

SEVENTY-FIFTH DAY

(Saturday, May 24, 1969)

The Senate met at 12:00 o'clock m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word

Absent—Excused

Berry	Hazlewood
Grover	

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

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

Leaves of Absence

Senator Berry was granted leave of absence for today on account of important business on motion of Senator Hightower.

Senator Grover was granted leave of absence for today on account of important business on motion of Senator Harris.

Senator Hazlewood was granted leave of absence for today on account of important business on motion of Senator Hightower.

Message From the House

Hall of the House of Representatives
Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, 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 House Bill No. 80 by a vote of 136 ayes, 1 no.

The House has granted the request of the Senate for the appointment of a Conference Committee on Senate Bill 585. House conferees are: Hale, Rosson, Daniel, Slider, Moyer.

The House has granted the request of the Senate for the appointment of a Conference Committee on Senate Bill No. 147. House conferees are: Jungmichel, Neugent, Clayton, Cory, Clark of Harris.

The House has concurred in Senate amendments to House Bill No. 233 by non-record vote.

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Senate Bill 74 with House Amendments

Senator Creighton called S. B. No. 74 from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the following House amendments before the Senate:

Amendment 1

Amend S. B. 74 by substituting the following Section 3, Subsection (b) in lieu of Section 3, Subsection (b) as shown in the printed bill:

(b) Chemical analysis of the person's breath, to be considered valid under the provisions of this section, must be performed according to methods approved by the Texas Department of Public Safety and by an individual possessing a valid certificate issued by the Texas Department of Public Safety for this purpose. The Texas Department of Public Safety is authorized to approve satisfactory techniques or methods, to ascertain the qualifications and competence of individuals to conduct such analysis, and to issue certificates certifying such fact. These certificates shall be subject to termination or revocation, for cause, at the discretion of the Texas Department of Public Safety.

Amendment 2

Amend Senate Bill No. 74 by adding a new Section 5 and renumbering the subsequent section. The new Section 5 reads as follows:

Sec. 5. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

The House Amendments were read.

Senator Creighton moved that the Senate concur in the House Amendments.

The motion prevailed.

House Bill 431 on Second Reading

On motion of Senator Word, 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. No. 431, A bill to be entitled "An Act granting to the Governor or any city or town the power, under stated conditions, to declare a state of emergency; etc.; and declaring an emergency."

The bill was read second time and passed to third reading.

House Bill 431 on Third Reading

Senator Word moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that H. B. No. 431 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—27

Aikin	Hall
Bates	Harrington
Bernal	Harris
Blanchard	Herring
Brooks	Hightower
Christie	Jordan
Cole	Kennard
Connally	Mauzy
Creighton	McKool

Moore	Strong
Patman	Watson
Ratliff	Wilson
Schwartz	Word
Snelson	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

(Senator Aikin in the Chair.)

Senate Bill 722 on Second Reading

On motion of Senator McKool, 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 engrossment:

S. B. No. 722, A bill to be entitled "An Act creating three additional District Courts and two additional Criminal District Courts in Dallas County, Texas, such Courts to be known as the 233rd Judicial District, the 234th Judicial District, the 235th Judicial District, the Criminal Judicial District Number 6, and the Criminal Judicial District Number 7 of Dallas County, Texas; etc.; and declaring an emergency."

The bill was read second time.

Senator McKool offered the following Committee Amendment to the bill:

Amend S. B. 722 by adding a new section after Section 14 to be numbered Section 15 and re-number the subsequent sections:

Section 15. This Act takes effect September 1, 1969.

The Committee Amendment was read and was adopted.

On motion of Senator McKool, 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 engrossment.

Senate Bill 722 on Third Reading

Senator McKool moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that S. B. No. 722 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry
Grover

Hazlewood

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Reports of Standing Committees

Senator Connally, by unanimous consent, submitted the following report:

Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred H. B. No. 522, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

CONNALLY, Chairman.
BLANCHARD
BROOKS
CREIGHTON
HARRINGTON
RATLIFF
SNELSON
WILSON

Senator Watson, by unanimous consent, submitted the following report:

Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Legislative, Congressional and Judicial Districts, to which was referred H. B. No. 221, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

WATSON, Chairman.
JORDAN
BROOKS
MOORE
AIKIN
PATMAN
MAUZY
McKOOOL
SNELSON
WILSON

House Bill 221 Ordered Not Printed

On motion of Senator Jordan and by unanimous consent H. B. No. 221 was ordered not printed.

Senate Bill 851 on First Reading

Senator Watson moved that Senate Rule 108 and Section 5 of Article III of the State Constitution be suspended to permit his introducing at this time, a bill, the provisions of which he explained.

The motion prevailed by the following vote:

Yeas—27

Aikin	Bernal
Bates	Blanchard

Brooks	Mauzy
Christie	McKool
Cole	Moore
Connally	Patman
Creighton	Ratliff
Hall	Schwartz
Harrington	Snelson
Harris	Strong
Herring	Watson
Hightower	Wilson
Jordan	Word
Kennard	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

The following bill was then introduced, read first time and referred to the Committee indicated:

S. B. No. 851, A bill to be entitled "An Act to authorize the establishment of special day schools for deaf scholastics between the scholastic age of six and twenty-one years, inclusive, in any two contiguous counties whose cumulative population exceeds 240,000 but does not exceed 335,000 according to the last preceding Federal Census; amending Chapter 372, Acts 1961, 57th Legislature, Regular Session, Page 821, as amended, by rewriting Sections 1 and 1a thereof; repealing all laws or parts of laws in conflict herewith; and declaring an emergency.

To the Committee on County, District and Urban Affairs.

Message From the House

Hall of the House of Representatives
Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, 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 House Bill No. 1277 by non-record vote.

The House refused to concur in Senate amendments to House Bill No. 1214 and has requested the appointment of a Conference Committee to consider the differences between the two Houses.

House conferees are: Musgrove, Thomas, Kilpatrick, Angly, Nabers.

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Report of Standing Committee

Senator Hall, by unanimous consent, submitted the following report:

Austin, Texas,
May 23, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on County, District and Urban Affairs, to which was referred S. B. No. 851, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HALL, Chairman.
WORD

House Bill 522 Ordered Not Printed

On motion of Senator Creighton and by unanimous consent H. B. No. 522 was ordered not printed.

House Bill 1462 on Second Reading

On motion of Senator Ratliff, 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. No. 1462, Relating to the creation, administration, powers, duties, and financing of the East Coke County Hospital District; etc.; and declaring an emergency."

The bill was read second time and passed to third reading.

House Bill 1462 on Third Reading

Senator Ratliff moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that H. B. No. 1462 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—27

Aikin	Brooks
Bates	Christie
Bernal	Cole
Blanchard	Connally

Creighton	Moore
Hall	Patman
Harrington	Ratliff
Harris	Schwartz
Herring	Snelson
Hightower	Strong
Jordan	Watson
Kennard	Wilson
Mauzy	Word
McKool	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

Committee Substitute

House Bill 107 on Third Reading

On motion of Senator Word, 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. No. 107, A bill to be entitled "An Act relating to the grading, classification, and sale of eggs; etc.; and declaring an emergency."

The bill was read third time.

Senator Christie offered the following amendment to the bill:

Amend Committee Substitute for H. B. 107 as follows:

Amend Section 4, line two on page 1 by striking the word "three" and substitute the word "two."

The amendment was read and was adopted by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry	Hazlewood
Grover	

Senator Christie offered the following amendment to the bill:

Amend Committee Substitute for H. B. 107 as follows:

Amend Section 4(b), line 2 on page 2, by inserting after the word "Texas" the words "or outside the continental United States."

The amendment was read and was adopted by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry Hazlewood
Grover

Senator Christie offered the following amendment to the bill:

Amend Committee Substitute for H. B. No. 107 as follows:

Amend Section 4, on page 2, by striking out all of subsection "(c)," lines 4, 5, and 6.

The amendment was read and was adopted by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word
Hightower	

Absent

Bridges

Absent—Excused

Berry Hazlewood
Grover

Senator Christie offered the following amendment to the bill:

Amend Committee Substitute for H. B. 107 as follows:

Amend Section 4 on page 3, by striking out all of sub-paragraph (1) of subsection "(e)" of Section 9, and renumber the following sections to conform thereto.

The amendment was read and was adopted by the following vote:

Yeas—27

Aikin	Connally
Bates	Creighton
Bernal	Hall
Blanchard	Harrington
Brooks	Harris
Christie	Herring
Cole	Hightower

Jordan	Schwartz
Kennard	Snelson
Mauzy	Strong
McKool	Watson
Moore	Wilson
Patman	Word
Ratliff	

Absent

Bridges

Absent—Excused

Berry Hazlewood
Grover

The bill as amended was finally passed.

Record of Votes

Senators Brooks, Cole, Bridges, Creighton, Bernal and Jordan asked to be recorded as voting "Nay" on the final passage of the bill.

Committee Substitute
House Bill 823 on Second Reading

On motion of Senator Moore, 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. No. 823, A bill to be entitled "An Act amending Chapter 344, Acts of the 49th Legislature, Regular Session, 1945, as amended (Articles 46c-1 through 46c-8, Vernon's Texas Civil Statutes), relating to the Texas Aeronautics Commission; and declaring an emergency."

The bill was read the second time.

On motion of Senator Moore, 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 823 on Third Reading

Senator Moore moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that C. S. H. B. No. 823 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Bernal
Bates	Blanchard

Bridges	Kennard
Brooks	Mauzy
Christie	McKool
Cole	Moore
Connally	Patman
Creighton	Ratliff
Hall	Schwartz
Harrington	Snelson
Harris	Strong
Herring	Watson
Hightower	Wilson
Jordan	Word

Absent—Excused

Berry	Hazlewood
Grover	

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

House Bill 462 on Second Reading

On motion of Senator Moore, 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. No. 462, A bill to be entitled "An Act amending Statutes as amended to extend the due date for payment and reporting of the franchise tax from on or before May 1st to on or before June 15th; etc.; and declaring an emergency."

The bill was read second time and passed to third reading.

House Bill 462 on Third Reading

Senator Moore moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that H. B. No. 462 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Hall
Bates	Harrington
Bernal	Harris
Blanchard	Herring
Bridges	Hightower
Brooks	Jordan
Christie	Kennard
Cole	Mauzy
Connally	McKool
Creighton	Moore

Patman	Strong
Ratliff	Watson
Schwartz	Wilson
Snelson	Word

Absent—Excused

Berry	Hazlewood
Grover	

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Senate Bill 849 on Second Reading

On motion of Senator Christie, 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 engrossment:

S. B. No. 849, A bill to be entitled "An Act providing for disability retirement including only the Judge or Judges of the Supreme Court, The Court of Criminal Appeals, Commissions to any of the Courts named herein, The Courts of Civil Appeals, District Courts and Criminal District Courts of Texas; etc.; and declaring an emergency."

The bill was read the second time.

Senator Blanchard offered the following amendment to the bill:

Add the following language at the end of Sec. 3; and provided, however, that if such physical disability is caused or results from the intemperate use of alcohol or narcotic drugs, such facts shall be grounds for denial of such benefits.

The amendment was read and was adopted.

On motion of Senator Blanchard, 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 engrossment.

Senate Bill 849 on Third Reading

Senator Christie moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that S. B. No. 849 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Bridges	Moore
Brooks	Patman
Christie	Ratliff
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—1

Herring

Absent—Excused

Berry	Hazlewood
Grover	

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—27

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Blanchard	McKool
Bridges	Moore
Brooks	Patman
Christie	Ratliff
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—1

Herring

Absent—Excused

Berry	Hazlewood
Grover	

**Senate Bill 823 Laid on Table
Subject to Call**

On motion of Senator Brooks, and by unanimous consent, S. B. No. 823 was Laid on the Table Subject to Call.

Senate Bill 851 Ordered Not Printed

On motion of Senator Watson and by unanimous consent S. B. No. 851 was ordered not printed.

**Senate Bill 687 with House
Amendments**

Senator Schwartz called S. B. No. 687 from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the following House amendments before the Senate:

Amendment 1

Amend Senate Bill No. 687 by striking all below the enacting clause and inserting the following:

Section 1. Article 8267, Revised Civil Statutes of Texas, 1925, is amended to read as follows:

"Article 8267. Regulations and Rates

"(A) The board shall have authority, within the limits provided in this subdivision, to fix rates of pilotage, and to establish regulations respecting the stations whereat and the times wherein pilots shall be on duty, with provisions for leave of absence; as also respecting the class, condition, number and use of pilot boats, and such other minor regulations, compatible with the provisions of this subdivision, as may be needed for the government of pilots and for the order and good effect of the proceedings of the board, of which proceedings a record shall be kept; provided no regulation shall be adopted repugnant to the Constitution.

"(B) The commissioners of pilots in no case shall authorize or fix a rate or rates of pilotage applicable to any port in Galveston County differing from the rate in effect at the time of this enactment unless and until the following procedure has been completed:

"(1) An application for the establishment of a new rate of pilotage has been filed with each commissioner by one or more pilots or by the owner, agent, or other person defined as 'consignee' of a vessel in Article 8276 of this Title, provided such application for increase or decrease of rates shall contain a brief statement of the circumstances which it is alleged war-

rant the requested action of the commissioners and shall also contain a certificate that the applicant has submitted copies of the application to all known pilots and such associations of 'consignees' as defined in Article 8276 of this Title, as are operating in Galveston County at the time of the application.

