January 11, 1962

Garrison
Gibbens
Haynes
Hollowell
Hughes
Isaacks, Miss
Jarvis
Johnson of Dallas
Johnson of Bexar
Jones of Dallas
Kennard
Kilpatrick
Koehler
Lack
Latimer
Lewis
McGregor of El Paso
McIlhany
Markgraf
Miller
Moore
Mullen
Mutscher

Absent:
Nugent
Prince
Oliver
Abstent—Excused
Lary
Niemeyer

The Benediction was offered by the Reverend Clinton Kersey, Chaplain.

In accordance with the motion to recess, the House, at 5:36 o'clock p.m., took recess until 10:00 o'clock a.m. tomorrow.

APPENDIX

REPORTS OF THE COMMITTEE ON ENGROSSED BILLS

Austin, Texas, January 9, 1962

Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred H. B. No. 1, A bill to be entitled "An Act to amend Title 53, Revised Civil Statutes of Texas, 1921, by adding Article 3272, to protect and preserve dormant deposits and inactive accounts of owners whose whereabouts are unknown to the depository; defining terms; prohibiting the conversion or reduction of such accounts while in dormant or inactive status; requiring advertising for lost owners and reporting to the State of certain accounts of owners who cannot be located; providing for conservation and disposition of funds delivered to the State, procedures for payment to owners at any time thereafter discovered; and other related rules and procedures; providing for presumptions and prima facie evidence; and declaring an emergency."

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, January 9, 1962

Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred House Concurrent Resolution No. 2, Granting permission to the J. L. Prince Trucking Company to sue the State of Texas and the Texas Highway Department.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

FIFTH DAY

(Continued)

(Thursday, January 11, 1962)

The House met at 10:00 o'clock a.m. and was called to order by the Speaker.

The Invocation was offered by the Reverend Clinton Kersey, Chaplain, as follows:

"Heavenly Father, thank Thee for the night that our bodies might be refreshed for the day's labor.

"Let us feel Thy spirit today guiding us in our decisions. Save us from the pressures that drive us and the tensions that break us down. Help us to love Thee; loving Thee we shall love one another, thus what we do will be right and pleasing to Thee. In Jesus' Name we pray.—Amen."
 LEAVE OF ABSENCE GRANTED

The following Member was granted leave of absence on account of important business:

Mr. Lary for today, on motion of Mr. Shannon.

HOUSE BILL NO. 3 ON PASSAGE TO ENGROSSMENT

The Speaker laid before the House, as pending business, on its passage to engrossment,

H. B. No. 3, A bill to be entitled "An Act to define and regulate the business of lending money in amounts of Fifteen Hundred Dollars ($1,500) or less; to authorize the licensing and regulation of persons engaged in such business; to permit licensees to charge a greater rate of charge than lenders not licensed hereunder; to prescribe maximum rates of charge that licensees are permitted to charge; to regulate the purchase or assignment of wages as salary earned, or to be earned, when given as security for a loan or as consideration for payment of Fifteen Hundred Dollars ($1,500) or less; to provide for administration and enforcement of this Act and the issuance of regulations and orders thereunder; to authorize the making of examinations and investigations and the publication of reports thereof; to provide for the review of administrative acts hereunder; to provide penalties, etc.; to provide for severability; and to declare an emergency."

The bill was read second time on yesterday, with Committee Amendment No. 1 pending at this time.

The House resumed consideration of Committee Amendment No. 1 to H. B. No. 3, offered by Mr. Stewart of Wichita on yesterday.

Mr. Preston offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill No. 3 by adding a new section to be known as Section 17 ½ to read as follows:

"Sec. 17 ½. Minimum Authorized Charge.

In lieu of the maximum authorized charges authorized by Section 17 of this Act, a licensee may impose a minimum authorized charge of Four Dollars ($4) on any loan having a cash advance of Twenty Dollars ($20) or more. Such charge authorized by this Section 17 ½ may be imposed only once in any three (3) month period on loans made by a licensee to a borrower or to any person who is a constituent of the borrower's family."

Mr. McGregor of El Paso moved to table the amendment offered by Mr. Preston.

A record vote was requested on the motion to table.

