capital formation, job formation, and free and competitive securities markets and to minimize regulatory burdens on issuers and persons subject to this Act, especially small businesses."

"Section 29-1. LIMITATION. An indictment for an offense under Subsection C of Section 29 may be brought only before the fifth anniversary of the day on which the offense is committed.".

SECTION 4. Section 10, The Securities Act (Article 581-10, Vernon's Texas Civil Statutes), is amended by adding Subsection D to read as follows:

"D. Commissioner's Discretion. In applying the standards of this Act, the Commissioner may waive or relax any restriction or requirement in the Board's rules that, in his opinion, is unnecessary for the protection of investors in a particular case."

SECTION 5. Subsections G through L, Section 28-1, The Securities Act (Article 581-1 et seq., Vernon's Texas Civil Statutes), are repealed.

SECTION 6. The requirements under Subsection K, Section 2, The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), that the commissioner develop an intraagency career ladder program and a system of annual performance evaluations shall be implemented before September 1, 1984. The requirement of that section that merit pay be based on the performance evaluation system shall be implemented before September 1, 1985.

SECTION 7. (a) The amendments that this Act makes to Section 27, The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), apply only to a proceeding in which the petition for review is filed on or after September 1, 1983.

(b) The amendments that this Act makes to Subsection C, Section 29, The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), apply only to an offense committed on or after September 1, 1983.

(c) The amendments made by this Act to Section 35, The Securities Act, as amended (Article 581-1 et seq., Vernon's Texas Civil Statutes), apply only to fees that are due on or after September 1, 1983.

(d) A proceeding in which the petition for review is filed before September 1, 1983, an offense committed before September 1, 1983, or the amount of the fees due before September 1, 1983, is governed by the law in effect at the time of the filing or offense, and that law is continued in effect for that purpose.

SECTION 8. This Act takes effect September 1, 1983.

SECTION 9. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE RULE 74a SUSPENDED

On motion of Senator Blake and by unanimous consent, Senate Rule 74a was suspended as it relates to the House amendment to **S.C.R. 123**.

SENATE CONCURRENT RESOLUTION 123 WITH HOUSE AMENDMENT

Senator Blake called **S.C.R. 123** from the President's table for consideration of the House amendment to the resolution.

The President laid the resolution and the House amendment before the Senate.

Floor Amendment No. 1 - Evans

Substitute the following for **S.C.R. 123**:

SENATE CONCURRENT RESOLUTION

WHEREAS, The interim between regular sessions is an opportune time to assess legislative accomplishments of the immediate past, and to identify new issues needing study in anticipation of future legislative activity beyond those issues for which specific interim studies have been directed by means of separately adopted resolutions; and

WHEREAS, The legislative interim, being over 19 months in length, may easily witness the emergence of additional issues, wholly unforeseen at the time of last adjournment; and

WHEREAS, Certain of these issues may be of great import to the people of the State of Texas, to a degree that requires their prompt consideration by committees under the joint sponsorship of both the senate and the house; and

WHEREAS, Though interim powers to create and charge unicameral committees have traditionally been exercised by the presiding officer of each house, there are no rule provisions enabling the creation during the interim of bicamerally sponsored committees; and

WHEREAS, A grant of such standby power would greatly benefit the legislative process; now, therefore, be it

RESOLVED by the Senate of the State of Texas, the House of Representatives concurring, That the 68th Legislature hereby authorize the lieutenant governor and speaker of the house of representatives, or the chair of the Senate Administration Committee or the chair of the House Administration Committee in the event of a vacancy in either presiding office, to create by mutual agreement such special joint committees as they consider necessary during the legislative interim to cover the period from May 31, 1983, to January 8, 1985; and, be it further

RESOLVED, That each committee created under the authority of this resolution be composed of such combination of legislators, state officials, or citizen members as shall be determined mutually by the presiding officers establishing each committee; and, be it further

RESOLVED, That on the request of the presiding officers of each house, the governor may appoint members to a study committee created under the authority of this resolution; and, be it further

RESOLVED, That each committee be authorized to utilize existing legislative staff to assist in the conduct of its study and be authorized to enter into agreements with any corporation, organization, or person engaged in governmental research, provided that such utilization and agreements shall be approved by the administration committees of both houses and by the lieutenant governor and speaker of the house of representatives; and, be it further

RESOLVED, That each committee have full powers with respect to witnesses and state agency cooperation as provided for in Sections 10 through 17 and Section 18, Legislative Reorganization Act of 1961 (Article 5429f, Vernon's Texas Civil Statutes), the provisions of those sections to be binding on witnesses and state agencies; and, be it further

RESOLVED, That, on the approval of the Senate Administration Committee, senate members and appointees on each committee be reimbursed from the

contingent expense fund of the senate for expenses incurred in fulfilling responsibilities associated with the committee; and, be it further

RESOLVED, That, on the approval of the House Administration Committee, house members and appointees on each committee be reimbursed from the contingent expense fund of the house for expenses incurred in fulfilling responsibilities associated with the committee; and, be it further

RESOLVED, That, on the approval of the administration committees of both houses, other necessary expenses of operation for each committee be paid from the contingent expense fund of the senate and the contingent expense fund of the house; and, be it further

RESOLVED, That each committee make a complete report of its findings and recommendations to the 69th Legislature, or at a date specified by the presiding officers or chairs of the administration committees.

The amendment was read.

Senator Blake moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 255 ADOPTED

Senator Vale called from the President's table the Conference Committee Report on **S.B. 255**. (The Conference Committee Report having been filed with the Senate and read on Saturday, May 28, 1983.)

On motion of Senator Vale, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE BILL 1062 WITH HOUSE AMENDMENT

Senator Whitmire called **S.B. 1062** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Armbrister

Substitute the following for **S.B. 1062**:

A BILL TO BE ENTITLED
AN ACT

relating to the counties in the First and Fourteenth Supreme Judicial Districts reimbursing Harris County for certain costs incurred by Harris County pertaining to those courts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The counties other than Harris County composing the First and Fourteenth Supreme Judicial Districts shall annually reimburse Harris County for the costs incurred by Harris County during its previous fiscal year for:

(1) supplemental salaries and fringe benefits for the justices for those courts; and

(2) furnishings, equipment, supplies, and utility expenses for those courts.

SECTION 2. (a) Each county shall pay a share based on the proportion its population bears to the total population of all the counties in those districts according to the most recent federal census.

(b) A county shall pay its share not later than the 60th day after the beginning of the county's fiscal year.

SECTION 3. The Commissioners Court of Harris County shall provide each county liable for the expenses with a statement of that county's share. The statement must be approved by the chief justices of the courts of appeal of the First and Fourteenth Supreme Judicial Districts.

SECTION 4. This Act applies to reimbursement of expenses incurred in the fiscal year 1984 and thereafter.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read.

Senator Whitmire moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 583 WITH HOUSE AMENDMENT

Senator Whitmire called **S.B. 583** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - DeLay

Substitute the following for **S.B. 583**:

A BILL TO BE ENTITLED
AN ACT

relating to fees charged by local health departments that administer public health services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) Except as provided by Subsection (b) of this section, a local health department that receives state support for providing public health services and that is established by a city, a county, or a city and county, may charge fees to persons who receive public health services except for personal health services. The fees may not exceed the amount necessary to cover the costs of services provided.

(b) A local health department covered by this Act may not deny public health services to a person because of the person's inability to pay for services. The local health department shall provide for a reduced fee or no fee for a person unable to pay for all or part of the services received.

(c) A local health department charging fees under this Act shall establish:

(1) a public schedule of fees which take into account a person's ability to pay the entire amount of a fee or any part thereof,

(2) procedures for imposing and collecting fees, and

(3) procedures for appealing the imposition of fees or the denial of services.

(d) A local health department covered by this Act must comply with the Uniform Grant and Contract Management Act of 1981 (Article 4413 (32g),

Vernon's Texas Civil Statutes), and standards adopted under that Act, where applicable.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended and that this Act take effect and be in force from and after its passage and it is so enacted.

The amendment was read.

Senator Whitmire moved to concur in the House amendment.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Kothmann, Leedom, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Lyon, Mauzy.

SENATE BILL 1044 WITH HOUSE AMENDMENT

Senator Lyon called **S.B. 1044** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 - Eckels

Amend **S.B. 1044** by adding on line 2 page 2 in section 3 after the word "he" "knowingly".

The amendment was read.

Senator Lyon moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Howard and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 106**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 106 ADOPTED

Senator Howard called from the President's table the Conference Committee Report on **S.B. 106**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Howard, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE BILL 325 WITH HOUSE AMENDMENTS

Senator Truan called **S.B. 325** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1 - Turner

Amend **S.B. 325** by inserting a new section appropriately numbered on page 3 between lines 2 and 3 to read as follows:

SECTION _____. (a) The following amounts are appropriated from the Texas Local Parks, Recreation and Open Space Fund No. 457 to the Parks and Wildlife Department for the making of assistance grants pursuant to Chapter 24, Parks and Wildlife Code;

(1) for the fiscal year beginning September 1, 1983, $2,100,000 and

(2) for the fiscal year beginning September 1, 1984, $2,100,000 and the unexpended balance of the appropriation made in Subdivision (1) of this subsection.

(b) The Comptroller of Public Accounts shall transfer $2,100,000 from the State Parks Fund to the Texas Local Parks, Recreation and Open Space Fund at such times and in such amounts as is necessary during the fiscal biennium beginning September 1, 1983, to fund the appropriations made by Subsection (a) of this section.

Floor Amendment No. 2 - Turner

Amend **S.B. 325** on page 3, after line 4, by striking the existing SECTION 7 and inserting a new SECTION 7 as follows:

SECTION 7. (a) Except as provided by Subsection (b) of this section, this Act takes effect on September 1, 1983.

(b) Section 6 of this Act takes effect September 1, 1985.

Floor Amendment No. 3 - Turner

Amend **S.B. 325** on page 3 by adding Section 7 to read as follows and renumbering the succeeding sections accordingly:

SECTION 7. (a) The balance remaining in Fund No. 478 after the appropriation provided by Subsection (b) of this section is transferred to the credit of the local parks, recreation, and open space fund.

(b) The sum of $500,000 is appropriated from the sesquicentennial museum fund to the Texas Sesquicentennial Museum Board for the period ending August 31, 1985, to be used only for the purpose of planning a Science and Technology Museum. The funds shall be used as follows:

	1984	1985
(1) Executive Director	$ 34,800	$ 34,800
(2) Other Administration	100,000	100,000
(3) Program Development	115,200	115,200
	$ 250,000	$ 250,000

(c) Any gifts and donations of private funds are hereby authorized and appropriated to the Texas Sesquicentennial Museum Board for the purpose specified by such donors, provided none of the funds may be used for salary supplementation of Board staff.

(d) The Texas Sesquicentennial Museum Board may transfer funds among sub-items within their program.

Floor Amendment No. 4 - Turner

Amend **S.B. 325** by inserting a new section appropriately numbered on page 3 between lines 2 and 3 to read as follows:

SECTION_____. (a) The following amounts are appropriated from the Texas Local Parks, Recreation and Open Space Fund No. 457 to the Parks and Wildlife Department for the making of assistance grants pursuant to Chapter 24, Parks and Wildlife Code;

(1) for the fiscal year beginning September 1, 1983, $4 million; and

(2) for the fiscal year beginning September 1, 1984, $4 million and the unexpended balance of the appropriation made in Subdivision (1) of this subsection.

(b) The Comptroller of Public Accounts shall transfer amounts not to exceed $20 million from the General Revenue Fund to the Texas Local Parks, Recreation and Open Space Fund at such times and in such amounts as is necessary during the fiscal biennium beginning September 1, 1983, to fund the appropriations made by Subsection (a) of this section.

(c) This section is contingent on there being sufficient estimated revenue at such time as this act is presented to the Comptroller of Public Accounts for certification pursuant to Article 3, Section 49a of the Texas Constitution, for certification of the appropriation made by Subsection (a) of this section. If sufficient estimated revenue is not then available, this section has no effect.

Floor Amendment No. 5 - Turner

Amend **S.B. 325**, as amended on second reading, as follows:

(1) Strike the section added on second reading by Amendment No. 4.

(2) Amend the section added on second reading by Amendment No. 1 to read as follows:

"SECTION _____. (a) The following amounts are appropriated from the Texas Local Parks, Recreation, and Open Space Fund No. 457 to the Parks and Wildlife Department for the purposes provided by Chapter 24, Parks and Wildlife Code;

"(1) for the fiscal year beginning September 1, 1983, $2,100,000; and

"(2) for the fiscal year beginning September 1, 1984, $2,100,000 and the unexpended balance of the appropriation made in Subdivision (1) of this subsection.

"(b) The Comptroller of Public Accounts shall transfer $4,200,000 from the State Parks Fund to the Texas local parks, recreation, and open space fund at such times and in such amounts as is necessary during the fiscal biennium beginning September 1, 1983, to fund the appropriations made by Subsection (a) of this section."

(3) Amend Subsection (a) of Section 7 of the bill as added to the bill on second reading by Amendment No. 3 to read as follows:

"(a) The balance remaining in Fund No. 478 after the appropriation provided by Subsection (b) of this section is transferred to the credit of the Texas local parks, recreation, and open space fund and is appropriated to the Parks and Wildlife Department for the biennium beginning September 1, 1983, for the purposes provided by Chapter 24, Parks and Wildlife Code."

The amendments were read.

Senator Truan moved to concur in the House amendments.

Senator Jones made the substitute motion that the Senate not concur in the House amendments but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

On motion of Senator Truan and by unanimous consent, the motion to concur was withdrawn.

On motion of Senator Jones and by unanimous consent, the substitute motion to not concur was withdrawn.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Jones and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 928**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 928 ADOPTED

Senator Jones called from the President's table the Conference Committee Report on **S.B. 928**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Jones, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE BILL 711 WITH HOUSE AMENDMENTS

Senator Brooks called **S.B. 711** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Ceverha

Amend **S.B. 711** by striking the following sections and or words in their entirety:

"SECTION 131.002. Staff; funds; meetings.," from line 12, page 3, through line 11, page 4.

"SECTION 131.007. Report" from line 15, page 6, through line 18, page 6.

"SECTION 132.005. Powers, duties," from line 25, page 9, through line 6, page 10, and substituting the following: "The council may use the existing staff of an appointing official or agency to assist the council in performing its duties under this chapter."

"SECTION 133.005. Functions" from line 22, page 12, through line 4, page 13, and substituting the following: "The council may use the existing staff of an appointing official or agency to assist the council in performing its duties under this chapter. The Texas Department on Aging shall assume the role of lead agency for the council"

Committee Amendment No. 2 - Keller

Amend **S.B. 711** as follows:

(1) On page 4, strike lines 18-20 and substitute the following:

"Section 131.004. FUNCTIONS OF COUNCIL. (a) The council may:

"(1) establish and maintain a comprehensive central data base covering public and private sector health and human services that assures that:

"(A) health and mental health communications and records privileged under Chapter 239, Acts of the 66th Legislature, Regular Session, 1979 (Article 5561h,

Vernon's Texas Civil Statutes), the Medical Practice Act (Article 4495b, Vernon's Texas Civil Statutes), and the Texas Rules of Evidence remain confidential and privileged;

"(B) personally identifiable health and mental health communications and records of persons involved in the receipt or delivery of health or human services are confidential and privileged; and

"(C) a private source is not required to provide confidential health and mental health communications or records unless a law specifically requires disclosure;".

(2) On page 5, between lines 19 and 20, insert a new Subsection (b) to read as follows:

"(b) In the area of health services, the scope of the council's duties and responsibilities is limited to the federal, state, and local government, to other political subdivisions, and to private sector services provided by voluntary health agencies.".

(3) On page 6, between lines 6 and 7, insert a new Section 131.0051 to read as follows:

"Section 131.0051. MEDICAL CARE ADVISORY COMMITTEE. (a) The Medical Care Advisory Committee is established to advise the council on health and medical care services. The council shall consult with the committee any time the council considers health and medical care services.

"(b) The governor shall appoint the committee. The governor shall appoint representatives of the health professions who are familiar with the medical needs of low-income population groups and with the resources available and required for the care of low-income groups. The governor shall appoint:

"(1) physicians;

"(2) hospital administrators;

"(3) representatives of other groups that provide health and human services; and

"(4) representatives of consumer groups.

"(c) Members of the committee receive no compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing their duties.".

Add the following to Section 132.005:

"(e) The council may receive and spend grants and donations from public and private entities and may contract with public or private entities in the performance of its responsibilities.

Add the following to Section 133.005:

"(e) The council may receive and spend grants and donations from public and private entities and may contract with public or private entities in the performance of its responsibilities.

Floor Amendment No. 1 - Polk

Amend **S.B. 711** as follows:

Strike all of Section 131.002 and substitute the following in lieu thereof:

"Section 131.002. MANAGEMENT; WORK PLAN; MEETINGS. (a) The governor may appoint an executive director to perform duties as the council may direct.

"(b) To be eligible for appointment as executive director, a person must:

"(1) have experience, knowledge, or education in the areas of:

"(A) health and human services;

"(B) management;

"(C) research and evaluation; and

"(D) management information systems; and

"(2) have experience in working with:

"(A) the legislature and the office of the governor;

"(B) federal, state, and local governments;

"(C) state agencies; and

"(D) public and private community-based organizations such as churches, child welfare boards, community action agencies, and the United Way.

"(c) The council shall develop and implement a work plan for each biennium.

"(d) The council may receive and spend grants and donations from public and private entities and may contract with public or private entities in the performance of its responsibilities.

"(e) The council shall meet at least quarterly and at the call of the governor.

Add the following to Section 131.004:

"(9) before December 1 of each even-numbered year, file a report with the governor and the legislature concerning the activities of the council.

Floor Amendment No. 2 - Keller

Amend **S.B. 711** in SECTION 1, on page 3 by striking lines 8-11 and substituting in lieu therefor the following:

"(g) It is the intent of the legislature that the membership of the board reflect the historical and cultural diversity of the inhabitants of this state; therefore, appointments to the Council should be made without discrimination based on race, creed, sex, religion, national origin or geographical distribution of the appointments."

The amendments were read.

Senator Brooks moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE BILL 360 WITH HOUSE AMENDMENT

Senator Caperton called **S.B. 360** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Committee Amendment No. 1 - Agnich

Substitute the following for **S.B. 360**:

A BILL TO BE ENTITLED
AN ACT

relating to the Texas Energy and Natural Resources Advisory Council serving as an energy resource center for school districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 666, Acts of the 66th Legislature, Regular Session, 1979 (Article 4413(47c), Vernon's Texas Civil Statutes), is amended by adding Section 6A to read as follows:

Sec. 6A. SCHOOL DISTRICT RESOURCE CENTER. The Energy Efficiency Division of the council, or the successor agency that administers the

provisions of the Energy Policy and Conservation Act, the National Energy Conservation Policy Act, and the National Energy Extension Service Act, may serve as a resource center to assist school districts in developing energy-efficient facilities. As such, the division may:

(1) present to school districts programs relating to managing energy, training school-plant operators, and designing energy-efficient buildings;

(2) provide school districts with technical assistance in managing energy;

(3) collect and distribute information relating to energy management in school facilities; and

(4) offer to educators energy resource workshops and may make available to educators a film library on energy-related matters and energy education lesson packages.

SECTION 2. Insofar as funds from oil overcharge settlements are available, activities authorized by Section 6A shall be funded from that source.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended and that this Act take effect and be in force after September 1, 1983 and is so enacted.

The amendment was read.

Senator Caperton moved to concur in the House amendment.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendment.

SENATE BILL 538 WITH HOUSE AMENDMENTS

Senator Caperton called **S.B. 538** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - D. Lee

Amend **S.B. 538** as follows:

(1) On page 3, line 25, strike the semicolon and substitute "and".

(2) On page 4, strike lines 5-11 and substitute the following:

of others in any one accident. The

(3) On page 5, strike lines 15 and 16 and substitute the following: Thousand Dollars ($55,000) [~~amount of~~

Twenty-five ~~Thousand Dollars~~

(4) On page 7, line 22, strike the semicolon and substitute "and".

(5) On page 8 strike lines 4-13 and substitute the following: destruction of property of others in any one accident. The policy

(6) On page 11, strike lines 15 and 16 and substitute the following: January 1, 1986, Fifty-Five Thousand Dollars ($55,000) [~~Twenty-five~~

Floor Amendment No. 1 - C. Evans

Amend **S.B. 538** by striking Section 7 and inserting in lieu thereof the following:

SECTION 7. This act takes effect January 1, 1984, provided that any insurance policies issued prior to January 1, 1984 which proved financial

responsibility prior to that date shall continue to be adequate proof of financial responsibility until it terminates or one (1) year from its issuance, whichever is sooner, and any insurance policy issued in 1985 which proved financial responsibility prior to January 1, 1986 shall continue to be adequate proof of financial responsibility until it terminates or one (1) year from its issuance, whichever is sooner.

The amendments were read.

Senator Caperton moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE BILL 1273 WITH HOUSE AMENDMENTS

Senator Montford called **S.B. 1273** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1 - Gilley

Amend **S.B. 1273** on page 1, by inserting the following between lines 13 and 14:

(c) The governing body may not adopt an ordinance creating municipal courts of record until a majority of the voters of the city voting on the question at an election called by the governing body approve the creation of the courts. The governing body shall order the ballot to be printed to provide for voting for or against the proposition: "Authorizing the city of Odessa to adopt an ordinance creating municipal courts of record." Each qualified voter of the city is entitled to vote in the election. An election under this subsection may be held only once.

Committee Amendment No. 2 - Gilley

Amend **S.B. 1273** as follows:

(1) On page 1, line 22, strike "appointment or".
(2) On page 1, line 23, strike "selection" and substitute "election".
(3) On page 2, line 22, strike "prior to his".
(4) On page 2, line 23, strike "appointment, if he is appointed, or".
(5) On page 2, line 24, strike ", if he is elected".

The amendments were read.

Senator Montford moved to concur in the House amendments.

The motion prevailed.

RECORD OF VOTES

Senators Lyon and Mauzy asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Glasgow and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 151**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 151 ADOPTED

Senator Glasgow called from the President's table the Conference Committee Report on **S.B. 151**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Glasgow, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Harris and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 1091**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1091 ADOPTED

Senator Harris called from the President's table the Conference Committee Report on **S.B. 1091**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Harris, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Doggett and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 921**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 921 ADOPTED

Senator Doggett called from the President's table the Conference Committee Report on **S.B. 921**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Doggett, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

(President Pro Tempore Jones in Chair)

BILL SIGNED

The Presiding Officer announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bill:

S.B. 179 (Signed subject to Art. III, Sec. 49a of the Constitution)

(President in Chair)

HOUSE BILL 1169 ON THIRD READING

The President laid before the Senate on its third reading and final passage:

H.B. 1169, Relating to suits for the dissolution of marriage and affecting the parent-child relationship and to orders and decrees in these suits, including the enforcement and limitations of orders and decrees.

The bill was read third time.

Senator Mauzy offered the following amendment to the bill:

Amend **H.B. 1169** by adding the following language after SECTION 7 and by renumbering subsequent sections:

SECTION 8. Chapter 14, Family Code, is amended by adding Section 14.031 to read as follows:

Sec. 14.031. NOTICE OF CHANGE OF RESIDENCE. (a) Each decree that provides for the appointment of a possessory conservator who has possession of or access to a child shall include, and in its absence shall be deemed to include, the requirement that the managing conservator and each possessory conservator who intend a change of place of residence must give written notice of the intended date of change and new address of residence to every other party who has possession of or access to the child. The notice must be given on or before 30 days before the conservator changes the conservator's place of residence or, if the conservator did not know or could not have known of the change within the 30-day period, on the first day that the conservator knew or should have known of the change.

(b) The court may waive the notice required by this section upon motion by the moving conservator if it finds that the giving of notice of a change of place of residence would be likely to expose the child or the conservator to abuse or injury.

(c) The notice required by this section may be served by delivery of a copy of the notice to the party to be served either in person or by registered or certified mail, return receipt requested, to the last known address of the party to be served.

SECTION 9. Section 14.08(c), Family Code, as amended, is amended to read as follows:

(c) After a hearing, the court may modify an order or portion of a decree that:

(1) designates a managing conservator if:

(A) the circumstances of the child, managing conservator, possessory conservator, or other party affected by the order or decree [~~or parent~~] have [~~so~~] materially and substantially changed since the entry of the order or decree to be modified; and

(B) [~~that~~] the retention of the present managing conservator would be injurious to the welfare of the child; and

(C) [~~that~~] the appointment of the new managing conservator would be a positive improvement for the child; or

(D) the managing conservator has voluntarily relinquished possession and control of the child for a period of more than 12 months and the modification is in the best interest of the child; or

(2) provides for the support of a child [~~sets the terms and conditions for access to or possession of a child, or prescribes the relative rights, privileges, duties, and powers of conservators~~] if the circumstances of the child or a person affected by the order or portion of the decree to be modified have materially and substantially changed since its [~~the~~] entry, [~~of the order or decree~~] except that a support [~~an~~] order [~~providing for the support of a child~~] may be modified only as to obligations accruing subsequent to the motion to modify[~~.~~]; or

(3) sets the terms and conditions for possession of or access to a child, or prescribes the relative rights, privileges, duties, and powers of conservators if:

(A) the circumstances of the child or a person affected by the order or portion of the decree to be modified have materially and substantially changed since the entry of the order or decree; or

(B) the order or portion of the decree to be modified has become unworkable or inappropriate under existing circumstances; or

(C) the notice required by Section 14.031 of this code was not given, or there was a change in a conservator's residence to a place outside the jurisdiction of the court. If a change of residence results in increased expenses for any party having possession of or access to a child, the court may enter appropriate orders to allocate those increased costs on a fair and equitable basis, taking into account the cause of the increased costs and the best interests of the child. Such an order may be entered without regard to whether any other change in the terms and conditions of possession of or access to the child is made.