"(2) In the event the notice required is in fact given and no written objection on the part of any legitimately interested party is received by any commissioner within 20 days after said notice is sent, the commissioners shall proceed to act upon the application as they see fit without further proceedings, and file their action thereupon with the county clerk as provided in Subparagraph (9), within 20 days after the initial 20-day notice period.

"(3) In the event any commissioner receives in writing an objection to the application from any person, firm, or corporation who appears to have a legitimate interest in the application within 20 days after notice of the filing of the application was given, the commissioners shall hold a hearing within 20 days after expiration of the initial 20-day notice period for the filing of and objection to the application and shall notify the applicants, the persons objecting to the application and such other parties as the commissioners may, in their sole discretion, determine to be interested in the proceedings, and shall file their decision with the county clerk as provided in Subparagraph (9), within 20 days after the close of the hearing.

"(4) Said hearing shall be held at a convenient and public place in any one of the ports affected and shall be open to the public. At the hearing all parties, upon demonstrating a legitimate interest in the application, shall have the right to be heard, to present evidence and, to the extent deemed practical by the commissioners, cross-examine the witnesses appearing to testify at the hearing.

"(5) After the receipt of the evidence offered by the parties and such arguments and briefs as the commissioners may desire to receive, the application shall be granted, denied, or modified by the commissioners.

"(6) In determining their action upon any application the commissioners shall consider:

"(a) The effect which the granting, refusal, or modification of the applica-

tion would have upon the port or ports within the jurisdiction of the commissioners and the citizens residing in it;

"(b) The assurance of an adequate and reasonable compensation to the pilots and a fair return upon the equipment and vessels which they employ in connection with their duties;

"(c) The relationship between the pilotage rates in the ports under the commissioners' jurisdiction and the rates applying in other ports of this state and competitive ports in other states.

"(7) The action of the commissioners in granting, denying, or modifying the application shall be final provided it is supported by substantial evidence.

"(8) The commissioners shall have the authority to assess the actual costs of reporting and secretarial services necessarily incurred in connection with any hearing against one or more of the applicants and/or objecting parties as shall appear to the commissioners to be fair and just. The commissioners may further require that any applicant or objecting party deposit a sum against said cost as a condition of presenting its application or objection. The costs authorized by this paragraph shall be strictly limited to the actual and reasonable cost of reporting and stenographic services.

"(9) A copy of the commissioners' order with respect to the application shall be filed in the office of the county clerk and said order shall state when it is effective. No pilotage charges in excess of those in existence at the time of the passage of this Act shall be made with respect to the ports of Galveston County except pursuant to such an order so filed by the commissioners. Pilotage rates for the ports of Galveston County properly fixed pursuant to this Article shall not be subject to the maximum limits contained in Article 8274.

"(c) The commissioners of pilots in no case shall authorize or fix a rate or rates of pilotage applicable to the public ports of Beaumont, Orange or Port Arthur, Texas, or of the privately owned docks or terminals in Orange or Jefferson Counties, Texas, differing from the rate in effect at the time of this enactment unless and until the following procedure has been completed:

"(1) An application for the establishment of a new rate of pilotage in one of the counties has been filed with each commissioner by pilot associations or by the owner, agent, or other person defined as 'consignee' of a vessel in Article 8276 of this Title, provided such 'consignee' maintains an office in the county in which the application is filed, or by the Port of Port Arthur Navigation District or the Orange County Navigation and Port District or the Port of Beaumont Navigation District, which application for increase or decrease of rates shall contain a brief statement of the circumstances which it is alleged warrant the requested action of the commissioners and shall also contain a certificate that the applicant has submitted copies of the application to all known pilot associations and navigational districts and associations of 'consignees' as defined in Article 8276 of this Title, as are operating in the counties at the time of the application.

"(2) In the event the notice required is in fact given and no written objection on the part of any legitimately interested party is received by any commissioner within 20 days after said notice is sent, the commissioners shall proceed to act upon the application as they see fit without further proceedings, and file their action thereupon with the appropriate county clerks as provided in Subparagraph (8), within 20 days after the initial 20-day notice period.

"(3) In the event any commissioner receives in writing an objection to the application from any person, firm, or corporation who appears to have a legitimate interest in the application within 20 days after notice of the filing of the application was given, the commissioners shall hold a hearing within 20 days after expiration of the initial 20-day notice period for the filing of and objection to the application and shall notify the applicants, the persons objecting to the application and such other parties as the commissioners may, in their sole discretion, determine to be interested in the proceedings, and shall file their decision with the appropriate county clerks as provided in Subparagraph (8), within 20 days after the close of the hearing.

"(4) Said hearing shall be held at a convenient and public place in any one of the ports affected and shall be

open to the public. At the hearing all parties, upon demonstrating a legitimate interest in the application, shall have the right to be heard, to present evidence and, to the extent deemed practical by the commissioners, cross-examine the witnesses appearing to testify at the hearing.

"(5) After the receipt of the evidence offered by the parties and such arguments and briefs as the commissioners may desire to receive, the application shall be granted, denied, or modified by the commissioners. However, it is expressly provided that no increase of rates to either the public ports of Beaumont, Port Arthur or Orange, Texas, shall ever be set, established or granted unless the Board of Commissioners of the Port of Beaumont Navigation District, Port of Port Arthur Navigation District or Orange County Navigation and Port District so affected shall approve same.

"(6) In determining their action upon any application the commissioners shall consider:

"(a) The effect which the granting, refusal, or modification of the application would have upon the port or ports within the jurisdiction of the commissioners and the citizens residing in it;

"(b) The assurance of an adequate and reasonable compensation to the pilots and a fair return upon the equipment and vessels which they employ in connection with their duties;

"(c) The relationship between the pilotage rates in the ports under the commissioners' jurisdiction and the rates applying in other ports of this state and competitive ports in other states.

"(7) The commissioners shall have the authority to assess the actual cost of reporting and secretarial services necessarily incurred in connection with any hearing against one or more of the applicants and/or objecting parties as shall appear to the commissioners to be fair and just; the commissioners may further require that any applicant or objecting party deposit a sum against said cost as a condition of presenting its application or objection. The costs authorized by this paragraph shall be strictly limited to the actual and reasonable cost of reporting and stenographic services.

"(8) A copy of the commissioners' order with respect to the application

shall be filed in the offices of the appropriate county clerks and said order shall state when it becomes effective. No pilotage charges in excess of those in existence at the time of the passage of this Act shall be made with respect to the public ports of Orange, Beaumont, Port Arthur or any privately owned docks or terminals in Orange or Jefferson Counties, Texas, except pursuant to such an order so filed by the commissioners. Pilotage rates for the public ports of Orange, Beaumont, Port Arthur or any privately owned docks or terminals in Orange or Jefferson Counties, Texas, fixed pursuant to this Article shall not be subject to the maximum limits contained in Article 8274."

Sec. 2. Article 8274, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 4, Acts of the 60th Legislature, Regular Session, 1967, is amended to read as follows:

"Article 8274. Pilotage

"Except for rates fixed pursuant to Article 8267, as amended, for Galveston County ports and for the public ports of Orange, Port Arthur and Beaumont and any privately owned docks or terminals in Orange or Jefferson Counties, the rate of pilotage which may be fixed under Articles 8267 and 8269 on any class of vessel shall not, in any port of this state (except as hereinafter provided) exceed \$6.50 for each foot of water which the vessel at the time of piloting draws, and whenever a vessel, except of the classes below excepted, shall decline the services of a pilot offered outside the bar, and shall enter the port without the aid of one, she shall be liable to the first pilot whose services she so declined for the payment of half pilotage; and any vessel which, after being brought in by the pilot, shall go out without employing one, shall be liable to the payment of half pilotage to the pilot who brought her in, or if she has come in without the aid of a pilot, though offered outside, she shall on so going out be liable for the payment of half pilotage to the pilot who had first offered his services before she came in; but if she has come in without the aid of a pilot, or the offer of one outside, she shall not, in case of going out without a pilot, be liable to half pilotage. At any port where vessels shall receive or discharge their cargoes at an anchorage outside of the

bar, such vessel shall be liable to pilotage at the above rate to such anchorage, but shall not be liable for or compelled to pay pilotage from such anchorage to the open sea; and if any vessel bound from open sea to such anchorage, while under way, shall decline the services of a pilot, and shall afterward receive or discharge any portion of her cargo at such anchorage on the lighters or otherwise, she shall be liable for the payment of half pilotage, at the above rate, to such anchorage to the first pilot whose services shall have been tendered to and declined by her, but not liable for any pilotage from such anchorage to the open sea; and when a pilot takes charge of a vessel 20 miles outside of the bar, and brings her to it, he shall be entitled to one-fourth pilotage for such offshore service, in addition to what he is entitled to recover for bringing her in; but if such offshore service be declined, no portion of said compensation shall be recovered."

Sec. 3. Acts of 1961, 57th Legislature, 1st Called Session, Page 34, Chapter 12, and Page 35, Chapter 13 are hereby repealed.

Sec. 4. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

Sec. 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 shall take effect and be in force from and after its passage and it is so enacted.

Amendment 2

Amend Senate Bill No. 687 by striking all above the enacting clause and inserting the following:

**A BILL
TO BE ENTITLED**

An Act amending Article 8267, and Article 8274, as amended, Revised Civil Statutes of Texas, 1925; repealing Chapters 12 and 13, Acts of 1961, 57th Legislature, 1st Called Session; providing for the proce-

dures to be followed by certain commissioners of pilots in fixing rates of pilotage and removing the statutory ceiling on such rates in the ports of Galveston, Orange and Jefferson Counties, Texas; to provide severability; and declaring an emergency.

The House Amendments were read.

Senator Schwartz moved that the Senate concur in the House amendments.

The motion prevailed by the following vote:

Yeas—28

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word

Absent—Excused

Berry	Hazlewood
Grover	

Senate Bill 231 with House Amendment

Senator Schwartz called S. B. No. 231 from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the following House amendment before the Senate:

Amendment No. 1

Amend Senate Bill 231 at page 3, line 9, by striking "six per cent (6%)" and substituting "six and one-half per cent (6½%)."

The House Amendment was read.

Senator Schwartz moved that the Senate concur in the House Amendment.

The motion prevailed by the following vote:

Yeas—28

Aikin	Bates
-------	-------

Bernal	Jordan
Blanchard	Kennard
Bridges	Mauzy
Brooks	McKool
Christie	Moore
Cole	Patman
Connally	Ratliff
Creighton	Schwartz
Hall	Snelson
Harrington	Strong
Harris	Watson
Herring	Wilson
Hightower	Word

Absent—Excused

Berry	Hazlewood
Grover	

Committee Substitute House Bill 169 on Second Reading

On motion of Senator Moore, 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. No. 169, A bill to be entitled "An Act creating the Texas Private Employment Agency Regulatory Board; giving the board certain duties and responsibilities; establishing certain requirements for the licensing of private employment agencies and private employment agency operators; amending Chapter 245, Acts of the 51st Legislature, Regular Session, 1949, as amended (Article 5221a-6, Vernon's Texas Civil Statutes); providing for severability; and declaring an emergency."

The bill was read second time.

Senator Moore offered the following amendment to the bill:

Amend Section 1 of Committee Substitute for House Bill 169, by striking Section 13 in Section 1 and substituting in lieu thereof the following:

"Section 13. CONDUCT. (a) Employment agencies licensed under this act shall not:

(1) impose any fees for the registration of applicants for employment or any fee of applicants except for furnishing of employment obtained directly through the efforts of such agency;

(2) engage or attempt to engage in the splitting or sharing of fees with an employer, an agent or other employee of an employer, or other

person to whom employment service has been furnished or any other person not authorized to charge a fee under this act;

(3) charge a fee greater than that authorized and promulgated by the Board;

(4) make, give, or cause to be made or given to any applicant for employees or employment any false promise, misrepresentation or inaccurate or misleading statement or information if such agency had knowledge or should have had knowledge of such falsity, misrepresentation, or inaccurate or misleading statement or information;

(5) procure or attempt to procure the discharge of any person from his employment;

(6) unduly influence an employee to quit his employment for the purpose of obtaining other employment through such agency;

(7) require applicants for employment to subscribe to any publication or incidental service or contribute to the cost of advertising;

(8) refer any person to employment deleterious to health or morals if the agency had knowledge or should have the knowledge of such conditions;

(9) refer any employee or applicant for employment to a place where a strike or lockout exists without furnishing such employee or applicant with a written statement as to the existence of such strike or lockout, if the agency had knowledge or should have had knowledge or such facts or conditions, a copy of which statement signed by the employee or applicant shall be kept on file for one year after the date thereof;

(10) make any referral to an employment or occupation prohibited by law;

(11) refer any applicant for employment except upon a valid job order therefor;

(12) make or cause to be made or use any name, sign, or advertising device bearing a name which may be similar to or reasonably be confused with the name of a government agency or which is false or misleading relating to their employment agency;

(13) knowingly and willfully violate any law of this state or the United States.

(b) Employment agencies licensed under this act shall:

(1) include their agency name and

the address of such agency in all advertising;

(2) keep, maintain and permit inspection thereof, adequate records to evidence compliance with this law and all other laws of this state and of the United States;

(3) furnish receipts to all applicants for all payments made by such applicants in a form prescribed by the Board.

(c) No employer seeking employees, and no person seeking employment, shall knowingly make any false statement or conceal any material fact for the purpose of obtaining employees, or employment by or through any private employment agency.

