H. B. No. 101, An Act relating to the hunting, taking or killing of deer in Hopkins, Delta, and Franklin Counties; amending Subsection B of Section 1 of Chapter 362, Acts of the Fifty-sevenths Legislature, Regular Session, 1961, to establish a ten-day season for the taking of deer in Hopkins, Delta and Franklin Counties; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

SENT TO GOVERNOR

January 31, 1962

H. B. No. 17.
H. B. No. 19.
H. B. No. 24.
H. B. No. 29.
H. B. No. 46.
H. B. No. 49.
H. B. No. 53.
H. B. No. 58.
H. B. No. 51.
H. B. No. 82.
H. B. No. 86.
H. B. No. 88.
H. B. No. 91.
H. B. No. 93.
H. B. No. 101.

TWENTIETH DAY

(Thursday, February 1, 1962)

The House met at 10:30 o'clock a.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: Aten
Alanis: Bailey

Ballman: Johnson of Dallas
Bansfield, Mrs.: Johnson of Bexar
Barlow: Johnson of Bell
Barrett: Jones of Dallas
Bartram: Jones of Travis
Bass: Kilpatrick
Berry: Kohler
Blaine: Koliba
Blaylock: Kever
Boyd: Kothmann
Bridges: Lack
Burgess: Lary
Butler: Latimer
Caldwell: Leaverton
Cannon: Lewis
Carr: Longoria
Chapman: McGregor
Cole of Harris: McGregor
Cole of Hunt: McGregor
Collins: McGregor
Connell: McMilhan
Cook: Markgraf
Cory: Martin
Cowen: Miller
Cowles: Moore
Crain: Mullen
Curington: Murray
de la Garza: Muschler
Dewey: Niamoyer
Duff, Miss: Nugent
Dungan: Oliver
Eckhardt: Osborn
Ebr1s: Parsons
Esquivel: Pearcy
Fairchild: Peeler
Fletcher: Petty
Floyd: Pieratt
Foreman: Pipkin
Garrison: Price
Gibbens: Qualiyam
Gladden: Rapp
Glasing: Ratcliff
Green: Rea
Grover: Richardson
Guffey: Richardson
Hale: Roberts of Hill
Harding: Roberts of Dawson
Haring: Rosen
Harrington: Rosen
Hast: Sandahl
Heathly: Schram
Hetton: Shannon
Hines: Shipley
Holloway: Stack
Hubner: Slid
Hughes: Smith of Bexar
of Grayson: Smith of Jefferson
Hughes of Dallas: Seelen
Isaacs: Spliman
James: Sprigger
Jamison: Stewart
Jarvis: of Galveston
A quorum of the House was announced present.

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

"In God's word we find, 'For if ye thoroughly amend your ways and your doings; if ye thoroughly execute judgment between a man and his neighbor, the fatherless, and the widow, and shed not innocent blood in this place, neither walk after other gods to your hurt: Then will I cause you to dwell in this place, in the land that I gave to your fathers, forever and ever.' Jeremiah, 7:5-7.

LEAVE OF ABSENCE GRANTED

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

Mr. Crews, temporarily for today on motion of Mr. Boysen.

MEMORIAL RESOLUTIONS ADOPTED

H. S. R. No. 225, By Mr. Miller:
In memory of Mrs. Bertha Huebotter.

H. S. R. No. 226, By Mr. Fletcher:
In memory of Louis H. Sobotik.

TO EXPRESS GRATITUDE FOR THE SERVICE RENDERED BY THE HONORABLE JESSE OBORN

Mr. Petty offered the following resolution:

H. S. R. No. 231

Whereas, The House of Representatives deeply regrets the announce-
always been courteous and friendly to his fellow Members; and whereas, Dr. John Osborn has been inclined to grip the State’s purse strings, he has shown us his generous heart by his legislative work in behalf of the State Hospitals and Special Schools; and whereas, Mr. and Mrs. Osborn have two daughters and four grandchildren with whom they hope to spend more time. One daughter is married to Dr. John Coleman of Portales and has one child. The other daughter, Mrs. L. W. Mayben, lives in Baltimore, Maryland, where Mr. and Mrs. Osborn will go this spring to see their son-in-law receive an advanced degree from Johns Hopkins University. Mr. and Mrs. Mayben have three children; and whereas, this House will approach the Fifty-eighth Legislature with sincere regret over the departure of Mr. and Mrs. Osborn; now, therefore, be it resolved, that the House of Representatives expresses its gratitude for the service rendered this State and his beloved community of Muleshoe by Mr. Osborn; and, be it further resolved, that the good wishes of the Legislature go with him. May he enjoy golfing and fishing on Lake Buchanan for many years to come, and may Mr. and Mrs. Osborn enjoy their travel in these United States.

OLEN PETTY, COTTON.

The resolution was read and was adopted.

On the motion of Mr. Dewey, the nay of all Members of the House were added to the resolution as signers thereof.

TO CONGRATULATE BERNARD DOWNEY GROVER

Mr. Shipley offered the following resolution:

H. C. R. No. 41

whereas, it is the custom and the honor of the Texas House of Representatives to recognize significant events such as the birth of potential ly great Texans; and whereas, our esteemed fellow Member, Representative Henry Cushing Grover and his lovely wife, Kay, from Houston, District 22, Place 3, are the privileged and proud parents of a fine young man, Bernard Downey Grover, born July 25, 1961; and whereas, his grandparents are Mr. and Mrs. Daniel Anthony Grover, Sr., of Houston and Mr. and Mrs. Bernard M. Downey of White Plains, New York and formerly of Houston; and whereas, his coming into the world makes him the first cousin of Bryan Patrick O'Neal, son of Mr. and Mrs. Don P. O'Neal; and whereas, this fine young man has brought immeasurable joy to his parents, his grandparents, his cousins and his aunts; now therefore be it resolved, that the House of Representatives, the Senate concurring, of the Fifty-First Legislature, Third Called Session, congratulates Bernard Downey Grover and extends to him all good wishes for a life of health and happiness.

The resolution was adopted.

CONGRATULATORY RESOLUTIONS ADOPTED

H. S. R. No. 221, By Mr. Hughes of Grayson: Congratulating Miss Doris Connearry.

H. S. R. No. 222, By Mr. Guffey: Congratulating John Hamilton Boyd, III.

H. S. R. No. 224, By Messrs. Hale, Bridges, Peeler and Glasing: Commending Civics Club of Incarnate Word Academy, Corpus Christi, Texas.

H. S. R. No. 227, By Mr. Watson: Recognizing Public School Week from March 5 to March 9.

H. S. R. No. 229, By Mrs. Benfield: Congratulating Dennis Goger.

H. S. R. No. 232, By Mr. Koliba: Congratulating the Senior Government Class from Columbus High School, Colorado County.

H. C. R. No. 40, By Mr. Grover: Congratulating Dr. Konrad Adenauer on his 66th Birthday.

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 103

Mr. Jones of Travis offered the following resolution:

...
Be it resolved by the House of Representatives, the Senate concurring, that the Joint Rules be and they are hereby suspended to permit either House to take up and consider at any time House Bill No. 103.

OBIE JONES.

The resolution was referred to the Committee on Rules.

SUSPENDING THE JOINT RULES TO CONSIDER CERTAIN SENATE BILLS

Mr. Adams of Lubbock offered the following resolution:

Be it resolved by the House of Representatives, the Senate concurring, That the Joint Rules be and they are hereby suspended so as to permit the House to consider the following local bills at any time on Thursday, February 1, 1962:

- S. B. No. 45
- S. B. No. 47
- S. B. No. 49
- S. B. No. 51
- S. B. No. 96
- S. B. No. 101

The resolution was referred to the Committee on Rules.

SUSPENDING THE JOINT RULES TO CONSIDER S. B. NO. 49

Mr. Stewart of Galveston offered the following resolution:

Be it resolved by the House of Representatives, the Senate concurring, That the Joint Rules be suspended so that either House may take up and consider Senate Bill No. 49 at any time.

The resolution was referred to the Committee on Rules.

PROVIDING FOR A COMMITTEE TO EVALUATE THE WORK AND WORTH OF CERTAIN INTERIM COMMITTEES

Mr. Wilson offered the following resolution:

Whereas, During the 57th Legislature numerous interim committees have been authorized, more being added to the list during the current Special Session; and

Whereas, The operation of these committees costs the taxpayers of Texas a large sum of money for travel, secretarial assistance, stationery, etc.; and

Whereas, It now appears the part of reason to determine the actual cost of operation of these committees and also to evaluate over all their accomplishments and their worth to Texas; now therefore be it resolved by the House of Representatives, That the Speaker be and is hereby authorized to appoint a five-member committee to determine the cost to the State of Texas of all of the interim committees established by the 57th Legislature, such cost to be determined up to the convening of the 58th Legislature; and be it further resolved, That said committee be and is hereby authorized to evaluate the work and worth of these interim committees from the point of view of their contribution to Texas and particularly the Texas legislative processes; and be it further resolved, That this committee shall not be allowed any expenses from the legislative expense fund but that it be and is hereby authorized to request the Texas Legislative Council to assist it in undertaking this study.

WILSON, GARRISON, KOHLER, MACO, STEWART, TOWNSEND, ECKHARDT.

The resolution was referred to the Committee on Rules.

MESSAGE FROM THE GOVERNOR

The Speaker laid before the House and had read the following Message from the Governor:

February 1, 1962

To The Members of The 57th Legislature, Third Called Session:

In my second message to you on January 17, I submitted the subject of authorizing the State Building Commission and the Texas Employment Commission to cooperate in the construction of a combined foundation for a future building and a
parking facility on the block east of the Texas Employment Commission Building in the city of Austin.

This bill was passed by the Senate, but after several completely erroneous charges against the bill in the House yesterday, the House failed to suspend the necessary rules to bring this bill up for action.

If this bill fails to pass, $200,000 of Texas taxpayer dollars will be returned to the employment trust fund in Washington. The money is now available for this purpose, and it reverts to Washington if unused. There is sufficient money in the special State Building Commission Fund to combine with the Employment Commission funds and take care not only of parking needs but serve as a complete foundation for a future building and fallout shelter for the Capitol area.

No general fund money is involved in this bill, and no new money from any special funds would be spent except as already dedicated by the Constitution and laws of this State. The Texas Employment Commission and the State Building Commission each already have authority to build parking facilities. This bill merely permits the two agencies to pool funds already dedicated or appropriated in the construction of a single centrally located facility. It takes no money from any other appropriation now pending at this session. It is an economy measure in every respect, especially since its failure of passage will result in a $200,000 loss of Texas funds already available but which otherwise will have to be returned to Washington.

The funds which the Texas Employment Commission would contribute toward this were allocated and appropriated from additional Federal funds by S. B. 58, Chapter 27, 56th Legislature, First Called Session, and re-appropriated in subsequent appropriation bills, for the purposes of “purchase of land and construction of a Texas Employment Commission State Headquarters office building, including parking space and facilities ...” It is apparent that funds appropriated under this law cannot be used for building purposes in any other city or for any other purpose.

This legislation includes other needed authorizations, including the construction of walks and gates between the Capitol Building and the new State Insurance Building, and authority to move to suitable State-owned locations any buildings acquired which can be used to house State agencies.

The purpose of this message, however, is to attempt to clear up misunderstanding about the proposed parking facility and to again urge your favorable consideration of the matter, especially the way in which it would result in a real saving of money for the State.

If the House does not permit consideration of the separate measure, I recommend that it be included in the appropriation bill, since it will not affect any other items or funds in that bill.

Respectfully submitted,

PRICE DANIEL
Governor.