SECTION 10. Section 14.09, Family Code, as amended, is amended by adding Subsections (e) and (f), to read as follows:

(e) If the managing conservator has voluntarily relinquished to a possessory conservator under court order to pay child support the actual care, control and possession of a child in excess of the court ordered periods of possession of and access to the child, the possessory conservator may affirmatively plead and prove the fact that he or she has supplied actual support to the child as a defense in whole or part to a motion for contempt for failure to make periodic payments according to the terms of a court order.

(f) If the managing conservator has voluntarily relinquished to another person, including a possessory conservator under court order to pay child support, the actual care, control and possession of a child in excess of the court ordered periods of possession of and access to the child, the child support order continues unabated until further order of the court as provided by Section 14.08 of this code. Child support arrears may be reduced to money judgment and the support order may not be retroactively modified. However, a possessory conservator who has provided actual support to the child during such periods may seek reimbursement for that support as a counterclaim or off-set against the claim of the managing conservator. An action for support supplied to a child against the managing conservator shall be limited to the amount of periodic payments previously ordered by the court.

SECTION 11. Section 3, Licensed Professional Counselors Act (Article 4512g, Vernon's Texas Civil Statutes), is amended by adding a new subpart (7) to read as follows:

"(7) persons providing counseling services exclusively related to marriage and family concerns and who holds a masters or doctorate degree in the area of marriage and family therapy from an accredited college or university.

SECTION 12. Sec. 13, Licensed Professional Counselor's Act (Article 4512g, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 13. A specialty designation except in the area of marriage and family counseling may be added on demonstration to the board that the applicant has met the recognized minimum standards as established by nationally recognized certification agencies. On passage of an examination, written, oral, or situational, or all three, and on receipt of credentials from certifying agencies, the board may, by a simple majority of the board members present and voting, consider the credentials adequate evidence of professional competence and recommend to the chairman of the board that a license with appropriate specialty designation, if any, be approved. A professional counselor may not claim or advertise a counseling specialty unless the qualifications of that specialty have been met and have been approved by the board."

The amendment was read and was adopted by unanimous consent.

On motion of Senator Mauzy and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was finally passed.

HOUSE BILL 1858 ON THIRD READING

The President laid before the Senate on its third reading and final passage:

H.B. 1858, Relating to the terms of office of directors of certain general law water districts.

The bill was read third time.

Senator Traeger offered the following amendment to the bill:

Amend **H.B No. 1858** by striking Senate Committee Amendment No. 1 in its entirety and amending SECTION 6 of the Bill to read as follows:

SECTION 6. Sections 54.036 and 54.103, Water Code, as amended, are amended to read as follows:

"Section 54.036. DIRECTORS TO CONTINUE SERVING. The existing board of a district converted to a municipal utility district under the provisions of this chapter shall continue to serve as the board of the converted district until the first Saturday in April [~~election date provided by Article 2.01b of Vernon's Texas Election Code~~] following conversion of the district, at which time five directors shall be elected to serve for such period of time and in the same manner as provided in Section 54.029 of this code for directors first elected for a district."

"Section 54.103. ELECTION OF DIRECTORS; TERM OF OFFICE. (a) On the first Saturday in April [~~available election date~~] in the first even-numbered year following the confirmation election [~~provided in Article 2.01b of Vernon's Texas Election Code~~], an election shall be held in a district for the election of two directors who shall each serve two-year terms and[~~. One year after the election of the two directors for the two-year terms, an election shall be held in the district for the election of~~] three directors who shall [~~be elected to~~] serve four-year terms [~~two years~~]. Thereafter, on the same date in each following even-numbered year, there shall be an [~~annual~~] election of two directors one election [~~in one year~~] and three directors in the next election [~~year~~] in continual sequence.

"(b) All elections of directors shall be held in districts on the first Saturday in April [~~one of the dates provided in Article 2.01b of Vernon's Texas Election Code~~]. In a district that is required to change the date of the election of directors to comply with this requirement, the provisions of Subsections (c) and (d), Section 9b, Texas Election Code, as amended (Article 2.01b, Vernon's Texas Election Code), govern the adjustment of dates and events in connection with the election.

"(c) The permanent directors may assign position number to each director's office, in which case directors shall thereafter be elected by position and not at large."

The amendment was read and was adopted by unanimous consent.

On motion of Senator Traeger and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was finally passed.

COMMITTEE SUBSTITUTE HOUSE BILL 1299 ON THIRD READING

On motion of Senator Brown and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its third reading and final passage:

C.S.H.B. 1299, Relating to the establishment of a pilot job training and work experience program for persons receiving financial assistance under the Aid to Families with Dependent Children program.

The bill was read third time and was finally passed.

RECORD OF VOTES

Senators Mauzy and Washington asked to be recorded as voting "Nay" on the final passage of the bill.

HOUSE BILL 36 ON THIRD READING

Senator Lyon moved to suspend the regular order of business to take up for consideration at this time on its third reading and final passage:

H.B. 36, Relating to a Uniform Statutory Court Act, the change of name of certain courts, and financing of statutory county courts.

The motion prevailed by the following vote: Yeas 23, Nays 7.

Yeas: Blake, Brooks, Caperton, Doggett, Edwards, Farabee, Jones, Kothmann, Lyon, Mauzy, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Williams.

Nays: Brown, Glasgow, Harris, Howard, Leedom, Washington, Whitmire.

Absent: Henderson.

The bill was read third time.

Senator Lyon offered the following amendment to the bill:

Floor Amendment No. 1

Amend SECTION 1.011(a) by adding the following sentence to the end:

Notwithstanding any law to the contrary, in circuit courts the jury shall be composed of twelve persons in all cases in which circuit courts have concurrent jurisdiction with district courts; but the parties may by consent agree, in a particular case, to try with a less number.

LYON
TRAEGER

The amendment was read and was adopted by unanimous consent.

Senator Doggett offered the following amendment to the bill:

Floor Amendment No. 2

Amend **H.B. 36**, on third reading, by:

(1) Inserting the following subsection, appropriately lettered, to Sections 2.099, 2.100, 2.101, and 2.102:

(____) The commissioners court in Travis County shall set the judge's salary at an amount equal to at least $19,000, but not more than the amount paid district judges by the state.

(2) Inserting the following subsection, appropriately lettered, to Section 2.065:

(____) The commissioners court in Hays County shall set the judge's annual salary. The salary shall be paid in equal monthly installments.

The amendment was read and was adopted by unanimous consent.

Senator Farabee offered the following amendment to the bill:

Floor Amendment No. 3

Amend SECTION 1.003. JURISDICTION, of **H.B. 36** by amending subsection (b) to read as follows:

"(b) A circuit court has concurrent jurisdiction with the county court in:

(1) all civil and criminal cases and proceedings, original and appellate, prescribed by law for county courts; and

(2) probate matters and proceedings in a county that does not have a statutory probate court; and

(3) mental illness matters and proceedings pursuant to the Texas Mental Health Code, as revised by the 68th Legislature, Regular Session (Article 5547, Vernon's Texas Civil Statutes), in a county that does not have a statutory probate court. Notwithstanding the provisions of the Mental Health Code as revised regarding jurisdiction (Article 5547, Section 40, V.T.C.S.), a constitutional county court exercising jurisdiction in mental illness matters may retain such jurisdiction subject only to Section 41 of that code providing for transfer of proceedings (Article 5547, Section 41, V.T.C.S.).

The amendment was read and was adopted by unanimous consent.

Senator Farabee offered the following amendment to the bill:

Floor Amendment No. 4

Amend Floor Amendment No. 4 to **H.B. 36** by striking item 2 and substituting the following:

(2) Reletter subsections (b)-(g) as (c)-(h) beginning on page 2, line 21, and insert a new Subsection (b) to read as follows:

(b) A circuit court has jurisdiction over the matters set out in Subsection (a)(4) of this section only if:

(1) the court redesignated by this Act as the circuit court had that jurisdiction on the effective date of this Act; or

(2) the court was created in Subchapter C of this Act by the 68th Legislature, Regular Session.

The amendment was read and was adopted by unanimous consent.

On motion of Senator Lyon and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was finally passed.

RECORD OF VOTES

Senators Harris, Montford and Washington asked to be recorded as voting "Nay" on the final passage of the bill.

HOUSE BILL 1075 ON THIRD READING

On motion of Senator Edwards and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its third reading and final passage:

H.B. 1075, Relating to the protection of public employees who report a violation of law.

The bill was read third time and was finally passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 1191 ON SECOND READING

On motion of Senator Farabee and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1191, Relating to the revision, recodification, and reenactment of substantive and procedural laws (including, but not limited to, administrative and enforcement provisions) concerning the manufacture, distribution, dispensing, possession, and delivery of marihuana, controlled substances, and drug paraphernalia; providing penalties; and declaring an emergency.

The bill was read second time.

Senator Farabee offered the following committee amendment to the bill:

Amend **H.B. 1191** as follows:

a. On page 15, line 17, strike "(d)" and add "(a)" in its place.
b. On page 16, line 17, strike "10" and add "15" in its place.
c. On page 32, line 10, strike "10" and add "15" in its place.
d. On page 34, line 27, strike "10" and add "15" in its place.
e. On page 37, line 19, strike "$500" and add "$50,000" in its place.
f. On page 38, strike all of lines 10 through 19 and add the following in its place.

Sec. 4.053 DELIVERY OF CONTROLLED SUBSTANCE TO MINOR. (a) Except as authorized by this Act, a person commits an aggravated offense if the person knowingly or intentionally delivers a controlled substance listed in Penalty Group 1, 2, or 3 or knowingly or intentionally delivers marihuana and the person delivers the marihuana or controlled substance to a person:

(1) who is 17 years of age or younger;

(2) that the actor knows or believes intends to deliver the controlled substance or marihuana to a person 17 years of age of younger;

(3) who is enrolled in an elementary or secondary school; or

(4) that the actor knows or believes intends to deliver the controlled substance or marihuana to a person who is enrolled in an elementary or secondary sschool.

The committee amendment was read.

Senator Washington moved to table the committee amendment.

The motion was lost by the following vote: Yeas 6, Nays 24.

Yeas: Brooks, Mauzy, Parker, Santiesteban, Uribe, Washington.

Nays: Blake, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parmer, Sarpalius, Sharp, Sims, Traeger, Truan, Vale, Whitmire, Williams.

Absent: Henderson.

Question recurring on the adoption of the committee amendment, the committee amendment was adopted.

On motion of Senator Farabee and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

RECORD OF VOTES

Senators Brooks and Washington asked to be recorded as voting "Nay" on the adoption of the committee amendment.

(Senator Caperton in Chair)

The bill as amended was passed to third reading.

RECORD OF VOTE

Senator Washington asked to recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1191 ON THIRD READING

Senator Farabee moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1191** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4.

Yeas: Blake, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Brooks, Mauzy, Parker, Washington.

Absent: Henderson.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 1.

Nays: Washington.

Absent: Henderson, Parker.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.C.R. 276, Congratulating the TCU women's golf team.

The House reconsidered the vote by which the House concurred in Senate amendments to **H.B. 1421** and has requested the appointment of a Conference Committee to consider the differences between the two houses. House Conferees: Jones, Chairman; Schlueter, Stiles, Shea and Kuempel.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 42**. House Conferees: Gibson of Johnson, Jackson, Turner, Wolens and Schlueter.

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 853**. House Conferees: Oliveira, Wallace, Green, Thompson of Taylor and Pennington.

The House has adopted the Conference Committee Report on **S.B. 921** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE REPORT
SENATE BILL 1355

Senator Jones submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 1355** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

JONES	PRESNAL
FARABEE	MILLSAP
GLASGOW	T. HALL
VALE	E. F. LEE
HOWARD	LEONARD
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the creation, membership, terms, compensation, staff, and powers and duties of a public authority to issue bonds for certain state building, communications, and data processing projects, to the issuance, refunding, and provisions of bonds, to the amendment of other acts necessary to accomplish the purposes of this Act, to specific projects approved for financing, to the creation of the State Lease Fund and to lease contracts, and to certain powers and duties of the State Purchasing and General Services Commission; providing for an appropriation; amending the State Purchasing and General Services Act by amending Section 10.09; Subsection (c), Section 10.02; Subsection (b), Section 10.03; by adding Sections 10.10 and 10.11; and by repealing Subdivision (3), Section 10.01; amending Subsection (a), Section 94.015, Human Resources Code.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE I

SECTION 1. SHORT TITLE. This article may be cited as the Texas Public Building Authority Act.

SECTION 2. PURPOSE. The purpose of this article is to provide a method of financing for the acquisition or construction or the repair, renovation, or other improvement of buildings for the use of state agencies and institutions in Travis County, Texas.

SECTION 3. PUBLIC BUILDING AUTHORITY. The Texas Public Building Authority is established as a public authority and body politic and corporate.

SECTION 4. COMPOSITION OF GOVERNING BOARD. The governing board of the authority is composed of three members appointed by the governor with the advice and consent of the senate.

SECTION 5. TERMS. Members of the board are appointed for staggered terms of six years with one member's term expiring on February 1 of each odd-numbered year.

SECTION 6. OFFICERS; QUORUM; MEETINGS. (a) The board biennially shall elect a chairman and vice-chairman from its members.

(b) A majority of the full membership of the board constitutes a quorum.

(c) The board shall meet at least once in each quarter of the calendar year and shall meet at other times at the call of the chairman or as prescribed by a rule of the board.

SECTION 7. COMPENSATION AND EXPENSES. A member of the board is entitled to a per diem of $50, unless otherwise specified in the General Appropriations Act, for each day the member performs functions as a member of the board and to reimbursement for the actual and necessary expenses the member incurs in performing the functions.

SECTION 8. STAFF. The board shall employ persons and contract with consultants necessary for the board to perform its functions. Employees of the board are considered to be state employees.

SECTION 9. ISSUANCE OF BONDS. The board may issue and sell bonds in the name of the authority to finance the acquisition or construction or the repair, renovation, or other improvement of buildings for the use of state agencies and institutions in Travis County, Texas.

SECTION 10. LEGISLATIVE APPROVAL REQUIRED. Before the board may issue and sell bonds, the legislature by law must have authorized the specific project for which the bonds are to be issued and sold and must have authorized the maximum amount of bonded indebtedness that may be incurred by the issuance and sale of bonds for the project.

SECTION 11. SCOPE OF POWER. (a) The board's authority under Section 9 of this article is limited to the financing of a project and does not affect the authority of the State Purchasing and General Services Commission or any other state agency to carry out its statutory authority, including its authority to construct buildings, relating to the project.

(b) The State Purchasing and General Services Commission shall carry out its statutory authority regarding a project financed under this article as if the project were financed by legislative appropriation.

(c) The board and the State Purchasing and General Services Commission shall adopt a memorandum of understanding to carry out the intent of this section that defines the division of authority between the board and the commission.

SECTION 12. MANNER OF REPAYMENT OF BONDS. (a) The board may provide for the payment of the principal of and interest on the bonds issued under Section 9 of this article relating to a building:

(1) by pledging all or any part of the designated rents, issues, and profits from the building to the State Purchasing and General Services Commission or occupying state agency; or

(2) from any other source of funds lawfully available to the board.

(b) From funds appropriated for the purpose of paying rental charges on improvements acquired, constructed, renovated, or repaired under this article, the State Purchasing and General Services Commission or occupying or using state agency shall pay to the board an amount determined by the board to be sufficient to pay the principal of and interest on the bonds and to maintain any reserve funds required for servicing the debt.

(c) The commission shall set the amounts of the rents in amounts sufficient to provide the revenue required by the board.

(d) All lease contracts entered into under this Act shall be subject to the appropriation by the legislature of funds necessary to cover the provisions of the lease.

(e) The board may lease space in projects constructed under this Act if the space cannot be leased to the State Purchasing and General Services Commission or other state agency.

SECTION 13. ADDITIONAL SECURITY FOR BONDS; CONVEYANCE OF TITLE TO BOARD. (a) The bonds may be additionally secured by a deed of trust, mortgage lien, or security interest on part or all of the project financed under this article or on part or all of the real property conveyed under Subsection (d) of this section. The bonds may vest in the trustee power to sell the project or real property for payment of the indebtedness, power to operate the project or real property, and all other powers necessary for the further security of the bonds; provided, however, that no property of the state other than the project financed or the real property conveyed under Subsection (d) of this section may serve as security for the bonds unless the legislature so provides.

(b) The trust indenture, regardless of the existence of the deed of trust or mortgage lien on the project or real property, may contain provisions prescribed by the board for the security of the bonds and the preservation of the trust estate and may make provisions for amendment or modification and may make provisions for investment of revenue from the project or real property.

(c) A purchaser under a sale under the deed of trust or mortgage lien becomes absolute owner of the project, real property, and rights purchased and may maintain and operate the project or real property.

(d) In return for the board's financing of a project under this article, the state shall convey to the board title to any of the state's real property of which the project will be made a part.

SECTION 14. STATE DEBT NOT CREATED. (a) Bonds issued under this article are not debts of the state or any agency, political corporation, or political subdivision of the state and are not a pledge of the faith and credit of any of them. The bonds are payable solely from revenue as provided by this article.

(b) The bonds shall contain on their face a statement to the effect that:

(1) neither the state nor an agency, political corporation, or political subdivision of the state is obligated to pay the principal of or the interest on the bonds except as provided by this article; and

(2) neither the faith and credit nor the taxing power of the state or any agency, political corporation, or political subdivision of the state is pledged to the payment of the principal of or the interest on the bonds.

SECTION 15. FORM OF BONDS. (a) The board may issue bonds in various series or issues.

(b) Bonds may mature serially or otherwise not more than 40 years from their date and shall bear interest at any rate permitted by the constitution and laws of the state.

(c) The bonds and interest coupons, if any, are investment securities under the terms of Chapter 8 of the Business & Commerce Code and may be issued registrable as to principal or as to both principal and interest and may be made redeemable before maturity, at the option of the board, or may contain a mandatory redemption provision.

(d) The bonds may be issued in the form, denominations, and manner and under the terms, conditions, and details and shall be signed and executed, as provided by the board in the resolution or order authorizing their issuance.

SECTION 16. PROVISIONS OF BONDS. (a) In the orders or resolutions authorizing the issuance of bonds, including refunding bonds, the board may provide for the flow of funds, the establishment and maintenance of the interest and sinking fund, the reserve fund, and other funds and may make additional covenants with respect to the bonds, the pledged revenues, and the operation and maintenance of the project financed under this article or the real property conveyed under Subsection (d) of Section 13 of this article.

(b) The orders or resolutions of the board authorizing the issuance of bonds may also prohibit the further issuance of bonds or other obligations payable from

the pledged revenue or may reserve the right to issue additional bonds to be secured by a pledge of and payable from the revenue on a parity with or subordinate to the lien and pledge in support of the bonds being issued.

(c) The orders or resolutions of the board issuing bonds may contain other provisions and covenants as the board may determine.

(d) The board may adopt and have executed any other proceedings or instruments necessary and convenient in the issuance of bonds.

SECTION 17. APPROVAL BY ATTORNEY GENERAL; REGISTRATION BY COMPTROLLER. (a) The bonds issued by the board must be submitted to the attorney general for examination.

(b) If the attorney general finds that the bonds have been authorized in accordance with law, he shall approve them, and they shall be registered by the comptroller of public accounts.

(c) After the approval and registration of bonds, the bonds are incontestable in any court or other forum, for any reason, and are valid and binding obligations in accordance with their terms for all purposes.

SECTION 18. REFUNDING BONDS. (a) The board may issue bonds to refund all or any part of its outstanding bonds issued under this article, including matured but unpaid interest coupons.

(b) The board may refund bonds, notes, or other obligations as provided by the general laws of the state for revenue bonds.

SECTION 19. BONDS AS INVESTMENTS. The bonds are legal and authorized investments for:

(1) banks;

(2) savings banks;

(3) trust companies;

(4) savings and loan associations;

(5) insurance companies;

(6) fiduciaries;

(7) trustees;

(8) guardians; and

(9) sinking funds of cities, counties, school districts, and other political subdivisions of the state and other public funds of the state and its agencies, including the permanent school fund.

SECTION 20. BONDS AS SECURITY FOR DEPOSITS. The bonds are eligible to secure deposits of public funds of the state and cities, counties, school districts, and other political subdivisions of the state. The bonds are lawful and sufficient security for deposits to the extent of their face value when accompanied by all unmatured coupons, if any.

SECTION 21. TAX STATUS OF BONDS. The bonds issued by the board, any transaction relating to the bonds, and profits made in the sale of the bonds are free from taxation by the state or by any city, county, special district, or other political subdivision of the state.

SECTION 22. OTHER POWERS. The board may:

(1) exercise, to the extent practicable, all powers given to a corporation under the general laws of the state;

(2) have perpetual succession by its corporate name;

(3) sue and be sued in its corporate name;

(4) adopt a seal and use it as the board considers appropriate;

(5) accept gifts and donations; and

(6) adopt rules and perform all functions reasonably necessary for the board to administer its functions prescribed by this article.

SECTION 23. CONVEYANCE OF PROPERTY. (a) When the principal of and interest on bonds relating to a project financed under this article are paid in full

and the building involved in the project is free of all liens, the board shall certify to the State Purchasing and General Services Commission or occupying or using state agency that rentals are no longer required to service the bond debt.

(b) On making the determination called for in Subsection (a) of this section, the board shall, for the sum of $1, convey title of the completed project, of other real property involved in the project, and of the real property previously conveyed to the board under Subsection (d) of Section 13 of this article to the State Purchasing and General Services Commission or designated occupying or using state agency.

SECTION 24. PREFERENCE IN LEASING. For the purposes of Section 6.04, State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes), property owned by the board shall be considered state-owned space.

SECTION 25. EMINENT DOMAIN. The authority has the power of eminent domain and may exercise the same for the purposes set forth in this article in connection with projects approved under Section 10 of this article.

SECTION 26. APPLICATION OF SUNSET ACT. The board is subject to the Texas Sunset Act, as amended (Article 5429k, Vernon's Texas Civil Statutes). Unless continued in existence as provided by that Act, the board is abolished and this article expires September 1, 1995.

SECTION 27. INITIAL APPOINTMENTS AND ORGANIZATIONAL MEETING. (a) In making his initial appointments to the board, the governor shall designate one member for a term expiring February 1, 1985, one for a term expiring February 1, 1987, and one for a term expiring February 1, 1989.

(b) The governor shall designate a time and place at which the board shall convene for an organizational meeting. At this meeting the board shall elect its initial chairman and vice-chairman.

ARTICLE II

SECTION 1. AUTHORIZATION OF PROJECTS. (a) The governing board of the Texas Public Building Authority may issue and sell bonds in accordance with the Texas Public Building Authority Act to finance the projects listed by Section 3 of this article.

(b) The maximum amount of bonded indebtedness that the board may incur in financing the projects is $50 million.

SECTION 2. APPROPRIATIONS. (a) From funds appropriated by **H.B. 656**, Acts of the 67th Legislature, Regular Session, 1981, from Fund 117 to the State Purchasing and General Services Commission:

(1) the sum of $1 million is appropriated for the biennium beginning September 1, 1983, to the authority for its operating expenses in carrying out the provisions of this article; and

(2) the sum of $7 million is appropriated for the biennium beginning September 1, 1983, to the State Purchasing and General Services Commission to the account of a special fund in the State Treasury to be known as the state lease fund to pay to the authority amounts for debt service that may be due in the biennium for any of the projects authorized.

(b) On issuance of bonds necessary to finance the projects authorized by this article, the board shall certify to the State Purchasing and General Services Commission and to the comptroller of public accounts that the funds are available and shall deposit the bond proceeds in the State Treasury to the account of the State Purchasing and General Services Commission for the specific projects. Once the funds are deposited and the comptroller of public accounts has certified that the funds are available, the State Purchasing and General Services Commission shall begin the projects and the funds so deposited are appropriated to the State Purchasing and General Services Commission for these purposes. Notwithstanding the provisions of Article 2543d, Revised Statutes, depository interest earned on the funds shall be credited to and accounted for in the state lease fund created by this article.

SECTION 3. SPECIFIC PROJECTS. The following projects are approved for financing under the Texas Public Building Authority Act:

Project	Estimated Cost of Project
(1) Construction related to the Texas Youth Council, Texas Rehabilitation Commission State Office Building	$10,500,000
(2) Purchase and renovation of the Texas Employment Commission Property	26,750,000

SECTION 4. RENT AND FEES. The State Purchasing and General Services Commission shall establish schedules necessary to properly charge state agencies occupying or using projects authorized by this article for the expenses incurred in financing the project. Using state agencies shall pay to the State Purchasing and General Services Commission from all funds appropriated to the agency, in their proper proportion, for these purposes, the amount determined by the State Purchasing and General Services Commission as the necessary payment for the period or periods the commission has determined the payments are due. Payments received by the commission under this section shall be deposited to the credit of the state lease fund. The legislature may, in the alternative, provide for direct appropriation of the necessary funds for using agencies to the state lease fund.

SECTION 5. STATE LEASE FUND. The state lease fund created by this article may be used to finance appropriations to the State Purchasing and General Services Commission for payment of rents and fees to the authority. In addition, the legislature may transfer funds on deposit in the state lease fund to the General Revenue Fund for such other purposes as the legislature may determine.

ARTICLE III

SECTION 1. PURCHASE AND RENOVATION OF THE TEXAS EMPLOYMENT COMMISSION PROPERTY. (a) The Texas Employment Commission shall sell to the State Purchasing and General Services Commission office buildings and parking facilities in its possession in or near the Capitol Complex. The sale shall be under an agreement between the Texas Employment Commission and the State Purchasing and General Services Commission on a price sufficient to provide the Texas Employment Commission adequate, alternative office and parking space outside the Capitol Complex and with the necessary concurrence that may be required by the United States government.