(d) The Board, the Commissioner or his deputies may inspect the records of any licensee hereunder under reasonable circumstances during normal business hours and the Board shall have subpoena duces tecum powers for all records relating to the services of an agency performing services hereunder."

The amendment was read and was adopted.

Senator Moore offered the following amendment to the bill:

Amend Section 1 of Committee Substitute for House Bill 169, by striking Section 15 of Section 1 and substituting in lieu thereof the following:

"Section 15. POWERS OF THE BOARD. (a) The board is authorized to establish and promulgate a schedule of permissible maximum fees allowed to be charged to applicants by private employment agencies in the performance of their services.

(b) The board may promulgate provisions for the issuance of a temporary license for operators for emergency situations and for transfer of a private employment agency license.

(c) The board shall promulgate procedural rules and regulations only, consistent with the provisions of this Act, to govern the conduct of its business and proceedings. Notwithstanding any other provisions of this Act, the board shall not have any power or authority to amend or enlarge upon any provision of this Act by rule or regulation to change the meaning in any manner whatsoever of any provision of this Act or to promulgate any rule or regulation

which is in any way contrary to the underlying and fundamental purposes of this Act or to make any rule or regulation which is unreasonable, arbitrary, capricious, illegal, or unnecessary.

(d) All board meetings considering any of the matters contained in this section except under subsection (e) hereof shall be held only after notice of such meeting and the matters to be considered thereat have been given to every license holder by mail at least ten (10) days prior to the date of hearing.

(e) Any license issued under this Act may be revoked by the board upon a finding by the board that the holder of such license has been convicted of violating any of the laws of the United States or of this state involving moral turpitude or is guilty of violating any of the provisions of this act; provided, however, the holder of such license shall be entitled to notice, and such notice shall contain a statement which will accurately apprise such license holder of that of which he is accused and shall set the time for hearing not sooner than 30 days after the date of mailing of such notice, and such license holder shall be entitled to be present at the hearing and represented by an attorney. All notices under this section shall be mailed to the last known address of the license holder as reflected in the license holder's file by certified or registered mail."

The amendment was read and was adopted.

Senator Moore offered the following amendment to the bill:

Amend Committee Substitute for House Bill 169 by striking Section 2 and substituting in lieu thereof the following:

"Section 2. In order to provide for an orderly transition from the old to the new regulatory scheme, Section 8, Chapter 245, Acts of the 51st Legislature, Regular Session, 1949, as amended before the passage of this Act (Section 8, Article 5221a-6, Vernon's Texas Civil Statutes), remains in effect and prevails over conflicting or inconsistent provisions of this Act through December 31, 1969. Otherwise, this Act takes effect September 1, 1969."

The amendment was read and was adopted.

On motion of Senator Moore 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 169 on Third Reading

Senator Moore moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that C. S. H. B. No. 169 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—25

Aikin	Jordan
Bates	Kennard
Berry	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—3

Blanchard	Schwartz
Herring	

Absent—Excused

Bernal	Hazlewood
Grover	

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Conference Committee on House Bill 1214

Senator Creighton 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. No. 1214 and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the Con-

ference Committee on H. B. No. 1214 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 Creighton, Harris, Herring, Moore and Ratliff.

Senate Bill 727 with House Amendment

Senator Patman called S. B. No. 727 from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the following House amendments before the Senate:

Amendment No. 1

Amend S. B. No. 727 by Patman by deleting the words, "owning and operating port facilities," on lines 35 and 36, first printing, Official House Printing, immediately after the words, "every city or town."

The House Amendment was read.

Senator Patman 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.

The Presiding Officer asked if there were any motions to instruct the Conference Committee on S. B. No. 727 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 Patman, Schwartz, Blanchard, Brooks and Harrington.

Senate Bill 637 on Third Reading

On motion of Senator Connally, 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:

S. B. No. 637, A bill to be entitled "An Act relating to tuition and fees

exemption for certain students; amending Chapter 733, Acts of the 60th Legislature, Regular Session, 1967, and declaring an emergency."

The bill was read third time and passed.

Record of Votes

Senators Strong and Watson asked to be recorded as voting "Nay" on the final passage of the bill.

Senate Concurrent Resolution 93 with House Amendments

Senator Wilson called S. C. R. No. 93 from the President's table for consideration of the House amendment to the resolution.

The Presiding Officer laid the resolution and the following House amendment before the Senate:

Amendment No. 1

Amend S. C. R. No. 93 by Wilson by striking H. B. 874, H. B. 547, H. B. 933, H. B. 934, and H. B. 1273 in such Resolution wherever they occur.

The House amendment was read.

Senator Wilson moved that the Senate concur in the House amendment.

The motion prevailed.

Vote on Final Passage of House Bill 684 Reconsidered

On motion of Senator Word, and by unanimous consent, that portion of Senate Rule 52 relating to reconsideration was suspended and the vote by which H. B. No. 684 was finally passed was reconsidered.

Question—Shall H. B. No. 684 be finally passed?

Senator Word offered the following amendment to the bill:

Amend Section 4 of H. B. 684 so that the second sentence of Art. 3 of the Texas Banking Code of 1943, beginning on line 5 of page 3 shall read as follows:

Provided that to the extent that national banks may now or hereafter have authority to do so, a state bank may become the owner and lessor of personal property acquired upon the specific request and for the use of a customer and may incur such additional obligations as may be incident

to becoming an owner and lessor of such property.

The amendment was read and was adopted by the following vote:

Yeas—28

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word

Absent—Excused

Berry	Hazlewood
Grover	

The bill as amended was again finally passed by the following vote:

Yeas—27

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Ratliff
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Herring	

Nays—1

Patman	
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Absent—Excused

Berry	Hazlewood
Grover	

Message From the House

Hall of the House of Representatives,
Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, President of the Senate.

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

S. B. No. 13, A bill to be entitled "An Act relating to the making,

drawing, uttering, or delivering of a check, draft, or order for payment of wages or salaries for personal services without sufficient funds; etc.; and declaring an emergency."

(With Amendments.)

S. B. No. 19, A bill to be entitled "An Act relating to the appointment, compensation, and duties of a shorthand reporter for the 26th Judicial District of Texas; and declaring an emergency."

S. B. No. 23, A bill to be entitled "An Act relating to the commissioners court providing office space and office equipment for members of the legislature; and declaring an emergency."

(With Amendments.)

S. B. No. 88, A bill to be entitled "An Act amending Chapter IV, Article 5 of the Texas Banking Code of 1943, same being a part of Chapter 97, Acts of the 48th Legislature, Regular Session, 1943; pertaining to the qualifications of directors of the State Banks, and declaring an emergency."

S. B. No. 202, A bill to be entitled "An Act providing for the rendition by the lessee for ad valorem taxation of tangible personal property located in this state and owned by a banking corporation; repealing all laws in conflict; fixing an effective date; and declaring an emergency."

S. B. No. 271, A bill to be entitled "An Act amending Chapter 520, Acts of the Fifty-first Legislature, Regular Session, 1949, as amended, (compiled as Vernon's Revised Civil Statutes of Texas, Article 1970-110a); repealing Section 1 of Chapter 712 of the Acts of the Sixtieth Legislature, Regular Session, 1967, (compiled as Vernon's Revised Civil Statutes of Texas, Article 1970-110a.1.); repealing all laws or parts of laws in conflict with the provisions of this Act; declaring the provisions of this Act to be severable; enacting other provisions relating to the subject, and declaring an emergency."

S. B. No. 540, A bill to be entitled "An Act authorizing the board of trustees of certain junior college districts to adopt a numbered position system of electing members to the board of trustees and providing a procedure for choosing positions; etc.; and declaring an emergency."

S. B. No. 272, A bill to be entitled "An Act amending the Probate Code whereby the exemption of such section is changed from One Thousand Dollars to Two Thousand Five Hundred Dollars, and declaring an emergency."

S. B. No. 274, A bill to be entitled "An Act amending subsections (a) and (b) of Section 144 of the Probate Code increasing the maximum from \$500 to \$1,500 on moneys paid the County Clerk for withdrawal by the creditor minor on a small estate, and providing a procedure for the accounting of any increase and reporting of the status of such investments, and declaring an emergency."

S. B. No. 296, A bill to be entitled "An Act amending Statutes to provide supplementary compensation for performing duties as Presiding Judge of an Administrative Judicial District; fixing the amount of such supplementary compensation; making other provisions relating thereto; providing for repealing clause; providing a severability clause; and declaring an emergency."

S. B. No. 302, A bill to be entitled "An Act relating to the acquisition, disposition, creation, or alteration of certain documents and instruments used or conferred by institutions of education; providing for a penalty; and declaring an emergency."

S. B. No. 399, A bill to be entitled "An Act authorizing the governing board of each state supported senior college and university of higher learning of the State of Texas to issue its revenue bonds for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip any property, buildings, structures, or other facilities, for and on behalf of its institution or institutions, or any branch or branches thereof; etc.; and declaring an emergency."

(With Amendment.)

S. B. No. 470, A bill to be entitled "An Act amending Section 33.09 of the Texas Business and Commerce Code to make certain that National Banking Associations are included thereunder; and declaring an emergency."

S. B. No. 521, A bill to be entitled "An Act amending Statutes relating

to the Firemen's and Policemen's pension fund in cities of more than 275,000 inhabitants and less than 300,000 inhabitants; and declaring an emergency."

S. B. No. 534, A bill to be entitled "An Act providing that anyone receiving anything unordered in the mail may consider it a free gift. Unless the sender can produce a written order from the recipient, he will have no legal right to collect payment; and declaring an emergency."

(With Amendments.)

S. B. No. 565, A bill to be entitled "An Act authorizing the Texas Employment Commission to sell and convey certain land located in the City of Fort Worth, Tarrant County, Texas; prescribing the procedures, terms, and conditions of sale; disposition of the proceeds; and declaring an emergency."

S. B. No. 574, A bill to be entitled "An Act amending Texas Insurance Code to authorize the State of Texas to pay in whole or in part the premium of group life and/or hospitalization insurance for State employees covered by group policies issued to associations of public employees as policyholder and providing that any monies or credits received by or allowed to such policyholder pursuant to any participation agreement contained in such policy shall be applied to the payment of future premiums and the pro rata abatement of the insured employee's contributions."

(With Amendments.)

S. B. No. 547, A bill to be entitled "An Act amending Statutes, 'Regional Planning Commission' to provide for a definition of comprehensive development planning process; to provide for contracts between such commissions and their member governments; to provide for state financial assistance; to provide for interstate and international cooperation; and declaring an emergency."

(With Amendments.)

S. B. No. 567, A bill to be entitled "An Act amending Statutes, providing for a minimum salary for the county attorney; and declaring an emergency."

(With Amendments.)

S. B. No. 595, A bill to be entitled "An Act adding a new Section 389A

to the Texas Probate Code which would authorize certain investments by corporate guardians; providing for judicial approval thereof; and declaring an emergency."

S. B. No. 600, A bill to be entitled "An Act making it unlawful for a person whose insurance agent's license has been cancelled by order of the Commissioner of Insurance from acting as an insurance agent; making it unlawful for a licensed insurance agent from assisting an individual whose insurance agent's license has been cancelled from acting as an insurance agent; providing a penalty; and declaring an emergency."

S. B. No. 601, A bill to be entitled "An Act amending Article 22.13, Texas Insurance Code; providing that approval of policy forms for life, health, accident, sickness and hospitalization policies shall be subject to the provisions of Article 3.42, Texas Insurance Code; providing for severability; and declaring an emergency."

S. B. No. 603, A bill to be entitled "An Act to amend certain sections of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 66, Acts of the 60th Legislature, Regular Session, 1967, relating to a change or resignation of registered agent or registered office (Article 2.06 and Article 8.08), relating to administrative involuntary dissolution and reinstatement (Articles 7.01, 7.02, 8.15, 9.02).

(With Amendments.)

S. B. No. 604, A bill to be entitled "An Act to amend certain sections of the Texas Business Corporation Act, relating to a change or resignation of registered agent or registered office (Article 2.10 and Article 8.09), relating to administrative involuntary dissolution and reinstatement (Article 7.01, 7.02, 8.16); providing for severability; and declaring an emergency."

(With Amendments.)

S. B. No. 635, A bill to be entitled "An Act to amend Statutes to include educable mentally retarded pupils as exceptional children under the law providing transportation for exceptional children; providing for an effective date of this amendatory Act; and declaring an emergency."

(With Amendments.)

S. B. No. 668, A bill to be entitled "An Act to secure for Texas citizens flood insurance coverage under the National Flood Insurance Act of 1968 and providing for a state flood control program; providing an appropriation; and declaring an emergency."

S. B. No. 701, A bill to be entitled "An Act creating the American Revolution Bicentennial Commission (of Texas); prescribing its powers and duties; making an appropriation; and declaring an emergency."

(With Amendment.)

S. B. No. 707, A bill to be entitled "An Act creating a conservation and reclamation district under the provisions of Section 59, Article XVI, Constitution of Texas to be known as Horsepen Bayou Municipal Utility District of Harris County, Texas; etc.; and declaring an emergency."

S. B. No. 753, A bill to be entitled "An Act relating to the appointment and compensation of Official Shorthand Reporters of the District Courts and County Courts at Law in all counties in this state having a population of 1,200,000 or more, according to the last preceding or any future Federal Census; and declaring an emergency."