REPORT OF THE COMMITTEE TO MAKE A STUDY OF THE INCREASE IN AUTOMOBILE INSURANCE RATES

The Speaker laid before the House and read the following report of the committee pursuant to H. R. No. 8, of the First Called Session of the 57th Legislature, in regard to automobile insurance rates:

To the Honorable James Turman, Speaker of the House

House of Representatives

We, your committee, created by House Simple Resolution No. 8, of the first called session of the 57th Legislature to make a study of the increase in automobile insurance rates in Texas, make the following report:

1. While this report is complete insofar as the testimony and evidence has been received by the committee to date, we do not make this a final report for the reason that additional figures and data are being received daily and that this committee feels it may be necessary to make a supplementary report after the compilation of such figures and data.

2. The information gathered by this committee was developed at a series of public hearings. The dates of the respective hearings and the testimony of the witnesses appearing at such hearings are shown by two exhibits marked “A” and “B.” It should be noted that a number of hours of testimony in the prelim-
Focus hearings are not included in these transcriptions since the committee felt that the basic testimony was recovered in the subsequent hearings which were transcribed. In addition the committee amassed considerable information in detail by charts, tables and memoranda furnished by the State Board of Insurance. In this connection, the committee wishes to commend the Board of Insurance and its staff for the wholehearted cooperation given to this committee in every instance throughout this study. The committee wishes to, at this time, express its appreciation to Mr. William H. Kugle, of Athens, who so graciously supplied his talents and efforts as committee counsel, gratuitously, as a dedicated citizen. A schedule of exhibits is listed in the appendix attached hereto.

2. On August 1, 1961, following a public hearing early in the year, the State Board of Insurance placed in effect a rate increase on automobile insurance generally amounting to 23%. Because of this substantial increase in rates the House of Representatives felt that an inquiry should be made in the public interest to determine whether such increase was justified. Attached here to is the Appendix is a brief explanation of the rate-making process (along with an exhibit—Exhibit C).

4. The committee, following its instructions from the House of Representatives, inquired of the staff members of the Board as to the reasons for the rate increase. The committee was informed that to a great extent this increase was occasioned not as a result of a drastic increase in losses but as a result of certain miscalculations in the promulgation of the so-called Safe Driving or Merit Rating Plan (Testimony, Austin, June 25, 1961, pg. 25-31; McVey) (Dallas testimony Sept. 11, 12, 1961, pg. 24 and 25, Mr. Cousins).

As an illustration of this we quote certain specific questions and answers asked by the committee of Managing Rate Actuary of the Board, Mr. McVey.

Question: What was the over-all average rate increase for all deductible private passenger collision insurance?
Answer: 10.6%.

Question: How much of this is due to the Safe Driving Plan Adjustment?
Answer: 0.6%.

The committee does not wish to offer criticism with regard to the basic value of the so-called Safe Driving Plan and/or The Merit Rating System but the members of the committee felt it was their duty to point out that this miscalculation was a prime factor in the rate increase. In order to be brief, we respectfully refer to the testimony in the transcripts wherein witness after witness stated that one of the main reasons for the rate increase was the losses incurred by the companies under the first year's experience following the implementation of this new plan.

5. While the various factors in the premium dollar are referred to in great detail in the transcripts and exhibits attached hereto, it is nevertheless inescapable that the largest factor in the premium dollar is, and will continue to be, the loss factor. Although it may sound somewhat like a platitude, the truth is that unless losses are prevented from increasing, insurance rates must necessarily go up. The committee was impressed by the testimony of experts which suggested two methods for improving or at least aiding in the decrease of accidents: (a) implementation of an adequate "Driver Education" program, (b) making statistics compiled by the Department of Public Safety available to the Board for study.
6. Intelligent Buying of Insurance

The facts gathered by this committee compelled the conclusion that individual insurance premiums can be reduced immediately by more intelligent buying of insurance by the public. For instance, it is not economically sound to purchase $50 deductible insurance in preference to $100 deductible. Loss experience proves that the individual insured could more soundly carry the additional $50 risk himself than to pay the premium difference year after year.

The largest single item of cost in the average comprehensive automobile policy is the item of glass coverage. The trend in automobile designing toward wrap-around windshields and more glass generally has caused glass coverage to constitute approximately 30% of the policy costs. In this connection, losses are aggravated by reason of the fact that most insured motorists will have an insured windshield replaced when the damage to the windshield is limited to a pebble mark. Presently, glass coverage can be excluded from automobile policies but this possibility saver occurs to most policy holders. The committee recommends to the Board that the standard automobile comprehensive policy be rewritten so as to exclude glass coverage. Under such a new standard intelligently written policy, the policy holder would have a form of deductible policy. He would be carrying his own glass risk which he can economically do. If the individual purchasing insurance does not wish to carry the glass risk personally the glass coverage can be added to the policy as a rider. By more intelligent insurance buying the policy holder will save at least 25% and very probably reduce ultimate losses to the company which, in turn, will result in lower rates.

The committee, after listening to days of testimony and examining a multitude of exhibits, etc., feels that it might well be worthwhile for the Board to completely re-examine its method of rating. We specifically point out that this committee does not wish to tell the Board and its experts how to set rates, but there were numerous points about which the committee had serious doubts. The committee does not say that all these points or that any one of these points has been treated improperly by the Board, but all the members felt that a re-examination of the system might be advantageous to the general public. For illustration, we herewith set out certain items which the members of the committee are worried about.

(a) The Insurance Board requires an extremely formal financial statement to be filed annually with the commissioner. We are attaching herewith a blank copy of the report so required marked Exhibit "D." The committee throughout all of its meetings felt that one pertinent point had been ignored in these statements, i.e., whether the insurance companies were making a profit writing automobile insurance in Texas. This information is not required in the statement described above and could be required just as easily as the other information which is presently required by the commission. The members of the committee questioned all of the experts who appeared as witnesses about this matter, and were told that neither the Board nor the members of the industry felt that profits were to be considered in rate making. It is difficult for the committee to understand why the information as to actual profits or losses would not be helpful. While actual profits are not and probably should not be a factor in the rate making formula, nevertheless, the actual experience of profits under the formula itself should be pointed out (pp. 8, Austin testimony, June 26, 1961) that a member of the State Board of Insurance, to-wit, Dr. Strain, testified that prior to the increase of 23%, insurance companies were making a reasonable profit in Texas. Further, as shown by Exhibit "E" attached hereto, very few insurance companies were making a profit under the rates prior to the increase so much that they found it necessary to close their doors or withdraw from doing business in Texas. The committee does not say that the loss should be a deciding factor in rate making, but they do feel a re-examination of the rate making system to the extent of consideration of profits, might well be in order. And the committee officially recommend to the Board that a statement as to profits lost in the State of Texas be included in the annual statement described above.

(b) Although many, many hours...
were spent in connection with the committee's attempt to discern whether rate making was based upon operation of efficient companies or inefficient companies, no clear answer evolved. Since the two main factors in setting rates are the operational expenses and the loss ratio, the committee felt that this matter might be more fully explored by the Board.

(c) Return from Investments. The profits or returns which insurance companies realize from investments are in no way considered in the rate making process. All witnesses who were questioned about this expressed the opinion that such income should not be considered. A synthesis of the reasons expressed for this position is as follows:

1. No state has ever considered such income in rate making.
2. If profits from investments are considered in rate making then losses on investments should also be considered—therefore, the insurance companies will be induced to speculate wildly knowing that any losses sustained may be recouped with a rate increase.
3. Because income or losses are not considered in rate making this income has a stabilizing effect on insurance companies, and serves as a reserve against bad years and therefore, less insurance companies go broke.

While the accuracy of the last two propositions is less than abundantly clear to the committee, it occurs to the committee that the Board could prevent instability and speculative investing by controlling the types of investments permitted automobile insurance companies just as such investments by life insurance companies are presently controlled.

The percentage of 63.3 of the premium dollar means that if the formula is correct, 63.3 of every dollar collected in premiums by the companies, 63.3 cents is paid out in claims. However, this 63.3 cents per dollar is not paid out instantly. It may be held for 364 days of an hypothetical year during which time it will be invested and produce income. The committee knows of no sound reason why the income produced from the dollars collected in premiums should not be shown as an offset against losses in the basic rate making formula. This practice would reduce the biggest item in the rate making formula and quite obviously reduce premiums.

If the Board is persuaded that such a change in the approach to rate making would lead to unsound speculation then the Board should consider a plan of regulating the investments of casualty companies. By careful regulation, reserves could be accumulated which reserves would in turn produce income and lead to an accumulation of capital in Texas. It would likewise lead to an increased confidence in Texas companies.

The committee has reserved what it feels is the most important part of its report for the last recommendation so that it will receive proper emphasis. The committee noted that the trend in accident frequency has been steadily dropping (Exhibit "F"). In addition to this it was ascertained that because of the increase in compact and economy cars, the replacement cost of automobile parts such as fenders, doors, labor, etc., has for the first time in a number of years decreased rather than increased (Exhibit "G"). In view of these two important trends, it is the feeling of the committee that future rates for automobile insurance can and should be reduced. We quote herewith from testimony by Mr. Ned Price, one of the members of the State Board.

"Chairman Hughes: We have testimony from members of your staff that there has been a drop in frequency since the institution of the merit rating plan regardless of what the cause is. We also have testimony that the increase this last year or two in the number of compact cars—it has decreased the amount of the cost of the car. We also have testimony that the repairs of the newer cars have dropped in the last year or two. Have those drops been enough to offset this increase that we are talking about?"

Mr. Price: No. Not according to the figures we have, Mr. Hughes.

"Chairman Hughes: You anticipate that if the trend continues that this rate could be perhaps reduced?"

Mr. Price: I think so, yes, sir.

"Chairman Hughes: In other words, does the Board anticipate that at least there is a possibility that a year from now these rates might be decreased?"
Mr. Price: That could happen, yes, sir. If the trend you are talking about continues. (Testimony, Austin, June 26, 1961, pg. 29).

This testimony is quoted merely as an illustration—the cumulative evidence which the committee considered was such that the committee unanimously became convinced that a decrease in automobile rates in the future would be justified and should be striven toward.

Signed:

CHARLES E. HUGHES, WILL L. SMITH, H. G. WELLS, JOSEPH R. KATCLIFF, J. CHARLES WHITFIELD, JR.

APPENDIX

The State Board of Insurance of Texas has the sole duty and responsibility of fixing automobile insurance rates. Art. 5.01 of the insurance code provides: "The Board shall have the sole and exclusive power and authority, and it shall be its duty to determine, fix, prescribe, and promulgate, just, reasonable and adequate rates of premiums to be charged and collected by all insurers writing any form of insurance on motor vehicles in this state . . .".

Art. 5.04 provides in part "to insure the adequacy and reasonableness of rates the Board may take into consideration past and prospective experience . . . and all other relevant factors . . .".

In accordance with the provisions of insurance code, the Board fixes automobile insurance rates, changing these rates from time to time as the experience data requires. Any change in rates is ordinarily preceded by a public hearing wherein any interested person is permitted to give testimony or express opinions with regard to the proposed rate change. The insurance companies who write automobile insurance in Texas are required to report claim losses under their policies to the Board. Accordingly there is a constant flow of data into the files of the Board with regard to the loss experience in this state.

With regard to the rate increases herein in question, a close look at the factors involved in making up the premium is required. The following figures illustrate those factors considered in setting up the new rate by the Board.

- Total Production: 20%
- General Expense: 6.66%
- Inspection, exposure, Audit, etc: 1.09%
- Taxes, license fees: 4.91%
- Profit & Contingencies: 5.00%
- Expected losses: 63.3%

The figures above show the percentage of each premium dollar charged for each factor in the total premium. For example, out of each dollar charged in premiums the insurance company is expected to pay 63.3 cents for losses, 6.66 cents for general expense, etc.

