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The Economic Development Committee met Wednesday, April 10, 1985, at 9:00, in the Lt. Governor's Committee Room.

As there was a quorum present, the Chair asked the Committee Clerk to call the roll. Those present at roll call were: Senators Harris, Glasgow, Montford, Sims, Traeger, Howard, Henderson, and Blake. Those arriving later were: Senators Parmer and Jones.

Senator Glasgow assumed the Chair and laid out S.B. 707, and called on Senator Harris to continue the discussion of the bill. Senator Harris sent up a committee substitute for the bill and moved its adoption. The motion carried without objection. The Chair called Cis Meyers, 1122 Colorado, Austin, representing Concerned Texans for Good Interior Design, to testify in favor of the bill. She was questioned by Senators Sims, Blake, and Montford. The Chair then called witnesses who had registered in opposition to the bill and who wanted to testify. The first witness to testify against the bill was Des Taylor, 1400 Norwood Tower, Austin, representing the Texas Society of Architects. He was questioned by Senators Leedom, Sims, and Blake. The second opposition witness was Bob Fowler, [redacted] Merkel, resenting himself. He was questioned by Senator Sims and Senator Glasgow. The next witness to testify in opposition to the bill was Marion McKeever, [redacted] Fort Worth, representing herself, and she was questioned by Senator Glasgow. The next opposition witness was Thomas Fowler, [redacted] Dallas, representing Fowler's Carriage House. There were questions from Senator Leedom. The next witness to testify was John Holman, [redacted] Dallas, representing himself. The final witness to testify against the bill was Karen Blakeman, [redacted] Austin, representing herself. The following witnesses registered as resource witnesses on the bill, but did not testify: James Foster, [redacted] San Antonio, representing the Texas Society of Architects; Bob LeMond, 1303 West Freeway, Fort Worth, representing the Texas Society of Architects; and John Greer, [redacted] Bryan, representing himself.

The following persons registered in favor of S.B. 707, but did not testify: Debby Sherer, [redacted] Dallas, representing Concerned Texans for Good Interior Design (CTGID); Irving Schwartz, 4443 Westway, Dallas, representing himself; Arlis Ede, [redacted] Dallas, representing CTGID; Ann Sullivan, [redacted] Dallas, representing CTGID; Anne Bigger, [redacted] Dallas, representing CTGID; Dr. Nancy Kwallek, [redacted] Austin, representing CTGID; Sarah Neuhaus, [redacted] Austin, representing CTGID;