(With Amendment.)

S. B. No. 779, A bill to be entitled "An Act relating to the holding of inquests in this state; etc.; and declaring an emergency."

(With Amendment.)

S. B. No. 785, A bill to be entitled "An Act relating to the composition of the Juvenile Board of Harris County and to the administration and operation of programs and institutions for dependent and neglected children by the Harris County Child Welfare Board; etc.; and declaring an emergency."

(With Amendments.)

S. B. No. 789, A bill to be entitled "An Act prescribing the maximum compensation that may be paid the county attorney and the judge of the county court at law in certain counties; prohibiting the county officials of certain counties from engaging in the private practice of law; and declaring an emergency."

(With Amendments.)

S. B. No. 816, A bill to be entitled "An Act amending Statutes providing for the minimum salary of the

Judge of County Court No. 2 in Galveston County; and declaring an emergency."

S. B. No. 840, A bill to be entitled "An Act amending Acts 1967, 60th Legislature, Chapter 221, so as to authorize Titus County Fresh Water Supply District No. 1 to cooperate with the State of Texas or any of its agencies in the conserving, transporting and distributing of fresh water; and declaring an emergency."

(With Amendment.)

S. B. No. 842, A bill to be entitled "An Act amending Statutes so as to permit life insurance companies to invest in bonds issued, assumed or guaranteed by the State of Israel, providing for severability; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

House Bills and Resolutions on First Reading

The following bills and resolutions received from the House, were read the first time and referred to the Committees indicated:

H. B. No. 328, To Committee on State Affairs.

H. B. No. 293, To Committee on Agriculture and Livestock.

H. B. No. 1219, To Committee on State Departments and Institutions.

H. B. No. 337, To Committee on State Affairs.

H. B. No. 1433, To Committee on County, District and Urban Affairs.

H. C. R. No. 144, To Committee on Jurisprudence.

H. C. R. No. 104, To Committee on Jurisprudence.

House Concurrent Resolution 145 on Second Reading

On motion of Senator Patman, and by unanimous consent, the regular order of business was suspended to take up for consideration at this time the following resolution:

H. C. R. No. 145, Congratulating Dr. Herbert Edward Roensch.

The resolution was read.

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

Report of Standing Committee

Senator Connally, by unanimous consent, submitted the following report:

Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred H. B. No. 530, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

CONNALLY, Chairman.
BLANCHARD

Bills and Resolutions Signed

The Presiding Officer announced the signing by the President in the presence of the Senate after the caption had been read, the following enrolled bills and resolutions:

H. B. No. 87, A bill to be entitled "An Act providing for the publication of notice in a newspaper of general circulation in this state advising that land owned by a political subdivision of the State of Texas is to be offered for sale to the general public; requiring the land to be sold to the highest bidder; and declaring an emergency."

H. B. No. 358, A bill to be entitled "An Act relating to the organization, operation, powers, and duties of the Board of Nurse Examiners; etc.; and declaring an emergency."

H. B. No. 725, A bill to be entitled "An Act relating to the creation, establishment, maintenance and operation of a hospital district in accordance with the provisions of Section 9 of Article IX of the Constitution of the State of Texas, to be known as the Fannin County Hospital District; and declaring an emergency."

H. B. No. 1114, A bill to be entitled "An Act creating a conservation and reclamation District under the provisions of Section 59, Article XVI, Constitution of Texas, to be known as Tattor Road Municipal District in Harris County, Texas; etc., and declaring an emergency."

H. B. No. 1163, A bill to be entitled "An Act including Lavaca County under the provisions of the Uniform Wildlife Regulatory Act; etc.; and declaring an emergency."

H. B. No. 1188, A bill to be entitled "An Act providing for the conveyance of certain State-owned lands to the City of El Paso to be used for park purposes; etc.; and declaring an emergency."

H. B. No. 1241, A bill to be entitled "An Act relating to protection of contingent interests by amending oil, gas, and mineral leases to provide for pooling; etc.; and declaring an emergency."

H. B. No. 1304, A bill to be entitled "An Act relating to squirrel hunting in Chambers County; providing a penalty; and declaring an emergency."

H. B. No. 516, A bill to be entitled "An Act to amend Statutes so as to amend and revise the laws of Texas relating to architects and the practice of architecture; providing for a savings clause; and declaring an emergency."

H. B. No. 1306, A bill to be entitled "An Act relating to the open season for the taking of quail in Wood County; etc.; and declaring an emergency."

H. B. No. 1308, A bill to be entitled "An Act repealing Chapter 390, Acts of the 60th Legislature, Regular Session, 1967, to allow the taking of bullfrogs in Wood County; and declaring an emergency."

H. B. No. 1316, A bill to be entitled "An Act amending Article 6243a of the Revised Civil Statutes of Texas, 1925, as amended; providing for the amendment of the Pension System as to benefits or eligibility requirements, or both, by a majority vote of the Board of Trustees and the participating members in the Fund when proved actuarially sound, etc.; and declaring an emergency."

H. B. No. 1332, A bill to be entitled "An Act relating to extending the moratorium on deer hunting in Chambers County; etc.; and declaring an emergency."

H. B. No. 1318, A bill to be entitled "An Act creating and establishing a conservation and reclamation district

under Article 16, Section 59, Constitution of Texas, known as 'Arroyo Estates Utility District'; etc.; and declaring an emergency."

H. B. No. 1344, A bill to be entitled "An Act creating a conservation and reclamation district under the provisions of Article XVI, Section 59, Constitution of Texas, to be known as Greenwood Utility District of Harris County, Texas; etc., and declaring an emergency."

H. B. No. 1345, A bill to be entitled "An Act creating a conservation and reclamation district under the provisions of Article XVI, Section 59, Constitution of Texas, to be known as Parkway Utility District of Harris County, Texas; etc., and declaring an emergency."

H. B. No. 1351, A bill to be entitled "An Act relating to the number of members of the Board of Equalization of Greenville Hospital District, and the method of assessment, equalization and collection of taxes for the Greenville Hospital District; etc.; and declaring an emergency."

H. B. No. 1355, A bill to be entitled "An Act relating to the salaries of county officials in certain counties; etc.; and declaring an emergency."

H. B. No. 1358, A bill to be entitled "An Act amending Statutes relating to salaries of assistants to county school superintendents in certain counties; and declaring an emergency."

H. B. No. 1366, A bill to be entitled "An Act relating to the compensation of the official shorthand reporters for the 5th, 71st, 76th, and 102nd Judicial Districts of Texas; and declaring an emergency."

H. B. No. 1375, A bill to be entitled "An Act relating to salaries of the secretary or stenographer to the county judge in certain counties; etc.; and declaring an emergency."

H. B. No. 1385, A bill to be entitled "An Act relating to branch court-houses in certain counties; and declaring an emergency."

H. B. No. 1388, A bill to be entitled "An Act amending Statutes relating to the compensation of county court at law judges of Bexar County; and declaring an emergency."

H. B. No. 1389, A bill to be entitled "An Act creating and establishing a conservation and reclamation district under and essential to the purposes of Article XVI, Section 59, Constitution of Texas, to be known as "White Bluff Water Control and Improvement District of Hill County"; etc., and declaring an emergency."

H. B. No. 1403, A bill to be entitled "An Act extending the period that deer in a certain part of Cherokee County may not be taken or killed; etc.; and declaring an emergency."

H. B. No. 1406, A bill to be entitled "An Act amending Statutes to convert Galveston West Bay Municipal Utility District of Galveston County, Texas, from a fresh water supply; etc.; and declaring an emergency."

H. B. No. 1393, A bill to be entitled "An Act relating to and fixing minimum and maximum salary of the official shorthand reporter for the 143rd Judicial District of Texas; with saving clause; and declaring an emergency."

H. B. No. 1418, A bill to be entitled "An Act deleting Subsection (c) of Section 15, Chapter 730, Acts of the 60th Legislature, Regular Session, 1967 (Article 978j-1, Vernon's Texas Penal Code), relating to an exception to regulatory authority in Borden and Scurry Counties; etc.; and declaring an emergency."

H. B. No. 1424, A bill to be entitled "An Act relating to the method of election to the board of trustees of the Matagorda Independent School District, etc.; and declaring an emergency."

H. B. No. 1426, A bill to be entitled "An Act amending Statutes relating to the regulatory authority of the Parks and Wildlife Commission in certain counties, to delete deer from the definition of wildlife resources to be regulated in Colorado County, by adding item (13); and declaring an emergency."

H. B. No. 1431, A bill to be entitled "An Act relating to the creation of the Burleson County Water Control and Improvement District No. 1 as a conservation and reclamation district under the provisions of Section 59, Article XVI, Constitution of the State of Texas; etc.; and declaring an emergency."

H. B. No. 1437, A bill to be entitled "An Act prohibiting the use of devices for calling wild fox in certain counties; providing a penalty; and declaring an emergency."

H. B. No. 959, A bill to be entitled "An Act allowing a school district that contains a Federal-owned reservoir and a Federal-owned recreation area, receive proportionate credit for such areas as said area bears to the total area of the district to determine the amount of local funds that the district shall be assigned to raise toward the financing of its foundation school program; etc.; and declaring an emergency."

Signed, subject to provisions of Section 49A of Article III of the Constitution of Texas.

S. B. No. 818, A bill to be entitled "An Act authorizing cities and towns having a toll bridge across a river between the State of Texas and the Republic of Mexico located within, or within fifteen (15) miles of, their corporate limits, subject to outstanding covenants relating to outstanding bonds, to appropriate or pledge to revenue bonds issued hereunder; etc.; and declaring an emergency."

S. B. No. 803, A bill to be entitled "An Act authorizing the Board of Directors of the Galveston County Water Control and Improvement District No. 1 to refund any taxes collected from, and to forgive any unpaid taxes or penalties for unpaid taxes levied against, certain real property; providing that such repayment shall be made in a fair and uniform manner; and declaring an emergency."

S. C. R. No. 97, Expressing appreciation to the Legislative Budget Board for services rendered during its first twenty years.

S. C. R. No. 98, Memorial resolution for Clyde S. Constant of Dallas.

Motion in Writing

Senator Hall by unanimous consent submitted the following Motion in Writing:

Hon. Ben Barnes, President of the Senate.

Dear Mr. President:

Notice is hereby given of the intent to hold a Local and Uncontested Bills

Calendar at 8:00 a.m., Tuesday, May 27, 1969.

HALL, Chairman,
Local and Uncontested Calendar.

The Motion in Writing was read and was adopted.

House Bill 530 Ordered Not Printed

On motion of Senator Connally and by unanimous consent H. B. No. 530 was ordered not printed.

Senate Bill 603 With House Amendments

Senator Watson called S. B. No. 603 from the President's Table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the following House amendments before the Senate:

Committee Amendment No. 1

Amend Senate Bill No. 603 by striking all below the enacting clause and substituting therefor the following:

Section 1. Section A of Article 2.06 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959 (Article 1396-2.06A, Vernon's Annotated Civil Statutes), is amended to read as follows:

"A. A corporation may change its registered office or change its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth:

- (1) The name of the corporation.
- (2) The post office address of its then registered office.
- (3) If the post office address of its registered office is to be changed, the post office address to which the registered office is to be changed.
- (4) The name of its then registered agent.
- (5) If its registered agent is to be changed, the name of its successor registered agent.
- (6) That the post office address of its registered office and the post office address of the business office or its registered agent, as changed, will be identical.
- (7) That such change was authorized by its Board of Directors or by an officer of the corporation so authorized by the Board of Directors, or if the management of the corporation is vested in its members pursuant to Ar-

ticle 2.14C of this Act, by the members."

Section 2. Section D of Article 2.06 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959 (Article 1396-2.06D, Vernon's Annotated Civil Statutes), is amended to read as follows:

"D. Any registered agent of a corporation may resign

(1) by giving written notice to the corporation at its last known address

(2) and by giving written notice, in triplicate, to the Secretary of State within ten days after mailing or delivery of said notice to the corporation. Such notice shall include the last known address of the corporation and shall include the statement that written notice of resignation has been given to the corporation and the date thereof. Upon compliance with the requirement as to written notice, the appointment of such agent shall terminate upon the expiration of thirty (30) days after receipt of such notice by the Secretary of State.

"If the Secretary of State finds that such written notice conforms to the provisions of this Act, he shall:

(1) Endorse on each of such originals the word "filed" and the month, day and year of the filing thereof.

(2) File one of such originals in his office.

(3) Return one original to such resigning registered agent.

(4) Return one original to the corporation at the last known address of the corporation as shown in such written notice."

Section 3. Article 7.01 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 276, Acts of the 59th Legislature, 1965 (Article 1396-7.01, Vernon's Annotated Civil Statutes), is amended to read as follows:

"A. A corporation may be dissolved involuntarily by a decree of the district court of the county in which the registered office of the corporation is situated or of any district court in Travis County in an action filed by the Attorney General when it is established that it is in default in any of the following particulars:

(1) The corporation or its incorporators have failed to comply with a condition precedent to incorporation; or

(2) The original articles of incorporation or any amendments thereof were procured through fraud; or

(3) The corporation has continued to transact business beyond the scope of the purpose or purposes of the corporation as expressed in its articles of incorporation; or

(4) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such corporation pursuant to this Act.

"B. A corporation may be dissolved involuntarily by order of the Secretary of State when it is established that it is in default in any of the following particulars:

(1) The corporation has failed to file any report within the time required by law, or has failed to pay any fees, franchise taxes or penalties prescribed by law when the same have become due and payable; or

(2) The corporation has failed to maintain a registered agent in this State as required by law.