INDEX OF EXHIBITS CONTAINED IN REPORT

A. Minutes
B. Testimony
C. Two Acceptable Methods of Determining Automobile Insurance Rates
D. Example Annual Report
E. Companies Withdrawn from Texas During 1960 thru August 4, 1961
F. Bodily Injury and Property Damage Claim Frequency
G. Replacement Cost of Parts

ADDITIONAL EXHIBITS

1. Private Passenger Automobiles
   1960 SHIP Bodily Injury Exposure Distribution
2. Texas Automobile Rate Adjustments, Rate and Endorsement Changes
3. Texas Private Passenger Cars Insured 1946-1959
4. Letter with Reference to Profit and Contingency Factor
5. Questions Submitted by Committee on June 26, 1961
6. Automobile Physical Damage Coverages and Automobile Liability Coverages
7. Texas Automobile Physical Damage Experience for the Two Years Ending December 31, 1960
8. Member Companies
9. Texas Automobile Physical Damage Coverages Suggested Revisions in Rates—August 1, 1961
10. Texas Automobile Liability Coverages Suggested Revisions in Rates—August 1, 1961
11. Comparison of Private Passenger Average Rates to be Effective 8/1/61 with those Effective 8/1/60
February 1, 1962

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12. Automobile Dividends Approved
   (as of July 26, 1961)
   Revisions
14. Receiverships among Texas Insurance Companies
   from Enactment of Liquidation Statute in
   1939 to End of Fiscal Year 1960
15. Present Basic Limits Statewide Average Rates (6/10/5)
   for Private Passenger Cars (as of
   7/1/61) Based on Accident Year 1958, Distribution by Class
   and Territory
16. New Written Automobile Complaint Matters
17. Statewide Medical Study as of
   July 1, 1961 (Based on Texas
   Workmen’s Compensation Claims)
18. History of Automobile Insurance
   Rate Changes for Austin, Texas
   Territory—Chevrolet 4 Door Sedan—1938-1961
19. Texas Automobile Liability—
   Development of Indicated Statewide Rate Level Changes
20. Texas Expense Provisions—Auto-
   mobile Bodily Injury and Property Damage Liability
21. Dividends Paid Texas Policyholders
   by Casualty Lines
22. Texas Private Passenger Classification Experience—Accident
   Years 1958, 1959, 1960
   Approved by Texas Board
24. Summary 1959, 1960 with Type of Company, Premiums Earned, Net
   Investment Gain, Net Income and Net Loss
25. Records of Companies in Texas Handling Automobile Insurance
26. Comparison of Texas Automobile
   Premiums in Dollars
27. Reports
   a. A Review of the Adequacy of Insurance Legislation Enacted
      by the 54th Legislature
   b. Texas Automobile Insurance Rates—A Report to the 56th
      Legislature
   c. Uninsured Motorists—A Report to the 57th Legislature
   d. General Investigating Committee—Report to the House of
      Representatives of the 57th Legislature
   e. Insolvency in the Texas Insurance Industry 1935-1954
   f. Staff Research Report to the Texas Legislative Council
   g. Consolidated Government Property Sale
h. Eighty-fifth Annual Report of the State Board of Insurance
   for the Year Ending August 31, 1960

ADDENDUM

The Committee was informed that the rate increase was primarily the result of several changes in the Merit Rating Plan. In order to clarify the statements of this report, It must be stated that the Insurance Board accurately calculated the rate on the basis of the Merit Rating Plan as originally put into effect by the Board. However, the Board subsequently made several changes in the plan by deleting various traffic violations. These deletions resulted in more policyholders being in a no-violations category, and thus entitled to an automatic twenty per cent premium deduction. These rate reductions reduced the amount (63.3%) which firms were allowed for losses, overhead, and profit under the formula used by the Board to promulgate rates. If further changes are made in the Merit Rating Plan as the public and some members of the Legislature have requested further rate adjustments would again be necessary.

JOSEPH N. RATCLIFF.

ADDRESS BY THE HONORABLE
ROBERT H. HUGHES

On motion of Mr. Cannon and by unanimous consent of the House, the following remarks made by the Honorable Robert H. Hughes, addressing the House on this morning, were ordered printed in the Journal:

Mr. Speaker and Members of the House:

I arise to speak concerning the work of the Insurance Investigating Committee and its Chairman, Mr. Hughes of Grayson.

It is always with some hesitation that we establish a committee with broad powers to investigate an important industry. Certainly, we do not fear any findings made by such a committee but there is the ever present danger of misuse of the broad powers for the personal or political aggrandizement of the chairman or
committee members. In the past I have repeatedly fought to keep these committees out of politics.

This Insurance Investigating Committee has conducted its activities with the utmost sincerity and diligence. Their work was carried on at a personal sacrifice to the members and without the slightest political overtones. I do not comment upon their findings for I have not read the report which was filed just this moment. I do commend on the method of investigation. I, for one, appreciate the manner in which the investigative efforts were carried out. The committee has been a credit to this legislative body. Therefore, Mr. Speaker, I move that we commend the Insurance Investigating Committee of the House of Representatives and its Chairman, Mr. Hughes of Grayson, for their dedicated efforts.

HUGHES of Dallas.

MESSAGE FROM THE SENATE
Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House that the Senate has concurred in House Amendment to Senate Bill No. 57 by the following vote:

Year 27, Nays 0.

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

H. C. R. No. 30, Authorizing the compilation of an accurate roster of Legislative Members from the First through the Fifty-seventh Legislature.

Respectfully,
CHARLES A. SCHNABEL, Secretary of the Senate.

RELATIVE TO THE SAFE DRIVING INSURANCE PLAN AND "MERIT RATING PLAN"
The Speaker laid before the House, as postponed business, for consideration at this time,

H. S. R. No. 96, Relative to the Safe Driving Insurance Plan and "Merit Rating Plan."

The resolution was reported favorably by the Committee on Rules and considered by the House on January 29 and January 31, with an amendment offered by Mr. Struve and a motion made by Mr. Cook to table the amendment, pending.

Further consideration of H. S. R. No. 96 was postponed until 10:00 o'clock a.m. today.

Mr. Struve withdrew the pending amendment.

Mr. Struve offered the following amendment to the resolution:

Substitute for Committee Amendment Number 1 to H. S. R. No. 96 the following:

Whereas, There has been widespread dissatisfaction among many Texas citizens regarding the operation of the so-called "Merit Rating Plan" established by order of the State Board of Insurance; and

Whereas, No authority for the consideration of the "Merit Rating Plan" established by the State Board of Insurance has been given to this Special Called Session of the 57th Legislature by the Governor; and
Whereas, There exists an unequal enforcement of traffic laws between rural and urban areas as well as between different urban areas, resulting in unequal application of the Safe Driving Insurance Plan; and

Whereas, The State Board of Insurance assumed the authority to embark upon the "Merit Rating Plan" under Article 5.01 of the Insurance Code passed in 1951, and not as a result of any recent legislative action; and

Whereas, A serious question of double punishment brought about by the fine imposed by the State for the offense and an increased automobile insurance premium payable to the insurance company as a result of the violation is involved; and

Whereas, Many of the offenses which the Texas Board of Insurance has made the basis for automobile casualty insurance rate increases appear to have little, if any, relation to the probability of loss which is the proper foundation for rate determination in automobile casualty insurance; and

Whereas, The State Board of Insurance promulgated the "Merit Rating Plan" as a safety measure, and statistics have shown that the "Merit Rating Plan" has, in fact, had no measurable effect upon the accident rate and is thus a failure.

Now, therefore, be it resolved:

That the State Board of Insurance be urged by the House of Representatives to revise the "Merit Rating Plan" to eliminate the inequities or abandon it altogether.

STRIEU, BARLOW, G. COOK, W. ROBERTS of Dawson,

(Mr. Hollowell In The Chair)

Mr. Richardson offered the following amendment to the amendment:

Amend the Substitute for Committee Amendment No. 1 to H. S. R. No. 156 by striking the last paragraph thereof and inserting in lieu thereof the following: "That the State Board of Insurance be urged by the House of Representatives to abandon the "Merit Rating Plan."

RICHARDSON, M. STEWART of Galveston,

A record vote was requested on the amendment offered by Mr. Richardson.

The amendment was lost by the following vote:

Yea—21
Bailey Nieneyer
Barlow Peeler
R. Garza Richards
Esquivel Richardson
Gladden Bosson
Green Schram
Harding Sprague
Johnson of Bexar of Galveston
Korthmann Thurman
Martin Yezak

Nay—107
Adams of Lubbock Beasley
Adams of Titus Hefton
Allen Hinson
Andrews Hughes of Grayson
Atwell Hughes of Dallas
Ballina Inez, Miss
Bannister Jamison
Bass Jarvis
Berry Johnson of Dallas
Blaine Johnson of Bell
Boyson Jones of Dallas
Bridges Jones of Travis
Burgess Kilpatrick
Butler Kohler
Calwell Koliba
Cannon Krockmas
Carricker Lack
Cole of Hunt Lacy
Collins Latimer
Connell Leaverton
Cook Lewis
Cory Longoria
Cowles McCripin
Cowie McGregor
Drain of McLennan
Dewey of El Paso
Duffy Miss McNab
Dungan McIhany
Eckhardt Markgraf
Ehrle Miller
Fairchild Moore
Fleisher Murray
Floyd Nuzent
Foreman Oliver
Gibbens Parsons
Glass Pierson
Grover Piersall
Guffey Pipkin
Hale Preston
Harrington Price
Haynes Quilliam
A record vote was requested on the adoption of the amendment offered by Mr. Struve to H. R. No. 96 was then adopted by the following vote:

**Yeas—93**

- Adams of Lubbock
- Cowen
- Alston
- Crewe
- Bailey
- de la Garza
- Banfield, Mrs.
- Duff, Miss
- Barlow
- Esquivel
- Barnes
- Fairchild
- Boyzen
- Fletcher
- Bridges
- Foreman
- Burgess
- Ginger
- Glibens
- Butler
- Gladden
- Caldwell
- Glass
- Cannon
- Gussing
- Carrillo
- Grover
- Collins
- Hale
- Connell
- Harding
- Cook
- Harrington
- Cotton
- Haynes

**Nays—34**

- Adams of Titus
- Kothmann
- Allen
- Lewis
- Andrews
- McCoppin
- Atwell
- McGregor
- Ballman
- of El Paso
- Blain
- Martin
- Buchanan
- Murray
- Cole of Hunt
- Niemeyer
- Cowles
- Price
- Dewey
- Richards
- Duncan
- Shannon
- Floyd
- Shipler
- Garrison
- Sider
- Green
- Struve
- Guffey
- Thurman
- Hughes of Dallas
- Watson
- Johnson of Dallas
- Whitfield
- Jones of Dallas

**Present—Not Voting**

- Curington
- Mullen
- In The Chair

- Hollowell

**Absent**

- Adams of Titus
- Allen
- Andrews
- Atwell
- Ballman
- de la Garza
- Banfield, Mrs.
- Barlow
- Barnes
- Boyzen
- Bridges
- Burgess
- Butler
- Cannon
- Carrillo
- Collins
- Connell
- Cook
- Cotton

- Heath
- Hinson
- Hughes
- James
- Jarvis
- Johnson of Dawson
- Johnson of Bell
- Kilpatrick
- Kohler
- Koliba
- Korkmas
- Lack
- Larry
- Latimer
- Leaverton
- Longoria
- McGregor
- McIlhany
- Markgraf
- Miller
- Moore
- Nett
- Oliver
- Parsons
- Pearcy

- Nays—34

- Adams of Lubbock
- Cowen
- Alston
- Crewe
- Bailey
- de la Garza
- Banfield, Mrs.
- Duff, Miss
- Barlow
- Esquivel
- Barnes
- Fairchild
- Boyzen
- Fletcher
- Bridges
- Foreman
- Burgess
- Ginger
- Glibens
- Butler
- Gladden
- Caldwell
- Glass
- Cannon
- Gussing
- Carrillo
- Grover
- Collins
- Hale
- Connell
- Harding
- Cook
- Harrington
- Cotton
- Haynes

- Heath
- Hinson
- Hughes
- James
- Jarvis
- Johnson of Dawson
- Johnson of Bell
- Kilpatrick
- Kohler
- Koliba
- Korkmas
- Lack
- Larry
- Latimer
- Leaverton
- Longoria
- McGregor
- McIlhany
- Markgraf
- Miller
- Moore
- Nett
- Oliver
- Parsons
- Pearcy

- Nays—34
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Osborn  Smith of Jefferson
Hays  Spillman
Read  Stewart
Slack  of Galveston

A record vote was requested on the adoption of H. S. R. No. 96, as amended.