The motion to table the amendment offered by Mr. Preston to Committee Amendment No. 1 was lost by the following vote:

Yeas—28
Adams of Lubbock McGregor
Allen of El Paso
Barlow
Berry Mutchener
Caldwell Nugent
Cannon Ratliff
Collins Ross
Counsel Ross
Richardt Smith of Jefferson
Gladden Sasse
Haring Straw
James Thummond
Johnson of Dallas Townsend
Kennard Ward
Yeas
Nays—114
Adams of Titus Cole of Hunt
Almarz Cook
Andrews Cory
Atwell Cotton
Bailey Cowen
Ballman Cowles
Bancroft, Mrs. Crews
Bartram Crain
Bass Crews
Batrun Burtton
Blaine de la Garza
Blaine Dewey
Boyd Duff, Miss
Bridges Duncan
Buchanan Ehrlle
Burgess Esquivel
Bulter Fairchild
Carriker Fletcher
Chapman Floyd
Cole of Harris Foreman
...The amendment offered by Mr. Preston was then adopted.

Mr. Preston moved to reconsider the vote by which the above amendment offered by himself was adopted and to table the motion to reconsider.

The motion to table prevailed.

Mr. Cole of Harris offered the following amendment to Committee Amendment No. 1:

Amend Section 17, as amended, of Committee Amendment No. 1 to House Bill No. 3, as follows:

"(1) After the figures (5/6 of 1%) in subdivision (4) of subsection (a) add the words 'per month.'

(2) Change the period at the end of subsection (4) to a comma and add the words 'or premiums received in connection with the sale of insurance authorized under Section 18 of this Act.'"

The amendment offered by Mr. Cole of Harris was adopted.

Mr. Cole of Harris moved to reconsider the vote by which the above amendment offered by himself was adopted and to table the motion to reconsider.

The motion to table prevailed.

LEAVES OF ABSENCE GRANTED

Mr. Atwell and Mr. Jones of Dallas were granted leaves of absence for the remainder of today on account of important business, on motion of Mr. James.

Mr. Preston moved the previous question on Committee Amendment No. 1 and the passage of H. B. No. 3 to engrossment, and the motion was seconded.

The motion for the main question was lost.

Mr. Whitfield moved to reconsider the vote by which the motion for the main question was lost.

A record vote was requested on the motion to reconsider the vote.

The motion to reconsider the vote was lost by the following vote:

Yeas-44

Nay-44
Mr. Hinson offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. 3, Sec. 11 (g), page 8, lines 6 and 7, by deleting the following two phrases:

"Or is threatening to" or intends to violate."  

The amendment was adopted.

Mr. Eckhardt offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill No. 3 by striking out Section 18 and substituting in lieu thereof the following:

"Sec. 18. Insurance.

A licensee may require a borrower to purchase property insurance on the reasonable value of any property securing the loan, without including the charges therefor in the interest covered by the maximum rate schedule herein, if, and only if, all the following conditions are met:

(1) The licensee and each person, firm and corporation which owns any interest in the licensee, or in which the licensee owns any interest, or which is as much as ten percent (10%) commonly owned with the licensee by a third person, firm or corporation, and each agent and employee thereof, and each officer and director thereof, and each dependent and member of the immediate family of either of the foregoing, (a) has no ownership interest or management rights in the insurer and insurance agent, and insurance broker, or either of them, and (b) for a period of four (4) years before and four (4) years after such purchase of insurance has no reinsurance or other insurance agreement or transaction with the borrower or any person, firm or corporation which owns any interest in the insurance agent or insurance broker, or either of them.
surer, or in which the insurer owns any interest or which is as much as ten per cent (10%) commonly owned with the insurer by a third person, firm or corporation, and (c) obtains no compensation or other benefit whatsoever, directly or indirectly, from the insurance transaction except the security for the loan.

(3) The premium rates therefore are fixed and regulated by the State Board of Insurance of the State of Texas.

(4) The insurance is written only by a company authorized to conduct such business in this State.

(5) The licensee does not decline existing coverages or substantially similar benefits.

(6) Such security may only be insured against substantial risk or loss, damage or destruction for an amount not to exceed the amount of the loan and for a term and upon conditions which are reasonable and appropriate considering the nature of the property and the maturity and other circumstances of the loan contract.

(7) If the Commissioner shall find, after a hearing, that the encouragement or requirement of insurance by a licensee in connection with loans tends to conceal or facilitate violation or evasion of this Act or that the expense to the borrower of the insurance thus provided does not bear a reasonable relation to the protection afforded thereby to lender and/or borrower, the Commissioner shall order such licensee to desist from the encouragement or requirement of the offending insurance, and shall prepare and publish an order denying to all licensees such practices or the use of such policies.