"C. No corporation shall be involuntarily dissolved under Section B hereof unless the Secretary of State, or other state agency with which such report, fees, taxes or penalties is required to be made, gives the corporation not less than 90 days notice of its neglect, delinquency, or omission by certified mail addressed to its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation, and the corporation has failed prior to such involuntary dissolution to correct the neglect, omission or delinquency.

"D. Whenever a corporation has given cause for involuntary dissolution and has failed to correct the neglect, omission or delinquency as provided in Sections B and C, the Secretary of State shall thereupon dissolve the corporation by issuing a certificate of involuntary dissolution, which shall include the fact of such involuntary dissolution and the date and cause thereof. The original of such certificate shall be placed in his office and a copy thereof mailed to the corporation at its registered office, or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation. Upon the issuance of such certificate of involuntary dissolution, the existence of the corporation shall cease, except for purposes otherwise provided by law.

E. Any corporation dissolved by the Secretary of State under the provi-

sions of Section B of this article may be reinstated by the Secretary of State at any time upon approval of an application for reinstatement signed by an officer or director of the dissolved corporation. Such application shall be filed by the Secretary of State whenever it is established to his satisfaction that in fact there was no cause for the dissolution, or whenever the neglect, omission or delinquency resulting in dissolution has been corrected and payment made of all fees, taxes, penalties and interest due thereon which accrued before the dissolution plus an amount equal to the total taxes from the date of dissolution to the date of reinstatement which would have been payable had the corporation not been dissolved. A reinstatement filing fee of \$25.00 shall accompany the application for reinstatement.

"Reinstatement shall not be authorized if the corporate name is the same as or deceptively similar to a corporate name already on file or reserved or registered, unless the corporation being reinstated contemporaneously amends the articles of incorporation to change its name.

"When the application for reinstatement is approved and filed by the Secretary of State, the corporate existence shall be deemed to have continued without interruption from date of dissolution except the reinstatement shall have no effect upon any issue of personal liability of the directors, officers, or agents of the corporation during the period between dissolution and reinstatement."

Section 4. Section A of Article 7.02 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 276, Acts of the 59th Legislature, 1965 (Article 1396-7.02A, Vernon's Annotated Civil Statutes), is amended to read as follows:

"A. The Secretary of State shall certify to the Attorney General, from time to time, the names of all corporations which have given cause for judicial dissolution of their charters or revocation of their certificates of authority as provided in this Act, together with the facts pertinent thereto. Every such certificate from the Secretary of State to the Attorney General shall be taken and received in all courts as prima facie evidence of the facts therein stated."

Section 5. Section A of Article 8.08 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959 (Article 1396-8.08A,

Vernon's Annotated Civil Statutes), is amended to read as follows:

"A. A foreign corporation authorized to conduct affairs in this State may change its registered office or change its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth:

- (1) The name of the corporation.
- (2) The post office address of its then registered office.
- (3) If the post office address of its registered office is to be changed, the post office address to which the registered office is to be changed.
- (4) The name of its then registered agent.
- (5) If its registered agent is to be changed, the name of its successor registered agent.
- (6) That the post office address of its registered office and the post office address of the business office of its registered agent, as changed, will be identical.

(7) That such change was authorized by its Board of Directors or by an officer of the corporation so authorized by the Board of Directors, or if the management of the corporation is vested in its members pursuant to Article 2.14C of this Act, by the members."

Section 6. A new Section D shall be added to Article 8.08 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959 (Article 1396-8.08, Vernon's Annotated Civil Statutes), which shall read as follows:

"D. Any registered agent of a corporation may resign

- (1) by giving written notice to the corporation at its last known address
- (2) and by giving written notice, in triplicate, to the Secretary of State within ten days after mailing or delivery of said notice to the corporation. Such notice shall include the last known address of the corporation and shall include the statement that written notice of resignation has been given to the corporation and the date thereof.

"Upon compliance with the requirements as to written notice, the appointment of such agent shall terminate upon the expiration of thirty (30) days after receipt of such notice by the Secretary of State.

"If the Secretary of State finds that such written notice conforms to the provisions of this Act, he shall:

- (1) Endorse on each of such orig-

inals the word "filed" and the month, day and year of the filing thereof.

(2) File one of such originals in his office.

(3) Return one original to such resigning registered agent.

(4) Return one original to the corporation at the last known address of the corporation as shown in such written notice."

Section 7. Article 8.15 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 276, Acts of the 59th Legislature, 1965 (Article 1396-8.15, Vernon's Annotated Civil Statutes), is amended to read as follows:

"A. The certificate of authority of a foreign corporation to conduct affairs in this State may be revoked by a decree of the district court for the county in which the registered office of the corporation in this State is situated or of any district court in Travis County in an action filed by the Attorney General when it is established that:

(1) The corporation has failed to comply with a condition precedent to the issuance of its certificate of authority or a renewal or amendment thereof; or

(2) The certificate of authority to transact business in this State or any amendment thereof was procured through fraud; or

(3) The corporation has continued to conduct affairs beyond the scope of the purpose or purposes expressed in its certificate of authority to conduct affairs in this State; or

(4) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such corporation as required by law."

"B. The certificate of authority of a foreign corporation to conduct affairs in this state may be revoked by order of the Secretary of State when it is established that it is in default in any of the following particulars:

(1) The corporation has failed to file its annual report within the time required by law, or has failed to pay any fees, franchise taxes, or penalties prescribed by law when the same have become due and payable; or

(2) The corporation has failed to maintain a registered agent in this State as required by law; or

(3) The corporation has failed to file in the office of the Secretary of State any amendment to its articles

of incorporation or any articles of merger or consolidation within the time prescribed by this Act; or

(4) The corporation has changed its corporate name and has failed to file with the Secretary of State within thirty days after such change of name became effective, an application for an amended certificate of authority, or that the corporation has changed its corporate name and that the newly adopted name is not available for use in this State.

"C. No foreign corporation shall have its certificate of authority to conduct affairs in this state revoked under Section B hereof unless the Secretary of State, or other state agency to which such report, taxes, fees or penalties is required to be made, gives the corporation not less than 90 days notice of its neglect, delinquency, or omission by certified mail addressed to its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation, and the corporation has failed prior to such revocation to correct the neglect, omission or delinquency.

"D. Whenever a corporation has given cause for revocation of its certificate of authority and has failed to correct the neglect, omission or delinquency as provided in sections B and C, the Secretary of State shall thereupon revoke the certificate of authority of the corporation by issuing a certificate of revocation which shall include the fact of such revocation and the date and cause thereof. The original of such certificate shall be placed in his office and a copy thereof mailed to the corporation at its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation. Upon the issuance of such certificate of revocation, the authority to conduct affairs in this State shall cease.

"E. Any corporation whose certificate of authority has been revoked by the Secretary of State under the provisions of Section B of this article State at any time within a period of 12 months from the date of such dissolution, upon approval of an application for reinstatement signed by an officer or director of the corporation. Such application shall be filed by the Secretary of State whenever it is established to his satisfac-

tion that in fact there was no cause for the revocation, or whenever the neglect, omission or delinquency resulting in revocation has been corrected and payment made of all fees, taxes, penalties and interest due thereon which accrued before the revocation plus an amount equal to the total taxes from the date of revocation to the date of reinstatement which would have been payable had the corporation's certificate not been revoked. A reinstatement filing fee of \$25.00 shall accompany the application for reinstatement.

"Reinstatement shall not be authorized if the corporate name is the same as or deceptively similar to a corporate name already on file or reserved or registered, unless the corporation being reinstated contemporaneously amends its certificate of authority to change its name.

"When the application for reinstatement is approved and filed by the Secretary of State, the corporate authority to do business in Texas shall be deemed to have continued without interruption from the date of revocation, except that reinstatement shall have no effect upon any issue of personal liability of the directors, officers, or agents of the corporation during the period between revocation and reinstatement."

Section 8. Section F of Article 9.02 of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 276, Acts of the 59th Legislature, 1965 (Article 1396-9.02F, Vernon's Annotated Civil Statutes), is amended to read as follows:

(F) Any corporation which is involuntarily dissolved or whose certificate of authority is revoked without judicial ascertainment, as provided in Section E hereof, and which has paid all fees, taxes, penalties and interest due thereon which accrued before the dissolution or revocation plus an amount equal to the total taxes from the date of dissolution or revocation to the date of reinstatement which would have been payable had the corporation not been dissolved or its certificate revoked may be relieved from such dissolution or revocation by filing the required report with the Secretary of State together with a filing fee of Twenty-Five (\$25.00) Dollars.

Section 9. VALIDATION

Nothing in this Act shall invalidate any of the procedures hereby changed

by this Act which have been initiated prior to the effective date of this Act, and under such circumstances and the Secretary of State and any other state agency affected is authorized to proceed under the appropriate procedures authorized prior to this Act or as changed by this Act.

Section 10. SEVERABILITY

The provisions of this Act are severable. If any provision of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of the Act and the application of such provisions to other persons or circumstance shall not be affected thereby.

Section 11. EMERGENCY CLAUSE

The fact that current procedures relating to forfeiture and reinstatement of domestic and foreign corporations in the State of Texas are cumbersome and result in unnecessary expense to the State creates an emergency and imperative public necessity requiring that the Constitutional Rule that bills be read on three several days in each House be suspended, and such Rule is hereby suspended, and that this Act shall take effect immediately upon and after its passage, and it is so enacted.

Committee Amendment No. 2

Amend Senate Bill No. 603 by striking the caption and substituting therefor the following:

A BILL TO BE ENTITLED

"An Act to amend certain sections of the Texas Non-Profit Corporation Act, Chapter 162, Acts of the 56th Legislature, 1959, as last amended by Chapter 656 and Chapter 704, Acts of the 60th Legislature, Regular Session, 1967 (Article 1396, Vernon's Annotated Civil Statutes) relating to a change or resignation of registered agent or registered office (amending Article 2.06; amending Article 8.08 and adding a new Section D thereto); relating to administrative involuntary dissolution and reinstatement (amending Articles 7.02 and 9.02; amending Article 7.01 and adding new Sections C, D & E thereto; amending Article 8.15 and adding new Sections C, D, and E thereto); providing a validation clause; providing a severability clause; and declaring an emergency."

The House amendments were read.

Senator Watson moved that the Senate concur in the House amendments.

The motion prevailed by the following vote:

Yeas—28

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Hall	Strong
Harrington	Watson
Harris	Wilson
Herring	Word

Absent—Excused

Berry	Hazlewood
Grover	

Senate Bill 604 With House Amendments

Senator Watson called S. B. No. 604 from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the following House amendments before the Senate:

Committee Amendment No. 1

Amend Senate Bill No. 604 by striking all below the enacting clause and substituting therefor the following:

Section 1. Section A of Article 2.10 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"A. A corporation may change its registered office or change its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth:

"(1) The name of the corporation.

"(2) The post-office address of its then registered office.

"(3) If the post-office address of its registered office is to be changed, the post-office address to which the registered office is to be changed.

"(4) The name of its then registered agent.

"(5) If its registered agent is to be changed, the name of its successor registered agent.

"(6) That the post-office address of its registered office and the post-office address of the business office of its registered agent, as changed, will be identical.

"(7) That such change was authorized by its Board of Directors or by an officer of the corporation so authorized by the Board of Directors."

Sec. 2. Section D of Article 2.10 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"D. Any registered agent of a corporation may resign

"(1) by giving written notice to the corporation at its last known address

"(2) and by giving written notice, in triplicate, to the Secretary of State within ten days after mailing or delivery of said notice to the corporation. Such notice shall include the last known address of the corporation and shall include the statement that written notice of resignation has been given to the corporation and the date thereof. Upon compliance with the requirements as to written notice, the appointment of such agent shall terminate upon the expiration of thirty (30) days after receipt of such notice by the Secretary of State.

"If the Secretary of State finds that such written notice conforms to the provisions of this Act, he shall:

"(1) Endorse on each of such originals the word 'filed' and the month, day and year of the filing thereof.

"(2) File one of such originals in his office.

"(3) Return one original to such resigning registered agent.

"(4) Return one original to the corporation at the last known address of the corporation as shown in such written notice."

Sec. 3. Article 7.01 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"A. A corporation may be dissolved involuntarily by a decree of the district court of the county in which the registered office of the corporation is situated or of any district court in Travis County in an action filed by the Attorney General when it is es-

tablished that it is in default in any of the following particulars:

"(1) The corporation or its incorporators have failed to comply with a condition precedent to incorporation; or

"(2) The original articles of incorporation or any amendments thereof were procured through fraud; or

"(3) The corporation has continued to transact business beyond the scope of the purpose or purposes of the corporation as expressed in its articles of incorporation; or

"(4) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such corporation pursuant to this Act.

"B. A corporation may be dissolved involuntarily by order of the Secretary of State when it is established that it is in default in any of the following particulars:

"(1) The corporation has failed to file any report within the time required by law, or has failed to pay any fees, franchise taxes or penalties prescribed by law when the same have become due and payable; or

"(2) The corporation has failed to maintain a registered agent in this state as required by law.

"C. No corporation shall be involuntarily dissolved under Section B hereof unless the Secretary of State, or other state agency with which such report, fees, taxes, or penalties is required to be made, gives the corporation not less than 90 days notice of its neglect, delinquency, or omission by certified mail addressed to its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation, and the corporation has failed prior to such involuntary dissolution to correct the neglect, omission or delinquency.