(b) The State Purchasing and General Services Commission shall, under an agreement with the Texas Employment Commission and subject to the availability of funds authorized by Article II of this Act, purchase office buildings and parking facilities of the Texas Employment Commission located in or near the Capitol Complex. If the offices are acquired, the State Purchasing and General Services Commission may, from funds made available by the authority, renovate these facilities as necessary for occupancy by other state agencies. In negotiating the price for the Texas Employment Commission's facilities, the State Purchasing and General Services Commission shall consider the cost to the Texas Employment Commission of alternative space. The State Purchasing and General Services Commission shall also consider the price in the context of the reasonable rates that might otherwise be paid by prospective occupying state agencies for rent in comparable space. In any event, the State Purchasing and General Services Commission may not agree to a price greater than one and one-half times the estimated amount in Section 3, Article II, of this Act.

SECTION 2. Subsection (a), Section 94.015, Human Resources Code, is amended to read as follows:

"(a) This chapter does not apply to:

"(1) property over which the federal government maintains partial or complete control;

"(2) [~~or to~~] property maintained and operated by state-supported institutions of higher education; provided, however [~~. However~~], that the commission may enter into agreements with state institutions of higher education concerning the use of blind labor in vending facilities at the institutions; or

"(3) property purchased by the state or an agency of the state, property to which title is transferred from one state agency to another, or property control of which is transferred from one state agency to another, if:

"(A) at the time of purchase or transfer of title or control, a vending facility is being operated on the property under lease, license, or contract; and

"(B) prior to the time of purchase or transfer of title or control, the provisions of this chapter were rendered inapplicable to such property by this section or other law."

ARTICLE IV

SECTION 1. AMENDMENT. The State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes) is amended by amending Section 10.09 and by adding Sections 10.10 and 10.11 to read as follows:

"Section 10.09. CENTRALIZED CAPITOL COMPLEX TELEPHONE [~~CENTREX~~] SYSTEM. (a) The commission shall provide centralized telephone service [~~the centrex system~~] for state agencies, each house of the legislature, and legislative agencies in the capitol complex and other state agencies which elect to subscribe to such service.

"(b) Each using entity shall make monthly payments to the commission when assessed by the commission.

"(c) Each using entity shall arrange for its terminal telephone equipment [~~directly with the supplying telephone company~~]. The commission shall make terminal equipment available for using entities that choose to use that terminal equipment.

"(d) The commission shall prepare and issue a revised centralized [~~centrex~~] telephone service directory in February of each year.

"Section 10.10. ENGINEERING AND TECHNICAL ASSISTANCE. (a) The commission may provide engineering and technical assistance to state agencies on telephone and other telecommunications matters, including customer premises equipment. If this requirement exceeds in-house capabilities, the commission may contract for the services.

"(b) If the governing officer or body of an agency consents in writing to the imposition of a surcharge to pay the cost of the commission's engineering and technical assistance to the agency, the commission may impose the surcharge.

"Section 10.11. RATE INTERVENTION. If the commission determines that there is sufficient economic impact on state government, the commission may intervene on behalf of state agencies in telecommunications rate cases and may hire special counsel and expert witnesses to prepare and present testimony. The attorney general shall represent the commission before the courts in all appeals from rate cases in which the commission intervenes."

SECTION 2. AMENDMENT. Subsection (c), Section 10.02, State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes), is amended to read as follows:

"(c) The commission may negotiate rates and execute contracts with telecommunications service utilities for services, lease transmission facilities on a competitive bid basis if possible, and develop, establish, and maintain carrier systems necessary to the operation of the telecommunications system. The commission may own or lease any facilities or equipment necessary to provide telecommunications services."

SECTION 3. AMENDMENT. Subsection (b), Section 10.03, State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes), is amended to read as follows:

"(b) Each agency shall comply with the policies, guidelines, and operating procedures promulgated. The commission, with the advice of the state auditor, shall maintain records relating to the consolidated telecommunications system as necessary to enable the commission to analyze the cost effectiveness of the system to the state agencies, and shall advise the legislature at each session as to the cost effectiveness of the system. [~~If, in the opinion of the commission, the total cost of the system reaches a level which would justify total state ownership and operation of the system, the commission shall recommend to the legislature the implementation of such action.~~]"

SECTION 4. REPEALER. Subdivision (3), Section 10.01, State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes), is repealed.

SECTION 5. REPLACEMENT OF CENTREX SYSTEM. If the State Purchasing and General Services Commission decides to replace the current centrex system, the commission shall make the new service operational for the legislature and legislative agencies not later than September 1, 1984.

SECTION 6. ADVISORY COMMITTEE. (a) The State Telephone Service Advisory Committee is established.

(b) The committee is composed of:

(1) three representatives of state agencies appointed by the governor;

(2) three persons appointed by the lieutenant governor; and

(3) three persons appointed by the speaker of the house of representatives.

(c) Appointments of the lieutenant governor and speaker of the house of representatives may include members of the legislature or representatives of state agencies.

(d) A member of the committee is appointed for a term expiring on the date the committee is abolished under this Act.

(e) The committee shall elect a chairman and vice-chairman from its members.

(f) The governor shall designate a time and place at which the committee shall convene for an organizational meeting. The committee shall meet at other times and places at the call of the chairman or as provided by a rule of the committee.

(g) A member of the committee may not receive compensation for service on the committee. A member is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the committee.

(h) A vacancy on the committee shall be filled for the unexpired part of the term in the same manner in which the original appointment was made.

(i) The committee shall:

(1) advise the State Purchasing and General Services Commission about the specifications for the centralized telephone service;

(2) review bids received by the commission relating to the provision of the centralized telephone service; and

(3) advise and assist the commission in the determination as to which bidder or bidders should be awarded a contract.

(j) The committee is abolished and this section expires August 31, 1985.

SECTION 7. TEMPORARY PROVISION. (a) Those provisions of **S.B. 179**, Acts of the 68th Legislature, Regular Session, 1983 (the General Appropriations Act for the fiscal biennium beginning September 1, 1983), that are contingent on enactment of **S.B. 1401**, Acts of the 68th Legislature, Regular Session, apply notwithstanding the failure of **S.B. 1401** to become law.

(b) Section 80, Article V of **S.B. 179**, may not be construed as prohibiting the State Purchasing and General Services Commission from implementing this article by establishing a telephone system that uses leased equipment in whole or in part.

(c) This section expires September 1, 1985.

ARTICLE V

SECTION 1. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT
SENATE BILL 315

Senator Traeger submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 315** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

TRAEGER	EVANS
JONES	PIERCE
SHARP	LUNA
HOWARD	CAIN
EDWARDS	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation, operations, administration, personnel, and the powers and duties of the Texas Department of Community Affairs, to the duties of the executive director, and to the establishment, membership, terms, grounds for removal, and powers and duties of the Advisory Council on Community Affairs; establishing a community development review committee to review applications and make recommendations; creating an office to be known as Energy Services Program for Low-Income People to administer certain programs; authorizing funding of certain state parks; requiring an audit; amending Sections 3a, 4, 5, and 6 and adding Sections 4A, 5a, 5b, 13b, 13c, and 13d, Chapter 879, Acts of the 62nd Legislature, Regular Session, 1971, as amended (Article 4413(201), Vernon's Texas Civil Statutes); and appropriating fuel overcharge refunds received by the State of Texas to the department for low-income, energy assistance programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 879, Acts of the 62nd Legislature, Regular Session, 1971, as amended (Article 4413(201), Vernon's Texas Civil Statutes), is amended by amending Sections 3a, 4, 5, and 6 and by adding Sections 4A, 5a, 5b, 13b, 13c, and 13d to read as follows:

"Section 3a. APPLICATION OF SUNSET ACT. The Texas Department of Community Affairs is subject to the Texas Sunset Act, as amended (Article 5429k, Vernon's Texas Civil Statutes); and unless continued in existence as provided by that Act the department is abolished, and this Act expires effective September 1, 1995 [~~1983~~]."

"Section 4. The department shall, in addition to other powers and duties invested in it by this Act or by any other law:

"(1) maintain communications with local governments and serve as their advocate at the State and federal levels;

"(2) assist local governments with advisory and technical services;

"(3) provide financial aid to local governments and combinations of local governments for programs which are authorized such assistance;

"(4) act as an information center and referral agency for information on State and federal services and programs affecting local government;

"(5) administer, conduct, or jointly sponsor educational and training programs for local government officials;

"(6) maintain suitable headquarters for the department and such other quarters as the director shall deem necessary to the proper functioning of the department;

"(7) conduct research on problems of general concern to local governments;

"(8) collect, publish, and disseminate information useful to local government including, but not limited to, data on local governmental finances and employment, housing, population characteristics, and land use patterns;

"(9) encourage cooperative action by local governments where appropriate;

"(10) advise and inform the Governor and the Legislature concerning the affairs of local government and make recommendations for necessary action;

"(11) assist the Governor in the coordination of federal and State activities affecting local governments;

"(12) administer, as appropriate, State responsibilities for programs created under the Federal Economic Opportunity Act of 1964, any programs which may be assigned to the agency in accordance with the Omnibus Budget Reconciliation Act of 1981, and other federal acts creating economic opportunity programs;

"(13) promulgate and adopt such rules and regulations as may be necessary and proper to carry out programs and responsibilities assigned by the Legislature or the Governor; and

"(14) perform any other duties concerning local government which may be assigned by the Legislature or the Governor.

"Section 4A. (a) In this section, 'program' means the community development block grant nonentitlement program authorized by Title I of the Housing and Community Development Act of 1974, as amended (P.L. 93-383 and P.L. 97-35).

"(b) The department shall, pursuant to the federal Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) and 24 CFR, Part 570, Subpart I, administer the state's allocation of federal funds provided under the program. Program funds shall be allocated to eligible counties and municipalities in accordance with rules and regulations adopted by the department.

"(c) The community development review committee is established. The committee shall consist of 12 members, appointed by the governor, each of whom must be a member of the governing body of a county or municipality eligible for funding under the program, or a supervisory-level county or municipal employee whose regular duties include involvement in community development activities at the local level. The number of county officials on the committee, when expressed as a ratio of all committee members, shall not exceed the number of counties eligible for funding under the program, when expressed as a ratio of all eligible applicants.

"(d) The chairman of the committee shall be designated by the governor and serve at his pleasure.

"(e) Members of the committee shall serve for two-year terms. In the event of a vacancy on the committee, the governor shall appoint a new member to fill the remaining portion of the unexpired term.

"(f) Committee members shall serve without compensation, but shall be reimbursed for reasonable and necessary expenses incurred in performing their duties. Service on the committee by officers and employees of counties and municipalities shall be considered as an additional duty of their office or employment and shall not be construed as dual officeholding.

"(g) The committee shall meet at least twice annually at the call of the director. Nine members of the committee shall constitute a quorum.

"(h) The committee shall have the following duties:

"(1) consult with and advise the director with respect to the administration and enforcement of the program;

"(2) review applications submitted by counties and municipalities eligible for funding under the program and advise and assist the director with respect to the allocation of program funds to those applicants; and

"(3) may recommend annually to the director a formula based on need for allocation of funds to each geographic state planning region established by the governor pursuant to Chapter 570, Acts of the 59th Legislature, Regular Session, 1965, as amended (Article 1011m, Vernon's Texas Civil Statutes)."

"Section 5. PERSONNEL. (a) The administrator and head of the department shall be known as the executive director and shall be a person qualified by training and experience to perform the duties of his office. The director shall be appointed by the Governor with the advice and consent of the Senate and shall serve at the pleasure of the Governor during the Governor's terms of office. He shall receive a salary as provided by the Governor within authorized appropriations. The director, as head of the department, shall:

"(1) administer the work of the department;

"(2) appoint and remove officers and other personnel employed within the department;

"(3) submit through and with the approval of the Governor requests for appropriations and other moneys to operate the department;

"(4) administer all moneys entrusted to the department;

"(5) organize the work of the department consistent with this Act and with sound organizational management designed to promote efficient and effective operation;

"(6) make an annual report to the Governor and the Legislature of the department's operations and provide such other reports as the Governor or the Legislature shall require;

"(7) perform such other functions as may be prescribed by law or assigned by the Governor.

"(b) The director or his designee shall develop an intraagency career ladder program, one part of which shall be the intraagency posting of all nonentry level positions for at least ten (10) days before any public posting. The director or his designee shall develop a system of annual performance evaluations based on measurable job tasks. All merit pay for department employees must be based on the system established under this subsection.

"(c) The director or his designee shall prepare and maintain a written plan to assure implementation of a program of equal employment opportunity whereby all personnel transactions are made without regard to race, color, disability, sex, religion, age, or national origin. The plans shall include:

"(1) a comprehensive analysis of all the agency's work force by race, sex, ethnic origin, class of position, and salary or wage;

"(2) plans for recruitment, evaluation, selection, appointment, training, promotion, and other personnel policies;

"(3) steps reasonably designed to overcome any identified underutilization of minorities and women in the agency's work force; and

"(4) objectives and goals, timetables for the achievement of the objectives and goals, and assignments of responsibility for their achievement.

"The plans shall be filed with the governor's office within 60 days of the effective date of this Act, cover an annual period, and be updated at least annually. Progress reports shall be submitted to the governor's office within 30 days of November 1 and April 1 of each year and shall include the steps the agency has taken within the reporting period to comply with these requirements.

"Section 5a. LOBBYIST RESTRICTION. A person who is required to register as a lobbyist under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 6252-9c, Vernon's Texas Civil Statutes), by virtue of his activities for compensation in or on behalf of a profession related to the operation of the department may not serve as the director or act as the general counsel to the department.

"Section 5b. OPEN MEETINGS AND ADMINISTRATIVE PROCEDURE. The department is subject to the open meetings law, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 6252-17, Vernon's Texas Civil Statutes), and the Administrative Procedure and Texas Register Act, as amended (Article 6252-13a, Vernon's Texas Civil Statutes).

"Section 6. ADVISORY COUNCIL ON COMMUNITY AFFAIRS. (a) There is hereby established in the Department of Community Affairs an Advisory Council on Community Affairs [~~of thirteen (13) members~~], which shall consist of [~~the director as chairman ex-officio, and~~] twelve (12) [~~other~~] members appointed by the Governor with the advice and consent of the Senate, as follows:

"(1) three (3) members must be elected or appointed municipal officials who serve in different municipalities;

"(2) three (3) members must be elected county officials who serve in different counties;

"(3) three (3) members must be elected or appointed officials of other kinds of political subdivisions who serve in different political subdivisions; and

"(4) three (3) members must be citizen members who are not elected or appointed officials of any political subdivision.

"[~~(1) One member shall be the mayor of a municipality of this State having a population of less than 20,000 inhabitants at the time of his or her appointment;~~

"[~~(2) One member shall be the mayor of a municipality of this State having a population of not less than 20,000 nor more than 249,999 inhabitants at the time of his or her appointment;~~

"[~~(3) One member shall be the mayor of a municipality of this State having a population of 250,000 or more inhabitants at the time of his or her appointment;~~

"[~~(4) Five (5) members shall be appointed at large from among the citizens of this State;~~

"[~~(5) One (1) member shall be appointed from among the membership of each of the four (4) following organizations:~~

"[~~(a) Texas Association of School Boards;~~

"[~~(b) Texas Association of Counties;~~

"[~~(c) Texas Municipal League;~~

"[~~(d) A duly constituted regional planning commission in this State.~~]

"(b) Appointments to the advisory council shall be made without regard to the race, creed, sex, religion, or national origin of the appointees and shall be made in a manner that produces representation on the advisory council of the different geographical regions of the state.

"(c) Any elected or appointed official of any political subdivision [~~local government~~] who shall be appointed as a member of the advisory council [~~Advisory Council on Community Affairs~~] or as a member of any special advisory council as provided for in Section 7 of this Act shall perform his duties as a member of such advisory council or councils as an additional or ex officio duty required of him in his other official capacity, and such service on such advisory council or councils shall not be construed as dual office holding.

"(d) Members are appointed to the advisory council for staggered terms of two (2) years with six (6) members' terms expiring January 31 of each year. [~~Of the members first to be appointed, six (6) shall be appointed for a term of office to expire on January 31, 1972, and six (6) shall be appointed for a term of office to expire on January 31, 1973. Successors of all members first appointed shall be for two-year terms.~~] Vacancies on the advisory council [~~Advisory Council on Community Affairs~~], other than by expiration of terms of office, shall be filled for the unexpired term.

"(e) The advisory council annually shall elect a chairman and a vice-chairman from among its members.

"(f) All members of the advisory council shall serve without compensation but shall be reimbursed for their actual expenses in attending the meetings of the advisory council and in the performance of their other duties.

"(g) It is a ground for removal from the advisory council that a member:

"(1) does not have at the time of appointment the qualifications required by Subsection (a) of this section for appointment to the advisory council; or

"(2) does not maintain during the service on the advisory council the qualifications required by Subsection (a) of this section for appointment to the advisory council.

"(h) It shall be the duty of the advisory council to consult with and advise the director with respect to the affairs and problems of local government and work of the department. The advisory council shall meet at least three times annually at the call of the director and at such other times as the advisory council shall determine, the time and place of such other meetings to be fixed by resolution of the advisory council. It shall be the responsibility of the department to furnish such information, equipment and staff as is necessary to implement the work of the advisory council within the limits of appropriations for the purpose."

"Section 13b. GENERAL INFORMATION AND COMPLAINTS. (a) The department shall prepare information of general interest describing the functions of the department and describing the department's procedures by which complaints are filed with and resolved by the department. The department shall make the information available to the general public and appropriate state agencies.

"(b) The department shall keep an information file about each complaint filed with the department relating to an activity of the department.

"(c) If a written complaint is filed with the department relating to an activity of the department, the department, at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint.

"Section 13c. AUDITS. The State Auditor shall audit the financial transactions of the department during each fiscal year.

"Section 13d. (a) There is hereby created within the department an office, to operate in conjunction with the community service block grant, to be known as the Energy Services Program for Low-Income People having jurisdiction and responsibility for administration of the following elements of the State Low-Income Energy Assistance Program:

"(1) the Energy Crisis Intervention Program, from whatever sources funded;

"(2) the weatherization program, from whatever sources funded.

"(b) Appropriations made in **S.B. 179**, 68th Legislature, Regular Session, to the Department of Human Resources for these programs are hereby appropriated to the Texas Department of Community Affairs."

SECTION 2. The requirements under Subsection (b), Section 5, Chapter 879, Acts of the 62nd Legislature, Regular Session, 1971 (Article 4413(201), Vernon's Texas Civil Statutes), as added by this Act, that the director of the department develop an intraagency career ladder program and a system of annual performance evaluations shall be implemented before September 1, 1984. The requirement of Subsection (b) of Section 5 that merit pay be based on the performance evaluation system shall be implemented before September 1, 1985.

SECTION 3. (a) A member of the Advisory Council on Community Affairs who holds office on August 31, 1983, is entitled to continue to hold the office for the term for which the member is appointed.

(b) As incumbent members of the advisory council vacate their offices or as their terms expire, the governor shall appoint members to the advisory council to achieve as soon as possible the membership scheme established by Section 6, Chapter 879, Acts of the 62nd Legislature, Regular Session, 1971 (Article 4413(201), Vernon's Texas Civil Statutes), as amended by this Act.

SECTION 4. Nothwithstanding provisions of **S.B. 179**, 68th Legislature, Regular Session, from the funds received by the State of Texas during the biennium beginning September 1, 1983, from fuel overcharge refunds which are lawfully available for this purpose, an amount not to exceed $5 million is hereby appropriated to the Texas Department of Community Affairs for use in programs benefitting low-income persons.

Any other funds returned to the state during the biennium beginning September 1, 1983, from settlements of cases involving alleged violations of federal petroleum price and allocation laws and regulations shall be placed in a separate account in the treasury and shall not be considered appropriated to any agency.

SECTION 5. A state park that is operated by an independent board shall, upon request by such board, be eligible for funding under programs administered by the department.

SECTION 6. This Act takes effect September 1, 1983.

SECTION 7. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE ON HOUSE BILL 1015 DISCHARGED

On motion of Senator Lyon and by unanimous consent, the Conference Committee on **H.B. 1015** was discharged.

CONFERENCE COMMITTEE ON HOUSE BILL 1421

Senator Sims called from the President's table for consideration at this time, the request of the House for a Conference Committee to adjust the differences between the two Houses on **H.B. 1421** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the Conference Committee on **H.B. 1421** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Sims, Chairman; Leedom, Brown, Sharp and Lyon.

HOUSE BILL 1502 ON SECOND READING

On motion of Senator Jones and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1502, Relating to proration of property taxes because of loss of an exemption during a tax year.

The bill was read second time and was passed to third reading.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1502 ON THIRD READING

Senator Jones moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1502** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Washington.

The bill was read third time and was passed.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the final passage of the bill.

CONFERENCE COMMITTEE REPORT
SENATE BILL 42

Senator Brown submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 42** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BROWN	GIBSON
EDWARDS	SCHLUETER

SARPALIUS	WOLENS
McFARLAND	TURNER
	JACKSON
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the making and accepting of political contributions and expenditures by a candidate or a political committee and the filing of a statement of organization; making special provisions for reports by legislative candidates or certain specific purpose committees during and after the ninth day before election day; amending the Texas Election Code, as amended, by amending Subdivision (2), Subsection (F), Section 238; and amending Subdivision (1), Subsection (D), and adding Subsection (C-1), Section 243 (Articles 14.02 and 14.07, Vernon's Texas Election Code).

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subdivision (2), Subsection (F), Section 238, Texas Election Code (Article 14.02, Vernon's Texas Election Code), is amended to read as follows:

"(2) It is unlawful for a political committee to make a contribution or an expenditure in support for or in opposition to a candidate for a state or district office in a primary or general election unless the committee's designation of campaign treasurer has been filed before the 30th day preceding the appropriate election day [~~A political committee existing prior to the effective date of this Act shall file a new designation of a campaign treasurer with the appropriate authority for that committee before accepting any additional contributions or making any additional expenditures after the effective date of this Act~~]."

SECTION 2. Subdivision (1), Subsection (D), Section 243, Texas Election Code, as amended (Article 14.07, Vernon's Texas Election Code), is amended to read as follows:

"(D)(1) A general-purpose political committee must file [~~may not accept a contribution or make an expenditure until the committee has filed~~] a statement of organization with the secretary of state at the time it files the name of its campaign treasurer. If there is a change in the information required to be included in the statement of organization, the political committee shall file an amended statement of organization with the secretary of state not later than the 30th day after the change occurs. The statement of organization must include the political committee's campaign treasurer's name, business or residence street address, and telephone number, and the following information:

"(a) the name of each corporation, labor organization, or other association or legal entity that directly establishes, administers, or controls the political committee, if applicable; or

"(b) the name of each person that determines to whom the political committee makes contributions or for what purposes the political committee makes expenditures."

SECTION 3. Section 243, Texas Election Code, as amended (Article 14.07, Vernon's Texas Election Code), is amended by adding Subsection (C-1) to read as follows:

"(C-1) In addition to the filing of a sworn statement under this section, the information required to be reported on the statement regarding contributions from a person that in the aggregate exceed $1,000 to a candidate for the office of state senator or to a specific purpose political committee organized in support of or in opposition to such candidate or $200 to a candidate for the office of state representative or to a specific purpose political committee organized in support of or in opposition to such candidate and that are knowingly accepted during the period beginning on the ninth day before election and ending at 12:00 noon on the second day before election day shall be reported by such candidate or specific

purpose political committee by telegram or delivered by hand to the secretary of state within 48 hours of acceptance."

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Parker and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **H.B. 2251**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2251 ADOPTED

Senator Parker called from the President's table the Conference Committee Report on **H.B. 2251**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Parker, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

HOUSE BILL 2229 ON SECOND READING

Senator McFarland asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 2229, Relating to the membership of the Court of Appeals for the Second Supreme Judicial District, and to a supplemental appropriation to that court.

There was objection.

Senator McFarland then moved to suspend the regular order of business and take up **H.B. 2229** for consideration at this time.

The motion prevailed by the following vote: Yeas 25, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, McFarland, Montford, Parker, Parmer, Sarpalius, Sharp, Sims, Traeger, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Washington.

Absent: Henderson, Lyon, Santiesteban, Truan.

The bill was read second time and was passed to third reading.

RECORD OF VOTES

Senators Mauzy and Washington asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 2229 ON THIRD READING

Senator McFarland moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 2229** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 3.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, McFarland, Montford, Parker, Parmer, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Whitmire, Williams.

Nays: Mauzy, Vale, Washington.

Absent: Henderson, Lyon, Santiesteban.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Washington.

Absent: Henderson, Lyon.

HOUSE BILL 1501 ON SECOND READING

On motion of Senator Parker and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1501, Relating to salaries of the veterans county service officer and assistants.

The bill was read second time and was passed to third reading.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1501 ON THIRD READING

Senator Parker moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1501** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Washington.

Absent: Henderson, Lyon.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 1.

Nays: Mauzy.

Absent: Henderson, Lyon.

GUEST PRESENTED

The Presiding Officer (Senator Caperton in Chair) recognized the presence in the Chamber of The Honorable Mark White, Governor of Texas.

The Senate welcomed Governor White.

SENATE BILL 325 WITH HOUSE AMENDMENTS

Senator Truan again moved to concur in the House amendments.

Senator Jones again made the substitute motion that the Senate not concur in the House amendments but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

The substitute motion was lost by the following vote: Yeas 11, Nays 19.

Yeas: Blake, Caperton, Farabee, Glasgow, Howard, Jones, Leedom, Parker, Sarpalius, Sims, Traeger.