H. S. R. No. 96, as amended, was then adopted by the following vote:

Yeas—133
Adams
Allen
Andrews
Ballman
Ballfield, Mrs.
Barnes
Barlow
Barrow
Bartram
Bailey
Ball
Barron
Barnett
Bass
Bertram
Blair
Blain
Blair
Bonnell
Breed
Bridges
Burks
Butler
Caldwell
Cannon
Carroll
Carriker
Chapman
Cole of Harris
Cole of Hunt
Collins
Connel
Cook
Cory
Cox
Cohen
Cowles
Crayton
Crews
de la Garza
Dewar
Duffy, Miss
Dungan
Dunlap
Early
Echols
Ergle
Fairchild
Farr
Faulkner
Gibbons
Gladden
Glass
Gibson
Green
Gruver
Guiffey

Rapp
Read
Richards
Richardson
Roberts of Hill
Roberts of Dawson
Ross
Rosson
Sandahl
Schramp
Shannon
Shirley
Slack
Smith of Bexar
Smith
Stewart
Stewart of Galveston

Nays—5
Adams of Titus
Atwell
Jones of Dallas
Presnet—Not Voting

In The Chair
Hollowell

Hinson
Huebner
Murray
Mutscher

Mr. Roberts of Dawson moved to reconsider the vote by which H. S. R. No. 96, as amended, was adopted and to table the motion to reconsider. The motion to table prevailed.

REASON FOR VOTE

The reason for voting “aye” on H. S. R. No. 96:

In my opinion, one of the primary purposes of this resolution was to influence the Board of Insurance to review and study the merit rating system, so that same could be improved; for this reason and for this reason alone, I voted for the resolution.

It is my position that the system could certainly be improved but it should not be completely abandoned until it has been given a fair opportunity to operate. Part of the solution of this problem lies in better law enforcement and in the adoption...
of a uniform traffic code for the State. To solve this problem we need more careful action and less political demagoguery from certain legislators.

BALLMAN, WHITFIELD, MURRAY WATSON.

(Speaker In The Chair)

ADDRESS BY MRS. NADA MIHAJLOVIC

The following remarks of Mrs. Nada Mihailovic, addressed to the House on January 31, were ordered printed in the Journal:

Speech by Mrs. Nada Mihailovic to the Legislature on January 31, 1962.

Legislators and fellow Texans:

In 1944, when Yalta and Teheran treaties were signed, Europe was divided into East and West. Yugoslavia unfortunately was a part of East Europe. When General Mihailovic, leader of underground guerrilla Chetniks was betrayed, people of Yugoslavia were shocked and could not believe it. General Mihailovic called his Soldiers together, to explain what took place. He did not know how to begin. He removed his cap, looked up and said, "God Is my Ally, we have been betrayed. Our ally which we trusted so much left us. The only ally we left is you, God." He then asked his people to decide whether to go from woods back to their homes and take reprisals or to leave the Country. So troops started toward Italy and Austria. We marched 600 miles, fighting our way out. Starvation and typhus was our greatest enemy. Some died from wounds, some from typhus, others were killed—No time to bury them. We saw dogs carrying mangled legs and arms of those who had died and those who had been killed along the way.

Finally my group arrived in Italy, others went to Austria. With our exile Tito felt stronger opposition against him. He tried to get us back. He tried to negotiate with Western powers by accusing the West of aiding us, by feeding, keeping, and helping us. An organization of International Law from Geneva organized balloting. We voted all day. When balloting was concluded not one wanted to return to Yugoslavia. We preferred exile and starvation, with freedom.


Those who refused to accept communism were liquidated. Communist taught children in school that there is no God. They were told to pray to God for food which they did, no food came. "Now let us pray to Stalin." As the doors were opened a soldier with a big red star on his cap came in with abundance of food. They said, "You see what Stalin can do for you, God cannot do."

I did not want to rear my children under that teaching. I am thankful for the opportunity to come to this country. I am happy and proud to be a Texan, and a citizen of this great nation, which is a model of Freedom to the whole world. It is your business to keep it free. That is why I am here to appeal to you, don't let it happen to your children what happened to children in Yugoslavia.

TO CONGRATULATE REPRESENTATIVE AND MRS. BEN BARNES

Mr. Crews offered the following resolution:

H. S. R. No. 237

Whereas, The House of Representatives has a new mascot who shows great promise even though she doesn't speak a word of English;

Whereas, Her name is Amy Elizabeth Barnes and she arrived in Texas yesterday weighing only six pounds, 14 ounces, including luggage. There is every indication she will be a mezzo-soprano, but her bright future is assured. She is the daughter of Ben Barnes, our colleague from De Leon and the able representative of Brown, Comanche and Mills Counties and his lovely wife Martha; and

Whereas, Mrs. Barnes and Amy Elizabeth are in St. David's Hospital, Austin, and Amy Elizabeth's big little brother can't wait until they
Resolved. That the House of Representatives of the Fifty-seventh Legislature, Third Called Session, extends its congratulations to Representative and Mrs. Barnes and its joyous welcome to Miss Amy Elizabeth; and, be it further
Resolved. That a copy of this Resolution be sent to Mrs. Barnes for safe-keeping until Amy is old enough to read it.

CREWS, MARTIN, BOYSEN.

The resolution was read and was adopted unanimously.

EXTENDING BEST WISHES TO JANE NORTH FOR A RAPID RECOVERY

Mr. Jones of Travis offered the following resolution:

H. S. R. No. 238
Whereas, One of the most enjoyable aspects of legislative work is the opportunity to know interesting and friendly people; and
Whereas, For eight years Members and employees alike have known and appreciated the cheery smile and charming personality of Jane North, who is ill in Nix Hospital in San Antonio, and her absence is sincerely felt; now, therefore, be it
Resolved by the House of Representatives, Fifty-seventh Legislature, Third Called Session, That the House extends its warmest wishes for her rapid recovery and quick return to Austin.

OBIE JONES of Travis, SANDAHIL, FOREMAN.

The resolution was read and was adopted.

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 10

The Speaker laid before the House for consideration at this time the following resolution:

Senate Concurrent Resolution No. 27
Be it resolved, By the Senate of Texas, the House of Representatives concurring, that the Joint Rules be suspended to permit the consideration of House Bill No. 10 by the Senate at any time.

The resolution was referred to the Committee on Rules.

SUSPENDING THE JOINT RULES TO CONSIDER CERTAIN SENATE BILLS

The Chair laid before the House for consideration at this time,

H. C. R. No. 46, Suspending the Joint Rules to consider S. B. Nos. 45, 47, 48, 53, 51, 96 and 101, on February 1, 1962.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read and was adopted.

MESSAGE FROM THE SENATE

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives;
Sir: I am directed by the Senate to inform the House that the Senate has concurred in House Amendments to Senate Bill No. 69 by viva voce vote.

Senate concurred in House amendments to S. B. 69 by the following vote: 21 yeas, 5 nays.
Senate concurred in House amendments to S. B. 66, by the following vote: 25 yeas, 1 nay.

Senate concurred in House amendments to S. B. 84 by the following vote: 28 yeas, 6 nays.

Senate concurred in House amendments to S. B. 86 by the following vote: 28 yeas, 0 nays.

House amendments to S. B. 37 by the following vote: 26 yeas, 0 nays.

Respectfully submitted,
CHARLES A. SCHNABEL,
Secretary of the Senate.

Suspending the Joint Rules to Consider S. B. No. 98

The Chair laid before the House for consideration at this time, H. C. R. No. 42, suspending the Joint Rules to consider S. B. No. 98.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read and was adopted.

Suspending the Joint Rules to Consider H. B. No. 113

The Chair laid before the House for consideration at this time, H. C. R. No. 42, suspending the Joint Rules to consider H. B. No. 113.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

A record vote was requested on the adoption of the resolution.

H. C. R. No. 42 was adopted by the following vote:

Yea—80

Nay—0

Adams of Lubbock
Adams of Titus
Allen
Atwell
Ballman
Barnes
Bartram
Butler
Cook
Cowles
Crain
Craw
de la Garza
Dewey
Duff, Miss
Fairchild
Garrison
Gibbens
Healy
Heaton
Holcomb
Isaacks, Mill
Jamieson
Johnson of Dallas
Johnson of Bell
Jones of Travis
Kendall
Kilpatrick
Koliba
Kothmann
Lack
Lary
Leaverton
Legend
McCoppin
McGregor
McIlvain
McMurry
Niemeyer
Oaborn
Pearcy
Pieratt
Preston
Quinn
Rapp
Ratcliff
Richards
Richardson
Roberts
Roberts
of Hill
Roaxas
Schram
James
Johnson of Bexar
Johnson of Bell
Jones of Galveston
Jones of Bexar
of Wichita
Kreav
Kreive
Lawson
Wells
Whitfield
Wilson
Yesak

Adams of Dallas
Allen
Atwell
Ballman
Barnes
Bartram
Butler
Cook
Cowles
Crain
Craw
de la Garza
Dewey
Duff, Miss
Fairchild
Garrison
Gibbens
Healy
Heaton
Holcomb
Isaacks, Mill
Jamieson
Johnson of Dallas
Johnson of Bell
Jones of Travis
Kendall
Kilpatrick
Koliba
Kothmann
Lack
Lary
Leaverton
Legend
McCoppin
McGregor
McIllvain
McMurry
Niemeyer
Oaborn
Pearcy
Pieratt
Preston
Quinn
Rapp
Ratcliff
Richards
Richardson
Roberts
Roberts
of Hill
Roaxas
Schram
James
Johnson of Bexar
Johnson of Bell
Jones of Galveston
Jones of Bexar
of Wichita
Kreav
Kreive
Lawson
Wells
Whitfield
Wilson
Yesak
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Hale   In The Chair

Absent

Alaniz   McGregor
Andrews   of McLennan
Berry     Oliver
Burgess   Peeler
Chapman   Pipkin
Ehrle     Slack
Floody    Snelson
Haring    Woods
Latimer

SUSPENDING THE JOINT RULES
TO CONSIDER H. B. NO. 70

The Chair laid before the House for consideration at this time, H. C. R. No. 29, Suspending the Joint Rules to consider H. B. No. 70.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read.

A record vote was requested on the adoption of the resolution.