"D. Whenever a corporation has given cause for involuntary dissolution and has failed to correct the neglect, omission or delinquency as provided in Sections B and C, the Secretary of State shall thereupon dissolve the corporation by issuing a certificate of involuntary dissolution, which shall include the fact of such involuntary dissolution and the date and cause thereof. The original of such certificate shall be placed in his office and a copy thereof mailed to the corporation at its registered of-

office, or to its principal place of business, or the last-known address of one of its officers or directors, or to any other known place of business of said corporation. Upon the issuance of such certificate of involuntary dissolution, the existence of the corporation shall cease, except for purposes otherwise provided by law.

"E. Any corporation dissolved by the Secretary of State under the provisions of Section B of this article may be reinstated by the Secretary of State at any time within a period of 12 months from the date of such dissolution, upon approval of an application for reinstatement signed by an officer or director of the dissolved corporation. Such application shall be filed by the Secretary of State whenever it is established to his satisfaction that in fact there was no cause for the dissolution, or whenever the neglect, omission or delinquency resulting in dissolution has been corrected and payment of all fees, taxes, penalties and interest due thereon which accrued before the dissolution plus an amount equal to the total taxes from the date of dissolution to the date of reinstatement which would have been payable had the corporation not been dissolved. A reinstatement filing fee of \$50 shall accompany the application for reinstatement.

"Reinstatement shall not be authorized if the corporate name is the same as or deceptively similar to a corporate name already on file or reserved or registered, unless the corporation being reinstated contemporaneously amends the articles of incorporation to change its name.

"When the application for reinstatement is approved and filed by the Secretary of State, the corporate existence shall be deemed to have continued without interruption from the date of dissolution except the reinstatement shall have no effect upon any issue of personal liability of the directors, officers, or agents of the corporation during the period between dissolution and reinstatement."

Sec. 4. Section A of Article 7.02 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"A. The Secretary of State shall certify to the Attorney General, from time to time, the names of all corporations which have given cause for judicial dissolution of their charters

or revocation of their certificates of authority as provided in this Act, together with the facts pertinent thereto. Every such certificate from the Secretary of State to the Attorney General shall be taken and received in all courts as prima facie evidence of the facts therein stated."

Sec. 5. Section A of Article 8.09 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"A. A foreign corporation authorized to transact business in this state may change its registered office or its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth:

"(1) The name of the corporation.

"(2) The post-office address of its then registered office.

"(3) If the post-office address of its registered office is to be changed, the post-office address to which the registered office is to be changed.

"(4) The name of its then registered agent.

"(5) If its registered agent is to be changed, the name of its successor registered agent.

"(6) That the post-office address of its registered office and the post-office address of the business office of its registered agent, as changed, will be identical.

"(7) That such change was authorized by its Board of Directors or by an officer of the corporation so authorized by the Board of Directors."

Sec. 6. Section D of Article 8.09 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, as last amended by Chapter 657, Acts of the 60th Legislature, 1967, is amended to read as follows:

"D. Any registered agent of a corporation may resign

"(1) by giving written notice to the corporation at its last known address

"(2) and by giving written notice, in triplicate, to the Secretary of State within ten days after mailing or delivery of said notice to the corporation. Such notice shall include the last known address of the corporation and shall include the statement that written notice of resignation has been given to the corporation and the date thereof.

"Upon compliance with the requirements as to written notice, the appointment of such agent shall termi-

nate upon the expiration of thirty (30) days after receipt of such notice by the Secretary of State.

"If the Secretary of State finds that such written notice conforms to the provisions of this Act, he shall:

"(1) Endorse on each of such originals the word 'filed' and the month, day and year of the filing thereof.

"(2) File one of such originals in his office.

"(3) Return one original to such resigning registered agent.

"(4) Return one original to the corporation at the last known address of the corporation as shown in such written notice."

Sec. 7. Article 8.16 of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, is amended to read as follows:

"A. The certificate of authority of a foreign corporation to transact business in this State may be revoked by a decree of the district court for the county in which the registered office of the corporation in this State is situated or of any district court in Travis County in an action filed by the Attorney General when it is established that:

"(1) The corporation has failed to comply with a condition precedent to the issuance of its certificate of authority or a renewal or amendment thereof; or

"(2) The certificate of authority to transact business in this state or any amendment thereof was procured through fraud; or

"(3) The corporation has continued to transact business beyond the scope of the purpose or purposes expressed in its certificate of authority to transact business in this state; or

"(4) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such corporation as required by law.

"B. The certificate of authority of a foreign corporation to transact business in this state may be revoked by order of the Secretary of State when it is established that it is in default in any of the following particulars:

"(1) The corporation has failed to file its annual report within the time required by law, or has failed to pay any fees, franchise taxes, or penalties prescribed by law when the same have become due and payable; or

"(2) The corporation has failed to maintain a registered agent in this state as required by law; or

"(3) The corporation has failed to file in the office of the Secretary of State any amendment to its articles of incorporation or any articles of merger or consolidation within the time prescribed by this Act; or

"(4) The corporation has changed its corporate name and has failed to file with the Secretary of State within thirty days after such change of name became effective, an application for an amended certificate of authority, or that the corporation has changed its corporate name and that the newly adopted name is not available for use in this state.

"C. No foreign corporation shall have its certificate of authority to transact business in this state revoked under Section B hereof unless the Secretary of State, or other state agency to which such report, taxes, fees, penalties is required to be made, gives the corporation not less than 90 days notice of its neglect, delinquency, or omission by certified mail addressed to its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation, and the corporation has failed prior to such revocation to correct the neglect, omission or delinquency.

"D. Whenever a corporation has given cause for revocation of its certificate of authority and has failed to correct the neglect, omission or delinquency as provided in Sections B and C, the Secretary of State shall thereupon revoke the certificate of authority of the corporation by issuing a certificate of revocation which shall include the fact of such revocation and the date and cause thereof. The original of such certificate shall be placed in his office and a copy thereof mailed to the corporation at its registered office or to its principal place of business, or to the last known address of one of its officers or directors, or to any other known place of business of said corporation. Upon the issuance of such certificate of revocation, the authority to transact business in this state shall cease.

"E. Any corporation whose certificate of authority has been revoked by the Secretary of State under the provisions of Section B of this article

may be reinstated by the Secretary of State at any time within a period of 12 months from the date of dissolution upon approval of an application for reinstatement signed by an officer or director of the corporation. Such application shall be filed by the Secretary of State whenever it is established to his satisfaction that in fact there was no cause for the revocation, or whenever the neglect, omission or delinquency resulting in revocation has been corrected and payment made of all fees, taxes, penalties and interest due thereon which accrued before the revocation plus an amount equal to the total taxes from the date of revocation to the date of reinstatement which would have been payable had the corporation's certificate not been revoked. A reinstatement filing fee of \$50 shall accompany the application for reinstatement.

"Reinstatement shall not be authorized if the corporate name is the same as or deceptively similar to a corporate name already on file or reserved or registered, unless the corporation being reinstated contemporaneously amends its certificate of authority to change its name.

"When the application for reinstatement is approved and filed by the Secretary of State, the corporate authority to do business in Texas shall be deemed to have continued without interruption from the date of revocation, except that reinstatement shall have no effect upon any issue of personal liability of the directors, officers, or agents of the corporation during the period between revocation and reinstatement."

Sec. 8. VALIDATION. Nothing in this Act shall invalidate any of the procedures hereby changed by this Act which have been initiated prior to the effective date of this Act, and under such circumstances the Secretary of State and any other State agency affected is authorized to proceed under the appropriate procedures authorized prior to this Act or as changed by this Act.

Sec. 9. SEVERABILITY. The provisions of this Act are severable. If any provision of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of the Act and the application of such provisions to other persons or circumstance shall not be affected thereby.

Sec. 10. EMERGENCY CLAUSE. The fact that current procedures relating to the forfeiture and reinstatement of domestic and foreign corporations in the State of Texas are cumbersome and result in unnecessary expense to the state creates an emergency and imperative public necessity requiring that the Constitutional Rule that bills be read on three several days in each House be suspended, and such Rule is hereby suspended; and that this Act shall take effect immediately upon and after its passage, and it is so enacted.

Committee Amendment No. 2

Amend Senate Bill No. 604 by striking the caption and substituting therefor the following:

A BILL TO BE ENTITLED

An Act to amend certain sections of the Texas Business Corporation Act, Chapter 64, Acts of the 54th Legislature, 1955, as last amended by Chapter 657, Acts of the 60th Legislature, Regular Session, 1967, relating to a change or resignation of registered agent or registered office (amending Articles 2.10 and 8.09); relating to administrative involuntary dissolution and reinstatement (amending Article 7.01 and adding new Section B, C, D, and E thereto; amending Article 7.02; amending Article 8.16 and adding new Sections B, C, D, and E thereto); providing a validation clause; providing a severability clause; and declaring an emergency.

The House Amendments were read.

Senator Watson moved that the Senate concur in the House Amendments.

The motion prevailed by the following vote:

Yeas—28

Aikin	Harris
Bates	Herring
Bernal	Hightower
Blanchard	Jordan
Bridges	Kennard
Brooks	Mauzy
Christie	McKool
Cole	Moore
Connally	Patman
Creighton	Ratliff
Hall	Schwartz
Harrington	Snelson

Strong
Watson

Wilson
Word

Absent—Excused

Berry
Grover

Hazlewood

Senate Bill 167 with
House Amendments

Senator Hall called S. B. No. 167 from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the following House amendments before the Senate:

Committee Amendment No. 1

Amend S. B. 167 by striking all below the enacting clause and inserting in lieu thereof the following:

"Section 1. The commissioners court of each county within the state is authorized to approve the expenditure of county funds from the general fund for membership fees and dues assessed by a non-profit state association or organization of counties if:

(1) the membership in such association is approved by majority vote of the commissioners court;

(2) such association is established and designed for the betterment of county government and the benefit of all county officials;

(3) the expenditure authorized by this section is made in the name of the county;

(4) such association is not affiliated in any way with a labor organization;

(5) such association or any employee thereof, does not in any way, directly or indirectly, influence or attempt to influence the outcome of any legislation pending before the Legislature of the State of Texas; provided, however, that nothing herein shall be construed to prevent any agent, servant, or representative of such association from providing information for any member of the Legislature, or from appearing before any committee thereof when requested to do so by said member or committee; and

(6) such association or any employee thereof does not, either directly or indirectly, make any contribution, gift or donation of any money, services or other valuable thing to any

political campaign or does not endorse any candidate or group of candidates for public office.

Section 2. If any association or organization supported in whole or in part by tax money from a political subdivision engages in any act specified in Subdivision (5) and (6) of Section 1 of this Act, any taxpayer of a political subdivision which pays fees or dues to such association or organization may bring suit to prohibit the political subdivision from making further expenditures to such association or organization and the court upon proof of the violation of any provision hereof shall enjoin any further payments or activity.

Section 3. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared severable.

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; and that this Act take effect and be in force from and after its passage, and it is so enacted."

Committee Amendment No. 2

Amend S. B. 167 by striking all above the enacting clause and inserting in lieu thereof the following:

A BILL
TO BE ENTITLED

An Act authorizing the commissioners court of each county within the state to expend county funds for membership fees and dues to a non-profit state association or organization of counties; providing for taxpayer suits against political subdivisions in certain cases; providing for severability; and declaring an emergency.

The House Amendments were read.

Senator Hall moved that the Senate concur in the House Amendments.

The motion prevailed.

Record of Vote

Senator Mauzy asked to be recorded as voting "Nay" on the motion to concur in House amendments to S. B. No. 167.

House Bill 1354 Re-Referred

On motion of Senator Moore, and by unanimous consent, H. B. No. 1354 was withdrawn from the Committee on Jurisprudence and re-referred to the Committee on County, District and Urban Affairs.

Co-Author of Senate Concurrent Resolution 89

On motion of Senator Mauzy, and by unanimous consent, Senator Jordan will be shown as Co-author of S. C. R. No. 89.

Report of Standing Committee

Senator Hall, by unanimous consent, submitted the following report:

Austin, Texas,
May 24, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on County, District and Urban Affairs to which was referred H. B. No. 1354, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, and be printed.

HALL, Chairman
WORD

House Bill 1354 Ordered Not Printed

On motion of Senator Moore and by unanimous consent H. B. No. 1354 was ordered not printed.

(President in the Chair.)

Senate Bill 30 with House Amendment

Senator Bates called S. B. No. 30 from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the following House amendment before the Senate:

Committee Amendment No. 1

Amend S. B. 30 by striking out everything below the enacting clause

and inserting in lieu thereof the following:

Sec. 1. By authority of Section 9, and in conformity with Section 13, both of Article IX, Constitution of the State of Texas, this Act authorizes the creation of Cameron County Hospital District of Cameron County, Texas.

Sec. 2. The boundaries of this District are coterminous with the boundaries of Cameron County, Texas.

Sec. 3. The district authorized to be created by this Act is charged with the responsibility of establishing a hospital or a hospital system within its boundaries to furnish hospital and medical care to the residents of the district. After this district is created as provided in Section 4 of this Act, no other municipality or political subdivision of this state may levy taxes or issue bonds or other obligations of indebtedness for purpose of providing hospital service or medical care within the district. This district shall provide all necessary hospital and medical care for the needy inhabitants of the district.