Nays: Brooks, Brown, Doggett, Edwards, Harris, Henderson, Kothmann, Mauzy, McFarland, Montford, Parmer, Santiesteban, Sharp, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Absent: Lyon.

Question recurring on the motion to concur, the motion to concur prevailed by the following vote: Yeas 22, Nays 8.

Yeas: Brooks, Brown, Caperton, Doggett, Edwards, Harris, Henderson, Kothmann, Mauzy, McFarland, Montford, Parker, Parmer, Santiesteban, Sharp, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Farabee, Glasgow, Howard, Jones, Leedom, Sarpalius, Sims.

Absent: Lyon.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Traeger and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 315**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 315 ADOPTED

Senator Traeger called from the President's table the Conference Committee Report on **S.B. 315**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Traeger, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Brown and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 42**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 42 ADOPTED

Senator Brown called from the President's table the Conference Committee Report on **S.B. 42**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Brown, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

CONFERENCE COMMITTEE REPORT HOUSE BILL 2298

Senator Vale submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 2298** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

VALE	TEJEDA
PARMER	MADLA
MONTFORD	
LYON	
TRAEGER	
On the part of the Senate	On the part of the House

The Conference Committee Report was again read and was filed with the Secretary of the Senate.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Jones and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 1355**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1355 ADOPTED

Senator Jones called from the President's table the Conference Committee Report on **S.B. 1355**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Jones, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 133, Granting DiscoverAir permission to sue the state.

The House has concurred in Senate amendments to **H.B. 1877** by a non-record vote.

The House has refused to concur in Senate amendments to **H.B. 1299** and has requested the appointment of a Conference Committee to consider the differences between the two houses. House Conferees: Geistweidt, Chairman; Polk, Haley, Tow and DeLay.

S.C.R. 59, Granting Shelia A. Jones permission to sue Texas A&M University.

The House has concurred in Senate amendments to **H.B. 2066** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 382** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE ON SENATE BILL 853 DISCHARGED

On motion of Senator Whitmire and by unanimous consent, the Conference Committee on **S.B. 853** was discharged.

Senator Whitmire moved to concur in the House amendments to **S.B. 853**.

The motion prevailed.

RECORD OF VOTES

Senators Mauzy and Lyon asked to be recorded as voting "Nay" on the motion to concur in the House amendments.

HOUSE BILL 2156 ON SECOND READING

On motion of Senator Harris and by unanimous consent, the regular order of business and the provision of the Intent Calendar was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 2156, Relating to the exemption of state lands from taxation; amending Section 11.11, Property Tax Code; and declaring an emergency.

The bill was read second time.

Senator Harris offered the following amendment to the bill:

Amend **H.B. 2156** by striking SECTION 1 and substituting therefor the following:

"SECTION 1. Section 11.11, Property Tax Code, is amended by adding a new Subsection (e) to read as follows:

(e) It is provided, however, that property that is held or dedicated for the support, maintenance, or benefit of an institution of higher education as defined by Section 61.003(7), Texas Education Code but is not rented or leased for compensation to a private business enterprise to be used by it for a purpose not related to the performance of the duties and functions of the State or is not rented or leased to provide private residential housing to members of the public other than students and employees of the State is not taxable."

The amendment was read and was adopted.

On motion of Senator Harris and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

HOUSE BILL 2156 ON THIRD READING

Senator Harris moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 2156** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1.

Nays: Washington.

Absent: Lyon.

The bill was read third time and was passed.

MOTION TO PLACE HOUSE BILL 1555 ON SECOND READING

Senator Farabee asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 1555, Relating to eligibility for unemployment compensation benefits for certain students.

There was objection.

Senator Farabee then moved to suspend the regular order of business and take up **H.B. 1555** for consideration at this time.

The motion was lost by the following vote: Yeas 18, Nays 11. (Not receiving two-thirds vote of the Members present.)

Yeas: Blake, Brown, Caperton, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, Lyon, Montford, Parker, Sarpalius, Sharp, Sims, Traeger.

Nays: Brooks, Doggett, Mauzy, Parmer, Santiesteban, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Absent: Henderson, McFarland.

CONFERENCE COMMITTEE ON HOUSE BILL 1299

Senator Brown called from the President's table for consideration at this time, the request of the House for a Conference Committee to adjust the differences between the two Houses on **H.B. 1299** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the Conference Committee on **H.B. 1299** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Brown, Chairman; Brooks, Whitmire, Washington and Parmer.

HOUSE BILL 1831 ON SECOND READING

On motion of Senator Jones and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1831, Relating to the appraisal for ad valorem taxation of property reported to have decreased in value.

The bill was read second time and was passed to third reading.

MOTION TO PLACE HOUSE BILL 1831 ON THIRD READING

Senator Jones moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1831** be placed on its third reading and final passage.

The motion was lost by the following vote: Yeas 20, Nays 9. (Not receiving four-fifths vote of the Members present).

Yeas: Blake, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Kothmann, Leedom, Lyon, Montford, Parker, Santiesteban, Sarpalius, Sharp, Sims, Williams.

Nays: Brooks, Mauzy, Parmer, Traeger, Truan, Uribe, Vale, Washington, Whitmire.

Absent: Henderson, McFarland.

(Senator Vale in Chair)

HOUSE JOINT RESOLUTION 70 ON SECOND READING

On motion of Senator Washington and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.J.R. 70, Proposing a constitutional amendment to provide for assignment of judges of certain courts with probate jurisdiction.

The resolution was read second time and was passed to third reading.

HOUSE JOINT RESOLUTION 70 ON THIRD READING

Senator Washington moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **S.J.R. 70** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 0, Present-not voting 1.

Present-not voting: Washington.

Absent: Henderson, McFarland.

The resolution was read third time and was passed by the following vote: Yeas 29, Nays 0.

Absent: Henderson, McFarland.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 113, Urging the Houston Metropolitan Transit Authority to purchase buses manufactured in Texas.

S.C.R. 122, Granting John McDonald and others permission to sue the state.

The House has concurred in Senate amendments to **H.B. 350** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1769** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

(President in Chair)

SENATE RESOLUTION 686

Senator Howard offered the following resolution:

S.R. 686, Congratulating Mrs. Jeretta Thompson, president-elect of the Classroom Teacher's Association.

The resolution was read and was adopted.

GUEST PRESENTED

Senator Howard escorted Mrs. Thompson to the President's Rostrum.

The President presented Mrs. Thompson with an enrolled copy of **S.R. 686**.

(Senator Vale in Chair)

VOTE ON MOTION TO NOT CONCUR IN HOUSE AMENDMENTS TO SENATE BILL 752 RECONSIDERED

Senator Harris moved to reconsider the vote by which the Senate refused to concur in the House amendments to **S.B. 752**.

The motion prevailed by the following vote: Yeas 17, Nays 13.

Yeas: Brooks, Brown, Glasgow, Harris, Kothmann, McFarland, Montford, Parmer, Santiesteban, Sharp, Sims, Traeger, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Caperton, Doggett, Edwards, Farabee, Henderson, Howard, Jones, Leedom, Lyon, Mauzy, Sarpalius, Truan.

Absent: Parker.

Question - Shall the Senate concur in the House amendments?

Senator Uribe moved to concur in the House amendments.

The motion prevailed by the following vote: Yeas 16, Nays 13.

Yeas: Brooks, Brown, Harris, Kothmann, McFarland, Montford, Parmer, Santiesteban, Sharp, Sims, Traeger, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Caperton, Doggett, Edwards, Farabee, Henderson, Howard, Jones, Leedom, Lyon, Mauzy, Sarpalius, Truan.

Absent: Glasgow, Parker.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.C.R. 277, Directing licensing agencies to make prompt refund of fees to applicants who do not take examinations.

The House has concurred in Senate amendments to **H.B. 2276** by a non-record vote.

The House has refused to concur in Senate amendments to **H.B. 36** and has requested the appointment of a Conference Committee to consider the differences between the two houses. House Conferees: Anita Hill of Dallas, Chairman; Tejeda, Madla, Rangel and Denton.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

BILLS AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bills and resolutions:

H.J.R. 65	**H.B. 1091**	**H.B. 1971**
H.C.R. 242	**H.B. 1148**	**H.B. 2188**
H.C.R. 158	**H.B. 1183**	**H.B. 2295**
H.C.R. 247	**H.B. 1451**	**H.B. 2439**
H.C.R. 267	**H.B. 1473**	**H.B. 2350**
H.C.R. 103	**H.B. 1550**	**H.B. 2372**
H.C.R. 122	**H.B. 1575**	**H.B. 2377**
H.C.R. 162	**H.B. 1606**	**H.B. 2388**
H.C.R. 221	**H.B. 1686**	**H.B. 2441**
H.C.R. 229	**H.B. 1753**	**S.B. 215**
H.C.R. 230	**H.B. 1852**	**S.B. 226**
H.C.R. 250	**H.B. 1933**	**S.B. 239**
H.C.R. 256	**H.B. 1953**	**S.B. 258**
H.C.R. 258	**H.B. 1966**	**S.B. 285**
H.C.R. 259	**H.B. 2008**	**S.B. 369**
H.C.R. 261	**H.B. 2102**	**S.B. 375**
H.C.R. 266	**H.B. 2160**	**S.B. 417**
H.B. 44	**H.B. 2445**	**S.B. 456**
H.B. 306	**H.B. 908**	**S.B. 470**
H.B. 340	**H.B. 1108**	**S.B. 480**
H.B. 586	**H.B. 1189**	**S.B. 557**
H.B. 642	**H.B. 141**	**S.B. 651**
H.B. 645	**H.B. 358**	**S.B. 706**
H.B. 657	**H.B. 725**	**S.B. 714**
H.B. 726	**H.B. 755**	**S.B. 762**

H.B. 777	**H.B. 1106**	**S.B. 815**
H.B. 790	**H.B. 1186**	**S.B. 884**
H.B. 804	**H.B. 1310**	**S.B. 964**
H.B. 812	**H.B. 1370**	**S.B. 1023**
H.B. 845	**H.B. 1625**	**S.B. 1027**
H.B. 855	**H.B. 1644**	**S.B. 1038**
H.B. 895	**H.B. 1669**	**S.B. 1131**
H.B. 1007	**H.B. 1712**	**S.B. 1205**
H.B. 1038	**H.B. 1726**	**S.B. 1335**
S.C.R. 126		

H.B. 893 (Signed subject to Art. III, Sec. 49a of the Constitution)
H.B. 1121 (Signed subject to Art. III, Sec. 49a of the Constitution)
S.B. 1082 (Signed subject to Art. III, Sec. 49a of the Constitution)

CONFERENCE COMMITTEE ON HOUSE BILL 36

Senator Lyon called from the President's table for consideration at this time, the request of the House for a Conference Committee to adjust the differences between the two Houses on **H.B. 36** and moved that the request be granted.

The motion prevailed by the following vote: Yeas 24, Nays 5.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Jones, Kothmann, Leedom, Lyon, Mauzy, Montford, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Glasgow, Harris, Henderson, Howard, Washington.

Absent: McFarland, Parker.

The President asked if there were any motions to instruct the Conference Committee on **H.B. 36** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Lyon, Chairman; Vale, Parmer, Traeger and Washington.

AT EASE

On motion of Senator Mauzy and by unanimous consent, the Senate at 5:45 o'clock p.m. agreed to Stand At Ease until 7:30 o'clock p.m. today upon conclusion of a Caucus of the Senate.

IN LEGISLATIVE SESSION

The President at 7:30 o'clock p.m. called the Senate to order as In Legislative Session.

CONFERENCE COMMITTEE REPORT
HOUSE BILL 1421

Senator Sims submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 1421** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

SIMS	STILES
LEEDOM	KUEMPEL
BROWN	JONES
SHARP	
On the part of the Senate	On the part of the House

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE RESOLUTION 838
(Caucus Report)

Senator Mauzy offered the following resolution:

Honorable William P. Hobby
President of the Senate
Austin, Texas

Sir:

At a caucus held on May 30, 1983, and attended by 29 members of the Senate the following recommendations were made, to wit:

BE IT RESOLVED by the Senate, That:

The Lieutenant Governor may employ such employees as are necessary for the operation of his office from the closing of this session and until the convening of the next session, and in addition thereto he and the Secretary of the Senate shall be furnished postage, telegraph, telephone, express, and all other expenses incident to their respective offices.

The Secretary of the Senate shall be retained during the interval between adjournment of this session and the convening of the next session of the Legislature. The Secretary of the Senate may employ such employees as are necessary for the operation of her office and to perform duties as may be required in connection with the business of the state from the closing of this session and until the convening of the next session. All employees and elected officers of the Senate shall operate under the direct supervision of the Secretary of the Senate during the interim.

The Sergeant-at-Arms shall be retained and a number of assistants as necessary in the operation of the Senate until the convening of the next session.

The Administration Chairman is authorized to retain a sufficient number of staff employees to conclude the work of the Enrolling Clerk, Staff Services Clerk, Calendar Clerk, and Journal Clerk. The Committee on Administration shall establish the salaries to be paid the Senate staff.

The Chairman of the Senate Committee on Administration is hereby authorized and directed to cause the Senate Chamber to be placed in order and to purchase such supplies and to make all such repairs and improvements as are necessary between the adjournment of this session and the convening of the next session of the Legislature and make an inventory of all furniture and fixtures in the Senate Chamber and in the private offices of the members, as well as of the supplies and equipment on hand in the Purchasing and Supply Department and close his

books for the Regular Session of the 68th Legislature. No equipment shall be acquired on a rental/purchase plan unless such equipment be placed on the Senate inventory at the termination of such plan. He shall also examine records and accounts payable out of the Contingent Expense Fund as shall be necessary properly to approve all claims and accounts against the Senate, and no claim or account shall be paid without his consent and approval, and he and any member of the Administration Committee shall be entitled to receive his actual and necessary expenses incurred during the interim; and, be it further

RESOLVED, That there shall be printed 325 volumes of the Senate Journal of the Regular Session of the 68th Legislature, and when complete 250 copies shall be bound in buckram and delivered to the Secretary of the Senate; one volume thus bound shall be forwarded by the Secretary of the Senate to each member of the Senate, to the Lieutenant Governor and to each member of the House of Representatives on request. The printing of such journals shall be done in accordance with the provisions of this Resolution under the supervision of the Chairman of the Committee on Administration; provided, further, that it shall be the duty of said chairman to refuse to receive or receipt for said Senate Journals until corrected and published in accordance with the preexisting law as finally approved by the Chairman of the Committee on Administration of the Senate. When the accounts have been certified by the Chairman of the Committee on Administration of the Senate, said accounts shall be paid out of the Contingent Expense Fund of the 68th Legislature; and, be it further

RESOLVED, That all salaries and expenses herein authorized to be incurred and paid for shall be paid out of the per diem and Contingent Expense Fund of the 68th Legislature as follows: The Senate shall request the State Comptroller of Public Accounts to issue general revenue warrants for payment of the employees of the Lieutenant Governor's office, the Lieutenant Governor, members of the Senate, employees of the Senate committees, and employees of the Senate, except as provided in Section 20 of the Legislative Reorganization Act (Article 5429F, Vernon's Texas Civil Statutes), upon presentation of the payroll account signed by the Chairman of the Administration Committee and the Secretary of the Senate; and for the payment of materials, supplies and expenses of the Senate, including travel expenses for members and employees, upon vouchers signed by the Chairman of the Senate Committee on Administration and the Secretary of the Senate; and, be it further

RESOLVED, That in furtherance of the legislative duties and responsibilities of the Senate, the Administration Committee is hereby authorized and directed to charge to the individual members office budget as hereinafter authorized: (1) reimbursement of all actual expenses incurred by the members when traveling in performance of such duties and responsibilities or incident thereto, and (2) payment of all other reasonable and necessary expenses for the operation of the office of the individual Senator during any period the Legislature is not in session. Expenditures for these services by the Administration Committee as hereby authorized as an expense of the Senate shall not be restricted to Austin but may be incurred in individual Senatorial Districts. Such expenses shall be paid from funds appropriated for the use of the Senate on vouchers approved by the Chairman of the Administration Committee and the Secretary of the Senate in accordance with regulations governing such expenditures; and, be it further

RESOLVED, That for the time period from the end of the 68th Legislature, Regular Session, through August 31, 1983, each Senator shall be permitted to employ secretarial and other office staff and for intrastate travel expense for staff employees a maximum payroll of $13,500.00, and from September 1, 1983 until the convening of the next regular or special session each Senator shall be permitted to employ secretarial and other office staff and for intrastate travel expenses for staff

employees a maximum payroll of $12,500.00 per month under the classification schedule hereinafter provided. Any unexpended portion of this amount may be carried forward from month to month until the convening of the 69th Legislature at which time the balance lapses. Other expenses including travel expenses or other reasonable and necessary expenses incurred in the furtherance and performance of legislative duties or in operation of his office or incident thereto shall be provided in addition to the maximum salary authorized.

It is further recommended that each employee of the Senate except elected officers be classified and paid pursuant to the following schedule to include salary changes made by the General Appropriations Act:

Title	Class Number	Group	Salary and Step Range
Messenger	0011		02 860(4)- 886(5)- 913(6)
Clerk Typist II/ Clerk II	0106		04 886(1)- 913(2)- 941(3)
Secretary II	0133		05 1066(5)-1099(6)-1135(7)
Clerk III/ Res. Tech II	0055		06 1003(1)-1034(2)-1066(3)
Secretary III	0135		07 1066(1)-1099(2)-1135(3)
Admin. Secretary	0138		09 1209(1)-1247(2)-1287(3)
Info. Spec. I	1892		14 1671(1)-1727(2)-1785(3)
Admin. Tech I	1501		08 1135(1)-1171(2)-1209(3)
Journalist I	1859		10 1287(1)-1329(2)-1373(3)
Admin. Tech II/ Res. Asst. I	1502		11 1373(1)-1419(2)-1465(3)
Journalist II	1860		12 1465(1)-1514(2)-1564(3)
Admin. Tech III	1503		13 1564(1)-1617(2)-1671(3)
Attorney I	3531		14 1671(1)-1727(2)-1785(3)
Admin. Tech IV/ Attorney II	1504		15 1785(1)-1844(2)-1906(3)
Info. Spec. II	1893		16 1906(1)-1970(2)-2035(3)
Admin. Assistant	1506		17 2035(1)-2104(2)-2174(3)
Attorney III	3533		17 2035(1)-2104(2)-2174(3)
Research Assistant II	1517		13 1564(1)-1617(2)-1671(3)
Info. Spec. III	1864		18 2246(1)-2322(2)-2400(3)
Legal Clerk V/ Legal Counselor	3605		19 2400(1)-2479(2)-2562(3)
Research & Info. Spec.	1866		21 2737(1)-2828(2)-2923(3)

Employees who do not readily fit one of the above classified positions may be assigned a title under the General Classified Positions outlined in the General Appropriations Act upon authorization of the Administration Committee; and, be it further

RESOLVED, That the Lieutenant Governor shall have the authority to appoint any member of the Senate, the Secretary of the Senate, or other Senate employee to attend National Legislative Conferences and other similar meetings. Necessary and actual expenses are hereby authorized upon the approval of the Chairman of the Administration Committee and the Secretary of the Senate; and, be it further

RESOLVED, That each of the standing committees and subcommittees of the Senate of the 68th Legislature be authorized to continue to meet at such times and places during the interim as determined by such committees and subcommittees and to hold hearings, recommend legislation, and perform research on matters directed either by resolution, the Lieutenant Governor, or as determined by majority vote of each committee. Each continuing committee and subcommittee shall continue to function under the rules adopted during the legislative session

where applicable. Expenses for the operation of these committees and subcommittees are hereby authorized to be paid pursuant to a budget prepared by each committee and approved by the Administration Committee; and, be it further

RESOLVED, That there is hereby created a committee whose membership shall consist of all 31 Senators, and the Dean of the Senate shall preside as chairman. The chairman may appoint a vice-chairman or chairman pro tempore to preside in the absence of the chairman.

The committee has the duty and authority to supervise all matters relating to the elected officers or internal affairs of the Senate. The committee has the power to do all things reasonable and necessary in carrying out its responsibilities, including but not limited to the discharge of elected officers, filling vacancies in any elected office, determining salaries of elected officers, and prescribing the powers, functions, responsibilities, and duties of the several elected officers of the Senate. The committee shall meet at the call of the chairman or at a date specified in a written request of 11 members or as may be determined by the committee after its initial meeting. Twenty-one members shall constitute a quorum and a majority of the quorum may take action.

The operating expenses of this committee shall be paid from the Contingent Expense Fund of the Senate, and the committee members shall be reimbursed for their actual expenses incurred in carrying out the duties of the committee.

Any members not returning for the 69th Legislature will vacate their Senate offices by December 15, 1984; and be it further

RESOLVED, That no employee of the Senate shall during the time he or she is employed furnish to any person, firm, or corporation any information other than general information furnished the public pertaining to the Senate, and they shall not without permission receive any compensation from any person, firm, or corporation during their employment by the Senate, and any employee found guilty of violating this provision shall be immediately discharged; and, be it further

RESOLVED, That the Secretary of the Senate is specifically directed not to permit the removal of any of the property of the Senate from the Senate Chamber or the rooms of the Senate except as authorized by the Chairman of the Administration Committee.

Respectfully submitted,

/s/Mauzy
Chairman of the Caucus

/s/Brooks
Secretary of the Caucus

The resolution was read and was adopted.

ELECTION OF PRESIDENT PRO TEMPORE AD INTERIM FOR THE REGULAR SESSION OF THE SIXTY-EIGHTH LEGISLATURE

The President announced the election of the President Pro Tempore as the next order of business.

Senator Mauzy nominated Senator Lloyd Doggett of Travis County as President Pro Tempore Ad Interim for the Regular Session of the Sixty-Eighth Legislature.

Senators Brooks, Farabee, Caperton, Santiesteban, Parker, Uribe, Truan, Williams, Vale, Montford, Parmer and Washington seconded the nomination.

Senator Doggett was elected by acclamation.

The President appointed the following committee to escort Senator Doggett and his family to the President's Rostrum: Senators Brooks, Caperton, Mauzy, Truan and Vale.

The Honorable Mark White, Governor of Texas, administered the Oath of Office to Senator Doggett.

Senator Doggett presented his wife, Libby and daughters Lisa and Cathy.

Senator Doggett expressed his appreciation to the Members of the Senate for the opportunity to serve.

SENATE RESOLUTION 782

Senator Brooks offered the following resolution:

WHEREAS, The distinguished Senator from Bexar County, Glenn Kothmann, is celebrating his birthday on this, the last day of the 68th Legislature; and

WHEREAS, Senator Kothmann brings a myriad of talents and achievements to the Texas Senate, not the least of which is his service as a Major General in the Texas National Guard; and

WHEREAS, Serving three terms in the Texas House of Representatives before his investiture in the Texas Senate in 1971, Senator Kothmann is a diligent and conscientious participant in all Senate deliberations; and

WHEREAS, The highest honor that the Senate can confer upon a fellow Senator, that of being elected President Pro Tempore, was bestowed upon this popular and well-respected solon during the 64th Legislature; and

WHEREAS, The City of San Antonio is well known for the quality of its Legislators in the Texas Senate and House of Representatives, and one of the most outstanding of these is Senator Glenn Kothmann; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 68th Legislature, hereby wish Senator Glenn Kothmann a rousing happy birthday with many happy returns; and, be it further

RESOLVED, That a copy of this Resolution be prepared for Senator Glenn Kothmann as a memento of this grand occasion.

BROOKS
VALE
TRAEGER
BLAKE

The resolution was read and was adopted.

SENATE RESOLUTION 840

Senator Mauzy offered the following resolution:

S.R. 840, Congratulating Senator and Mrs. Carlos Truan on the occasion of their 20th wedding anniversary.

The resolution was read and was adopted.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 125, Granting Ramon Murillo, Jr., and Graciela Murillo permission to sue the State.

The House has discharged the Conference Committee and has concurred in Senate amendments to **H.B. 1015** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 21** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1517** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2329** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 533** by a non-record vote.

The House has refused to concur in Senate amendments to **H.B. 1470** and has requested the appointment of a Conference Committee to consider the differences between the two Houses. House Conferees: Oliver, Chairman; Wolens, Granoff, Parker, P. Hill.

The House has adopted the Conference Committee Report on **S.B. 216** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 482** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 928** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

HOUSE CONCURRENT RESOLUTION 277

The President laid before the Senate the following resolution:

H.C.R. 277, Directing licensing agencies to make prompt refund of fees to applicants who do not take examinations.

The resolution was read.

On motion of Senator Jones and by unanimous consent, the resolution was considered immediately and was adopted.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Sims and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **H.B. 1421**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1421 ADOPTED

Senator Sims called from the President's table the Conference Committee Report on **H.B. 1421**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Sims, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

HOUSE BILL 848 ON SECOND READING

On motion of Senator Caperton and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 848, Relating to the authority of the boards of regents of certain institutions of higher education to provide malpractice insurance to veterinary staff members and veterinary students.

The bill was read second time and was passed to third reading.

HOUSE BILL 848 ON THIRD READING

Senator Caperton moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 848** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Washington.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE BILL 1719 ON SECOND READING

On motion of Senator Parmer and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

C.S.H.B. 1719, Relating to solid waste management.

The bill was read second time.

Senator Howard offered the following amendment to the bill:

Amend **C.S.H.B. 1719**, Section 35, page 14, lines 16 and 17, by striking the words "when constructed or operated under contract with a public agency."

The amendment was read and was adopted.

On motion of Senator Parmer and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

COMMITTEE SUBSTITUTE HOUSE BILL 1719 ON THIRD READING

Senator Parmer moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **C.S.H.B. 1719** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Washington.

The bill was read third time and was passed.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Vale and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **H.B. 2298**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2298 ADOPTED

Senator Vale called from the President's table the Conference Committee Report on **H.B. 2298**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Vale, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

HOUSE BILL 178 ON SECOND READING

Senator Uribe asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 178, Relating to the location of and acquisition of land and facilities by the Texas State Technical Institute and to the administration of the Hidalgo County campus.