H. C. R. No. 29 was adopted by the following vote:

Yeas-113

Nays-21

Johnson of Dallas   Ratcliff
Johnson of Bexar   Read
Johnson of Bell   Richards
Jones of Dallas   Roberts of Dawson
Jones of Denton   Ross
Jones of Travis   Roosen
Kennard   Schram
Kotthmann   Schlitz
Lauck   Shanor
Larry   Shipley
Leaverton   Slack
McCoppia   Smith of Jefferson
McGregor   Smith of McLennan
McGregor   of El Paso
McIlhany   Stover
McIlhany of Wichita
Miller   Struve
Moore   Thurman
Mullen   Thurmond
Murray   Townsend
Mutschler   Trevino
Nemmer   Tunnell
Nugent   Walker
Oliver   Ward
Parsons   Watson
Pearcy   Wells
Petty   Wheatley
Piersatt   Wilson
Price   Woods
Quilliam   Yeak

John of Bexar   Akin
Johnson of Bell   Allen
Jones of Dallas   Andrews
Jones of Denton   Atwell
Jones of Travis   Bailey
Jones of Webb   Barlow
Jones of Wilbarger   Barrow
Jones of Wilbarger   Bartram
Jones of Wilbarger   Bass
Jones of Wilbarger   Berry
Jones of Wilbarger   Bland
Jones of Wilbarger   Blaine
Jones of Wilbarger   Boykin
Jones of Wilbarger   Bridges
Jones of Wilbarger   Butcher
Jones of Wilbarger   Caldwell
Jones of Wilbarger   Cannon
Jones of Wilbarger   Carriker
Jones of Wilbarger   Chapman
Jones of Wilbarger   Cole of Hunt
Jones of Wilbarger   Collins
Jones of Wilbarger   Connell
Jones of Wilbarger   Cook
Jones of Wilbarger   Cory
Jones of Wilbarger   Cotant
Jones of Wilbarger   Cowen
Jones of Wilbarger   Crain
Jones of Wilbarger   Crews

BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER

The Speaker signed in the presence of the House, after giving due
notice thereof and their captions had been read severally, the following enrolled bills and resolutions:

S. B. No. 32, An Act re-establishing and re-creating Anglo Drainage District of Brazoria County, Texas, as "Angleton Drainage District" subject to the provisions of this Act; providing that such District is a conservation and reclamation District under the provisions of Section 59, Article XVI, Constitution of Texas; providing its boundaries shall be the same as those of Anglo Drainage District of Brazoria County, Texas; providing its purpose of existence; prescribing its rights, powers, privileges, duties and limitations; providing the District shall bear the sole expense of the relocation of certain facilities under the provisions of this Act; providing for its governing body; providing for its tax assessor and collector and containing provisions relating to District taxes; providing mosquito control powers; providing for the District's taking over certain properties, rights, liabilities and taxes; containing provisions relating to maintenance taxes; providing that no existing District contracts shall be impaired or altered; containing other provisions relating to the subject; providing a severability clause; and declaring an emergency.

S. B. No. 33, An Act re-establishing and re-creating Velasco Drainage District of Brazoria County, Texas, as "Velasco Drainage District," subject to the provisions of this Act; providing that such District is a conservation and reclamation District under the provisions of Section 59, Article XVI, Constitution of Texas; providing its purpose of existence; prescribing its rights, powers, privileges, duties and limitations; providing the District shall bear the sole expense of the relocation of certain facilities under the provisions of this Act; providing for its governing body; providing for the division and re-division of said District; providing for its tax assessor and collector; providing for employment of employees and other employees; containing provisions relating to District taxes; providing mosquito control powers; providing for the District's taking over certain properties, rights, liabilities and taxes; containing provisions relating to maintenance taxes; providing that no existing District contracts shall be impaired or altered; containing other provisions relating to the subject; providing a severability clause; and declaring an emergency.

S. B. No. 53, An Act enlarging Jefferson County Drainage District No. 7, Jefferson County, Texas; and defining the boundaries; finding the field notes and boundaries form a closure, and related matters; creating and establishing same as a District under Section 59, Article XVI, Texas Constitution; granting to said District the powers and rights conferred by Section 59, Article XVI, Constitution of Texas, and the General Laws relating to drainage districts with certain exceptions; granting additional powers to provide protection against flooding and overflow from rainwaters, tide waters, and other waters, and the right and authority to construct, erect, improve, operate and maintain canals, ditches, laterals, levees, seawalls, pump stations and other structures necessary to carry out the purposes of this Act; declaring District to be for public benefit and making bonds and interest thereon exempt from taxation; permitting cooperation and contracting with the United States Government, or any department, agency or political subdivision thereof; granting rights of eminent domain to the District; requiring approval by District of method of draining water into District's drainage system; granting power to purchase and sell necessary land, buildings, equipment and methods of purchase; providing methods of disbursing funds; granting right to provide for retirement of its employees, disability, medical, hospital and workmen compensation insurance; providing that management and control shall be vested in five commissioners and method of appointment; containing provisions relating to and authorizing the issuance of bonds of...
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the District with limitation; allowing the assumption of existing bonds by majority vote of taxing electors; making bonds eligible investments and security for certain funds; allowing Commissioners Court of Jefferson County to levy a tax not in excess of fifty cents on each one hundred dollar valuation of taxable property for maintenance, operation, improvements and construction purposes when authorized by election in District; allowing the assumption of existing bonds by majority vote of taxing electors; providing for the assumption of bonded indebtedness; validating Consolidation of Drainage District No. 4 and Drainage District No. 7 of Jefferson County; authorizing Commissioners Court to levy, assess and collect maintenance and bond tax in Drainage District No. 4 and Drainage District No. 7 prior to voting of maintenance tax in District herein created; providing the District shall bear the sole expense of all necessary relocation of certain facilities; finding a benefit to all land and other property within the District; Act not to become effective until maintenance tax voted; containing other provisions relating to the District; providing a severability clause; and declaring an emergency.

H. B. No. 106, An Act abolishing the board of county school trustees and the office of county superintendent of certain counties in this State; providing that the present county superintendents of such counties shall serve out their terms to which elected or appointed; and that thereafter the duties of the county board of school trustees and of county superintendents shall be performed by the county judges of such counties; providing compensation from county funds only in certain instances; repealing all laws and parts of laws that conflict herewith; and declaring an emergency.

H. B. No. 110, An Act providing that at the next general election the electorate shall determine whether the office of the county superintendent shall be abolished in any county of this State having a population of not less than six hundred thousand (600,000) according to the last preceding Federal Census, and wherein there are four (4) or more common school districts; providing that in the event the office is abolished certain duties shall be transferred to the county judge; providing for the compensation to be paid the county judge for performing such duties in an ex-officio capacity; and declaring an emergency.

H. B. No. 27, An Act closing the season for hunting alligators in Orange County, Texas; providing a penalty for violation; repealing conflicting laws; and declaring an emergency.

S. C. R. No. 14, Concerns permission to H. A. Coyle to bring suit against the State; to correct description of certain property.

S. C. R. No. 15, Concerns permission to Walter F. Myers to bring suit against the State; to correct description of certain property.

S. C. R. No. 17, Granting Oswald C. Bryan and Inola Glass Bryan permission to sue the State.

S. C. R. No. 21, Granting right-of-way for street purposes to City of Austin.

S. C. R. No. 23, Authorizing the Board of Control to remove certain furnishings from the Governor's Mansion.

H. C. R. No. 5, To request certain study relative to proposed or prospective changes in the Texas limited sales, excise and use tax.

H. C. R. No. 12, Concerning the preservation of Fort McKavett as an historic site and State park.

H. C. R. No. 35, To grant Pierce Brothers, Inc., permission to Pierce Brothers, Inc., permission to sue the State.

H. C. R. No. 38, Congratulating Father William Joseph Levada.

SUSPENDING THE JOINT RULES TO CONSIDER S. B. No. 81.

The Chair laid before the House, for consideration at this time, H. C. R. No. 39, Suspending the Joint Rules to consider S. B. No. 81.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.
The resolution was read.
Mr. Murray moved that H. C. R. No. 39 be laid on the table subject to call.

There was no objection offered and it was so ordered.

MESSAGE FROM THE SENATE

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.
SIR: I am directed by the Senate to inform the House that the Senate has passed the following:

H. C. R. No. 40, Congratulating Dr. Konrad Adenauer, Chancellor of the Republic of Germany, on his 68th Birthday.

H. C. R. No. 41, Congratulating Bernard Downey Grover, son of Representative and Mrs. Henry Cushing Grover.

Respectfully,
CHARLES A. SCHNABEL,
Secretary of the Senate.

RELATIVE TO AN ADDITIONAL CRIMINAL DISTRICT COURT AND AN ADDITIONAL CIVIL DISTRICT COURT IN DALLAS COUNTY

Mr. Jones of Dallas offered the following resolution:

H. S. R. No. 244

Whereas, It is the American tradition to grant swift justice without unreasonable delay and to grant a forum at which legal differences can be settled,

Whereas, This breach of tradition is now prevalent in Dallas County, Texas, because of the lack of sufficient District Courts,

Whereas, The Judges of the District Courts of Dallas County have worked overtime in an effort to keep their dockets clear, even to the extent of endangering their health,

Whereas, The facts are clear that Dallas County should have one additional Criminal District Court and one additional Civil District Court; now, therefore, be it

Resolved, That the House of Representatives of the 61th Legislature, Third Called Session, recommend and request that the 61th

Regular Session of the Legislature establish one additional Criminal District Court and one Civil District Court in Dallas County, Texas.

The resolution was referred to the Committee on Rules.

COMMITTEE MEETING
Mr. Smith of Jefferson asked unanimous consent of the House that the Committee on Rules be permitted to meet at this time.

There was no objection offered.

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 105

The Chair laid before the House, for consideration at this time,

H. C. R. No. 24, suspending the Joint Rules to consider H. B. No. 105.

The resolution having herefore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was adopted.

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 107

The resolution having herefore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read and was adopted.

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 103

The resolution having herefore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read and was adopted.

TO CREATE AN INTERIM COMMITTEE ON MIGRANT LABOR

The Chair laid before the House for consideration at this time.
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H. S. R. No. 164, To create an interim committee on migrant labor.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read.

Mr. Townsend offered the following amendment to the resolution:

Amendment No. 1 to H.S.R. No. 164

Amend H.S.R. No. 164 by deleting the following words in Paragraph 7 of this Resolution:

"at least four of the major agricultural areas of the State, and" and substitute in lieu thereof the words "Austin, Texas."

The amendment was adopted without objection.

Mr. Townsend offered the following amendment to the resolution:

Amendment No. 2 to H.S.R. No. 164

Amend H. S. R. No. 164 by deleting all of the words in paragraph 6 of the Resolution following the semicolon after the word "Speaker," except the words "and be it further."

The amendment was adopted without objection.

Mr. Townsend offered the following amendment to the resolution:

Amendment No. 3 to H. S. R. No. 164

Be it further resolved: That no state funds from any source will be expended on the expense of House Members.

The amendment was adopted.

H. S. R. No. 164, as amended, was then adopted.

PROVIDING FOR THE APPOINTMENT OF THE BORDER CONFERENCE COMMITTEE

The Chair laid before the House, for consideration at this time, S. C. R. No. 16, Providing for the appointment of the Border Conference Committees.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

The resolution was read.

(Mr. Kennard In The Chair)

Mr. Cotten offered the following amendment to the resolution:

Amend S. C. R. No. 16 by adding at the end thereof:

"No state funds shall be used by this Committee."

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

The motion to table was lost.

The amendment offered by Mr. Cotten was then adopted.

S. C. R. No. 16, as amended, was then adopted.

HOUSE BILL NO. 66 WITH SENATE AMENDMENTS

Mr. McGregor of McLennan called up with Senate Amendments for consideration at this time,

H. B. No. 66, A bill to be entitled "An Act creating and establishing a conservation and reclamation district under Article 16, Section 59, Constitution of Texas, to be known as McLennan County Water Control and Improvement District Bosqueville Hills; declaring District a governmental agency, body politic and corporate; defining the boundaries; finding the field notes and boundaries form a closure, and related matters; finding a benefit to all land and other property within the District; finding that District is created to serve a public use and benefit; defining powers of District; etc., and declaring an emergency."

Mr. McGregor of McLennan moved that all necessary rules be suspended for the purpose of concurring in the Senate Amendments to H. B. No. 66.