The District hereby authorized shall have all of the powers and authority contemplated and granted by Article IX, Section 9, of the Constitution of Texas whether same are herein expressly set out or not, but no municipality, or any other political subdivision or state-supported entity within the hospital district shall be denied any of the power or authority granted them by Article IX, Section 13, of the Constitution of the State of Texas.

There shall vest in the hospital district and become the funds of the hospital district the unspent portions of any funds theretofore set up or appropriated by budget or otherwise by the County of Cameron for the hospital or medical care, treatment or services for the needy and indigent, sick or injured residents of Cameron County for the year within which the hospital district comes into existence, thereby providing such hospital district with funds with which to maintain and operate for the remainder of such year. The Commissioners Court of Cameron County, as soon as the hospital district is created and authorized at the election herein provided, and there have been appointed and qualified the board of directors, hereinbelow provided for, shall transfer to said hospital district any unspent funds theretofore budgeted, ap-

propriated, and set aside to furnish hospital or medical care, treatment or services for the county's needy and indigent sick and injured persons upon being furnished the certificate of the president of the board of directors to the fact that a depository for the District's fund has been selected and has qualified; which funds shall, in the hands of the hospital district and of its board of directors, be used for such purposes.

Sec. 4. (a) The district shall not be created, nor shall any tax therein be authorized unless and until such creation and such tax are approved by a majority of the qualified property taxpaying electors of the area of the proposed district voting at an election called for that purpose. Such election may only be called by the Commissioners Court of Cameron County. Such election shall be held not less than twenty-five (25) nor more than sixty (60) days from the date the election is ordered. The order calling the election shall specify the date, place or places of holding the election, the form of ballot, the presiding judge and alternate judge for each voting place, and provide for clerks as in county elections. The election order may provide that the entire district shall constitute one election precinct or the county election precincts may be combined for elections. Notice of election shall be given by publishing a substantial copy of the election order in a newspaper or newspapers which individually or collectively provide general circulation in the county or district once a week for two consecutive weeks, the first publication to appear at least twenty (20) days prior to the date established for the election. The failure of such election shall not operate to prohibit the calling and holding of subsequent elections for the same purpose; provided, however, that no district election for confirmation can be held within twelve (12) months of any preceding district election for confirmation, and, further provided, if this district is not confirmed within sixty (60) months from the effective date of this Act, this Act is hereby repealed.

(b) At the election there shall be submitted to the qualified property taxpaying electors of the area of the proposed district the proposition of whether the hospital district shall be created with authority to levy annual taxes at a rate not to exceed twenty-

five cents (25¢) on the one hundred dollar (\$100) valuation of taxable property situated within the district subject to hospital district taxation for the purpose of meeting the requirements of the district's bonds, and its maintenance and operating expenses, and a majority of the qualified property taxpaying electors voting at said election in favor of the proposition shall be sufficient for its adoption.

(c) The form of ballot used at the election on the creation of the district shall be in conformity with Sections 61 and 62, Texas Election Code, as amended (Articles 6.05-6.07, Vernon's Texas Election Code), so that ballots may be cast "FOR" or "AGAINST" the following ballot proposition: "The creation of the Cameron County Hospital District, providing for the levy of a tax not to exceed twenty-five cents (25¢) on each one hundred (\$100) valuation, upon all taxable property situated within said district subject to hospital district taxation, for all hospital district purposes."

(d) Within ten (10) days after such election is held, the Commissioners Court of Cameron County shall convene and canvass the returns of the election, and if a majority of the qualified property taxpaying electors voting at said election vote in favor of the proposition, they shall so find and declare the hospital district established and created.

Sec. 5. (a) At such time as the creation of the district is approved and the returns of the election officially canvassed, the Commissioners Court shall convene and appoint seven (7) persons as directors of the district and shall designate the length of their terms. The term of office of each member of said board of directors shall be four years; except that of the initial members appointed the term of office of two members shall be four years, of two other members shall be three years, and of two other members shall be two years, and of the remaining one member shall be one year. Appointments of successors shall be made by the Commissioners Court for the full term of four years, except that appointment of persons to fill vacancies occurring by death, resignation or other cause shall be made for the unexpired term. Each member shall hold office for the term appointed and until his successor shall have been appointed and qualified. Any member may at any time be removed from office by the Commissioners

Court for cause, after due notice, and an opportunity to be heard. Failure of any member to attend three consecutive meetings of the Hospital Board shall automatically cause a vacancy in his office, unless said absence is excused by formal action of the Board of Directors before his successor shall have been appointed and qualified. Each member of the Board of Directors shall execute a good and sufficient bond for one thousand dollars (\$1,000) payable to said district conditioned upon the faithful performance of his duties and each bond shall be purchased at the expense of the district. All members of the Board of Directors shall execute the constitutional oath of office.

(b) No person shall be appointed as a member of the Board of Directors unless he is a resident of the district, a freeholder, and a qualified voter. Neither the administrator, an employee of the district, nor a member of the staff of the hospital shall be eligible to serve as a director.

(c) The Board of Directors shall organize by electing one of their number as president, one or more vice-presidents, and a treasurer. A secretary and such other officers as may be deemed necessary, who need not be a director, shall also be elected. Officers shall be elected for a term of one year and vacancies shall be filled for the unexpired term by the Board of Directors. Any four (4) members of the Board of Directors shall constitute a quorum and a concurrence of four (4) shall be sufficient in all matters pertaining to the business of the district. All members of the Board of Directors and officers shall serve without compensation, but may be reimbursed for actual expenses incurred in the performance of their official duties upon the approval of such expenses by the Board of Directors and so reported in the minute book of the district or other records of the district.

Section 6. The Board of Directors shall manage, control and administer the hospital system and all funds and resources of the district, but in no event shall any operating, depreciation or building fund reserves be invested in any funds or securities other than those specified in Articles 836 or 837, Revised Civil Statutes of Texas, 1925, as amended. The board is given full authority to establish rules and regulations relating to seniority of employees of the district (including a

retirement plan based thereon) and may give effect to previous years of service for those employees who have been continuously employed in the operation or management of the hospital facilities acquired or constructed by the district. The district, through its Board of Directors, shall have the power and authority to sue and be sued, and shall be entitled to all causes of action and defenses enjoyed by similar authorities, to promulgate rules and regulations governing the operation of the hospital, hospital system, its staff and its employees. The Board of Directors may appoint a qualified person to be known as the administrator or manager of the hospital district and may in its discretion appoint an assistant or assistants to the administrator or manager. Such administrator or manager and assistant administrator or manager, if any, shall serve at the will of the board and shall receive such compensation as may be fixed by the board. The administrator or manager shall, upon assuming his duties, execute a bond payable to the hospital district in an amount to be set by the Board of Directors, in no event less than five thousand dollars (\$5,000) conditioned that he shall perform the duties required of him, and containing such other conditions as the board may require. The administrator or manager shall supervise all the work and activities of the district and shall have general direction of the affairs of the district, subject to the limitations as may be prescribed by the board. The Board of Directors shall have the authority to appoint to or dismiss from the staff of any hospital operated by the district such doctors as it may deem necessary for the efficient operation of the district, and may provide for temporary appointments to the staff if warranted by circumstances. The board may delegate to the administrator or manager the authority to employ technicians, nurses, and employees of the district. The Board of Directors may pay district funds to and may enter into any contract or agreement with any institution, private hospital or agency located inside or outside of the hospital district, for hospital and medical services, care and treatment for the sick or injured residents of the county who are determined to be needy or indigent as herein provided in this Act, and with another hospital district or with a county, municipality or other political subdivision of the state to

provide hospital and medical services, treatment and care for needy or indigent persons who reside outside the district.

Sec. 7. The district shall be operated on the basis of a fiscal year commencing on January 1st of each year and ending on December 31st of that year, and it shall cause an independent audit to be made of the financial condition of said district, which, together with other records of the district, shall be open to inspection at the principal office of the district, such audit to be made covering such fiscal year, and the same shall be filed at the office of the district as soon as it is completed and not later than January 30th of each year following the end of the calendar year. The administrator or manager, between May 1st and May 25th of each year, shall prepare an annual budget for approval by the Board of Directors. The budget shall also contain a complete financial statement of the district showing all outstanding obligations of the district, the cash on hand to the credit of each and every fund of the district, the funds received from all sources during the previous year, the funds available from all sources during the ensuing year, with balances expected at end of the year in which the budget is being prepared, and estimates of revenues and balances available to cover the proposed budget, and estimated tax rate which will be required, and the proposed expenditures and disbursements and the estimated receipts and collections for the following fiscal year. A public hearing on the annual budget shall be held by the Board of Directors between June 10th and June 25th of each year after notice of such hearing has been published one time at least ten (10) days before the date set therefor. Notice of the budget hearing shall be published in a newspaper or newspapers which individually or collectively provide general circulation in the hospital district. Any property taxpayer of the district shall have the right to be present and participate in said hearing. At the conclusion of the hearing, the budget, as proposed by the administrator, shall be acted upon by the Board of Directors. The Board of Directors shall have authority to make such changes in the budget as in their judgment the law warrants and the interest of the taxpayers demand. No expenditure may be made for any expense not included in the annual budget or an amendment thereto. The annual budget may

be amended from time to time as the circumstances may require, but the annual budget, and all amendments thereto, shall be approved by the Board of Directors. As soon as practicable after the close of each fiscal year, the administrator or manager shall prepare for the board a full sworn statement of all moneys belonging to the district and a full account of the disbursements of same.

Sec. 8. The Board of Directors is hereby given complete discretion as to the type of buildings, both as to number and location, required to establish and maintain an adequate hospital system. The hospital system may include facilities for domiciliary care of the sick, wounded, and injured, facilities for outpatient clinic or clinics, dispensaries, facilities for geriatric domiciliary care, convalescent home facilities, necessary nurses domiciliaries and training centers, blood banks, community mental health centers, and research centers or laboratories, and any other facilities deemed necessary for hospital care by the directors. The district, through its Board of Directors, is further authorized to enter into an operating or management contract with regard to its facilities or a part thereof, or may lease all or part of its buildings and facilities upon terms and conditions considered to be to the best interest of its inhabitants, provided that in no event shall any lease be for a period in excess of twenty-five (25) years from the date entered. The district shall be empowered to sell or otherwise dispose of any property, real or personal, or equipment of any nature upon terms and conditions found by the board to be in the best interest of its inhabitants.

Sec. 9. The Board of Directors of such district shall have the power to prescribe the method and manner of making purchases and expenditures by and for such hospital district, and shall also be authorized to prescribe all accounting and control procedures. All contracts for construction or purchases involving the expenditure of more than two thousand dollars (\$2,000) may be made only after advertising in the manner provided by Chapter 163, Acts of the 42nd Legislature, Regular Session, 1931, as amended (Article 2368a, Vernon's Texas Civil Statutes). The provisions of Article 5160, Revised Civil Statutes of Texas, 1925, as amended relating

to performance and payment of bonds shall apply to construction contracts let by the district. The district may acquire equipment for use in its hospital system and mortgage or pledge the property so acquired as security for the payment of the purchase price, but any such contract shall provide for the entire obligation of the district to be retired within five (5) years from the date of the contract. Except as permitted in the preceding sentence, the district may incur no obligation payable from any revenues of the district, taxes or otherwise, except those on hand or to be on hand within the then current and following fiscal year of the district.

Sec. 10. The Board of Directors of the district shall name one or more banks within its boundaries to serve as depository for the funds of the district. All funds of the district, except those invested as provided in Section 6, and those transmitted to a bank or banks as payment for bonds or obligations issued by the district, shall be deposited as received with the depository bank and shall remain on deposit, provided that nothing herein shall limit the power of the board to place a portion of such funds on time deposit or purchase certificates of deposit.

Sec. 11. The Board of Directors shall annually levy a tax of not to exceed the amount hereinabove permitted for the purpose of (1) paying the interest on and creating a sinking fund for bonds and other obligations which may be issued or assumed by the hospital district for hospital purposes as herein provided; (2) providing for the operation and maintenance of the hospital district and hospital system; and (3) for the purpose of making further improvements and additions to the hospital system, and for the acquisition of necessary sites therefor by purchase, lease or condemnation. In setting such tax rate, the board shall take into consideration the income of the district from sources other than taxation. Upon determination of the amount of tax required to be levied, the board shall make such levy and certify the same to the tax assessor-collector of said district.

Sec. 12. All bonds issued hereunder by the district shall be and are hereby declared to be legal and authorized investments of banks, savings banks,

trust companies, building and loan associations, savings and loan associations, insurance companies, trustees, and sinking funds of cities, towns, villages, counties, school districts, or other political subdivisions of the State of Texas, and for all public funds of the State of Texas or its agencies including the state permanent school fund. Such bonds and indebtedness shall be eligible to secure deposit of public funds of the State of Texas and public funds of cities, towns, villages, counties, school districts, or other political subdivisions or corporations of the State of Texas, and shall be lawful and sufficient security for said deposits to the extent of their value when accompanied by all unmatured coupons appurtenant thereto.