There was objection.

Senator Uribe then moved to suspend the regular order of business and take up **H.B. 178** for consideration at this time.

The motion prevailed by the following vote: Yeas 27, Nays 3.

Yeas: Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Howard, Mauzy.

Absent: Sharp.

The bill was read second time.

Senator Farabee offered the following amendment to the bill:

Amend **H.B. 178** by striking all below the enacting clause and substituting the following:

SECTION 1. Chapter 135, Texas Education Code, is amended by adding a new section to read as follows:

Sec. 135.06. Extension Program. (a) Texas State Technical Institute is authorized to provide extension programs of training in the fields of Vocational-Technical Education as temporary programs to address current unemployment problems.

(b) the institute is authorized to accept in the name of the state of Texas personal properties, free and clear of any restrictions on use and disposal of said property. The institute shall not be authorized by this section to establish permanent programs or campuses.

(c) the institute may operate the extension program by the use of federal grants as well as such state funds that may be required for matching funds.

(d) the institute may enter into contracts with existing political subdivisions, state agencies, state institutions, or federal agencies, to carry out the extension program.

(e) the extension program shall be limited to the needs for Vocational-Technical Training in the area being served.

(f) the extension program shall not be limited by the provisions of Articles 135.02.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was read and was adopted.

On motion of Senator Uribe and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 178 ON THIRD READING

Senator Uribe moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 178** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4.

Yeas: Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Blake, Howard, Mauzy, Washington.

Absent: Sharp.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3.

Yeas: Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Howard, Mauzy.

HOUSE BILL 1643 ON SECOND READING

On motion of Senator Leedom and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1643, Relating to the disposition of obscene devices and material.

The bill was read second time and was passed to third reading.

RECORD OF VOTES

Senators Mauzy and Washington asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1643 ON THIRD READING

Senator Leedom moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1643** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Washington.

Absent: Sharp.

The bill was read third time and was passed.

RECORD OF VOTES

Senators Mauzy and Washington asked to be recorded as voting "Nay" on the final passage of the bill.

EDUCATION COMMITTEE GRANTED PERMISSION TO MEET

On motion of Senator Parker and by unanimous consent, the Education Committee was granted permission to meet while the Senate was in session.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 382**. House Conferees: Hudson of Dallas, Chairman; Oliveira, McKenna, Denton, Hill of Travis.

The House has failed to adopt the Conference Committee Report on **S.B. 385** by a record vote of 64 Ayes, 66 Noes, and 2 Present-not voting.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE ON HOUSE BILL 1470

Senator Leedom called from the President's table for consideration at this time, the request of the House for a Conference Committee to adjust the differences between the two Houses on **H.B. 1470** and moved that the request be granted.

The motion prevailed.

The President asked if there were any motions to instruct the Conference Committee on **H.B. 1470** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Leedom, Chairman; Sims, Brown, Traeger and Harris.

MOTION TO PLACE HOUSE BILL 4 ON SECOND READING

Senator Doggett moved to suspend the regular order of business to take up for consideration at this time:

H.B. 4, Relating to the holding of elections on uniform election dates.

The motion was lost by the following vote: Yeas 15, Nays 13. (Not receiving two-thirds vote of the Members present)

Yeas: Brooks, Caperton, Doggett, Edwards, Farabee, Harris, Henderson, Leedom, Mauzy, Parmer, Santiesteban, Truan, Uribe, Vale, Whitmire.

Nays: Blake, Brown, Glasgow, Howard, Jones, Kothmann, Lyon, Montford, Parker, Sarpalius, Sims, Traeger, Williams.

Absent: McFarland, Sharp, Washington.

REPORT OF STANDING COMMITTEE

By unanimous consent, Senator Parker submitted the following report for the Committee on Education.

H.C.R. 275 (Amended)

HOUSE CONCURRENT RESOLUTION 275 ORDERED NOT PRINTED

On motion of Senator Parker and by unanimous consent, **H.C.R. 275** was ordered not printed.

(Senator Lyon in Chair)

HOUSE CONCURRENT RESOLUTION 275 ON SECOND READING

On motion of Senator Parker and by unanimous consent, the regular order of business and provision of Intent Calendar were suspended to take up for consideration at this time on its second reading:

H.C.R. 275, Reestablishing the Select Committee on Public Education.

The resolution was read second time and was adopted.

VOTE ON ADOPTION OF HOUSE CONCURRENT RESOLUTION 275 RECONSIDERED

On motion of Senator Parker and by unanimous consent, the vote by which **H.C.R. 275** was adopted was reconsidered.

Question - Shall **H.C.R. 275** be adopted?

Senator Parker offered the following committee amendment to the resolution:

Amend **H.C.R. 275** by substituting the following:

HOUSE CONCURRENT RESOLUTION

WHEREAS, High-quality education for the citizens of Texas is a vital public concern, and a major portion of the State's total budget is appropriated for education; and

WHEREAS, Serious consideration and long-range planning are necessary to carry the Texas educational system into the 21st Century as a quality, effective system; and

WHEREAS, The Select Committee on Public Education established by the 67th Legislature, 1st Called Session, 1981, has shown that a committee of that structure can effectively study a multiplicity of complex educational issues and bring forth concrete ideas and recommendations for legislative action; now, therefore, be it

RESOLVED by the House of Representatives of the State of Texas, the Senate concurring, That the Select Committee on Public Education be reestablished to study the issues and continuing concerns relating to public education in Texas, particularly school finance and each of its components—personnel support, operating costs, transportation, equalization, minimum aid, and the categorical-aid programs—as well as the source of funding and structure of the system; and, be it further

RESOLVED, That the committee be composed of the Governor, Lieutenant Governor, Speaker of the House of Representatives, Chair of the Senate Committee on Education; Chair of the House Committee on Public Education; five members appointed by the Governor; four members appointed by the Lieutenant Governor; four members appointed by the Speaker of the House of Representatives; the Chairman of the State Board of Education; and two members of the State Board of Education appointed by the Chairman of that Board; and, be it further

RESOLVED, That the Governor serve as ex officio chairman of the committee and shall designate a chairperson from among the committee members to preside in the governor's place; that the Lieutenant Governor and the Speaker of the House of Representatives serve as ex officio co-vice-chairmen; and, be it further

RESOLVED, That the chair shall appoint advisory committees, as necessary, and the committee shall hold meetings and public hearings at the call of the chair; and, be it further

RESOLVED, That the Legislative Budget Board, the Texas Legislative Council, the Governor's Office, the Texas Education Agency, the Senate, and the House be authorized to provide staff support to the committee on the request of the committee; and, be it further

RESOLVED, That the committee have the power to issue process to witnesses at any place in the State of Texas, to compel the attendance of such witnesses, and to compel the production of all books, records, documents, and instruments that the committee may require. If necessary to obtain compliance with subpoenas and other process, the committee shall have the power to issue writs of attachment. All process issued by the committee may be addressed to and served by any peace officer of the State of Texas or any of its political subdivisions. The chair shall issue, in the name of the committee, such subpoenas and other process as the committee may direct. In the event that the chair is absent, the vice-chair or any designee of the chair is authorized to issue subpoenas or any other process in the same manner as the chair. Witnesses attending proceedings of the committee under process shall be allowed the same mileage and per diem as are allowed witnesses before any grand jury in the state. The testimony given at any hearing conducted pursuant to this resolution shall be given under oath subject to the penalties of perjury; and, be it further

RESOLVED, That the committee be authorized to request the assistance, where needed in the discharge of its duties, of all state agencies, departments, and offices, and that it be the duty of such agencies, departments, and offices to assist the committee when requested to do so. The committee shall have the power to inspect the records, documents, and files of every agency, department, and office of the state, to the extent necessary to the discharge of its duties within the area of its jurisdiction; and, be it further

RESOLVED, That the operating expenses of the committee be paid from available funds of the office of the governor and other participating agencies, and

from the contingent expense fund of the senate and the contingent expense fund of the house, as agreed by those parties, and that the committee members and advisory committee members be reimbursed from these funds for their expenses incurred in carrying out the provisions of this resolution; and, be it further

RESOLVED, That the committee make complete reports, including findings, recommendations, and drafts of any legislation deemed necessary, to the legislature as necessary and appropriate. Copies of the reports shall be filed in the Legislative Reference Library, with the Texas Legislative Council, with the Secretary of the Senate, and with the Chief Clerk of the House.

The committee amendment was read and was adopted.

The resolution as amended was again adopted.

(President in Chair)

HOUSE BILL 1289 ON SECOND READING

On motion of Senator Farabee and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1289, Relating to the imposition of fees and terms of probation on certain defendants.

The bill was read second time.

Senator Farabee offered the following amendment to the bill:

Amend **H.B. 1289** by substituting the following language for Section 1:

SECTION 1: Article 42.12, Code of Criminal Procedure, 1965, is amended by adding Section 6c to read as follows:

> Sec. 6c. A court receiving a probationer for supervision as authorized by Article 42.11 of this Code may impose on the probationer any term of probation authorized by Section 6 of this article, and may require the probationer to pay the fee authorized by Section 6a of this article. Fees received under this section shall be deposited in the same manner as required by Section 6a(b) of this article.

Amend **H.B. 1289** by substituting the following language for Section 2:

SECTION 2: Article 42.13, Code of Criminal Procedure, 1965, is amended by adding Section 6d to read as follows:

> Sec. 6d. A court receiving a probationer for supervision as authorized by Article 42.11 of this Code may impose on the probationer any term of probation authorized by Section 6 of this article, and may require the probationer to pay the fee authorized by Section 6a of this article. Fees received under this section shall be deposited in the same manner as required by Section 6a(b) of this article.

The amendment was read and was adopted.

On motion of Senator Farabee and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

HOUSE BILL 1289 ON THIRD READING

Senator Farabee moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1289** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Washington.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT
SENATE BILL 382

Senator Mauzy submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **S.B. 382** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

MAUZY	HUDSON
FARABEE	OLIVEIRA
CAPERTON	DENTON
BROOKS	McKENNA
	G. HILL
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the number of ballots furnished for each polling place; amending Subsection (a), Section 64, Texas Election Code (Article 6.09, Vernon's Texas Election Code).

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (a), Section 64, Texas Election Code (Article 6.09, Vernon's Texas Election Code), is amended to read as follows:

"(a) The authority responsible for furnishing the ballots in an election shall furnish each election precinct a number of ballots sufficient to conduct the election, except that in counties using electronic voting systems where the voter records his vote by marking or punching a ballot card. In those counties ballots shall be printed for each political party in an amount no less than 25 percent greater than the actual number of votes cast in that party's general primary in the most recent preceding general party primary. In the general election ballots shall be printed equal to 100 percent of the registered voters at the latest count. The official ballots to be counted before delivery and sealed up and together with the instruction cards, with poll lists, tally sheets, distance markers, returning blanks and stationery, shall be delivered to the precinct judges, and the number of each endorsed on the package, and entered of record by the clerk in the minutes of the Commissioners Court or, in an election

ordered by an authority of a political subdivision other than a county, on the minutes of the governing body of that subdivision. In like manner, shall be sent the list of qualified voters for the precinct certified to by the collector."

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Mauzy and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **S.B. 382**.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 382 ADOPTED

Senator Mauzy called from the President's table the Conference Committee Report on **S.B. 382**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Mauzy, the Conference Committee Report was adopted.

MOTION TO PLACE HOUSE BILL 1180 ON SECOND READING

Senator Jones moved to suspend the regular order of business to take up for consideration at this time:

H.B. 1180, Relating to the authority of the State Purchasing and General Services Commission to use the competitive sealed proposal method in making certain open market purchases and in leasing space from a private source.

POINT OF ORDER

Senator Mauzy raised the Point of Order against consideration of the bill because a copy was not in the Members' bill books.

The President overruled the Point of Order, stating the bill was ordered not printed in committee.

MOTION TO PLACE HOUSE BILL 1180 ON SECOND READING

Senator Jones moved to suspend the regular order of business to take up for consideration at this time:

H.B. 1180, Relating to the authority of the State Purchasing and General Services Commission to use the competitive sealed proposal method in making certain open market purchases and in leasing space from a private source.

The motion was lost by the following vote: Yeas 14, Nays 12. (Not receiving two-thirds vote of the Members present)

Yeas: Blake, Brown, Edwards, Farabee, Glasgow, Harris, Howard, Jones, Leedom, McFarland, Sarpalius, Sims, Traeger, Williams.

Nays: Brooks, Caperton, Doggett, Kothmann, Mauzy, Parker, Parmer, Truan, Uribe, Vale, Washington, Whitmire.

Absent: Henderson, Lyon, Montford, Santiesteban, Sharp.

COMMITTEE SUBSTITUTE HOUSE BILL 281 ON SECOND READING

Senator Washington moved to suspend the regular order of business to take up for consideration at this time:

H.B. 281, Relating to determinations of equitable adoptions and inheritance rights.

The motion prevailed by the following vote: Yeas 20, Nays 9.

Yeas: Brooks, Caperton, Doggett, Edwards, Farabee, Glasgow, Kothmann, Lyon, Mauzy, McFarland, Montford, Parker, Parmer, Santiesteban, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Brown, Harris, Howard, Jones, Leedom, Sarpalius, Sims, Traeger.

Absent: Henderson, Sharp.

The bill was read second time and was passed to third reading.

MOTION TO PLACE COMMITTEE SUBSTITUTE HOUSE BILL 281 ON THIRD READING

Senator Washington moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **C.S.H.B. 281** be placed on its third reading and final passage.

The motion was lost by the following vote: Yeas 18, Nays 9. (Not receiving four-fifths vote of the Members present)

Yeas: Brooks, Caperton, Doggett, Farabee, Glasgow, Henderson, Kothmann, Mauzy, McFarland, Montford, Parmer, Santiesteban, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Blake, Brown, Harris, Howard, Jones, Leedom, Sarpalius, Sims, Traeger.

Absent: Edwards, Lyon, Parker, Sharp.

VOTE ON ADOPTION OF CONFERENCE COMMITTEE REPORT ON SENATE BILL 385 RECONSIDERED

On motion of Senator Doggett and by unanimous consent, the vote by which the Conference Committee Report on **S.B. 385** was adopted was reconsidered.

Question - Shall the Conference Committee Report be adopted?

On motion of Senator Doggett and by unanimous consent, the Conference Committee on **S.B. 385** was discharged.

Senator Doggett moved to concur in the House amendments to **S.B. 385**.

The motion prevailed.

HOUSE BILL 1488 ON SECOND READING

Senator Lyon asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

H.B. 1488, Relating to the regulation of the formation and operation of risk retention groups; providing penalties.

There was objection.

Senator Lyon then moved to suspend the regular order of business and take up **H.B. 1488** for consideration at this time.

The motion prevailed by the following vote: Yeas 24, Nays 3.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Glasgow, Harris, Henderson, Jones, Kothmann, Lyon, Mauzy, Montford, Parmer, Santiesteban, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Howard, Leedom, Washington.

Absent: Doggett, Farabee, McFarland, Parker, Sarpalius.

The bill was read second time and was passed to third reading.

HOUSE BILL 1488 ON THIRD READING

Senator Lyon moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1488** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 24, Nays 3.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Glasgow, Harris, Henderson, Jones, Kothmann, Lyon, Mauzy, Montford, Parmer, Santiesteban, Sharp, Sims, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Howard, Leedom, Washington.

Absent: Farabee, McFarland, Parker, Sarpalius.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 2.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Glasgow, Harris, Henderson, Jones, Kothmann, Lyon, Mauzy, Montford, Parmer, Santiesteban, Sharp, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Howard, Leedom.

Absent: Farabee, McFarland, Parker, Sarpalius.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

The House has adopted the Conference Committee Report on **S.B. 1355** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 42** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 151** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 1091** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

HOUSE BILL 2076 ON SECOND READING

On motion of Senator Washington and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 2076, Relating to certain school district property tax revenues to be used by a junior college district operated by the school district.

The bill was read second time and was passed to third reading.

RECORD OF VOTE

Senator Glasgow asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 2076 ON THIRD READING

Senator Brooks moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 2076** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 2.

Yeas: Blake, Brooks, Caperton, Doggett, Edwards, Harris, Howard, Jones, Kothmann, Leedom, Lyon, Mauzy, Montford, Parmer, Santiesteban, Sarpalius, Sharp, Sims, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Brown, Glasgow.

Absent: Farabee, Henderson, McFarland, Parker.

The bill was read third time and was passed by the following vote: Yeas 24, Nays 2. (Same as previous roll call)

CONFERENCE COMMITTEE REPORT
HOUSE BILL 36

Senator Lyon submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 36** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

LYON	A. HILL
VALE	DENTON
PARMER	RANGEL
On the part of the Senate	On the part of the House

The Conference Committee Report was read and was filed with the Secretary of the Senate.

SENATE RULE 96(h) SUSPENDED

On motion of Senator Lyon and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **H.B. 36**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 36 ADOPTED

Senator Lyon called from the President's table the Conference Committee Report on **H.B. 36**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Lyon, the Conference Committee Report was adopted.

RECORD OF VOTES

Senators Harris, Mauzy, Howard and Glasgow asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

COMMITTEE SUBSTITUTE HOUSE BILL 1444 ON THIRD READING

Senator Mauzy moved to suspend the regular order of business to take up for consideration at this time on its third reading and final passage:

C.S.H.B. 1444, Relating to the assignment of judges by the presiding judges of administrative judicial districts.

The motion prevailed by the following vote: Yeas 20, Nays 9.

Yeas: Blake, Brooks, Doggett, Edwards, Harris, Henderson, Kothmann, Lyon, Mauzy, McFarland, Montford, Parmer, Santiesteban, Sharp, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Brown, Caperton, Farabee, Glasgow, Howard, Jones, Leedom, Sarpalius, Sims.

Absent: Parker, Washington.

The bill was read third time and was finally passed by the following vote: Yeas 21, Nays 9.

Yeas: Blake, Brooks, Doggett, Edwards, Harris, Henderson, Kothmann, Lyon, Mauzy, McFarland, Montford, Parmer, Santiesteban, Sharp, Traeger, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Brown, Caperton, Farabee, Glasgow, Howard, Jones, Leedom, Sarpalius, Sims.

Absent: Parker.

HOUSE BILL 1253 ON SECOND READING

On motion of Senator Brown and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 1253, Relating to offenses of using, disposing of, or storing a pesticide or pesticide container in certain manners; providing penalties.

The bill was read second time and was passed to third reading.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the passage of the bill to third reading.

HOUSE BILL 1253 ON THIRD READING

Senator Brown moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 1253** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Blake, Brooks, Brown, Caperton, Doggett, Edwards, Farabee, Glasgow, Harris, Henderson, Howard, Jones, Kothmann, Leedom, Lyon, McFarland, Montford, Parker, Parmer, Santiesteban, Sarpalius, Sharp, Traeger, Truan, Uribe, Vale, Whitmire, Williams.

Nays: Mauzy, Sims, Washington.

The bill was read third time and was passed.

RECORD OF VOTES

Senators Mauzy and Sims asked to be recorded as voting "Nay" on the final passage of the bill.

HOUSE BILL 521 ON THIRD READING

Senator Uribe moved to suspend the regular order of business to take up for consideration at this time:

H.B. 521, Relating to application of the workers' compensation law to farm and ranch laborers.

The motion prevailed by the following vote: Yeas 21, Nays 10.

Yeas: Blake, Brooks, Caperton, Doggett, Edwards, Harris, Henderson, Kothmann, Lyon, Mauzy, McFarland, Parker, Parmer, Santiesteban, Sharp, Truan, Uribe, Vale, Washington, Whitmire, Williams.

Nays: Brown, Farabee, Glasgow, Howard, Jones, Leedom, Montford, Sarpalius, Sims, Traeger.

The bill was read third time.

Question - Shall the bill be finally passed?

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.C.R. 279, Expressing appreciation to Robert I. Kelly, House Parliamentarian, and executive director of the Legislative Council.

H.C.R. 280, Expressing appreciation to the Texas Legislative Council.

H.C.R. 281, Expressing appreciation to Walter Fisher, assistant parliamentatian of the House.

The House has adopted the Conference Committee Report on **S.B. 106** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 315** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 960** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

(Senator Howard in Chair)

GUEST PRESENTED

The Presiding Officer (Senator Howard in Chair) presented Texas's First Lady, Mrs. Linda Gale White.

HOUSE BILL 521 ON THIRD READING

The Senate resumed consideration of **H.B. 521** on its third reading and final passage.

(Senator Glasgow occupied the Chair pending discussion of **H.B. 521** on its third reading and final passage.)

Question - Shall the bill be finally passed?

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

S.C.R. 136, Granting Thelma McCall permission to sue Port of Houston Authority.

The House has concurred in Senate amendments to **H.B. 1169** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1858** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 2156** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1191** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1289** by a non-record vote.

The House has adopted the Conference Committee Report on **H.B. 1421** by a non-record vote.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

(President in Chair)

CONFERENCE COMMITTEE REPORT
HOUSE BILL 1299

Senator Brown submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 1299** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BROWN	GEISTWEIDT
BROOKS	TOW
PARMER	POLK
WHITMIRE	DeLAY
WASHINGTON	HALEY
On the part of the Senate	On the part of the House

The Conference Committee Report was read and was filed with the Secretary of the Senate.

BILLS AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bills and resolutions:

H.C.R. 73	**H.B. 2326**	**H.B. 1925**
H.C.R. 233	**H.B. 2340**	**H.B. 2058**
H.C.R. 271	**H.B. 2363**	**H.B. 2067**
H.C.R. 236	**H.B. 2393**	**H.B. 2126**
H.C.R. 274	**H.B. 2395**	**H.B. 2153**
H.C.R. 147	**H.B. 2432**	**H.B. 2154**
H.C.R. 272	**H.B. 2440**	**H.B. 2196**
H.B. 210	**H.B. 385**	**H.B. 2289**
H.B. 310	**H.B. 697**	**H.B. 2322**
H.B. 570	**H.B. 742**	**H.B. 2325**
H.B. 594	**H.B. 949**	**H.B. 2327**
H.B. 1273	**H.B. 1157**	**H.B. 2337**
H.B. 1481	**H.B. 1216**	**H.B. 2348**
H.B. 1562	**H.B. 1263**	**H.B. 2354**
H.B. 1701	**H.B. 1415**	**H.B. 2364**
H.B. 1867	**H.B. 1454**	**H.B. 2399**
H.B. 1969	**H.B. 1460**	**H.B. 2404**
H.B. 1980	**H.B. 1519**	**H.B. 2406**
H.B. 2092	**H.B. 1699**	**H.B. 2407**
H.B. 2181	**H.B. 1750**	**H.B. 2447**
H.B. 2189	**H.B. 1863**	**H.B. 2449**
H.B. 2244	**H.B. 1876**	**H.B. 2452**
H.B. 2258		

SENATE RULE 96(h) SUSPENDED

On motion of Senator Brown and by unanimous consent, Senate Rule 96(h) was suspended as it relates to the Conference Committee Report on **H.B. 1299**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1299 ADOPTED

Senator Brown called from the President's table the Conference Committee Report on **H.B. 1299**. (The Conference Committee Report having been filed with the Senate and read on Monday, May 30, 1983.)

On motion of Senator Brown, the Conference Committee Report was adopted.

RECORD OF VOTE

Senator Mauzy asked to be recorded as voting "Nay" on the adoption of the Conference Committee Report.

MESSAGE FROM THE HOUSE

House Chamber
May 30, 1983

HONORABLE W. P. HOBBY
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

All necessary rules suspended, and the Conference Committee Report on **H.B. 36** adopted by a non-record vote.

All necessary rules suspended, and the Conference Committee Report on **H.B. 1470** adopted by a non-record vote.

The House has adopted the Conference Committee Report on **H.B. 2298** by a non-record vote.

The House has adopted the Conference Committee Report on **S.B. 382** by a non-record vote.

All necessary rules suspended and the House concurred in Senate amendments to **H.B. 178** by a non-record vote.

All necessary rules suspended and the House concurred in Senate amendments to **H.C.R. 275** by a non-record vote.

All necessary rules suspended and the House concurred in Senate amendments to **H.B. 1444** by a non-record vote.

All necessary rules suspended and the House concurred in Senate amendments to **H.B. 1719** by a non-record vote.

All necessary rules suspended, and the Conference Committee Report on **H.B. 1299** adopted by a non-record vote.

Motion to table motion to adopt Conference Committee Report on **S.B. 244** prevailed by a record vote of 72 Ayes, 63 Noes, and 5 Present-not voting.

Respectfully,

BETTY MURRAY, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE REPORT
HOUSE BILL 1470

Senator Leedom submitted the following Conference Committee Report:

Austin, Texas
May 30, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **H.B. 1470** have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

LEEDOM	OLIVER
SIMS	PARKER
TRAEGER	P. HILL
On the part of the Senate	On the part of the House

The Conference Committee Report was read and filed with the Secretary of the Senate.

Senator Leedom moved adoption of the Conference Committee Report on **H.B. 1470**.

Question - Shall the Conference Committee Report be adopted?

SENATE NOTIFIED

A Committee from the House of Representatives appeared at the Bar of the Senate and Mr. Hall of Webb for the Committee notified the Senate that the House had completed its business and was ready to adjourn sine die.

MOTION IN WRITING

Senator Mauzy submitted the following Motion in Writing:

Mr. President:

I move that the President be authorized to appoint a committee of five (5) members to notify the House of Representatives that the Senate has completed its labors and is ready to adjourn sine die.

MAUZY

The Motion in Writing was read and was adopted.

Accordingly, the President announced the appointment of the following Committee to Notify the House of Representatives: Senators McFarland, Sharp, Truan, Uribe and Whitmire.