The motion to suspend all necessary rules for the purpose of concurring in the Senate Amendments to H. B. No. 66 prevailed by the following vote:

Yea—123

Adams of Lubbock Atwell
Adams of Titus Bailey
Alanis Ballman
Allen Banfield, Mrs.
Andrews Barnes
In the Chair

Mr. Watson moved to reconsider the vote by which the House concurred in the Senate Amendments to H. B. No. 66 and to table the motion to reconsider.

The motion to table prevailed.

TEXT OF SENATE AMENDMENTS TO HOUSE BILL NO. 66

Amend H. B. No. 66 by striking out the caption thereof and inserting in lieu thereof the following caption:

“A BILL TO BE ENTITLED

An Act creating and establishing a conservation and reclamation district under Article 16, Section 59, Constitution of Texas, to be known as McLennan County Water Control and Improvement District—Bosqueville Hills; declaring District a governmental agency, body politic and corporate; defining the boundaries; finding the field notes and boundaries form a closure, and related matters; finding a benefit to all land and other property within the District; finding that District is created to serve a public use and benefit; defining powers of District; conferring on District the rights, powers, privileges, authority, and duties of the general laws of Texas applicable to water control and improvement districts created under Article 16, Section 59, Constitution of Texas, where not in conflict with this Act and adopting same by reference; providing for no election for confirmation; providing for a hearing for exclusions and notice for same; providing no hearing on plan of taxation and adopting.
ad valorem plan of taxation for the District; authorizing District certain rights, powers, and authority for and in connection with its systems, facilities, and other things necessary to the fulfillment of its purposes, whether within or without the boundaries of the District but limited to McLennan County, Texas, and related matters; providing for governing body of District; providing for qualifications and bonds of Directors; naming first Board of Directors; providing for terms and election of Directors; providing Directors to fill vacancies; providing for organization of Board of Directors; providing for employment of engineers, attorneys, fiscal agents, managers, and employees; providing for sale and price of bonds or refunding bonds; providing for exchange of bonds or refunding bonds for property acquired or in payment of contract price for work done or materials or services furnished and providing for price of bonds or refunding bonds in such exchange; providing for bonds and refunding bonds to be approved by Attorney General of Texas and registered by the Comptroller of Public Accounts and providing for negotiability, legality, validity, obligation, and incontestability of the bonds or refunding bonds; making bonds or refunding bonds eligible investments; making inapplicable to the District certain provisions of Article 7880-77b, Vernon’s Texas Civil Statutes, as amended; exempting property and bonds of the District from taxation, and related matters; providing for an annual audit, fiscal year, and related matters; providing District shall bear expense of relocating, raising, or changing, or removing any highway, railroad, utility lines, or pipelines made necessary by its exercise of the power of eminent domain; enacting other provisions related to the aforesaid subjects; granting District power to lease or contract for water supply, sewage disposal, drainage, and related systems, facilities and services, and to operate, maintain, collect, account to owners of the system, and related matters; providing for a severability clause; and declaring an emergency.”

Committee Amendment No. 2
Amend H. B. 66 by striking out Section 8 thereof and inserting in lieu thereof the following:

“Section 3. All bonds and refunding bonds of the District shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas. Such bonds and refunding bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas, and such bonds and refunding bonds shall be lawful and sufficient security for said deposits to the extent of their value, when accompanied by all unmatured coupons appurtenant thereto.”

Committee Amendment No. 1
Amend H. B. 66 by striking out Section 4 thereof and inserting in lieu thereof the following:

“Section 4. The District shall have and exercise, and is hereby vested with, all of the rights, powers, privileges, authority and duties conferred by the law pertaining to water control and improvement districts created under authority of Article 59, Section 59, of the Constitution of Texas, but to the extent that the provisions of any such general law may be in conflict or inconsistent with the provisions of this Act, the provisions of this Act shall prevail. All such general laws are hereby declared to be inapplicable to and are hereby incorporated by reference with the provisions of this Act. It shall not be necessary for the Board of Directors to call a confirmation election or to hold a hearing on the adoption of a plan of taxation. The ad valorem plan of taxation shall be used by the District. The provisions of the general law pertaining to water control and improvement districts applicable to an exclusion hearing shall be applicable to this District, except that
the notice for said hearing shall be by publication one time in a newspaper having general circulation in the District and said publication shall be at least ten (10) days prior to said hearing.

HOUSE BILL NO. 108 WITH SENATE AMENDMENTS

Mr. Stewart of Galveston called up with Senate Amendments for consideration at this time.

H. B. No. 108, A bill to be entitled "An Act creating the Old Galveston Quarter in order to preserve certain historically significant areas; providing a Commission to effectuate this purpose, and granting the Commission certain powers and authorities in order to carry out this purpose; providing for revenue bonds; providing that the Commission may bring an action for a declaratory judgment in certain district courts; providing when certain features of the Act will become operative, providing a severability clause; and declaring an emergency."

Mr. Stewart of Galveston moved that all necessary rules be suspended for the purpose of concuring in the Senate Amendments to H. B. No. 108.

The motion to suspend all necessary rules for the purpose of concuring in the Senate Amendments to H. B. No. 108 prevailed, receiving the necessary two-thirds vote.

TEXT OF SENATE AMENDMENTS TO HOUSE BILL NO. 108

Amend House Bill No. 108 by striking all of Section 11 and substituting in lieu thereof the following:

"Sec. 11. (a) (1) For the purpose of providing funds to acquire, improve, equip and repair such Quarter, or for the acquisition by construction or otherwise of any facilities to be used in or connected with or incident to any such Quarter, or for any one or more of such purposes, the Commission shall have the power from time to time and is hereby authorized by resolution (hereinafter sometimes called the 'Resolution'), to issue revenue bonds, without the necessity of an election, hereinafter sometimes called the 'Revenue Bonds,' which shall be fully negotiable instruments under the Uniform Negotiable Instruments Law and all

the necessary laws of Texas. Included but without limiting, among the permanent improvements and facilities which may be acquired through the issuance of Revenue Bonds are the following: houses, piers, sites of historic interest, athletic fields, pavilions, and building and grounds for assembly, together with parking facilities and other improvements incident thereto. Such Revenue Bonds shall be issued in the name of the Old Galveston Quarter and signed by the Commission. They shall mature serially or otherwise in not to exceed forty (40) years and may be sold by the Commission at a price and under terms determined by the Commission to be the most advantageous reasonably obtainable, provided that the average interest cost, taking into consideration the maturity date or dates of the Revenue Bonds calculated by the use of standard bond interest tables currently in use by insurance companies and investment houses, shall not exceed six per cent (6%) per annum. The Resolution authorizing the issuance of the bonds shall prescribe the details as to the Revenue Bonds. It may contain provisions for the calling of the Revenue Bonds for redemption prior to their respective maturity dates at such prices and at such times as may be prescribed in such Resolution, but except for such rights of redemption expressly reserved in the Resolution the Revenue Bonds shall not be subject to redemption prior to their scheduled maturity date or dates. The bonds may be made payable at such times and at such places, within or without the State of Texas, as may be prescribed in the Resolution, and they may be made registerable as to principal, or as to both principal and interest.

(2) The Revenue Bonds may be issued in one or more series from time to time as required for carrying out the purposes of this Act.

(3) The bonds may be secured by a pledge of all or a part of the Net Revenues from the operation of the Old Galveston Quarter or the facilities thereof and incident thereto. The net revenues of any one or more contracts, operating contracts, leases or agreements therefore or thereafter made or to be made may be pledged as the sole, or as additional security, for the support of
the bonds. Any other revenue other than tax revenue may be specified in the Resolution of the Commission or may be pledged as additional security for the bonds. In any such Resolution the Commission may reserve the right under conditions therein specified to issue additional bonds which will be on a parity with or subordinate to the bonds then being issued.

(4) The term 'Net Revenues' as used in this section and in this Act shall mean the gross revenues from the operation of the Old Galveston Quarter and the facilities thereof, leases, agreements and contracts and incident thereto, or from any one or more thereof, whose revenues shall have been thus pledged, after deduction of the necessary expenses.

(5) From the proceeds of the Revenue Bonds the Commission may set aside, as shall be prescribed in the Resolution, an amount for payment of interest estimated to accrue during the construction period and in addition thereto such reserve for the interest and sinking fund as may be deemed proper. From the proceeds of the Revenue Bonds all expenses necessarily incurred in issuing and selling the Revenue Bonds shall be paid. The remainder of such proceeds shall be used for the purposes specified in the Resolution, and comprehended by the purposes permitted under paragraph (4) above.

(6) Said bonds shall never be converted to a debt of the county or the State of Texas within the meaning of any constitutional or statutory provisions, but shall be payable solely and only from the revenues pledged to their payment as herein provided. No principal or interest on such bonds or any refunding bonds shall ever be a debt against the tax revenues of such county. Such bonds shall never be reckoned in determining the power of the county to incur obligations payable from taxation. Each Revenue Bond shall contain on its face substantially the following provisions:

'The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.'

(7) So long as any of the Revenue Bonds are outstanding no additional bonds of equal dignity shall be issued against the pledged revenues except in the extent and in the manner expressly permitted in the Resolution.

(8) Before any such bonds are delivered to the purchaser they shall be submitted to the Attorney General along with the record pertaining thereto for his examination and approval. It shall be the duty of the Attorney General to approve the Revenue Bonds when issued in accordance with this Act. Bonds thus approved shall be the duty of the Attorney General and registered within the office of the Comptroller of Public Accounts shall be incontestable.

(b) Revenue Bonds which likewise will be fully negotiable, may be issued by Resolution first adopted by the Commission for the purposes of refunding bonds issued under this Act. The refunding bonds may be secured in the manner provided in this Act for securing original Revenue Bonds. No election shall be required for the issuance of any refunding bonds. Such refunding bonds may be sold and the proceeds used to retire the original bonds, or may be issued in exchange for the original bonds, as may be provided in the resolution authorizing their issuance.

(c) (1) The expenses of operation and maintenance of facilities whose revenues are pledged to the payment of bonds shall always be a first lien on and charge against the income thereof. So long as any of said bonds or interest thereon remain outstanding the Commission shall charge or require the payment of fees and tolls for the use of such facilities which shall be equal and uniform in all classes defined by the Commission and which shall yield revenues at least sufficient to pay the expenses of such operation and maintenance, and to provide for the payments prescribed in the Resolution for Debt Service as that term may be defined in the Resolution (which without limitation may include provisions for any or all of the following: the payment of principal and interest as such principal and interest respectively mature, the establishment and maintenance of funds for extensions and improvements, and operating reserve, and an interest and sinking fund reserve).

(2) The Commission is authorized to determine the rates, charges and tolls which must be charged by it for the use, operation or lease of
such facilities.

(d) The following provisions shall be applicable as to Revenue Bonds issued under this Act:

(1) It shall be the duty of the Commission to fix such tolls and charges for the use of the facilities whose revenues are thus pledged as will yield revenues fully sufficient to operate and maintain such facilities and to permit full compliance by the Commission with the covenants contained in the Resolution for the making of payments into the Debt Service Fund, including payments into any reserve accounts or funds created in the Resolution in connection with the issuance of the Bonds. In the event that any part of the security for the Revenue Bonds consists of money to be received by the Commission as consideration for facilities belonging to the Commission but operated by another or others under some form of lease or operating contract, it shall be the duty of the Commission to fix and authorize rates, charges and tolls to be made by such person or persons for services to be rendered by such facilities, at least sufficient to assure the receipt by the Commission of money which the Commission is committed to pay from such source for Debt Service under the terms of the Resolution.