Sec. 13. The district shall have the right and power of eminent domain for the purpose of acquiring by condemnation any and all property of any kind and character in fee simple, or any lesser interest therein, within the boundaries of the district necessary to the powers, rights and privileges conferred by this Act, in the manner provided by the general law with respect to condemnation by counties, provided that the district shall not be required to make deposits in the registry of the trial court of the sum required by paragraph 2 of Article 3268, Revised Civil Statutes of Texas, 1925, as amended, or to make bond as therein provided. In condemnation proceedings being prosecuted by the district, the district shall not be required to pay in advance or give bond or other security for costs in the trial court, nor to give any bond otherwise required for the issuance of a temporary restraining order or a temporary injunction nor to give bond for costs or for supersedeas on any appeal or writ of error.

Sec. 14. The directors shall have the authority to levy taxes for the entire year in which the district is established as the result of the election herein provided. All taxes of the district shall be assessed and collected on county tax values as provided in Subsection (1) hereof unless the directors, by majority vote, elect to have taxes assessed and collected by its own tax assessor-collector under Subsection (2) hereof. Any such election may be made prior to December 1 annually and shall govern the manner

in which taxes are thereafter assessed and collected, until changed by a similar resolution.

(1) Under this subsection, district taxes shall be assessed and collected on county tax values in the same manner as provided by law with relation to county taxes. The tax assessor-collector of the county in which said district is situated shall be charged and required to accomplish the assessment and collection of all taxes levied by and on behalf of the district. The assessor-collector of taxes shall charge and deduct from payments to the hospital district an amount as fees for assessing and collecting the taxes at a rate of not exceeding one (1%) percent of the amounts collected as may be determined by the Board of Directors, but in no event shall the amount paid exceed \$5,000 in any one calendar year. Such fees shall be deposited in the officers salary fund of the county and reported as fees of office of the county tax-assessor collector. Interest and penalties on taxes paid to the hospital district shall be the same as in the case of county taxes. Discounts shall be the same as allowed by the county. The residue of the tax collections after deduction of discounts and fees for assessing and collecting shall be deposited in the district's depository. The bond of the county tax assessor-collector shall stand as security for the proper performance of his duties as assessor-collector of the district; or, if in the judgment of the district Board of Directors it is necessary, additional bond payable to the district may be required. In all matters pertaining to the assessment, collection and enforcement of taxes for the district, the county tax assessor-collector shall be authorized to act in all respects according to the laws of the State of Texas relating to state and county taxes.

(2) Under this subsection, taxes shall be assessed and collected by a tax assessor-collector appointed by the directors who shall also fix the terms of his employment, compensation, and requirement for bond to assure the faithful performance of his duties, but in no event shall such bond be for less than five thousand dollars (\$5,000). The directors shall also annually appoint five persons to serve as a board of equalization and shall fix their compensation. Each member of the board and the tax assessor shall be residents of the dis-

trict and own real property subject to hospital district taxation, and each shall have the same duties, including the obligation to execute the oath of office, as required by county officials exercising such powers and duties. Except as in this law provided to the contrary, all provisions of Title 122, Revised Civil Statutes of Texas, 1925, as amended, shall apply to the district.

(3) The Board of Directors may use the proceeds of this tax for the following purposes: (a) to provide for the establishment of a district hospital and for the operation and maintenance of the hospital district and the hospital system; (b) to provide, through contractual agreements with various institutions, private hospitals or agencies located inside or outside of the hospital district, for hospital and medical services, care and treatment for the sick or injured residents of the county who are determined to be needy or indigent as herein provided in this Act.

Sec. 15. The district may employ fiscal agents, investigators, accountants, architects, attorneys, and such other employees as the board may consider proper.

Sec. 16. Determination Whether Resident Is Needy Or Indigent.

(a) Only sick or injured residents of Cameron County who are needy or indigent shall be entitled to receive medical or hospital care, treatment or services from the hospital district. The Board of Directors shall conclusively determine whether or not a person is needy or indigent.

(b) The Board of Directors shall employ a person or persons to investigate the ability of the patient, and the ability of any relative who is liable for the support of the patient, to pay for the medical and hospital care, treatment or services which the patient receives.

(c) If the patient, or a relative of the patient who is legally liable for his support, is able to pay for such care, treatment or services in whole or in part, the Board shall order the patient or his said relative or relatives to pay to the treasurer each week an amount specified in the order. The amount must be in proportion to the ability to pay.

(d) The District is authorized to collect from the patient, or from a relative, or relatives, of the patient legally liable for his support, or from the estate of the patient, in

whole or in part, for the medical and hospital care, treatment or services given to such patient, in any manner provided by law; and, if the patient is a nonresident of the hospital district, to collect therefor from any other hospital district, county, municipality or other political subdivision of which such nonresident patient is a resident, or from any agency legally liable for his support.

(e) If the investigator finds that neither the patient, nor a relative or another hospital district, or a county, municipality or other political subdivision or agency legally liable for his support, is able to pay in whole or in part for this care, treatment or services, the expense thereof becomes a charge on the District.

(f) If there is a dispute as to the ability to pay, or a doubt in the mind of the investigator, the Board of Directors shall hear and determine the question, after calling witnesses, and make the proper order based on its findings.

(g) A party to the hearing who is not satisfied with the results of the order, may appeal to the district court. The substantial evidence rule shall apply.

Sec. 17. The Board of Directors of the hospital district is authorized on behalf of such district to accept donations, gifts, and endowments to be held in trust and administered by the Board of Directors for such purposes and under such directions, limitations, and provisions as may be prescribed in writing by the donor not inconsistent with proper management and object of the hospital district.

Sec. 18. After creation of the hospital district, no municipality or political subdivision within the boundaries of the district shall have the power to levy taxes or issue bonds or other obligations for hospital purposes or for providing medical care. The said hospital district shall assume full responsibility for providing hospital care for the indigents residing within the district. Nothing herein shall prohibit any municipality or any other political subdivision or state-supported entity within the hospital district from participating in the establishment, maintenance, support or operation of mental health services, mental retardation services, public health units or clinics or related public health activities or ser-

vices within, or partly within, the boundaries of said hospital district, or from levying taxes, issuing bonds or other obligations and expending public money for such purposes as provided by law.

Sec. 19. The support and maintenance of the hospital district shall never become a charge against or obligation of the State of Texas, nor shall any direct appropriation be made by the Legislature for the construction, maintenance, or improvement of any of the facilities of such district.

Sec. 20. In carrying out the purposes of this Act, the district will be performing an essential public function and any bonds issued or assumed by it and their transfer and issuance therefrom including any profits made in the sale thereof, shall at all times be free from taxation by the state or any municipality or political subdivision thereof.

Section 21. Nothing in this Act shall be construed to violate any provision of the Federal or State Constitutions, and all acts done under this Act shall be in such manner as will conform thereto, whether expressly provided or not. Where any procedure hereunder may be held by any court to be violative of either of such constitutions, the district shall have the power by resolution to provide an alternative procedure conformable with such constitutions. If any provision of this Act should be invalid, such fact shall not affect the authorization for the creation of the district or the validity of any other provisions of this Act, and the Legislature hereby declares that it would have created the district and enacted the valid provisions of this Act notwithstanding the invalidity of any other provision or provisions hereof.

Sec. 22. Proof of publication of the notice required in the enactment hereof under the provisions of Article IX, Section 9, of the Texas Constitution has been made in the manner and form provided by law pertaining to the enactment of local and special laws, and such notice is hereby found and declared proper and sufficient to satisfy such requirement.

Sec. 23. All laws or parts of laws in conflict with the provisions of this Act are hereby repealed to the extent of conflict only.

Sec. 24. The fact that there is urgent need to provide for the creation

of the hospital district authorized by Article IX, Section 9, of the Texas Constitution creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days be suspended, and this Rule is hereby suspended, and that this Act shall take effect and be in force from and after its passage, and it is so enacted.

The House Amendment was read.

Senator Bates moved that the Senate concur in the House amendments.

The motion prevailed.

**House Joint Resolution 22
on Second Reading**

Senator Bernal asked unanimous consent to suspend the regular order of business and take up H. J. R. No. 22 for consideration at this time.

There was objection.

Senator Bernal then moved to suspend the regular order of business and take up H. J. R. No. 22 for consideration at this time.

The motion prevailed by the following vote:

Yeas—25

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—3

Blanchard	Ratliff
Herring	

Absent—Excused

Berry	Hazlewood
Grover	

The President laid before the Senate on its second reading and passage to third reading:

H. J. R. No. 22, House Joint Resolution Proposing an Amendment to Article III of the Texas Constitution, adding Section 64, to provide for con-

solidating offices and functions of government by Act of the Legislature and for performance of governmental functions by contract between political subdivisions in Bexar County.

The resolution was read second time and was passed to third reading.

**House Joint Resolution 22
on Third Reading**

Senator Bernal moved that the Constitutional Rule and Senate Rule 32 requiring resolutions to be read on three several days be suspended and that H. J. R. No. 22 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—25

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—3

Blanchard	Ratliff
Herring	

Absent—Excused

Berry	Hazlewood
Grover	

The President then laid the resolution before the Senate on its third reading and final passage.

The resolution was read third time and was passed by the following vote:

Yeas—25

Aikin	Jordan
Bates	Kennard
Bernal	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hightower	

Nays—3

Blanchard Ratliff
Herring

Absent—Excused

Berry Hazlewood
Grover

Leave of Absence

Senator McKool was granted leave of absence for the remainder of today on account of important business on motion of Senator Harrington.

House Bill 263 on Second Reading

On motion of Senator Hightower, 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. No. 263, A bill to be entitled "An Act to amend Statutes, thereby to broaden the Foundation School Program to provide for improved vocational education and supportive vocational unit personnel; etc., and declaring an emergency."

The bill was read second time.

Senator Hightower offered the following amendment to the bill:

Amend Section 1 of House Bill 263 by adding thereto a new subdivision to be designated f. which shall be inserted following subsection (2)e in Section 1 to read as follows:

"f. School districts which, because of limited enrollments, tax resources, or facilities, are unable to offer appropriate vocational education in all occupational areas needed may enter into contracts with postsecondary public institutions, as defined by the State Board of Education, to provide for such appropriate vocational education instruction provided the instructors and instructional materials and equipment utilized meet secondary school program requirements.

"Such contracts shall be executed pursuant to rules and regulations of the State Board for Vocational Education (State Board of Education) and the cost to the State shall not exceed the cost that would result if said programs were operated by the respective school districts entering into such contracts."

The amendment was read and was adopted.

On motion of Senator Hightower, 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 263 on Third Reading

Senator Hightower moved that the Constitutional Rule and Senate Rule 30 requiring bills to be read on three several days be suspended and that H. B. No. 263 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—24

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Blanchard	Mauzy
Bridges	Moore
Brooks	Patman
Christie	Ratliff
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Herring	

Absent—Excused

Berry	Hazlewood
Grover	McKool

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Senate Concurrent Resolution 101

Senator Hall offered the following resolution:

S. C. R. No. 101, Authorizing Senate Enrolling Clerk to make certain corrections in S. B. No. 164.

Whereas, Senate Bill No. 164 has passed the Senate and the House of Representatives and is now in the Enrolling Room for enrollment; now, therefore, be it

Resolved by the Senate, the House of Representatives concurring, That the Enrolling Clerk delete the following language in Section 20, Subsection 5 of the bill: "except as may be authorized under Section 52 of this Act"

for the reason that Section 52 is the emergency clause of the bill.

The resolution was read.

Senator Schwartz raised the Point of Order that the resolution seeks to change the language of the bill and is not a corrective resolution.

The President overruled the Point of Order.

Question—Shall S. C. R. No. 101 be adopted?

Welcome and Congratulatory Resolution

S. B. No. 914—By Senator Herring: Extending welcome to Carol McAnelly, et al.

Adjournment

On motion of Senator Aikin the Senate at 1:37 o'clock p.m. adjourned until 10:30 o'clock a.m. Monday, May 26, 1969.

SEVENTY-SIXTH DAY

(Monday, May 26, 1969)

The Senate met at 10:30 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:

Aikin	Herring
Bates	Hightower
Bernal	Jordan
Berry	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hazlewood	

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Hightower, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, May 24, 1969 was dis-

pensed with and the Journal was approved.

Presentation of Guest

Senator Hightower, by unanimous consent, presented Mrs. Joyce Townsend, former hostess of the Senate, who is retired and now lives in Lufkin, to the Members of the Senate.

Message From the House

Hall of the House of Representatives
Austin, Texas,
May 26, 1969.

Hon. Ben Barnes, President of the Senate.

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

H. B. No. 95, A bill to be entitled "An Act relating to the source to be used for selecting names for jury wheels in certain counties; amending Section (a), Article 2094, Revised Civil Statutes of Texas, 1925, as amended; and declaring an emergency."

H. B. No. 167, A bill to be entitled "An Act relating to the depth of burial graves, providing a penalty for violation; and declaring an emergency."

H. B. No. 203, A bill to be entitled "An Act relating to employee compensation for purchase of additional personal liability insurance to cover use of state-owned motor vehicle; and declaring an emergency."

H. B. No. 226, A bill to be entitled "An Act relating to the sale of beer and the consumption of alcoholic beverages on January 1; amending Subdivision (1), Section 4(c), Article I, and Section 10, Article II, Texas Liquor Control Act (Articles 666-4 and 667-10, Vernon's Texas Penal Code); and declaring an emergency."

H. B. No. 266, A bill to be entitled "An Act relating to killing or injuring certain animals; amending Article 1373-a, Penal Code of Texas, 1925; and declaring an emergency."

H. B. No. 644, A bill to be entitled "An Act amending Section 1a, Article 2350, Revised Civil Statutes of Texas, 1925, as amended, relating to expenses of county commissioners while