Susan Coffman, [REDACTED] Austin, representing CTGID; Bonnie Johnson, [REDACTED] Houston, representing CTGID; Mae Holm, [REDACTED] Houston, representing CTGID; Shirley Kolar, [REDACTED] Austin, representing CTGID; Judy Steinkamp, [REDACTED] Houston, representing herself; Jan Stubblefield, Austin, representing CTGID; Jacqueline Latham-Glab, [REDACTED] Austin, representing herself; Kaye Greer, [REDACTED] Houston, representing CTGID; Jill Bedwell, [REDACTED] Austin, representing CTGID; Denise Oebel, [REDACTED] San Marcos, representing herself; Richard Hutchins, [REDACTED] Houston, representing himself; Kay Ellig, [REDACTED] Houston, representing herself; Robert Emery, [REDACTED] San Marcos, representing himself; Carol Johnson, [REDACTED] San Marcos, representing Environmental Concepts; Terry Davey, [REDACTED] Austin, representing Oteri, Tisdale, and Gare Architects; Lori Nelson, [REDACTED] Austin, representing CTGID; Karen Durfee, [REDACTED] Austin, representing herself; Jon Fraser, [REDACTED] Austin, representing himself; Leanne Starkey, [REDACTED] Austin, representing herself; Lori Ficklin, [REDACTED] Austin, representing CTGID; Georgia Georgiou, [REDACTED] Austin, representing CTGID; Susan Currie, [REDACTED] Austin, representing CTGID; Anita Grisebaum, [REDACTED] Austin, representing herself; Carl Burton, [REDACTED] Houston, representing himself; Deborah Gilbert, [REDACTED] Houston, representing herself; Ana Melendez, [REDACTED] Austin, representing CTGID; Julie Winans, [REDACTED] Dallas, representing CTGID; Suzanne Shaw, [REDACTED] Austin, representing CTGID; Bob Sowell, [REDACTED] Dallas, representing CTGID; Kelly McCoy, N. Fredricksburg, San Marcos, representing herself; Angie Campbell-Johnson, [REDACTED] San Marcos, representing herself; Julianne Mayfield, 3305 Northland, Austin, representing Linfield Design Associates, Inc.; Lou Ann Lindley, 3305 Northland, Austin, representing Linfield Design; Evan Hopkins, [REDACTED] Houston, representing Robinson - Hopkins/CTGID; Harriet Coulson, [REDACTED] Houston, representing CTGID; J. Rodney Baughn, [REDACTED] Wimberly, representing American Society of Interior Designers; Kelly Akers, [REDACTED] Austin, representing CTGID; Jana Willibey, [REDACTED] Houston, representing herself; John Robinson, [REDACTED] Houston, representing CTGID; Ellen Angell, [REDACTED] Corpus Christi, representing CTGID; Mary Ann Bryan, Houston, representing CTGID; Nancy Croft, [REDACTED] San Marcos, representing the American Society of Interior Designers; Sherry Snowden, [REDACTED] Buda, representing CTGID; Brenda Pickard, [REDACTED] Austin, representing CTGID; Margaret Stephens, 1106 W. 6th Street, Austin, representing herself; Mary Gomez, [REDACTED] Austin, representing herself; Brenda Vaughn, [REDACTED] Austin, representing herself; Eve Persons, [REDACTED]

██████████ Austin, representing CTGID; Thomas Perry, ██████████ Dal-
las, representing CTGID; Jeannine Schwartz, ██████████ Dallas,
representing CTGID; Sharon Staley, ██████████ Houston, repres-
enting herself; Onesia Rigney, ██████████ Dallas, repres-
enting CTGID; Nancy Hill, ██████████ Dallas, representing CTGID;
Cara Garner, ██████████ Austin, representing CTGID; Kim Cli-
nard, ██████████ Austin, representing CTGID; Suzanne Corn-
well, ██████████ Houston, representing CTGID; Dianne Speaks,
██████████ Austin, representing CTGID; Wylmoth Kelsey,
██████████ Houston, representing CTGID; Marilyn Archer, ██████████
██████████ Houston, representing herself; Sarah Eilero, ██████████
██████████ Houston, representing CTGID; Susan Jackson, ██████████
██████████ Houston, representing herself; Charles Bobb, ██████████
██████████ Houston, representing Charlie Bobb & Associates; Russell
Stanley, ██████████ Austin, representing CTGID; Ellen Bank-
head, ██████████ Austin, representing herself; Margaret Tei-
nert, ██████████ Austin, representing herself; Anne Horton,
██████████ Austin, representing herself; Linda Stewart, ██████████
██████████ Austin, representing herself; Jill Crozier, ██████████
██████████ Austin, representing CTGID; Vicki Korn, ██████████
██████████ Austin, representing CTGID; Tony Lyons, ██████████ Spring,
representing CTGID; Buie Harwood, ██████████ Austin,
representing CTGID; Denise Patton, ██████████ Austin, repres-
enting herself; Jean B. Laman, 323 Holland, San Marcos, representing
Laman Designs; Jene T. Laman, 323 Holland, San Marcos, representing
Laman Designs; Ralph Newlan, ██████████ Austin, representing
himself; Louise Nicholson, ██████████ Houston, representing
CTGID; Stacie Taylor, ██████████ Houston, representing CTGID;
Mary Brandt, ██████████ San Marcos, representing CTGID; Janis
Puvonka, ██████████ Austin, representing CTGID; Carolyn Fonseca,
██████████ Austin, representing CTGID; Angela Richards,
██████████ Austin, representing CTGID; Cynthia Mann,
██████████ Austin, representing CTGID; Cristina Esparza, ██████████
██████████ Buda, representing CTGID; and Nancy Bruno, ██████████
██████████ Jonestown, representing CTGID.