MOTION IN WRITING

Senator Mauzy submitted the following Motion in Writing:

Mr. President:

I move that the President be authorized to appoint a committee of five (5) members to notify the Governor that the Senate has completed its labors and is ready to adjourn sine die.

MAUZY

The Motion in Writing was read and was adopted.

Accordingly, the President announced the appointment of the following Committee to Notify the Governor: Senators Brown, Edwards, Jones, Mauzy and Traeger.

REPORT OF THE COMMITTEE TO DESIGNATE THE STATE ARTIST

May 28, 1983
Austin, Texas

The Honorable William P. Hobby
President of the Senate

The Honorable Gibson D. "Gib" Lewis
Speaker of the House of Representatives

Sir:

Pursuant to **S.C.R. 6** passed by the 68th Legislature, Regular Session, the committee met and agreed upon the following:

To be Texas State Artist from June 1, 1983, and ending May 31, 1984, Raul Gutierrez;

To be alternate State Artist from June 1, 1983, and ending May 31, 1984, James Eddleman.

VALE	LEWIS
MONTFORD	P. HILL
PARMER	BERLANGA
On the part of the Senate	On the part of the House

The Report was read and was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1470

The Senate resumed consideration of the Conference Committee Report on **H.B. 1470**.

Question - Shall the Conference Committee Report be adopted?

POINT OF ORDER

Senator Jones raised a Point of Order against further consideration of the Conference Committee Report, stating that the time was near midnight on the last day of the 140 days of the Session and that no valid action could be taken on the Conference Committee Report.

The President sustained the Point of Order.

MOTION TO ADJOURN SINE DIE

At 12:00 midnight Senator Mauzy moved the Senate of the Sixty-eighth Legislature, Regular Session, adjourn sine die upon the completion of administrative duties.

BILLS AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the caption had been read, the following enrolled bills and resolutions:

S.B. 42 **H.B. 287** **H.B. 1322**

S.B. 106
S.B. 194
S.B. 216
S.B. 253
S.B. 360
S.B. 382
S.B. 482
S.B. 538
S.B. 559
S.B. 752
S.B. 853
S.B. 988
S.B. 1304
S.B. 1306
S.B. 1
S.B. 60
S.B. 117
S.B. 123
S.B. 149
S.B. 294
S.B. 325
S.B. 306
S.B. 448
S.B. 705
S.B. 711
S.B. 812
S.B. 960
S.B. 987
S.B. 1040
S.B. 1091
S.B. 1283
S.B. 1287
S.C.R. 59
S.C.R. 113
S.C.R. 122
S.C.R. 123
S.C.R. 125
S.C.R. 133
S.C.R. 136
S.C.R. 137
S.B. 105
S.B. 151
S.B. 180
S.B. 231
S.B. 255
S.B. 583
S.B. 607
S.B. 733
S.B. 864
S.B. 921
S.B. 923
S.B. 928
S.B. 961
S.B. 985
S.B. 1228
S.B. 1241
S.B. 1273
S.B. 1274
S.B. 1281
S.B. 1352
S.B. 1363
S.B. 1375
S.B. 642
H.C.R. 62
H.C.R. 127
H.C.R. 213
H.C.R. 248
H.C.R. 251
H.C.R. 262
H.C.R. 264
H.C.R. 268
H.C.R. 269
H.C.R. 275
H.C.R. 276
H.C.R. 277
H.C.R. 279
H.C.R. 280
H.C.R. 281
H.J.R. 70
H.B. 21
H.B. 36
H.B. 52
H.B. 160
H.B. 178
H.B. 208
H.B. 326
H.B. 350
H.B. 382
H.B. 401
H.B. 411
H.B. 470
H.B. 490
H.B. 533
H.B. 624
H.B. 773
H.B. 788
H.B. 848
H.B. 859
H.B. 888
H.B. 1015
H.B. 1018
H.B. 1075
H.B. 1080
H.B. 1119
H.B. 1169
H.B. 1191
H.B. 1253
H.B. 1269
H.B. 1344
H.B. 1401
H.B. 1420
H.B. 1421
H.B. 1444
H.B. 1488
H.B. 1501
H.B. 1502
H.B. 1511
H.B. 1580
H.B. 1643
H.B. 1651
H.B. 1679
H.B. 1702
H.B. 1704
H.B. 1719
H.B. 1745
H.B. 1769
H.B. 1858
H.B. 1869
H.B. 1875
H.B. 1877
H.B. 1889
H.B. 1967
H.B. 1985
H.B. 1999
H.B. 2013
H.B. 2061
H.B. 2066
H.B. 2068
H.B. 2076
H.B. 2081
H.B. 2087
H.B. 2134
H.B. 2150
H.B. 2156
H.B. 2157
H.B. 2174
H.B. 2227
H.B. 2229
H.B. 2251
H.B. 2276
H.B. 2294
H.B. 2298
H.B. 2299
H.B. 2302
H.B. 2324
H.B. 2329
H.B. 2338
H.B. 2345
H.B. 2346
H.B. 2347
H.B. 2359
H.B. 2375

S.B. 1044	**H.B. 1277**	**H.B. 2376**
S.B. 1062	**H.B. 1282**	**H.B. 2412**
S.B. 1144	**H.B. 1289**	**H.B. 2429**
S.B. 1190	**H.B. 1299**	**H.B. 2435**
H.B. 2385	**H.B. 2390**	**H.B. 2448**
H.B. 2414	**H.B. 2427**	**H.B. 1517**
H.B. 2433	**H.B. 2434**	**H.B. 2436**

S.B. 1355 (Signed subject to Art. III, Sec. 49a of the Constitution)
S.B. 315 (Signed subject to Art. III, Sec. 49a of the Constitution)
S.B. 385 (Signed subject to Art. III, Sec. 49a of the Constitution)
S.B. 1213 (Signed subject to Art. III, Sec. 49a of the Constitution)

MEMORIAL RESOLUTIONS

S.R. 755 - By Farabee: Memorial resolution for Mrs. Catherine Clack.

S.R. 759 - By Traeger: Memorial resolution for Judge Joe Campbell Wade.

S.R. 760 - By Traeger: Memorial resolution for Lieutenant Commander John David Austin, Jr.

S.R. 761 - By Brooks: Memorial resolution for Wallace C. D. Gee.

S.R. 780 - By Glasgow: Memorial resolution for William Karnes Baldridge.

S.R. 781 - By Glasgow: Memorial resolution for Dr. Patrick L. Dickerson.

S.R. 783 - By Glasgow: Memorial resolution for Don Jackson Ryon III.

S.R. 786 - By Doggett: Memorial resolution for Harrell E. Lee.

S.R. 787 - By Doggett: Memorial resolution for James Davis Hill.

S.R. 788 - By Lyon: Memorial resolution for James Dale Humphreys.

S.R. 793 - By Doggett: Memorial resolution for Logan Oliver Cummings.

S.R. 794 - By Doggett: Memorial resolution for Mrs. Marian Oldfather Boner.

S.R. 795 - By Doggett: Memorial resolution for Dr. Martha Shelby.

S.R. 797 - By Doggett: Memorial resolution for Louis C. Page, Jr.

S.R. 801 - By Doggett: Memorial resolution for Danny Gene McBeth.

S.R. 802 - By Doggett: Memorial resolution for Odis Havis.

S.R. 842 - By Doggett: Memorial resolution for Susan Frost Tiemann.

WELCOME AND CONGRATULATORY RESOLUTIONS

H.C.R. 276 - By (Parmer): Extending congratulations to the TCU women's golf team.

H.C.R. 279 - (Brooks): Expressing appreciation to Robert I. Kelly, House Parliamentarian.

H.C.R. 280 - (Brooks): Expressing appreciation to the Texas Legislative Council.

H.C.R. 281 - (Brooks): Expressing appreciation to Walter Fisher, assistant parliamentarian of the House.

S.R. 753 - By Henderson: Commending Stacie Norman.

S.R. 754 - By Farabee: Extending congratulations to Range and Pasture Judging team members from Forestburg High School.

S.R. 756 - By Farabee: Extending welcome to Miss Elainia Fields, Honorary Messenger for the Day.

S.R. 757 - By Farabee: Extending welcome to Miss Denise Powers, Honorary Messenger for the Day.

S.R. 758 - By Howard: Extending congratulations to Mr. and Mrs. John E. Robbins, Jr.

S.R. 762 - By Sharp: Extending congratulations to the City of Rosenberg on the occasion of its 100th birthday.

S.R. 763 - By Sharp: Commending the citizens of Rockport.

S.R. 764 - By Sharp: Extending congratulations to Penny Morris and Jo Evelyn Goldsmith.

S.R. 765 - By Sharp: Extending congratulations to James Lott.

S.R. 766 - By Sharp: Commending Joe Cherry.

S.R. 767 - By Sharp: Extending congratulations to Ms. Sheila Psencik.

S.R. 768 - By Sharp: Commending Mrs. Nell Williams.

S.R. 769 - By Sharp: Extending congratulations to Officer Edward P. Doran.

S.R. 770 - By Sharp: Extending congratulations to the Woodsboro High School track team.

S.R. 771 - By Sharp: Extending congratulations to the 1983 Refugio Bobcats track team.

S.R. 772 - By Sharp: Extending congratulations to Carolyn Ckodre.

S.R. 773 - By Sharp: Extending congratulations to Lynda Kridler.

S.R. 774 - By Sharp: Extending congratulations to Jesica Grunden.

S.R. 775 - By Sharp: Extending congratulations to Steve Scott.

S.R. 776 - By Sharp: Extending congratulations to Mike Zlock, Rebecca Ward and Rosendo Ramirez, Jr.

S.R. 778 - By Leedom: Extending congratulations to Roger Devine.

S.R. 779 - By Glasgow: Extending congratulations to Hulen Aars.

S.R. 784 - By Doggett: Designating July 3, 1984, to honor the 100th anniversary of Brackenridge Hospital.

S.R. 785 - By Doggett: Extending best wishes to Clell C. Clark.

S.R. 789 - By Lyon: Commending Waylon J. Bullard.

S.R. 790 - By Whitmire: Extending congratulations to Reverend Calvin Hamilton Murray.

S.R. 791 - By Caperton: Extending congratulations to the Georgetown High School band.

S.R. 792 - By Caperton: Extending congratulations to the A&M Consolidated High School band.

S.R. 796 - By Doggett: Commending Richard Wawro.

S.R. 798 - By Doggett: Extending congratulations to Dr. Harold C. Bold.

S.R. 799 - By Doggett: Extending congratulations to Mrs. Sue Drake.

S.R. 800 - By Doggett: Commending Frank Morrow, Doug Kellner and the entire staff of Alernative Views.

S.R. 803 - By Doggett: Commending Annette Beynon, Senate Page.

S.R. 804 - By Doggett: Commending Trey Blankenship, Senate Page.

S.R. 805 - By Doggett: Commending John Bohn, Senate Page.

S.R. 806 - By Doggett: Commending Katherine Bradshaw, Senate Page.

S.R. 807 - By Doggett: Commending Jenny Bump, Senate Page.

S.R. 808 - By Doggett: Commending Jeff Burk, Senate Page.

S.R. 809 - By Doggett: Commending Michael Cannon, Senate Page.

S.R. 810 - By Doggett: Commending Vonyee Carrington, Senate Page.

S.R. 811 - By Doggett: Commending Nancy Costa, Senate Page.

S.R. 812 - By Doggett: Commending John Davison, Senate Page.

S.R. 813 - By Doggett: Commending Sean Dunham, Senate Page.

S.R. 814 - By Doggett: Commending Alicia Frezia, Senate Page.

S.R. 815 - By Doggett: Commending Steven Gandy, Senate Page.

S.R. 816 - By Doggett: Commending Gina Houston, Senate Page.

S.R. 817 - By Doggett: Commending Michael Jones, Senate Page.

S.R. 818 - By Doggett: Commending Melissa Juarez, Senate Page.

S.R. 819 - By Doggett: Commending Pam McClain, Senate Page.

S.R. 820 - By Doggett: Commending Brian Pettit, Senate Page.

S.R. 821 - By Doggett: Commending Beth Pollard, Senate Page.

S.R. 822 - By Doggett: Commending Jael Polnac, Senate Page.

S.R. 823 - By Doggett: Commending Margaret Sampson, Senate Page.

S.R. 824 - By Doggett: Commending Michele Schwartz, Senate Page.

S.R. 825 - By Doggett: Commending Kristi Swartz, Senate Page.

S.R. 826 - By Doggett: Commending Victoria Tiley, Senate Page.

S.R. 827 - By Doggett: Commending Kevin Wall, Senate Page.

S.R. 828 - By Doggett: Commending Wesley Ward, Senate Page.

S.R. 829 - By Doggett: Commending Ray Welder, Senate Page.

S.R. 830 - By Doggett: Commending David Malone, Senate Page.

S.R. 831 - By Williams: Paying tribute to the men and women we remember on Memorial Day.

S.R. 833 - By Doggett: Commending Lamar Tinsley, Senate Page.

S.R. 834 - By Doggett: Expressing appreciation to Miel Corbett, Honorary Page.

S.R. 835 - By Doggett: Expressing appreciation to Laura Roy, Honorary Page.

S.R. 836 - By Doggett: Extending appreciation to Jahan Sagafi-nejad, Honorary Page.

S.R. 837 - By Doggett: Extending appreciation to David Sagafi-nejad, Honorary Page.

S.R. 839 - By Doggett: Extending congratulations to the Manuel C. Gonzalez family.

S.R. 841 - By Caperton: Declaring June 25th as Joni Mitchell Day.

S.R. 843 - By Doggett: Extending congratulations to Mrs. Clemence Marie Tacquard Nave.

S.R. 844 - By Edwards: Granting Dennis Randolph permission to sue the State for injuries received in baseball game with staff of Lieutenant Governor William P. Hobby.

S.R. 845 - By Parker: Recognizing contributions and achievements of Joe H. Tonahill.

ADJOURNMENT SINE DIE

The President announced that the hour for final adjournment of the Regular Session of the Sixty-eighth Legislature had arrived.

Senator Jones, at 2:13 o'clock p.m., May 31, 1983, moved that the Senate of the Sixty-eighth Legislature, in accordance with a motion previously adopted, stand adjourned sine die.

The President declared the Regular Session of the Sixty-eighth Legislature adjourned sine die.

APPENDIX

Filed Without Signature of Governor
(May 26, 1983)

S.C.R. 11
S.C.R. 24
S.C.R. 46
S.C.R. 49
S.C.R. 51
S.C.R. 65
S.C.R. 109
H.J.R. 1 (Effective November 8, 1983)
H.J.R. 29 (Effective November 6, 1984)
H.C.R. 72

(May 27, 1983)

H.J.R. 4 (Effective November 6, 1984)
H.J.R. 22 (Effective November 6, 1984)
H.J.R. 30 (Effective November 8, 1983)

H.J.R. 73 (Effective November 6, 1984)
H.B. 593 (Effective September 1, 1983)

(May 28, 1983)

H.J.R. 19 (Effective November 6, 1984)
H.C.R. 108
H.C.R. 166
H.C.R. 214
H.C.R. 217
H.C.R. 253
H.C.R. 60

Signed by Governor
(May 26, 1983)

H.C.R. 224
H.C.R. 260
S.C.R. 66
S.C.R. 68

(May 27, 1983)

S.B. 38 (Effective August 29, 1983)
S.B. 91 (Effective immediately)
S.B. 162 (Effective August 29, 1983)
S.B. 274 (Effective September 1, 1983)
S.B. 280 (Effective immediately)
S.B. 284 (Effective August 29, 1983)
S.B. 295 (Effective September 1, 1983)
S.B. 353 (Effective immediately)
S.B. 379 (Effective August 29, 1983)
S.B. 436 (Effective September 1, 1983)
S.B. 544 (Effective September 1, 1983)
S.B. 613 (Effective August 29, 1983)
S.B. 732 (Effective August 29, 1983)
S.B. 967 (Effective immediately)
S.B. 973 (Effective August 29, 1983)
S.B. 996 (Effective August 29, 1983)
S.B. 1020 (Effective August 29, 1983)
S.B. 1064 (Effective September 1, 1983)
S.B. 1096 (Effective immediately)
S.B. 1198 (Effective immediately)
S.B. 1207 (Effective immediately)
S.B. 1275 (Effective immediately)
H.B. 267 (Effective September 1, 1983)
H.B. 480 (Effective August 29, 1983)
H.B. 532 (Effective August 29, 1983)
H.B. 618 (Effective January 1, 1984)
H.B. 722 (Effective immediately)
H.B. 853 (Effective immediately)
H.B. 1427 (Effective August 29, 1983)
H.B. 1440 (Effective immediately)
H.B. 1441 (Effective immediately)
H.B. 1828 (Effective August 29, 1983)
H.B. 1958 (Effective September 1, 1983)

(May 28, 1983)

H.B. 1487 (Effective immediately)
H.C.R. 35
H.C.R. 88
H.C.R. 117
H.C.R. 130
H.C.R. 141
H.C.R. 190
H.C.R. 220
H.C.R. 226
H.C.R. 231
H.C.R. 237
H.C.R. 239
H.C.R. 244
H.C.R. 249
H.C.R. 252
H.C.R. 257

Signed by Governor
(May 29, 1983)

H.C.R. 215

Filed Without Signature of Governor
(May 30, 1983)

S.B. 335 (Effective September 1, 1983)
S.J.R. 22
H.J.R. 105 (Effective November 8, 1983)

BILLS AND RESOLUTIONS SENT TO GOVERNOR
(May 31, 1983)

S.B. 11	**S.B. 397**	**S.B. 757**	**S.B. 1125**
S.B. 22	**S.B. 417**	**S.B. 762**	**S.B. 1131**
S.B. 23	**S.B. 429**	**S.B. 763**	**S.B. 1166**
S.B. 24	**S.B. 446**	**S.B. 764**	**S.B. 1184**
S.B. 79	**S.B. 470**	**S.B. 772**	**S.B. 1185**
S.B. 84	**S.B. 480**	**S.B. 787**	**S.B. 1205**
S.B. 126	**S.B. 551**	**S.B. 791**	**S.B. 1286**
S.B. 134	**S.B. 554**	**S.B. 800**	**S.B. 1308**
S.B. 138	**S.B. 557**	**S.B. 802**	**S.B. 1318**
S.B. 147	**S.B. 565**	**S.B. 810**	**S.B. 1323**
S.B. 155	**S.B. 572**	**S.B. 815**	**S.B. 1330**
S.B. 160	**S.B. 621**	**S.B. 827**	**S.B. 1335**
S.B. 161	**S.B. 622**	**S.B. 845**	**S.B. 1348**
S.B. 215	**S.B. 631**	**S.B. 860**	**S.B. 1350**
S.B. 223	**S.B. 634**	**S.B. 866**	**S.B. 1351**
S.B. 224	**S.B. 635**	**S.B. 875**	**S.B. 1356**
S.B. 226	**S.B. 638**	**S.B. 891**	**S.B. 1366**
S.B. 238	**S.B. 640**	**S.B. 898**	**S.B. 1370**
S.B. 239	**S.B. 641**	**S.B. 910**	**S.B. 1379**
S.B. 258	**S.B. 651**	**S.B. 926**	**S.B. 1388**
S.B. 277	**S.B. 661**	**S.B. 964**	**S.B. 1395**
S.B. 285	**S.B. 671**	**S.B. 970**	**S.B. 1397**
S.B. 291	**S.B. 688**	**S.B. 986**	**S.B. 1398**

S.B. 369	S.B. 701	S.B. 997	S.B. 1408
S.B. 370	S.B. 706	S.B. 1019	S.B. 1409
S.B. 375	S.B. 714	S.B. 1023	S.B. 1425
S.B. 380	S.B. 748	S.B. 1027	S.B. 1426
S.B. 381	S.B. 306	S.B. 1038	S.B. 1427
S.B. 1	S.B. 448	S.B. 812	S.B. 1438
S.B. 60	S.B. 705	S.B. 960	S.B. 1304
S.B. 117	S.B. 711	S.B. 987	S.B. 1306
S.B. 123	S.B. 921	S.B. 1040	S.B. 42
S.B. 149	S.B. 923	S.B. 1091	S.B. 106
S.B. 294	S.B. 928	S.B. 1283	S.B. 194
S.B. 105	S.B. 961	S.B. 1287	S.B. 216
S.B. 151	S.B. 985	S.C.R. 117	S.B. 253
S.B. 180	S.B. 1044	S.B. 1228	S.B. 360
S.B. 231	S.B. 1062	S.B. 1241	S.B. 382
S.B. 255	S.B. 1144	S.B. 1273	S.B. 482
S.B. 583	S.B. 1190	S.B. 1274	S.B. 538
S.B. 607	S.C.R. 72	S.B. 1281	S.B. 559
S.B. 733	S.C.R. 82	S.B. 1352	S.B. 642
S.B. 864	S.C.R. 83	S.B. 1363	S.B. 752
S.J.R. 1	S.C.R. 84	S.B. 1375	S.B. 853
S.C.R. 35	S.C.R. 85	S.C.R. 88	S.B. 988
S.C.R. 52	S.C.R. 86	S.C.R. 89	S.C.R. 119
S.C.R. 63	S.C.R. 87	S.C.R. 93	S.C.R. 121
S.C.R. 67	S.C.R. 122	S.C.R. 98	S.C.R. 124
S.C.R. 69	S.C.R. 123	S.C.R. 101	S.C.R. 126
S.C.R. 70	S.C.R. 125	S.C.R. 107	S.C.R. 134
S.C.R. 71	S.C.R. 133	S.C.R. 115	S.C.R. 140
S.C.R. 59	S.C.R. 113	S.C.R. 136	S.C.R. 137
			S.B. 884

Sent to Comptroller
(May 30, 1983)
S.B. 179
S.B. 659
S.B. 1316

Sent to Comptroller
(June 1, 1983)
S.B. 315
S.B. 325
S.B. 385
S.B. 456
S.B. 813
S.B. 1082
S.B. 1213
S.B. 1355

Sent to Governor
(June 6, 1983)
S.B. 659
S.B. 1316

(June 10, 1983)
S.B. 179

S.B. 315
S.B. 325
S.B. 385
S.B. 456
S.B. 813
S.B. 1082
S.B. 1213
S.B. 1355

Signed by Governor
(June 6, 1983)

S.B. 232 (Effective September 1, 1983)

(June 7, 1983)

S.B. 23 (Effective January 1, 1984)

Filed Without Signature of Governor
(June 7, 1983)

H.B. 493 (Effective August 29, 1983)

(June 9, 1983)

S.B. 216 (Effective September 1, 1983)

Signed by Governor
(June 9, 1983)

S.B. 285 (Effective September 1, 1983)
S.B. 985 (Effective October 1, 1983)
H.B. 634 (Effective September 1, 1983)
S.B. 567 (Effective August 29, 1983)
S.B. 713 (Effective September 1, 1983)
H.B. 2436 (Effective immediately)
S.B. 986 (Effective immediately)
S.B. 988 (Effective September 1, 1983)
H.B. 1445 (Effective September 1, 1983)
S.B. 987 (Effective September 1, 1983)
H.C.R. 274

(June 10, 1983)

S.B. 148 (Effective September 1, 1983)

Filed Without Signature of Governor
(June 10, 1983)

S.B. 1245 (Effective August 29, 1983)

(June 13, 1983)

S.C.R. 35
S.C.R. 52
S.C.R. 59
S.C.R. 63
S.C.R. 93
S.C.R. 107
S.C.R. 115
S.C.R. 117
S.C.R. 119
H.C.R. 221
H.C.R. 229
H.C.R. 230
H.C.R. 233
H.C.R. 248
H.C.R. 250
H.C.R. 251
H.C.R. 256
H.C.R. 258

S.C.R. 122		**H.C.R. 259**	
S.C.R. 125		**H.J.R. 65**	(Effective November 6, 1984)
S.C.R. 133		**H.J.R. 70**	(Effective November 8, 1983)
S.C.R. 134		**S.J.R. 1**	(Effective November 8, 1983)
S.C.R. 136		**S.B. 383**	(Effective August 29, 1983)
S.C.R. 137		**S.B. 1371**	(Effective immediately)
S.C.R. 140		**S.B. 318**	(Effective August 29, 1983)
H.C.R. 73		**S.B. 432**	(Effective August 29, 1983)
H.C.R. 122			

Signed by Governor
(June 13, 1983)

S.C.R. 124	**H.C.R. 276**
S.C.R. 89	**H.C.R. 277**
S.C.R. 113	**H.C.R. 279**
H.C.R. 275	**H.C.R. 280**
H.C.R. 268	**H.C.R. 281**
H.C.R. 247	**S.C.R. 67**
H.C.R. 242	**S.C.R. 69**
H.C.R. 162	**S.C.R. 70**
H.C.R. 158	**S.C.R. 71**
H.C.R. 103	**S.C.R. 72**
H.C.R. 269	**S.C.R. 82**
H.C.R. 264	**S.C.R. 83**
H.C.R. 262	**S.C.R. 84**
H.C.R. 213	**S.C.R. 85**
H.C.R. 127	**S.C.R. 86**
H.C.R. 62	**S.C.R. 87**
H.C.R. 261	**S.C.R. 88**
H.C.R. 266	**S.C.R. 98**
H.C.R. 267	**S.C.R. 101**
H.C.R. 271	**S.C.R. 121**
H.C.R. 272	**S.C.R. 126**

(June 14, 1983)

S.C.R. 123
H.C.R. 236
S.B. 516 (Effective immediately)
S.B. 894 (Effective immediately)
H.B. 669 (Effective immediately)
H.B. 2301 (Effective immediately)
H.B. 2294 (Effective August 29, 1983)
H.B. 1677 (Effective August 29, 1983)
H.B. 2306 (Effective immediately)
H.B. 860 (Effective September 1, 1983)