(2) The proceeds of the bonds shall be used and shall be disbursed under such restrictions as may be provided in the Resolution, and there shall be and there is hereby created and granted a lien upon such moneys, until so applied, in favor of the holders of the Revenue Bonds or of any trustee provided for in respect to such bonds, but neither the depository of such funds nor the trustee shall be obligated to see to the proper application of such fund except as expressly provided in the Resolution or in the indenture securing the bonds. Any surplus remaining from the bond proceeds after providing for the following: interest during construction and for such additional period as may be prescribed in the Resolution, and the creation of any reserve fund prescribed in the Resolution and the accomplishment of the bond purpose, shall be used for retiring the bonds to the extent that they can be purchased at prevailing market prices, with any remainder after such purchase to be deposited in the fund established in the Resolution for Debt Service.

(3) The Resolution may provide that such Revenue Bonds shall contain a recital that they are issued pursuant to and in strict conformity with this Act and such recital when so made shall be conclusive evidence of the validity of the Revenue Bonds and the regularity of their issuance.

(4) Any Revenue Bond issued pursuant to the provisions of this Act shall be exempt from taxation by the State of Texas or by any municipal corporation, county, or other political subdivision or taxing district of the State.

(5) If so provided in the Resolution an indenture securing the bonds may be executed by and between the Old Galveston Quarter and a corporate trustee, and such Resolution may provide also for execution of the indenture by a corporate or individual co-trustee. Any such corporate trustee or corporate co-trustee shall be any trust company or bank within or without the State of Texas having the powers of a trust company.

(6) Either the Resolution or such indenture may contain such provisions for protecting or enforcing the rights or remedies of the bondholders as may be considered by the Commission reasonable and proper and not in violation of the law, including covenants setting forth the duties of the Commission in reference to a maintenance, operation or repair, and insurance (including within the discretion of the Commission insurance against loss of use or occupancy) of the facility whose revenues are pledged, and the custody, safeguarding and application of all moneys received from the sale of the Revenue Bonds, and from revenues to be received from the operation of the project.

(7) It shall be lawful for any bank or trust company in this State to act as depository of all the proceeds of the bonds or revenues derives from the operation of facilities whose revenues may be pledged, or for the special funds created to assure payment of principal and interest on the Revenue Bonds, including reserve funds and accounts, or for one or more of such classes of deposits, and to furnish such indemnity bonds or to pledge such securities as may be required by the Commission.
(8) The Commission may select such depository or depositories with- out the necessity of seeking competitive bids. Such deposits shall be secured in the manner required by law for the security of money belonging to counties. Provided that the Commission in the Resolution or the indenture securing the Revenue Bonds may bind the Commission to the use of direct obligations of the United States Government or obligations unconditionally guaranteed by the United States Government as security for such deposits. Such indenture, or ordinance, may set forth the rights and remedies of the bondholders and of the Trustee and may restrict the individual rights of action of the bondholders. The Resolution may contain all other suitable provisions such as the Commission may deem reasonable and proper for the security of the bondholders, including but without limitation covenants prescribing all happenings or occurrences which constitute events of default and the terms and conditions upon which any or all of the bonds shall become, or may be declared to be due before maturity, and as to the rights, liabilities, powers and duties arising from the breach by the Commission of any of its duties or obligations.

(9) That any holder or holders of the Revenue Bonds issued here under, including a trustee or trustees for such holders, shall have the right in addition to all other rights by mandamus or other proceedings in a court of competent jurisdiction to enforce his or their rights against the Commission or its employees, the agents and employees thereof, or any lessee or any of said facilities whose revenues are pledged, including but not limited to the right to require the Commission to impose and establish and enforce sufficient and effective tolls and charges to carry out the agreements contained in the Resolution and indenture, or in both the Resolution and indenture, and to perform all agreements and covenants therein contained and duties arising therefrom, and in the event of default as defined in the Resolution authorizing the Revenue Bonds or in the indenture securing the Revenue Bonds to apply for and obtain the appointment of a receiver for any of the properties involved. If such receiver be appointed he shall enter and take possession of the facilities whose revenues shall have been pledged and until the Commission may be no longer in default, or until relieved by the court, retain possession of the properties involved and collect and receive all revenues and tolls arising therefrom in the same manner as the Commission itself might do, and shall dispose of all such moneys and apply same in accordance with the obligations of the Commission under the Resolution or indenture, and as the court may direct. Nothing in this Act shall authorize any bondholder to require the Commission to use any funds in the payment of the principal or of interest on the bonds except from the revenues pledged for their payment.

(10) The Resolution or the Indenture securing the bonds may contain provisions to the effect that so long as the revenues of the Quarter are pledged to the payment of Revenue Bonds no suit, charges and rentals are to become payable under the Resolution.

(11) All such revenue bonds shall be and are hereby declared to be legally authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees, and for the sinking funds and other funds of the State of Texas, and of all municipal corporations, counties, political subdivisions, public agencies, and taxing districts within the State of Texas. Such bonds shall be eligible to secure the deposit of any and all public funds of the State of Texas and any and all public funds of municipal corporations, counties, political subdivisions, public agencies and taxing districts within the State of Texas, and such bonds shall be lawful and sufficient security for such deposits to the extent of their face value when accompanied by all matured coupons appertaining thereto.

(12) The provisions contained in the Resolution and in the indenture and the applicable provisions of this Act shall constitute an irrevocable contract between the Commission on the one part and the holders of such bonds on the other part.

(e) At any time prior to the au-
Amend H. B. No. 108 by striking in Section 13(a) the words "A two-thirds vote" and substituting therefor the following "two-thirds of those voting in an election."

Amend caption to conform to body of bill.

H. C. R. NO. 28 WITH SENATE AMENDMENT

Mr. Richards called up with Senate Amendment for consideration at this time.

H. C. R. No. 28, To grant C. G. Way et al., permission to sue the State.

Mr. Richards moved that all necessary rules be suspended for the purpose of considering the Senate Amendment to H. C. R. No. 28.

The motion to suspend all necessary rules for the purpose of concurring in the Senate Amendment to H. C. R. No. 28 prevailed, receiving the necessary two-thirds vote.
TEXT OF SENATE AMENDMENT
TO H. C. R. NO. 28

Amend House Concurrent Resolution No. 28, Paragraph One (1) by deleting Paragraph One (1) and inserting in lieu thereof the following:

"Whereas, C. C. Way; T. F. Castles and wife, Sally M. Castles; Juliette Castles Barnes and husband, Roner H. Barnes; Mary Helen Kenty and husband, Fred C. Kenty; Ruby May Watson and husband, Howard Watson; Bessie Hazel Brown and husband, L. A. Brown; Gordon B. Broyles; E. E. Hoffpauir; J. W. McFarlane; and Wayman G. Peavy, are asserting title to the land and mineral interests in 320 acres, more or less, situated in Leon County, Texas; and"

SUSPENDING THE JOINT RULES TO CONSIDER H. B. NO. 86

Mr. Peeler offered the following resolution:

H. C. R. No. 49

Be it resolved by the House of Representatives, the Senate concurring, That the Joint Rules of the two Houses be, and they are hereby, suspended so as to permit either House to consider House Bill No. 86 at any time.

The resolution was referred to the Committee on Rules.

RELATIVE TO AN ADDITIONAL CRIMINAL DISTRICT COURT AND AN ADDITIONAL CIVIL DISTRICT COURT IN DALLAS COUNTY

The Chair laid before the House for consideration at this time.

H. S. R. No. 244, Relative to an additional Criminal District Court and an additional Civil District Court in Dallas County.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee.

(Speaker In The Chair)

The resolution was read and was adopted.

MESSAGE FROM THE SENATE

Austin, Texas, February 1, 1962

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

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

H. C. R. No. 45. Suspending the Joint Rules so as to permit either House to consider H. B. No. 103.

H. C. R. No. 46. Suspending the Joint Rules so as to permit the House to consider local bills. (with amendments)

S. C. R. No. 28. Suspending the Joint Rules so as to permit either House to consider S. B. No. 63 at any time.

Respectfully,
CHARLES A. SCHNABEL,
Secretary of the Senate.

MEMORIAL RESOLUTION ADOPTED


CONGRATULATORY RESOLUTIONS ADOPTED

H. S. R. No. 235, By Messrs. Jones of Travis, Sandahl and Foreman: Congratulating the Third Grade Class from Wooten Elementary School, Austin, Texas.

H. S. R. No. 236, By Messrs. Jones of Travis, Sandahl and Foreman: Congratulating the Seventh Grade Class of Lamar Junior High School, Austin, Texas.

H. S. R. No. 239, By Messrs. Sandahl, Foreman, Jones of Travis, Koliba and Bass: Expressing gratitude to Mrs. J. W. E. H. Beck.

H. S. R No 241, By Mr Fletcher: Congratulating Dr. George Wentz.

H. S. R No 242, By Mr Grover: Congratulating Russell B. Cummings.

(Mr. Jones of Travis in The Chair)

RECOGNIZING THE SEVENTH GRADE HOME ROOM CLASS OF LAMAR JUNIOR HIGH SCHOOL

Mr. Foreman offered the following resolution:

H. S. R. No. 245
 Whereas, The Seventh Grade Home Room Class of Lamar Junior High School, Austin, Texas, accompanied by their teacher, Mrs. James A. Turman, were visiting in the State Capitol on the first day of February, 1962; and
Whereas, These fine young American citizens were on an educational tour to observe and learn the workings of their State government; and
Whereas, It is the desire of the House of Representatives of the Fifty-seventh Legislature, Third Called Session, to commend this group for their interest; now, therefore, be it
Resolved, That they be officially recognized, and that a copy of this Resolution be forwarded to them in recognition of their visit and interest in their State government.

FOREMAN,
JONES of Travis,
SANDAHL.

The resolution was adopted.

MAKING CERTAIN PROVISIONS FOR THE INTERIM RELATING TO EMPLOYEES, CONTINGENT EXPENSES, ETC.

Mr. Smith of Jefferson offered the following resolution:

H. B. R. No. 546

Be it resolved by the House of Representatives of the Fifty-seventh Legislature, Third Called Session, That the terms of House Simple Resolution No. 780, which was adopted at the Regular Session of the Fifty-seventh Legislature be, and the same are hereby adopted as applicable to the interim following adjournment of this Special Session, as well as to all periods of time in which the Fifty-seventh Legislature is not actually in called session; provided, however, that each member of the House of Representatives of the 57th Legislature shall be allowed Seventy-five Dollars ($75) as set forth in House Simple Resolution No. 780, the necessary funds in payment of such additional credit to be paid as prescribed in House Simple Resolution No. 780, Regular Session of the 57th Legislature.

The resolution was read and was adopted without objection.

Mr. Smith of Jefferson moved to reconsider the vote by which H. S. R. No. 246 was adopted and to table the motion to reconsider.

The motion to table prevailed.  

(Speaker In The Chair)

H. C. R. NO. 46 WITH SENATE AMENDMENT

Mr. Adams of Lubbock called up with Senate Amendment for consideration at this time.

H. C. R. No. 46, Suspending the Joint Rules to consider certain Senate Bills, Nos. 45, 47, 48, 59, 51, 96 and 101.

On motion of Mr. Adams of Lubbock and by unanimous consent, the House concurred in the Senate Amendment to H. C. R. No. 46.

TEXT OF SENATE AMENDMENT TO H. C. R. NO. 46

Amend H. C. R. No. 46 by adding to this list of bills the following:

“S. B. No. 99, H. B. No. 193 and H. B. No. 111”

SENATE BILL NO. 96 ON SECOND READING

Mr. Adams of Lubbock moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 96.

The motion prevailed by unanimous consent.

The Speaker laid before the House its second reading and passage to third reading.