(8) When the licensee purchases the insurance, the licensee shall deliver, or caused to be delivered, to the borrower, within thirty (30) days from the date of the loan contract, a certificate or other memorandum showing the coverages and the cost of such insurance.

ECKHARDT, McGregor of El Paso.

The amendment offered by Mr. Eckhardt was lost.

Mr. Haynes offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill 3 by striking paragraph C, Section 9.

Mr. Lewis moved the previous question on the pending amendment and the passage of H. B. No. 3 to engrossment and the motion was seconded.

A record vote was requested on the motion for the main question.

The motion for the main question prevailed by the following vote:

Yeas-75
Adams of Titus
Alanis
Bailey
Ballman
Barlow
Blaine
Boyd
Bridges
Buchanan
Butler
Cannon
Carroll
Cole of Harris
Cole of Hunt
Collins
Cerven
Crews
de la Garza
Dewey
Dungan
Dukardt
Fletcher
Floyd
Garrison
Glass
Grover
Guffey
Harrington
Haynes
Healy
Hughes
of Grayson
Isaacks, Miss
Jamison
Johnson of Bosque
Jones of Travis
Kanarr
Koliba
Leaverton
Lowis
Longoria
McGregor
McKinnon
McGregor
McKenzie
Morr
Moore
Mullen
Murray
Mathecher
Nieary
Pearcy
Pett
Pearsall
Preston
Pringle
Quilliam
Richards
Richardson
Roberts of Hill
Sandahl
Schram
Shipley
Smith of Jefferson
Springer
Stewart
Townsend
The amendment offered by Mr. Haynes to Committee Amendment No. 1 was lost. Committee Amendment No. 1, as amended, was then adopted.

H. B. No. 3 was passed to engrossment.

MOTION TO PLACE HOUSE BILL NO. 3 ON THIRD READING

Mr. Cole of Harris moved that the constitutional rule requiring bills to be read on three several days be suspended and that House Bill No. 3 be placed on its third reading and final passage.

The motion was lost by the following vote: (not receiving the necessary four-fifths vote)

Yea--88
Alanis
Bailey
Ballman
Barlow
Bass
Boyce
Briggs
Buchanan
Butler
Caldwell
Cannon
Carroll
Cole of Harris
Collins
Connell
Cory
Cowles
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Esquivel
Fletcher
Floyd
Foreman
Garrisons
Gladden
Glusing
Green
Greer
Guffey
Hale
Harrington
Haynes
Heflin
Hollowell
Hughes
Huffines
Huerta
Johnson of Bexar
Jones of Travis
Jones
Kilpatrick
Kobler

Nays--54
Adams of Lubbock
Allen
Andrews
Banfield, Mrs.
Barnes
Barnett
Bass
Berry
Bridges
Boyce
Buchanan
Butler
Caldwell
Cannon
Carroll
Cole of Harris
Collins
Connell
Cory
Cowles
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Esquivel
Fletcher
Floyd
Foreman
Garrisons
Gladden
Glusing
Green
Greer
Guffey
Hale
Harrington
Haynes
Heflin
Hollowell
Hughes
Huffines
Huerta
Johnson of Bexar
Jones of Travis
Jones
Kilpatrick
Kobler

Mr. Cole of Harris moved that the constitutional rule requiring bills to be read on three several days be suspended and that House Bill No. 3 be placed on its third reading and final passage.

The motion was lost by the following vote: (not receiving the necessary four-fifths vote)

Yea--88
Alanis
Bailey
Ballman
Barlow
Bass
Boyce
Briggs
Buchanan
Butler
Caldwell
Cannon
Carroll
Cole of Harris
Collins
Connell
Cory
Cowles
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Esquivel
Fletcher
Floyd
Foreman
Garrisons
Gladden
Glusing
Green
Greer
Guffey
Hale
Harrington
Haynes
Heflin
Hollowell
Hughes
Huffines
Huerta
Johnson of Bexar
Jones of Travis
Jones
Kilpatrick
Kobler

Nays--54
Adams of Lubbock
Allen
Andrews
Banfield, Mrs.
Barnes
Barnett
Bass
Berry
Bridges
Boyce
Buchanan
Butler
Caldwell
Cannon
Carroll
Cole of Harris
Collins
Connell
Cory
Cowles
de la Garza
Dewey
Duff, Miss
Dungan
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Esquivel
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Glusing
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Greer
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Harrington
Haynes
Heflin
Hollowell
Hughes
Huffines
Huerta
Johnson of Bexar
Jones of Travis
Jones
Kilpatrick
Kobler

Mr. Cole of Harris moved that the constitutional rule requiring bills to be read on three several days be suspended and that House Bill No. 3 be placed on its third reading and final passage.