The following witnesses registered in opposition to the bill,
but did not testify: Kirk Milligan ██████████ ██████████ Dallas,
representing himself; Susan Owens, Priddy Star Route, Goldthwaite,
representing the Texas Society of Architects; Al Stillman, 4313 N.
Central Expressway, Dallas, representing Southwest Home Furnishings;
Howell Ridout, ██████████ Austin, representing himself; Harold
Leon, ██████████ Victoria, representing Chesnick Linn Compa-
ny/Southwest Home Furnishings Assn.; Louis Casey, Jr., ██████████
Temple, Casey's Furniture Inc./Southwest Home Furnishings Assn.; Bob
LeMond, ██████████ Fort Worth, Texas Society of Architects;
John Greer, ██████████ Bryan, himself; James White, ██████████

Lubbock, representing Texas Society of Architects; Benjamin Brewer, Jr., Suite 900 1400 Post Oak Blvd., Houston, representing American Institute of Architecture; Maggie Gardner, [REDACTED] Dallas, representing Design Plus, Inc.; Al Stillman, [REDACTED] Dallas, representing Southwest Home Furnishings Assn.; David Woodcock, [REDACTED] College Station, representing himself; Dale Leonard, [REDACTED] San Antonio, representing Leonard's Colonial Shoppe/Southwest Home Furnishings Assn.; Douglas Steinman, Jr., [REDACTED] Beaumont, representing the Texas Society of Architects; Joseph Chesnick, Jr., [REDACTED] Houston, representing Georgetown Manor/Robert Joseph Interiors; Paul Shelander, [REDACTED] Austin, representing himself; Scott Mokry, [REDACTED] Austin, representing himself; Sheila Ochner, [REDACTED] Austin, representing herself; Chris Greer, [REDACTED] Austin, representing himself; Robin Parks, [REDACTED] Austin, representing himself; Michael Wright, [REDACTED] Austin, representing himself; Earl Nesbitt, Jr., [REDACTED] Austin, representing Austin Design Associates, Inc.; and Donald Mustain, [REDACTED] Austin, representing himself.

Senator Traeger sent up Committee Amendment No. 1, and moved its adoption. Senator Harris stated that the amendment was acceptable to the author, and the amendment was adopted. Senator Harris then moved that S.B. 707 do not pass, but that C.S.S.B. 707 be reported back to the Senate with the recommendation that it do pass and be printed. The motion carried with a record vote of six ayes and three nays, with two absent.

Senator Harris resumed the Chair and laid out H.B. 296, by Wolens, and called on the Senate sponsor, Senator Farabee, for an explanation of the bill. There were questions from Senator Traeger and Senator Glasgow. The Chair called the first witness registered to testify in favor of the bill: John Turner, Bryan Tower, Suite 2875, Dallas, Chairman of the State Securities Board. He was questioned by Senators Howard, Traeger, Leedom, and Jones. The second witness to testify in favor of the bill was Larry Schoenbrun, 1500 Diamond Shamrock Building, Dallas, State Bar of Texas Commission on Securities. He was questioned by Senator Glasgow.

The Chair then recognized Senator Traeger on a motion to report C.S.S.B. 1239 back to the Senate with the recommendation that it do pass and be printed. The motion carried with a record vote of seven ayes and four nays.

The Chair announced that it was 10:55, and the Senate was convening at 11:00, thus the committee would stand in recess until 2:00

p.m., and would meet in the Sergeant's Committee Room. There was no objection, and the Committee recessed.