Filed Without Signature of Governor
(June 15, 1983)

S.B. 843 (Effective September 1, 1983)

Signed by Governor
(June 16, 1983)

H.B. 784 (Effective beginning of 1983-84 school year)
S.B. 1 (Effective January 1, 1984)
H.B. 1279 (Effective immediately)
H.B. 2244 (Effective immediately)
H.B. 2352 (Effective September 1, 1983)
H.B. 1019 (Effective August 29, 1983)
H.B. 729 (Effective September 1, 1983)
H.B. 804 (Effective August 29, 1983)
H.B. 544 (Effective September 1, 1983)
H.B. 229 (Effective August 29, 1983)
H.B. 449 (Effective August 29, 1983)
H.B. 79 (Effective September 1, 1983)
H.B. 1507 (Effective September 1, 1983)
H.B. 1643 (Effective September 1, 1983)
S.B. 715 (Effective September 1, 1983)
S.B. 627 (Effective September 1, 1983)
S.B. 1304 (Effective August 29, 1983)
H.B. 1174 (Effective January 1, 1984)
H.B. 1748 (Effective January 1, 1984)
H.B. 1121 (Effective August 29, 1983)
H.B. 2298 (Effective August 29, 1983)
S.B. 711 (Effective September 1, 1983)
S.B. 1287 (Effective September 1, 1983)
S.B. 79 (Effective August 29, 1983)
S.B. 1213 (Effective September 1, 1983)
S.B. 742 (Effective September 1, 1983)
S.B. 940 (Effective August 29, 1983)
H.B. 1064 (Effective immediately)
H.B. 570 (Effective August 29, 1983)
H.B. 755 (Effective August 29, 1983)
H.B. 790 (Effective September 1, 1983)
H.B. 208 (Effective August 29, 1983)
H.B. 1273 (Effective January 1, 1984)
S.B. 1274 (Effective August 29, 1983)
S.B. 876 (Effective September 1, 1983)
H.B. 886 (Effective August 29, 1983)
H.B. 338 (Effective August 29, 1983)
H.B. 1732 (Effective September 1, 1983)
H.B. 141 (Effective August 29, 1983)
H.B. 411 (Effective September 1, 1983)
H.B. 490 (Effective September 1, 1983)
H.B. 1048 (Effective September 1, 1983)
H.B. 1212 (Effective September 1, 1983)
S.B. 557 (Effective September 1, 1983)
H.B. 559 (Effective August 29, 1983)
H.B. 2307 (Effective August 29, 1983)
H.B. 2427 (Effective August 29, 1983)
H.B. 283 (Effective September 1, 1983)
H.B. 1178 (Effective August 29, 1983)
S.B. 671 (Effective September 1, 1983)
H.B. 590 (Effective immediately)
H.B. 1505 (Effective August 29, 1983)
H.B. 1510 (Effective September 1, 1983)

H.B. 1511 (Effective September 1, 1983)
H.B. 101 (Effective immediately)
H.B. 100 (Effective August 29, 1983)

(June 17, 1983)

S.B. 468 (Effective immediately)
S.B. 572 (Effective September 1, 1983)
S.B. 1318 (Effective August 29, 1983)
S.B. 342 (Effective September 1, 1983)
S.B. 898 (Effective September 1, 1983)
S.B. 1345 (Effective immediately)
S.B. 1260 (Effective August 29, 1983)
S.B. 1019 (Effective September 1, 1983)
S.B. 728 (Effective immediately)
S.B. 899 (Effective August 29, 1983)
S.B. 1088 (Effective immediately)
S.B. 860 (Effective immediately)
S.B. 1166 (Effective immediately)
S.B. 1180 (Effective immediately)
S.B. 215 (Effective August 29, 1983)
S.B. 325 (Effective September 1, 1983, Sec. 6, September 1, 1985)
S.B. 1128 (Effective immediately)
S.B. 60 (Effective September 1, 1983)
S.B. 129 (Effective September 1, 1983)
S.B. 1181 (Effective August 29, 1983)
S.B. 838 (Effective September 1, 1983)
S.B. 116 (Effective September 1, 1983)
S.B. 444 (Effective August 29, 1983)
S.B. 1408 (Effective September 1, 1983)
S.B. 135 (Effective September 1, 1983)
S.B. 640 (Effective immediately)
S.B. 1091 (Effective August 29, 1983)
S.B. 1125 (Effective beginning of 1983-84 school year)
S.B. 969 (Effective immediately)
S.B. 1034 (Effective September 1, 1983)
S.B. 596 (Effective August 29, 1983)
S.B. 866 (Effective August 29, 1983)
S.B. 231 (Effective September 1, 1983)
S.B. 306 (Effective August 29, 1983)
S.B. 649 (Effective August 29, 1983)
H.B. 1869 (Effective September 1, 1983)
H.B. 2154 (Effective September 1, 1983)
H.B. 1480 (Effective September 1, 1983)
H.B. 2183 (Effective January 1, 1984)
H.B. 586 (Effective September 1, 1983)
H.B. 279 (Effective August 29, 1983)
H.B. 2323 (Effective August 29, 1983)
H.B. 306 (Effective September 1, 1983)
H.B. 896 (Effective August 29, 1983)
H.B. 1068 (Effective January 1, 1984)
H.B. 1819 (Effective August 29, 1983)
H.B. 2160 (Effective beginning of

1984-85 school year)
H.B. 2364 (Effective September 1, 1983)
H.B. 936 (Effective immediately)
H.B. 1007 (Effective September 1, 1983)
H.B. 2046 (Effective September 1, 1983)
H.B. 1148 (Effective August 29, 1983)
H.B. 1054 (Effective September 1, 1983)
H.B. 1689 (Effective beginning of 1983-84 school year)
H.B. 2174 (Effective August 29, 1983)
H.B. 1750 (Effective August 29, 1983)
H.B. 1833 (Effective immediately)
H.B. 287 (Effective August 29, 1983)
H.B. 1834 (Effective September 1, 1983)
H.B. 1015 (Effective September 1, 1983)
H.B. 793 (Effective August 29, 1983)
H.B. 2414 (Effective immediately)
H.B. 877 (Effective September 1, 1983)
H.B. 1954 (Effective September 1, 1983)
H.B. 893 (Effective August 29, 1983)
H.B. 1245 (Effective August 29, 1983)
H.B. 848 (Effective immediately)
H.B. 1562 (Effective August 29, 1983)
H.B. 2334 (Effective immediately)
H.B. 2333 (Effective immediately)
H.B. 1794 (Effective August 29, 1983)
H.B. 972 (Effective August 29, 1983)
H.B. 838 (Effective September 1, 1983)
H.B. 845 (Effective January 1, 1984)
H.B. 1969 (Effective September 1, 1983)
H.B. 2 (Effective immediately (Sec. 1) and upon adoption of **H.J.R. 1** (Sec. 2)
H.B. 657 (Effective immediately)
H.B. 1766 (Effective September 1, 1983)
H.B. 464 (Effective September 1, 1983)
H.B. 1200 (Effective immediately)

Filed Without Signature of Governor
(June 17, 1983)

H.B. 825 (Effective August 29, 1983)
H.B. 1361 (Effective September 1, 1983)
H.B. 2232 (Effective immediately)
H.B. 1169 (Effective September 1, 1983)
H.B. 1191 (Effective August 29, 1983)
H.B. 1299 (Effective September 1, 1983)
H.B. 1769 (Effective August 29, 1983)
S.B. 812 (Effective September 1, 1983)
S.B. 813 (Effective September 1, 1983)
S.B. 1270 (Effective immediately)
S.B. 483 (Effective August 29, 1983)
S.B. 799 (Effective August 29, 1983)
S.B. 563 (Effective August 29, 1983)
S.B. 764 (Effective beginning

fall semester 1983)
S.B. 238 (Effective September 1, 1983 and September 1, 1984)

(June 19, 1983)

H.B. 1836 (Effective August 29, 1983)
S.B. 336 (Effective immediately)
S.B. 480 (Effective immediately)
S.B. 815 (Effective immediately)
H.B. 1519 (Effective immediately)
S.B. 701 (Effective January 1, 1984)
S.B. 748 (Effective January 1, 1984)
S.B. 11 (Effective January 1, 1984)
S.B. 42 (Effective August 29, 1983)
S.B. 117 (Effective August 29, 1983)
S.B. 329 (Effective September 1, 1983)
S.B. 395 (Effective August 29, 1983)
S.B. 448 (Effective September 1, 1983)
S.B. 538 (Effective January 1, 1984)
S.B. 551 (Effective immediately)
S.B. 559 (Effective August 29, 1983)
S.B. 565 (Effective September 1, 1983)
S.B. 607 (Effective on adoption of **S.J.R. 21**)
S.B. 688 (Effective August 29, 1983)
S.B. 710 (Effective August 29, 1983)
S.B. 741 (Effective September 1, 1983)
S.B. 787 (Effective immediately)
S.B. 878 (Effective August 29, 1983)
S.B. 891 (Effective immediately)
S.B. 893 (Effective immediately)
S.B. 912 (Effective August 29, 1983)
S.B. 913 (Effective August 29, 1983)
S.B. 921 (Effective August 29, 1983)
S.B. 927 (Effective August 29, 1983)
S.B. 960 (Effective September 1, 1983)
S.B. 961 (Effective immediately)
S.B. 1097 (Effective September 1, 1983)
S.B. 1190 (Effective August 29, 1983)
S.B. 1205 (Effective September 1, 1983)
S.B. 1261 (Effective August 29, 1983)
S.B. 1283 (Effective immediately)
S.B. 1316 (Effective immediately)
S.B. 1323 (Effective August 29, 1983)
S.B. 1328 (Effective August 29, 1983)
S.B. 1351 (Effective immediately)
S.B. 1384 (Effective immediately)
S.B. 1385 (Effective immediately)
S.B. 1386 (Effective immediately)
S.B. 1387 (Effective immediately)
H.B. 18 (Effective December 1, 1983)
H.B. 30 (Effective September 1, 1983)
H.B. 310 (Effective immediately)
H.B. 525 (Effective August 29, 1983)
H.B. 555 (Effective August 29, 1983)

H.B. 594 (Effective August 29, 1983)
H.B. 706 (Effective September 1, 1983)
H.B. 718 (Effective August 29, 1983)
H.B. 725 (Effective August 29, 1983)
H.B. 812 (Effective September 1, 1983)
H.B. 854 (Effective immediately)
H.B. 949 (Effective immediately)
H.B. 1118 (Effective September 1, 1983)
H.B. 1122 (Effective August 29, 1983)
H.B. 1141 (Effective August 29, 1983)
H.B. 1187 (Effective immediately)
H.B. 1189 (Effective immediately)
H.B. 1372 (Effective August 29, 1983)
H.B. 1401 (Effective September 1, 1983)
H.B. 1704 (Effective immediately)
H.B. 1710 (Effective immediately)
H.B. 1743 (Effective immediately)
H.B. 1838 (Effective August 29, 1983)
H.B. 1848 (Effective immediately)
H.B. 1863 (Effective immediately)
H.B. 1867 (Effective September 1, 1983)
H.B. 1875 (Effective August 29, 1983)
H.B. 1877 (Effective August 29, 1983)
H.B. 1883 (Effective September 1, 1983)
H.B. 2005 (Effective September 1, 1983)
H.B. 2061 (Effective August 29, 1983)
H.B. 2087 (Effective August 29, 1983)
H.B. 2092 (Effective immediately)
H.B. 2102 (Effective August 29, 1983)
H.B. 2153 (Effective August 29, 1983)
H.B. 2224 (Effective September 1, 1983)
H.B. 2226 (Effective August 29, 1983)
H.B. 2271 (Effective August 29, 1983)
H.B. 2285 (Effective September 1, 1983)
H.B. 2434 (Effective immediately)

Signed by Governor
(June 19, 1983)

S.B. 151 (Effective September 1, 1983)
S.B. 226 (Effective beginning of 1983-84 school year)
S.B. 250 (Effective August 29, 1983)
S.B. 315 (Effective September 1, 1983)
S.B. 375 (Effective September 1, 1983)
S.B. 470 (Effective September 1, 1983)
S.B. 488 (Effective August 29, 1983)
S.B. 515 (Effective August 29, 1983)
S.B. 554 (Effective August 29, 1983)
S.B. 587 (Effective immediately)
S.B. 661 (Effective August 29, 1983)
S.B. 651 (Effective September 1, 1983)
S.B. 668 (Effective August 29, 1983)
S.B. 706 (Effective August 29, 1983)
S.B. 714 (Effective January 1, 1984)

S.B. 733 (Effective August 29, 1983)
S.B. 775 (Effective September 1, 1983)
S.B. 776 (Effective September 1, 1983)
S.B. 779 (Effective August 29, 1983)
S.B. 800 (Effective immediately)
S.B. 802 (Effective immediately)
S.B. 845 (Effective immediately)
S.B. 864 (Effective August 29, 1983)
S.B. 923 (Effective October 1, 1983)
S.B. 964 (Effective September 1, 1983)
S.B. 997 (Effective September 1, 1983)
S.B. 1023 (Effective September 1, 1983)
S.B. 1038 (Effective immediately)
S.B. 1040 (Effective immediately)
S.B. 1094 (Effective August 29, 1983)
S.B. 1156 (Effective September 1, 1983)
S.B. 1215 (Effective immediately)
S.B. 1308 (Effective immediately)
S.B. 1322 (Effective immediately)
S.B. 1358 (Effective immediately)
S.B. 1388 (Effective September 1, 1983)
S.B. 1425 (Effective August 29, 1983)
H.B. 359 (Effective September 1, 1983)
H.B. 399 (Effective August 29, 1983)
H.B. 697 (Effective immediately)
H.B. 726 (Effective September 1, 1983)
H.B. 773 (Effective August 29, 1983)
H.B. 1106 (Effective September 1, 1983)
H.B. 1183 (Effective immediately)
H.B. 1250 (Effective September 1, 1983)
H.B. 1322 (Effective immediately)
H.B. 1669 (Effective August 29, 1983)
H.B. 2013 (Effective September 1, 1983)
H.B. 2126 (Effective August 29, 1983)
H.B. 2188 (Effective September 1, 1983)
H.B. 2189 (Effective August 29, 1983)
H.B. 2292 (Effective immediately)
H.B. 2295 (Effective September 1, 1983)
H.B. 2299 (Effective August 29, 1983)
H.B. 2302 (Effective August 29, 1983)
H.B. 2305 (Effective immediately)
H.B. 2314 (Effective immediately)
H.B. 2324 (Effective immediately)
H.B. 2325 (Effective immediately)
H.B. 2326 (Effective immediately)
H.B. 2327 (Effective September 1, 1983)
H.B. 2329 (Effective August 29, 1983)
H.B. 2335 (Effective immediately)
H.B. 2337 (Effective August 29, 1983)
H.B. 2338 (Effective August 29, 1983)
H.B. 2340 (Effective September 1, 1983)
H.B. 2343 (Effective immediately)
H.B. 2345 (Effective August 29, 1983)
H.B. 2346 (Effective August 29, 1983)

H.B. 2347 (Effective August 29, 1983)
H.B. 2348 (Effective September 1, 1983)
H.B. 2350 (Effective August 29, 1983)
H.B. 2354 (Effective immediately)
H.B. 2359 (Effective August 29, 1983)
H.B. 2368 (Effective immediately)
H.B. 2370 (Effective August 29, 1983)
H.B. 2372 (Effective August 29, 1983)
H.B. 2377 (Effective August 29, 1983)
H.B. 2379 (Effective August 29, 1983)
H.B. 2380 (Effective August 29, 1983)
H.B. 2382 (Effective immediately)
H.B. 2383 (Effective August 29, 1983)
H.B. 2385 (Effective immediately)
H.B. 2390 (Effective September 1, 1983)
H.B. 2388 (Effective August 29, 1983)
H.B. 2391 (Effective October 1, 1983)
H.B. 2395 (Effective January 1, 1984)
H.B. 2399 (Effective September 1, 1983)
H.B. 2404 (Effective August 29, 1983)
H.B. 2412 (Effective August 29, 1983)
H.B. 2425 (Effective August 29, 1983)
H.B. 2429 (Effective immediately)
H.B. 2432 (Effective August 29, 1983)
H.B. 2433 (Effective August 29, 1983)
H.B. 2435 (Effective immediately)
H.B. 2439 (Effective August 29, 1983)
H.B. 2440 (Effective August 29, 1983)
H.B. 2441 (Effective August 29, 1983)
H.B. 2443 (Effective August 29, 1983)
H.B. 2447 (Effective August 29, 1983)
H.B. 2448 (Effective August 29, 1983)
H.B. 2449 (Effective August 29, 1983)
S.B. 22 (Effective September 1, 1983)
S.B. 100 (Effective September 1, 1983)
S.B. 752 (Effective August 29, 1983)
S.B. 763 (Effective August 29, 1983)
S.B. 948 (Effective immediately)
S.B. 1141 (Effective immediately)
H.B. 872 (Effective September 1, 1983)
H.B. 1438 (Effective August 29, 1983)
H.B. 2008 (Effective September 1, 1983)
H.B. 2196 (Effective September 1, 1983)
H.B. 2229 (Effective immediately)
H.B. 1719 (Effective September 1, 1983)
H.B. 1500 (Effective August 29, 1983)
H.B. 1501 (Effective August 29, 1983)
H.B. 1517 (Effective August 29, 1983)
H.B. 1518 (Effective August 29, 1983)
H.B. 1550 (Effective August 29, 1983)
H.B. 1575 (Effective August 29, 1983)
H.B. 1580 (Effective August 29, 1983)
H.B. 1599 (Effective August 29, 1983)
H.B. 1602 (Effective immediately)

H.B. 1603 (Effective August 29, 1983)
H.B. 1606 (Effective August 29, 1983)
H.B. 1625 (Effective September 1, 1983)
H.B. 1650 (Effective September 1, 1983/ part immediately)
H.B. 1651 (Effective August 29, 1983/ September 1, 1983)
H.B. 1655 (Effective August 29, 1983)
H.B. 1686 (Effective September 1, 1983)
H.B. 1699 (Effective August 29, 1983)
H.B. 1702 (Effective September 1, 1983)
H.B. 1753 (Effective September 1, 1983)
H.B. 1818 (Effective August 29, 1983)
H.B. 1840 (Effective August 29, 1983)
H.B. 1845 (Effective August 29, 1983)
H.B. 1849 (Effective September 1, 1983)
H.B. 1852 (Effective August 29, 1983)
H.B. 1876 (Effective August 29, 1983)
H.B. 1889 (Effective August 29, 1983)
H.B. 1914 (Effective September 1, 1983)
H.B. 1925 (Effective August 29, 1983)
H.B. 1953 (Effective August 29, 1983/ September 1, 1983)
H.B. 1964 (Effective immediately)
H.B. 1966 (Effective August 29, 1983)
H.B. 1971 (Effective September 1, 1983)
H.B. 1985 (Effective August 29, 1983)
H.B. 1986 (Effective August 29, 1983)
H.B. 1991 (Effective immediately)
H.B. 1999 (Effective August 29, 1983)
H.B. 2006 (Effective upon passage of **H.J.R. 105**)
H.B. 2031 (Effective September 1, 1983)
H.B. 2032 (Effective August 29, 1983)
H.B. 2066 (Effective August 29, 2983)
H.B. 2067 (Effective immediately)
H.B. 2068 (Effective August 29, 1983)
H.B. 2076 (Effective immediately)
H.B. 2083 (Effective September 1, 1983)
H.B. 2112 (Effective September 1, 1983)
H.B. 2116 (Effective August 29, 1983)
H.B. 2119 (Effective August 29, 1983)
H.B. 2134 (Effective January 1, 1984)
H.B. 2135 (Effective August 29, 1983)
H.B. 2140 (Effective September 1, 1983)
H.B. 2158 (Effective September 1, 1983)
H.B. 2217 (Effective August 29, 1983)
H.B. 2218 (Effective immediately)
H.B. 2227 (Effective Setpember 1, 1983)
H.B. 2228 (Effective September 1, 1983)
H.B. 2284 (Effective August 29, 1983)
H.B. 2289 (Effective August 29, 1983)
H.B. 160 (Effective August 29, 1983)
H.B. 210 (Effective August 29, 1983)

H.B. 326 (Effective August 29, 1983)
H.B. 340 (Effective August 29, 1983)
H.B. 350 (Effective August 29, 1983)
H.B. 423 (Effective August 29, 1983)
H.B. 533 (Effective August 29, 1983)
H.B. 1006 (Effective August 29, 1983)
H.B. 1075 (Effective September 1, 1983)
H.B. 1080 (Effective September 1, 1983)
H.B. 1091 (Effective immediately)
H.B. 1100 (Effective August 29, 1983)
H.B. 1114 (Effective September 1, 1983)
H.B. 1119 (Effective immediately)
H.B. 1157 (Effective August 29, 1983)
H.B. 1208 (Effective September 1, 1983)
H.B. 1216 (Effective January 1, 1984 if **H.J.R. 30** is adopted)
H.B. 1409 (Effective immediately)
H.B. 1310 (Effective August 29, 1983)
H.B. 1451 (Effective September 1, 1983)
H.B. 1554 (Effective September 1, 1983)
H.B. 1601 (Effective immediately)
H.B. 1706 (Effective September 1, 1983)
H.B. 1708 (Effective August 29, 1983)
H.B. 1792 (Effective August 29, 1983)
H.B. 1884 (Effective September 1, 1983)
H.B. 1936 (Effective August 29, 1983)
H.B. 2077 (Effective August 29, 1983)
H.B. 2102 (Effective August 29, 1983)
H.B. 2107 (Effective August 29, 1983)
H.B. 2150 (Effective September 1, 1983)
H.B. 2363 (Effective September 1, 1983)
H.B. 2398 (Effective September 1, 1983)
S.B. 763 (Effective August 29, 1983)
S.B. 765 (Effective September 1, 1983)
S.B. 766 (Effective September 1, 1983)
S.B. 791 (Effective August 29, 1983)
S.B. 801 (Effective August 29, 1983)
S.B. 808 (Effective August 29, 1983)
S.B. 816 (Effective immediately)
S.B. 818 (Effective immediately)
S.B. 834 (Effective August 29, 1983)
S.B. 835 (Effective September 1, 1983)
S.B. 836 (Effective August 29, 1983)
S.B. 856 (Effective September 1, 1983)
S.B. 870 (Effective August 29, 1983)
S.B. 872 (Effective immediately)
S.B. 873 (Effective August 29, 1983)
S.B. 892 (Effective immediately)
S.B. 901 (Effective August 29, 1983)
S.B. 906 (Effective September 1, 1983)
S.B. 910 (Effective September 1, 1983)
S.B. 925 (Effective September 1, 1983)
S.B. 926 (Effective September 1, 1983)
S.B. 928 (Effective September 1, 1983)

S.B. 946 (Effective August 29, 1983)
S.B. 963 (Effective February 1, 1984)
S.B. 970 (Effective August 29, 1983)
S.B. 1006 (Effective September 1, 1983)
S.B. 1022 (Effective September 1, 1983)
S.B. 1025 (Effective August 29, 1983)
S.B. 1033 (Effective August 29, 1983)
S.B. 1044 (Effective January 1, 1984)
S.B. 1047 (Effective August 29, 1983)
S.B. 1062 (Effective August 29, 1983)
S.B. 1082 (Effective August 29, 1983)
S.B. 1086 (Effective August 29, 1983)
S.B. 1137 (Effective August 29, 1983)
S.B. 1140 (Effective August 29, 1983)
S.B. 1143 (Effective immediately)
S.B. 1144 (Effective September 1, 1983)
S.B. 1152 (Effective September 1, 1983)
S.B. 1167 (Effective August 29, 1983)
S.B. 1184 (Effective immediately)
S.B. 1185 (Effective immediately)
S.B. 1192 (Effective August 29, 1983)
S.B. 1194 (Effective August 29, 1983)
S.B. 1208 (Effective January 1, 1984)
S.B. 1217 (Effective August 29, 1983)
S.B. 1225 (Effective immediately)
S.B. 1226 (Effective August 29, 1983)
S.B. 1228 (Effective August 29, 1983)
S.B. 1241 (Effective September 1, 1983)
S.B. 1252 (Effective September 1, 1983)
S.B. 1278 (Effective immediately)
S.B. 1282 (Effective August 29,1983)
S.B. 1291 (Effective September 1, 1983)
S.B. 1292 (Effective August 29, 1983)
S.B. 1293 (Effective immediately)
S.B. 1298 (Effective September 1, 1983)
S.B. 1306 (Effective September 1, 1983)
S.B. 1312 (Effective September 1, 1983)
S.B. 1321 (Effective August 29, 1983)
S.B. 1348 (Effective immediately)
S.B. 1355 (Effective August 29, 1983)
S.B. 1359 (Effective September 1, 1983)
S.B. 1367 (Effective August 29, 1983)
S.B. 1370 (Effective immediately)
S.B. 1381 (Effective immediately)
S.B. 1382 (Effective immediately)
S.B. 1383 (Effective immediately)
S.B. 1338 (Effective immediately)
S.B. 1402 (Effective immediately)
S.B. 1404 (Effective immediately)
S.B. 84 (Effective September 1, 1983)
S.B. 123 (Effective September 1, 1983)
S.B. 160 (Effective September 1, 1983)
S.B. 258 (Effective August 29, 1983)
S.B. 272 (Effective August 29, 1983)