The motion was lost by the following vote: (not receiving the necessary four-fifths vote)
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Mr. Cowen moved that the House adjourn until 2:30 o'clock p.m. today.

Mr. Crain moved that the House adjourn until 11:00 o'clock a.m. tomorrow.

The motion to adjourn until 2:30 o'clock p.m. today prevailed.

In accordance with the motion to adjourn, the House, at 11:00 o'clock a.m., adjourned until 2:30 o'clock p.m. today.

SIXTH DAY
(Thursday, January 11, 1962)

The House met at 2:30 o'clock p.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker: Allen
Adams of Lubbock: Andrews
Adams of Titus: Bailey
Alanis: Ballman

Mr. Speaker: Johnson of Bexar
Barlow: Johnson of Bell
Barrows: Jones of Travis
Bartram: Kennard
Bass: Kilpatrick
Berry: Kohler
Brady: Koliba
Boyce: Korkmas
Bryant: Kothman
Buchanan: Lack
Burgess: Latimer
Butler: Lewis
Caldwell: Longoria
Cannon: McElroy
Carillo: McGregor
Chapman: McClennan
Cole of Harris: McGregor
Cole of Hunt: McElroy
Collins: Molina
Conrail: Markgraf
Cook: Martin
Cook: Miller
Cowen: Moore
Cowles: Mullen
Crahn: Murray
Crews: Musscher
Curington: Niemeyer
Dewey: Nugent
Duff, Miss: Osborn
Dungan: Parsons
Eckhardt: Peary
Ehrle: Peeler
Esquivel: Pety
Fairchild: Pieratt
Fletcher: Pipkin
Floyd: Preston
Foreman: Price
Garrison: Quilliam
Gibbens: Rapp
Gladden: Ratcliffe
Glass: Read
Glasier: Richards
Green: Richardson
Grover: Roberts of Hill
Guffey: Ross
Hale: Rosson
Harding: Sandahl
Haring: Schram
Harrington: Shannon
Haynes: Shipley
Healy: Black
Hafer: Siler
Hinson: Smith of Bexar
Hollowell: Smith of Jefferson
Huebner: Socolon
Hughes: Spilman
Hughes of Grayson: Springer
Hughes of Dallas: Stewart
Isaacs, Miss: of Galveston
James: Stewart
Jamison: of Wichita
Jarvis: Strudwick
Johnson of Dallas: Thurman

Mr. Speaker: Johnson of Bexar
Barlow: Johnson of Bell
Barrows: Jones of Travis
Bartram: Kennard
Bass: Kilpatrick
Berry: Kohler
Brady: Koliba
Boyce: Korkmas
Bryant: Kothman
Buchanan: Lack
Burgess: Latimer
Butler: Lewis
Caldwell: Longoria
Cannon: McElroy
Carillo: McGregor
Chapman: McClennan
Cole of Harris: McGregor
Cole of Hunt: McElroy
Collins: Molina
Conrail: Markgraf
Cook: Martin
Cook: Miller
Cowen: Moore
Cowles: Mullen
Crahn: Murray
Crews: Musscher
Curington: Niemeyer
Dewey: Nugent
Duff, Miss: Osborn
Dungan: Parsons
Eckhardt: Peary
Ehrle: Peeler
Esquivel: Pety
Fairchild: Pieratt
Fletcher: Pipkin
Floyd: Preston
Foreman: Price
Garrison: Quilliam
Gibbens: Rapp
Gladden: Ratcliffe
Glass: Read
Glasier: Richards
Green: Richardson
Grover: Roberts of Hill
Guffey: Ross
Hale: Rosson
Harding: Sandahl
Haring: Schram
Harrington: Shannon
Haynes: Shipley
Healy: Black
Hafer: Siler
Hinson: Smith of Bexar
Hollowell: Smith of Jefferson
Huebner: Socolon
Hughes: Spilman
Hughes of Grayson: Springer
Hughes of Dallas: Stewart
Isaacs, Miss: of Galveston
James: Stewart
Jamison: of Wichita
Jarvis: Strudwick
Johnson of Dallas: Thurman