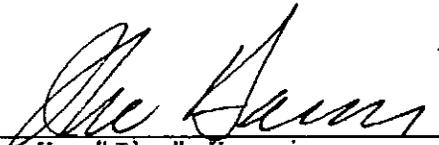
The Committee reconvened at 2:05 p.m. Senator Harris called Larry Schoenbrun to continue his testimony in favor of H.B. 296. He was questioned by Senator Farabee. The Chair then called Alan Bromberg, [REDACTED] Dallas, representing the State Bar of Texas Corporation Section. He was questioned by Senator Parmer and Senator Glasgow. The next witness called was J. Michael Bell, 1400 InterFirst Plaza, San Antonio, representing Texas Venture Capital Associates. The next witness to testify in favor of the bill was Joan Lavell, [REDACTED] Houston, representing Rotan Mosle Inc./Securities Industry Association. There were questions from Senators Glasgow, Parmer, and Traeger. The next witness called was Hal Bateman, [REDACTED] Lubbock, representing the State Securities Board. He was questioned by Senator Parmer. The final witness to testify in favor of the bill was Shannon Vale, 1650 American Bank Tower, Austin, representing the Texas Computer Industry Council. Ronald Kirk, 7-DN City Hall, Dallas, representing the City of Dallas, registered in favor of the bill, but did not testify. Richard Latham, 1800 San Jacinto, Austin, Commissioner of the State Securities Board testified as a resource witness on the bill. He was questioned by Senators Jones, Glasgow, and Parmer.

The Chair then called the witnesses registered in opposition to the bill. The first witness called to testify was William King, 1411 First City Bank Building, representing himself. There were questions from Senators Jones, Glasgow, Traeger, and Parmer. The second witness to testify was Barbara Aldave, [REDACTED] Austin, representing herself. She was questioned by Senator Glasgow. The next witness called was Beverly Hadaway, [REDACTED] Austin, representing herself. She was questioned by Senator Harris and Senator Parmer. The next witness to testify was Lee Polson, [REDACTED] Austin, representing the State Securities Board. There were questions from Senators Harris and Parmer. The next witness to testify was Brad Weiwel, 1214 W. 9th Street, Austin, representing the Texas Consumer Association. The next witness was Katie McCravy, [REDACTED] Emory, representing herself. She was questioned by Senator Harris. Next to testify against the bill was Stanley Chapman, [REDACTED] Rusk, representing himself. The next opposition witness was Matthew Zale, [REDACTED] Paradise Valley, Arizona, representing the State of Arizona Securities Commission. He was questioned by Senators Harris, Glasgow, and Parmer. The next witness to testify against the bill was Sue Roberts, [REDACTED] Austin, representing the State Securities Board. She was questioned by Senator Glasgow. Next to testify was Joseph Long, [REDACTED] Norman, Oklahoma, representing the North American Secu-

rities Administrators Association. There were questions from Senator Harris and Senator Parmer. The final witness to testify in opposition to the bill was Roy Mouer, [REDACTED] Austin, representing himself. The following persons registered in opposition to the bill, but did not testify: Ernest Walker, [REDACTED] [REDACTED] Austin, representing himself; Bruce Burditt, [REDACTED] Topeka, Kansas; representing the North American Securities Administrators Association; Frank Arnold, 7320 Mopac, Austin, representing himself; and Edith Buss, [REDACTED] [REDACTED] Austin, representing herself. Senator Traeger sent up Committee Amendment No. 1 and moved its adoption. There being no objection, the amendment was adopted. Senator Traeger then moved that H.B. 296 be sent to a subcommittee, to be named by the Chair, for further study. There was no objection, and Senator Harris named the subcommittee members. Senator Harris will serve as chairman, along with Senator Henderson and Senator Parmer.

Senator Traeger moved that the Committee on Economic Development adjourn, subject to call of the Chair. There being no objection, the Committee adjourned at 6:05 p.m.

APPROVED:



O. H. "Ike" Harris
Chairman

Submitted by:
Kay Doughty
Committee Clerk