S.B. 277 (Effective August 29, 1983)
S.B. 350 (Effective August 29, 1983)
S.B. 354 (Effective August 29, 1983)
S.B. 360 (Effective September 1, 1983)
S.B. 370 (Effective September 1, 1983/ January 1, 1984)
S.B. 376 (Effective August 29, 1983)
S.B. 377 (Effective immediately)
S.B. 381 (Effective August 29, 1983)
S.B. 385 (Effective January 1, 1984)
S.B. 389 (Effective August 29, 1983)
S.B. 397 (Effective August 29, 1983)
S.B. 407 (Effective August 29, 1983)
S.B. 409 (Effective August 29, 1983)
S.B. 410 (Effective August 29, 1983)
S.B. 417 (Effective September 1, 1983)
S.B. 429 (Effective September 1, 1983)
S.B. 456 (Effective immediately)
S.B. 461 (Effective immediately)
S.B. 512 (Effective August 29, 1983)
S.B. 547 (Effective August 29, 1983)
S.B. 549 (Effective August 29, 1983)
S.B. 569 (Effective August 29, 1983)
S.B. 586 (Effective immediately)
S.B. 620 (Effective August 29, 1983)
S.B. 621 (Effective immediately)
S.B. 622 (Effective immediately)
S.B. 624 (Effective September 1, 1983)
S.B. 631 (Effective August 29, 1983)
S.B. 634 (Effective September 1, 1983)
S.B. 635 (Effective August 29, 1983)
S.B. 638 (Effective September 1, 1983)
S.B. 641 (Effective August 29, 1983)
S.B. 642 (Effective September 1, 1983)
S.B. 643 (Effective immediately)
S.B. 647 (Effective August 29, 1983)
S.B. 653 (Effective September 1, 1983)
S.B. 657 (Effective August 29, 1983)
S.B. 662 (Effective August 29, 1983)
S.B. 669 (Effective September 1, 1983)
S.B. 705 (Effective September 1, 1983)
S.B. 718 (Effective August 29, 1983)
S.B. 738 (Effective January 1, 1984)
S.B. 757 (Effective August 29, 1983)
S.B. 762 (Effective September 1, 1983)
H.B. 1741 (Effective immediately)
H.B. 1778 (Effective January 1, 1984)
H.B. 1858 (Effective January 1, 1984)
H.B. 1933 (Effective immediately)
H.B. 1970 (Effective September 1, 1983)
H.B. 1981 (Effective September 1, 1983)
H.B. 1987 (Effective August 29, 1983)
H.B. 2009 (Effective September 1, 1983)
H.B. 2058 (Effective August 29, 1983)

H.B. 2081 (Effective January 1, 1984)
H.B. 2106 (Effective August 29, 1983)
H.B. 2118 (Effective August 29, 1983)
H.B. 2143 (Effective August 29, 1983)
H.B. 2156 (Effective January 1, 1984)
H.B. 2157 (Effective September 1, 1983)
H.B. 2161 (Effective August 29, 1983)
H.B. 2165 (Effective August 29, 1983)
H.B. 2220 (Effective August 29, 1983)
H.B. 2245 (Effective immediately)
H.B. 2251 (Effective September 1, 1983)
H.B. 2276 (Effective August 29, 1983)
H.B. 2282 (Effective August 29, 1983)
H.B. 1422 (Effective August 29, 1983)
H.B. 1446 (Effective January 1, 1984)
H.B. 1447 (Effective January 1, 1984)
H.B. 1454 (Effective September 1, 1983)
H.B. 1475 (Effective August 29, 1983)
H.B. 1481 (Effective immediately)
H.B. 1502 (Effective January 1, 1984)
H.B. 1542 (Effective August 29, 1983)
H.B. 1571 (Effective immediately)
H.B. 1582 (Effective January 1, 1984)
H.B. 1608 (Effective immediately)
H.B. 1613 (Effective August 29, 1983)
H.B. 1618 (Effective September 1, 1983)
H.B. 1619 (Effective January 1, 1984)
H.B. 1644 (Effective immediately)
H.B. 1679 (Effective immediately)
H.B. 1685 (Effective September 1, 1983)
H.B. 1699 (Effective August 29, 1983)
H.B. 1701 (Effective August 29, 1983)
H.B. 1707 (Effective September 1, 1983)
H.B. 1712 (Effective January 1, 1984)
H.B. 1725 (Effective August 29, 1983)
H.B. 1726 (Effective September 1, 1983)
H.B. 1731 (Effective August 29, 1983)
H.B. 970 (Effective immediately)
H.B. 998 (Effective August 29, 1983)
H.B. 1013 (Effective immediately)
H.B. 1018 (Effective August 29, 1983)
S.B. 1027 (Effective August 29, 1983)
H.B. 1031 (Effective August 29, 1983)
H.B. 1038 (Effective August 29, 1983)
H.B. 1061 (Effective September 1, 1983)
H.B. 1125 (Effective September 1, 1983)
H.B. 1128 (Effective immediately)
H.B. 1130 (Effective immediately)
H.B. 1199 (Effective immediately)
H.B. 1210 (Effective August 29, 1983)
H.B. 1217 (Effective September 1, 1983)
H.B. 1254 (Effective August 29, 1983)
H.B. 1263 (Effective September 1, 1983)
H.B. 1277 (Effective September 1, 1983)

H.B. 1289 (Effective August 29, 1983)
H.B. 1291 (Effective immediately)
H.B. 1293 (Effective August 29, 1983)
H.B. 1301 (Effective August 29, 1983)
H.B. 1304 (Effective immediately)
H.B. 1368 (Effective August 29, 1983)
H.B. 2313 (Effective immediately)
H.B. 2320 (Effective immediately)
H.B. 2322 (Effective immediately)
H.B. 2365 (Effective August 29, 1983)
H.B. 2369 (Effective August 29, 1983)
H.B. 2371 (Effective August 29, 1983)
H.B. 2375 (Effective September 1, 1983)
H.B. 2406 (Effective August 29, 1983)
H.B. 2407 (Effective August 29, 1983)
H.B. 2452 (Effective immediately)
H.B. 21 (Effective August 29, 1983)
H.B. 44 (Effective August 29, 1983)
H.B. 52 (Effective August 29, 1983)
H.B. 54 (Effective August 29, 1983)
H.B. 64 (Effective August 29, 1983)
H.B. 134 (Effective August 29, 1983)
H.B. 147 (Effective immediately)
H.B. 178 (Effective August 29, 1983)
H.B. 179 (Effective September 1, 1983)
H.B. 225 (Effective September 1, 1983)
H.B. 242 (Effective immediately)
H.B. 355 (Effective August 29, 1983);
H.B. 374 (Effective September 1, 1983)
H.B. 377 (Effective Septmeber 1, 1983)
H.B. 378 (Effective September 1, 1983)
H.B. 382 (Effective September 1, 1983)
H.B. 385 (Effective September 1, 1983)
H.B. 401 (Effective August 29, 1983)
H.B. 413 (Effective August 29, 1983)
H.B. 430 (Effective August 29, 1983)
H.B. 444 (Effective January 1, 1984)
H.B. 450 (Effective August 29, 1983)
H.B. 455 (Effective September 1, 1983)
H.B. 475 (Effective immediately)
H.B. 484 (Effective August 29, 1983)
H.B. 487 (Effective September 1, 1983)
H.B. 501 (Effective August 29, 1983)
H.B. 603 (Effective August 29, 1983)
H.B. 622 (Effective August 29, 1983)
H.B. 637 (Effective upon passage of **H.J.R. 70**)
H.B. 639 (Effective August 29, 1983)
H.B. 647 (Effective August 29, 1983)
H.B. 651 (Effective August 29, 1983)
H.B. 675 (Effective August 29, 1983)
H.B. 724 (Effective August 29, 1983)
H.B. 736 (Effective August 29, 1983)
H.B. 742 (Effective August 29, 1983)

H.B. 842 (Effective September 1, 1983)
H.B. 844 (Effective September 1, 1983)
H.B. 855 (Effective August 29, 1983)
H.B. 859 (Effective September 1, 1983)
H.B. 861 (Effective August 29, 1983)
H.B. 882 (Effective September 1, 1983)
H.B. 894 (Effective August 29, 1983)
H.B. 897 (Effective September 1, 1983)
H.B. 930 (Effective August 29, 1983)
H.B. 25 (Effective immediately)
H.B. 33 (Effective August 29, 1983)
H.B. 42 (Effective August 29, 1983)
H.B. 171 (Effective September 1, 1983)
H.B. 197 (Effective immediately)
H.B. 358 (Effective September 1, 1983/ January 1, 1986)
H.B. 470 (Effective September 1, 1983)
H.B. 500 (Effective August 29, 1983)
H.B. 624 (Effective immediately)
H.B. 642 (Effective August 29, 1983)
H.B. 644 (Effective August 29, 1983)
H.B. 645 (Effective September 1, 1983)
H.B. 713 (Effective August 29, 1983)
H.B. 723 (Effective beginning of 1983-84 school year)
H.B. 741 (Effective August 29, 1983)
H.B. 747 (Effective September 1, 1983)
H.B. 777 (Effective August 29, 1983)
H.B. 827 (Effective August 29, 1983)
H.B. 846 (Effective August 29, 1983)
H.B. 867 (Effective September 1, 1983)
H.B. 895 (Effective September 1, 1983)
H.B. 908 (Effective September 1, 1983)
H.B. 957 (Effective August 29, 1983)
H.B. 965 (Effective August 29, 1983)
H.B. 1056 (Effective August 29, 1983)
H.B. 1147 (Effective August 29, 1983)
H.B. 1203 (Effective August 29, 1983)
H.B. 1253 (Effective September 1, 1983)
H.B. 1269 (Effective August 29, 1983)
H.B. 1282 (Effective September 1, 1983)
H.B. 1308 (Effective September 1, 1983)
H.B. 1336 (Effective September 1, 1983)
H.B. 1344 (Effective August 29, 1983)
H.B. 1345 (Effective August 29, 1983)
H.B. 1370 (Effective September 1, 1983)
H.B. 1395 (Effective January 1, 1984)
H.B. 1420 (Effective September 1, 1983)
H.B. 1421 (Effective August 29, 1983)
H.B. 1460 (Effective August 29, 1983)
H.B. 1473 (Effective September 1, 1983)
H.B. 1474 (Effective August 29, 1983)
H.B. 1488 (Effective immediately)
S.B. 118 (Effective August 29, 1983)

S.B. 223 (Effective January 1, 1984)
S.B. 224 (Effective August 29, 1983)
S.B. 659 (Effective August 29, 1983)
S.B. 875 (Effective August 29, 1983)
S.B. 1075 (Effective August 29, 1983)
S.B. 1242 (Effective August 29, 1983)
S.B. 1273 (Effective August 29, 1983)
S.B. 1281 (Effective September 1, 1983)
S.B. 1286 (Effective immediately)
S.B. 1314 (Effective immediately)
S.B. 1330 (Effective August 29, 1983)
S.B. 1334 (Effective September 1, 1983)
S.B. 1335 (Effective September 1, 1983)
S.B. 1350 (Effective immediately)
S.B. 1352 (Effective immediately)
S.B. 1356 (Effective immediately)
S.B. 1363 (Effective immediately)
S.B. 1366 (Effective August 29, 1983)
S.B. 1375 (Effective immediately)
S.B. 1379 (Effective August 29, 1983)
S.B. 1395 (Effective August 29, 1983)
S.B. 1397 (Effective August 29, 1983)
S.B. 1398 (Effective immediately)
S.B. 1409 (Effective August 29, 1983)
S.B. 1426 (Effective August 29, 1983)
S.B. 1427 (Effective August 29, 1983)
S.B. 7 (Effective August 29, 1983)
S.B. 21 (Effective September 1, 1983)
S.B. 24 (Effective September 1, 1983)
S.B. 45 (Effective immediately)
S.B. 82 (Effective September 1, 1983)
S.B. 105 (Effective September 1, 1983)
S.B. 106 (Effective September 1, 1983)
S.B. 112 (Effective September 1, 1983)
S.B. 120 (Effective August 29, 1983)
S.B. 126 (Effective August 29, 1983)
S.B. 133 (Effective August 29, 1983)
S.B. 134 (Effective September 1, 1983)
S.B. 137 (Effective September 1, 1983)
S.B. 138 (Effective January 1, 1984)
S.B. 147 (Effective September 1, 1983)
S.B. 149 (Effective September 1, 1983)
S.B. 155 (Effective September 1, 1983)
S.B. 156 (Effective September 1, 1983)
S.B. 161 (Effective immediately)
S.B. 180 (Effective September 1, 1983)
S.B. 194 (Effective immediately)
S.B. 225 (Effective September 1, 1983)
S.B. 230 (Effective immediately)
S.B. 239 (Effective August 29, 1983)
S.B. 255 (Effective August 29, 1983)
S.B. 273 (Effective August 29, 1983)
S.B. 283 (Effective September 1, 1983)
S.B. 291 (Effective August 29, 1983)

S.B. 294 (Effective September 1, 1983)
S.B. 303 (Effective September 1, 1983)
S.B. 311 (Effective August 29, 1983)
S.B. 317 (Effective September 1, 1983)
S.B. 330 (Effective August 29, 1983)
S.B. 380 (Effective immediately)
S.B. 428 (Effective September 1, 1983)
S.B. 446 (Effective August 29, 1983)
S.B. 772 (Effective August 29, 1983)
S.B. 827 (Effective August 29, 1983)
S.B. 920 (Effective September 1, 1983)
S.B. 1131 (Effective September 1, 1984)
S.B. 1438 (Effective September 2, 1983)
S.B. 179 (Line items signed by Governor)

PROCLAMATIONS BY THE GOVERNOR

The following Proclamations by the Governor state reasons for vetoing bills:

TO ALL TO WHOM THESE PRESENTS SHALL COME:

June 17, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Section 7(b) of Senate Bill 325 because of the following:

The interests of all the citizens of this state will best be served by our commitment to the continued development of parks, recreational, and open space areas. For that reason, I object to the diversion of these funds.

Therefore, I veto Section 7(b) of **S.B. 325**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1186 because of the following objection:

This legislation encompasses numerous, significant civil practice topics, and it appears to contain provisions which modify or conflict with existing, substantive law. Appellate court decisions rather than opinions of the Supreme Court of Texas, have been used as the basis for codification in some instances.

This legislation reflects a substantial beginning on a worthwhile goal, but direct input from the State Bar of Texas and the Supreme Court of this state are essential if such a revision is to be successful.

Therefore, I veto **H.B. 1186**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto **S.B. 253** because of the following objection:

This measure will result in significant loss of revenues for governmental entities which now serve process. In addition, there is no provision for funding to cover the increased work load which this bill causes the Secretary of State.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 853 because of the following objection:

A bail bondsman's liability as a surety on an appearance bond should extend at least until the sentencing phase of a trial is completed. While the current law

regarding a bail bondsman's liability may be unclear, the change suggested by this legislation could be interpreted to extend such liability through the period a defendant is on probation. Discussions with involved parties, including the author of the bill, reveal that such an interpretation would be more deleterious to the bailbond industry than the problems this legislation was designed to address.

Therefore, I veto **S.B. 853**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 534 because of the following objection:

This bill places unnecessary restrictions on the average taxpayer in the filing of rendition statements and property reports.

Therefore, I veto **H.B. 534**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 1036 because of the following objection:

The highly extraordinary regulatory powers granted to the Guadalupe-Blanco River Authority in this bill are not necessary to the accomplishment of the purposes for which the Authority was created.

Therefore, I veto **S.B. 1036**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 482 because of the following objection:

This measure would limit the ability of law enforcement agencies to define the word "bet" under Subdivision (1), Section 47.01, Penal Code, as amended and is therefore not in the State's interest.

Therefore, I veto **S.B. 482**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 2376 because of the following objection:

This measure would limit the State Purchasing and General Services Commission from offering repair services on equipment with electronic data-processing or word-processing capabilities. With the speed at which such equipment is being adopted by state government, such a limitation is not in the state's interest.

Therefore, I veto **H.B. 2376**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 149 because of the following objection:

This measure would result in less competition in the bidding procedures for the state employee group insurance program by doubling the time between competitive bids. In addition, with health care costs changing so rapidly an increase from three years to six between bidding would require potential bidders to inflate bids to account for uncertainty.

Therefore, I veto **H.B. 149**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 810 because of the following objection:

This measure would allow the fees and charges collected by each state chest hospital for physicians' services to be exempt from the State Funds Reform Act of 1981. There is no compelling reason why these funds should not flow through the State Treasury.

Therefore, I veto **S.B. 810.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1108 because of the following objection:

This legislation results in additional expense to many counties for the operation of their county jails. Some counties cannot afford this additional drain on their budgets.

Therefore, I veto **H.B. 1108.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 888 because of the following objection:

Society should deal harshly with individuals convicted of murder, aggravated kidnapping, aggravated rape, aggravated kidnapping and other such crimes. Judges should not be given the option of utilizing shock probation in these cases.

Therefore, I veto **H.B. 888.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto **S.B. 975** because of the following objection:

The contents of this bill are identical to certain provisions of House Bill 1203. Inasmuch as the second bill includes other revisions of the Tax Code, I feel it should take precedence over this measure.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1444 because of the following objection:

The Council of Presiding Judges and many leading members of the judiciary believe that this legislation will be disruptive of both civil and criminal trials. The exercise of the peremptory challenge might indefinitely delay trial of the case.

Therefore, I veto **H.B. 1444.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1678 because of the following objection:

Communities affected by this bill have indicated that they are concerned that this legislation will increase the incidence of DWI's. Current law permits these communities to extend hours by local option. This is a matter which is better addressed at the local level than by statewide legislation.

Therefore, I veto **H.B. 1678.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 943 because of the following objection:

This Bill applies to only one group of elections, leaving out a great percentage of the so called local elections — those for Common School Districts, City Elections, Rural High School Districts, Hospital Districts and many others.

Therefore, I veto **H.B. 943.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 1000 because of the following objection:

By the enactment of **S.B. 216**, the cost of a Texas fishing license will be raised. A further increase affecting only saltwater sportfishing is unwarranted.

Therefore, I veto **S.B. 1000.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Concurrent Resolution 147 because of the following objection:

The wording in this Resolution would subject the state to suit in federal court and possible seizure and sale of one of the oldest New World vessels ever found off the coast of Texas. This vessel and archeological collection should belong to the State of Texas.

Therefore, I veto **H.C.R. 147.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 524 because of the following objection:

The intent of this statute to permit the state to work with the farmers and ranchers in developing economic enterprises is laudatory. Unfortunately, the statute as passed does not adequately restrict participation by the state in a private corporation to a role only as an intermediary; nor does it protect the state from liability in matters negotiated by the state under this legislation. As a result the state would be exposed to litigation. This statute should be redrawn and submitted to the Legislature at the earliest possible opportunity.

Therefore, I veto **H.B. 524.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1415 because of the following objection:

House Bill 1415 violates Article 3, Section 51 of the Texas Constitution.

Therefore, I veto **H.B. 1415.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 242 because of the following objection:

Senate Bill 242 violates Article 3, Section 51 of the Texas Constitution.

Therefore, I veto **S.B. 242.**

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 2445 because of the following objection:

The Commissioners' Court of Jefferson County did not request the creation of this court. The County Judge and three of the four Commissioners have asked that this bill be vetoed since the County has neither the physical facilities nor the fiscal means to support the court.

Therefore, I veto **H.B. 2445**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1980 because of the following objection:

The definition of "motor vehicle" fatally conflicts with other definitions found in Senate Bill 1141 passed by this Legislature.

Therefore, I veto **H.B. 1980**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 730 because of the following objection:

The restrictions imposed upon petitioners by this bill are so onerous as to make the submission of a valid petition to a local authority virtually impossible.

Therefore, I veto **H.B. 730**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1133 because of the following objection:

The Department of Public Safety and other law enforcement agencies believe that the enactment of this legislation would impair the investigation and tracing of stolen vehicles. Once these concerns become known, the sponsors of this bill agreed that a law that seriously impeded law enforcement should not be enacted.

Therefore, I veto **H.B. 1133**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 2258 because of the following objection:

The companion Senate Bill to this House Bill also was passed by the Legislature, and was passed before **H.B. 2258**.

Therefore, I veto **H.B. 2258**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 2181 because of the following constitutional and policy objections:

The appropriation process is the appropriate method for funding the Attorney General's Office.

Therefore, I veto **H.B. 2181**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto **H.B. 2393** for the following reason:

This bill which authorizes an election to abolish the office of County Auditor in Llano County is an unconstitutional local and special law. Culberson County v. Holmes, 513 S.W. 2d 126 (Tex. Civ. App. - El Paso 1974, no writ) squarely held that it was unconstitutional for the Legislature to pass an identical statute authorizing an election to abolish the office of County Auditor in Culberson County. This case has not been overruled nor has the Constitution been amended since the decision was handed down. It is controlling on this point of law.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto **H.B. 1745** because of the following objection:

Requiring the use of the numerous county election precincts in elections held by other local political subdivisions would place tremendous financial burdens on these entities. Although I agree in principle with the concept of joint elections, unworkable administrative requirements, especially in large urban areas where considerable overlapping of governmental units occurs, make this bill an unsatisfactory approach.

Therefore, I veto **H.B. 1745**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 36 because of the following objection:

This bill, the Uniform Statutory Court Act, changes the law governing many statutory county courts. The primary purpose of the Act was to revise the jurisdiction in county courts at law to alleviate the docket overload in district courts and to bring jurisdictional uniformity across the state. This concept was originally supported by the judiciary. However, this bill as amended, no longer enjoys that unified support. The bill contains technical errors and provisions that are subject to different interpretations concerning judges' salaries and the jurisdiction of the circuit courts.

Legislation that would make the law relating to the statutory county courts more uniform and less confusing would be helpful to the entire state and to the courts of the state. The Legislature should, in the future, utilize its interim resources to respond to this concern and remedy the existing confusing and varying laws relating to statutory county courts. Unfortunately, House Bill 36 does not adequately address these problems.

Therefore, I veto **H.B. 36**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 943 because of the following objection:

The House companion document to this bill was also approved by the Sixty-eighth Legislature and carries the true intent of the parties involved.

Therefore, I veto **S.B. 943**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 788 because of the following objection:

This measure discriminates against thousands of teachers who earned their professional standing through years of college and university training. These years of schooling are not counted for either salary step credit or Teacher Retirement System purposes.

This measure establishes bad precedent which could be abused in the future.

Therefore, I veto **H.B. 788**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 186 because of the following objection:

Current law provides for an excellent system of checks and balances by entrusting all county funds to the county treasurer. This bill does not provide sufficient safeguards in removing control of certain county funds from the hands of the official who was elected for that purpose.

Therefore, I veto **H.B. 186**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 369 because of the following objection:

Permitting a city or county to bind the state by contract is a dangerous delegation of authority. The cooperation of local governments with the state in the establishment of the farm-to-market road system has provided a fine network of roads, and the responsibility of cities and counties in these endeavors should continue.

Therefore, I veto **S.B. 369**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 382 because of the following objection:

Of the two ballot allocation methods approved by the Sixty-eighth Legislature, this bill offers the less practical solution to the problems of ballot shortages at polling places.

Therefore, I veto **S.B. 382**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 884 because of the following objection:

Because of recent reforms of the Public Utilities Commission, I feel the interests of the consumers of this state are best served by the continued regulation of water and sewer utilities by this entity.

Therefore, I veto **S.B. 884**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto House Bill 1967 because of the following objection:

Causing state funds to be channeled into the securing of rights-of-way for county roads designated as farm-to-market roads would decrease funds available for construction and maintenance of the roads themselves. At a time when state funds

available for such projects are severely limited, it is unwise to expand the purposes for which such monies may be expended.

Therefore, I veto **H.B. 1967**.

June 19, 1983

Pursuant to Article IV, Section 14 of the Constitution of Texas, I hereby veto Senate Bill 583 because of the following objection:

On May 24, 1983, I signed **S.B. 109**, authorizing local health departments to use a flexible fee schedule for services they render. This measure, in clear conflict with **S.B. 109**, removes department authority to include "personal health service" fees and has the clear potential for causing devastating financial loss to local health departments.

Therefore, I veto **S.B. 583**.

Respectfully,

/s/Mark White
Governor of Texas

In Memory

of

Paul W. McCown

Senator Doggett offered the following resolution:

(Senate Resolution 832)

WHEREAS, With the passing of Mr. Paul W. McCown on May 28, 1983, the citizens of Austin and Texas have lost a man who epitomized the traditional Texas values of Christianity, family, love, and hard work; and

WHEREAS, Born February 16, 1908, in Grandview, Texas, Mr. McCown married Rae Pruitt on November 10, 1932, and the loving couple shared over 50 years of the true caring and devotion of a successful marriage; and

WHEREAS, Following their 1932 move to the small town of Itasca, Texas, Mr. McCown became active in his community as a school board member and trustee, Secretary of the Itasca Presbyterian Children's Home, and worked for five years for the State Board of Insurance until 1959; and

WHEREAS, At that time he and his wife moved to Austin where Mr. McCown accepted employment on September 22, 1959, with the State Securities Board and served as Investigator-Examiner, Senior Investigator-Examiner, and Supervising Examiner for approximately 20 years until his retirement on April 30, 1978; he subsequently worked for the Texas Senate when in session; and

WHEREAS, Known for his keen sense of humor and his delicious peanut brittle which he made himself and generously shared, Mr. McCown will be remembered as a family man, loyal employee, and a member of the University Presbyterian Church in Austin whose high principles and Christian values were reflected by his every action; and

WHEREAS, His survivors include his wife Rae; his sons, Gene and John; his daughter, Shirley; and his six grandchildren; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 68th Legislature, pay tribute to the life of Mr. Paul W. McCown and extend sincere condolences to his family; and, be it further

RESOLVED, That copies of this Resolution be prepared, under the Seal of the Senate, for his family in honor of Mr. McCown for his contributions to the State of Texas; and that when the Senate adjourns this day, it do so in memory of Mr. Paul W. McCown.

The resolution was read.

On motion of Senator Mauzy and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

On motion of Senator Doggett and by unanimous consent, the resolution was considered immediately and was adopted by a rising vote of the Senate.