S. B. No. 96, A bill to be entitled “An Act amending Chapter 16, Acts of the 51st Legislature, 1st Called Session, 1950, by adding a new section to be known as Section 1a changing the name and designation of County Court at Law of Lubbock County to County Court at Law No. 1 of Lubbock County; and declaring an emergency.”

The bill was read second time and was passed to third reading.
Mr. Adams of Lubbock moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 96 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas - 134
Adams of Lubbock
Hale
Adams of Titus
Alaniz
Allen
Andrews
Atwell
Bailey
Ballman
Banfield, Mrs.
Barlow
Barnes
Bartram
Bass
Berry
Bleane
Boysen
Bridges
Buchanan
Butler
Caldwell
Carriker
Chapman
Cole of Hunt
Collins
Connell
Cook
Cozy
Cotten
Cowan
Cowles
Craig
Crews
de la Garza
Dewey
Duff, Miss
Dungan
Dickheitz
Dieter
Ehrle
Engel
Fairchild
Fletcher
Ford
Garrison
Gibbens
Gladden
Glasing
Green
Grover
Guffey

Preston
Prelle
Quilliam
Rapp
Ratliff
Richards
Richardson
Roberts of Hill
Roberts of Dawson
Rogers
Ross
Sadler
Schrader
Shanower
Shipley
Slack
Smith of Bexar
Smith of Jefferson

Nays - 4
Jarvis
Nageotte
Absent

The Speaker then laid Senate Bill No. 96 before the House on third reading and final passage.

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

Yeas - 125
Adams of Lubbock Connell
Adams of Titus
Alaniz
Allen
Atwell
Barron
Bass
Berry
Blaine
Boysen
Bridges
Buchanan
Burgess
Butler
Caldwell
Cameron
Carriker
Chapman
Collins

Peterson
Quinn
Rogers
Ruth
Sachs
Shore
Shirley
Shirley
Shirley
Smith of Bexar
Smith of Jefferson

Nays - 4
Jarvis
Nageotte
Absent

The Speaker then laid Senate Bill No. 96 before the House on third reading and final passage.

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

Yeas - 125
Adams of Lubbock Connell
Adams of Titus
Alaniz
Allen
Atwell
Barron
Bass
Berry
Blaine
Boysen
Bridges
Buchanan
Burgess
Butler
Caldwell
Cameron
Carriker
Chapman
Collins

Peterson
Quinn
Rogers
Ruth
Sachs
Shore
Shirley
Shirley
Shirley
Smith of Bexar
Smith of Jefferson

Nays - 4
Jarvis
Nageotte
Absent

The Speaker then laid Senate Bill No. 96 before the House on third reading and final passage.

The bill was read a third time and was passed by the following vote:
Mr. Korkman moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 47.

The motion prevailed by unanimous consent.

The Speaker laid before the House, on its third reading and final passage,

"S. B. No. 47, A bill to be entitled "An Act repealing Section 2 of Chapter XCIV, Acts of the 26th Legislature, 1899; and declaring an emergency."

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

**Yea——127**

Adams of Lubbock
Adams of Tint-
Alani-
Allen
Andrews
Bailey
Ballm-
Barnes
Bartr-
Bass
Berry
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Mr. Korkman moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 47.
February 1, 1962    HOUSE JOURNAL   607

<table>
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<td>Springer</td>
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<td>Stewart of Galveston</td>
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<tr>
<td>Jarvis</td>
<td>Stewart of Galveston</td>
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</table>

Atwell                         Lewis
Absent

Banfield, Mrs. Johnson of Dallas
Barlow                        Kenard
Buchanan                    Leaverton
Burgess                      Murray
Cole of Harris               Parsons
Cole of Hunt                 Quilliam
Ehrle                        Ross
Floyd                       Smith of Jefferson
Glass                      Spilman
Haring                      Woods

SENATE BILL NO. 45 ON THIRD READING

Mr. Korkmas moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 45.

The motion prevailed by unanimous consent.

The Speaker laid before the House, on its third reading and final passage, S. B. No. 45, "A bill to be entitled "An Act authorizing Home-Rule cities having a population in excess of 60,000 and bordering on the Gulf of Mexico having beaches suitable for park purposes to establish a Beach Park Board of Trustees; requiring an election on the establishment of such Board; providing for the organization, and prescribing the powers and functions, of such Board; containing a severability clause; and declaring an emergency." The bill was read third time and was passed by the following vote:

Yeas—132
Adams of Lubbock
Adams of Titus
Allen
Andrews
Atwell
Bailey
Banfield, Mrs.
Barlow
Barrows
Barram
Bass
Berry
Blaine
Boysen
Bridges
Butler
Caldwell
Cannon
Carriker
Cole of Hunt
Collins
Connell
Cook
Cory
Cowen
Cowles
Crain
Crews
Curington
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Eburne
Fletcher
Floyd
Foreman
Garrison
Gibbons
Gladens
Gushing
Green
Grover
Guffey
Harding
Harrington
Haynes
Healy
Hefton
Hinson
Hollowell
Huebner
Hughes
Hughes of Grayson
Hughes of Dallas
Isaacs, Miss
James
Jamison
Jarvis

Nays—2
Adams of Titus
Allen
Andrews
Atwell
Bailey
Banfield, Mrs.
Barlow
Barrows
Barram
Bass
Berry
Blaine
Boysen
Bridges
Butler
Caldwell
Cannon
Carriker
Cole of Hunt
Collins
Connell
Cook
Cory
Cowen
Cowles
Crain
Crews
Curington
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Eburne
Fletcher
Floyd
Foreman
Garrison
Gibbons
Gladens
Gushing
Green
Grover
Guffey
Harding
Harrington
Haynes
Healy
Hefton
Hinson
Hollowell
Huebner
Hughes
Hughes of Grayson
Hughes of Dallas
Isaacs, Miss
James
Jamison
Jarvis

Absent
Banfield, Mrs.
Barlow
Buchanan
Cole
Cole of Harris
Ehrle
Floyd
Glass
Haring

Johnson of Dallas
Kenard
Leaverton
Murray
Quilliam
Ross
Smith of Jefferson
Spilman
Woods

Atwell
Lewis
Mr. Korkmas moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 48.

The motion prevailed by unanimous consent.

The Speaker laid before the House, on its third reading and final passage,

S. B. No. 48, A bill to be entitled “An Act amending Section 14 of Chapter 281, Acts of the 57th Legislature, Regular Session, 1961, which amended Chapter 287, Acts of the 53rd Legislature, Regular Session, 1953, providing additional terms of court, and providing that the county commissioner may change the terms of court whenever it may be necessary; and declaring an emergency.”

The bill was read third time.

(Mr. Wells In The Chair)

S. B. No. 48 was passed by the following vote:

<table>
<thead>
<tr>
<th>Yeas-139</th>
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</thead>
<tbody>
<tr>
<td>Adams of Lubbock Ballman</td>
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<td>Alonzo Barnes</td>
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<tr>
<td>Andrews Bass</td>
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<tr>
<td>Bailey Berry</td>
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<td>Blaine Kolbba</td>
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<td>Boysen Korkmas</td>
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<td>Bridges Kenneth</td>
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<td>Buchanan Larry</td>
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<td>Burgess Latimer</td>
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<tr>
<td>Butler Leaverton</td>
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<td>Caldwell Longoria</td>
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<td>Carrillo McCoppin</td>
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<td>Chapman McGregor</td>
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<td>Cole of Harris McLean</td>
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<td>Cole of Hunt McGregor</td>
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<td>Collins of El Paso McFarland</td>
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<td>Connell McElheny</td>
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<td>Cook Markgraf</td>
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<td>Green Roberts of Hill</td>
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<td>Grover Roberts of Dawson</td>
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<td>Guffey Ross</td>
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<td>Harrington Shannon</td>
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<td>Hayes Shipley</td>
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<td>Hefley Slack</td>
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<td>Heisler Smith of Bexar</td>
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<td>Hughes Stewart of Grayson of Galveston</td>
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<td>Hughes Stewart of Galveston</td>
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<td>Jamison Thurman</td>
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<td>Walker YESAK</td>
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<tr>
<td>Nays-2 Haring Lewis</td>
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<tr>
<td>Present—Not Voting Thurman</td>
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<td>Burgess Leaverton</td>
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<td>Chapman Ratcliff</td>
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<td>Cole of Harris Spillman</td>
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<td>Cotton Trevino</td>
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<td>Ehrie Whitfield</td>
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</table>
Mr. Korkmas moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 91.

The motion prevailed by the necessary two-thirds vote.

(Speaker In The Chair)

The bill was read third time.

S. B. No. 91 was passed by the following vote:

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<td>Wilson</td>
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Nays—41

Adams of Titus   Haring
Ahlin         Hollowell
Allen         Hughes of Dallas
Atwell        Isaacs, Miss
Barlow        Jarvis
Bartram       Johnson of Dallas
Buchanan      Johnson of Bell
Butler        Jones of Dallas
Chapman       Koliba
Collins       McGregor
Connell       of McLelan
Curington     Martin
Devey         Nugent
Duff, Miss    Osborn
Gibbons       Petex
Halo          Read
Harding       Richards

Nays—2

Adams of WilBon
Ehrle
McEl Paso
McElhany
Markgraf
Mollen
Murrey
Niemeyer
Pfitzzt
Pipkin
Preston
Price
Quilliam
Rapp
Ratcliff
Richardson
Roberts of Dawson
Roena
Schram
Shannon
Shipley
Smith of Bexar
Springer
Stewart
Thadmonton
Townsends
Trivino
Ward
Watson
Wills
Whitfield
Wilson
Yezak

Nays—2

Adams of WilBon
Ehrle
McEl Paso
McElhany
Markgraf
Mollen
Murrey
Niemeyer
Pfitzzt
Pipkin
Preston
Price
Quilliam
Rapp
Ratcliff
Richardson
Roberts of Dawson
Roena
Schram
Shannon
Shipley
Smith of Bexar
Springer
Stewart
Thadmonton
Townsends
Trivino
Ward
Watson
Wills
Whitfield
Wilson
Yezak
Mr. Korkmas moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 101.

The motion prevailed by unanimous consent.

The Speaker laid before the House on its second reading and passage to third reading.

S. B. No. 101. A bill to be entitled "An Act creating a Court of Domestic Relations for Galveston County, Texas; fixing the jurisdiction; conforming the jurisdiction of other courts thereto; fixing its term; providing the manner of selection, tenure and compensation of the Judge and other officers of said Court; providing the manner of and grounds for removal of the Judge of said Court; providing for the membership of the Juvenile Board of Galveston County; providing for the procedure of said Court; providing for the services of certain county and district officers to said Court; containing a saving clause; and declaring an emergency."

The bill was read second time

Mr. Stewart of Galveston offered the following amendment to the bill:

Amendment No. 1

Amend Senate Bill No. 101 by striking all language below the enacting clause and substituting therefor the following:

Section 1. There is hereby created a Court of Domestic Relations in and for Galveston County, Texas.

Sec. 2. The Judge of the Court of Domestic Relations hereby established shall be at least twenty-five (25) years of age and licensed to practice law in this State, who has been a practicing attorney or a judge of a court for four (4) years and a resident of Galveston County for two (2) years next before his election or appointment. He shall reside in Galveston County during his term of office. He shall be paid a salary of not more than Fourteen Thousand Dollars ($14,000) per year. His salary shall be paid out of the General Fund of Galveston County in twelve (12) equal monthly installments. The Juvenile Board shall be authorized to designate the Court of Domestic Relations as the Juvenile Court of Galveston County; Judges of the District Courts shall continue to receive such compensation for all judicial and administrative services required of them, from county funds as they are now entitled to receive or may hereafter be authorized to receive under general or special law.

Sec. 3. Said Court of Domestic Relations shall have jurisdiction within the limits of Galveston County concurrent with the Civil District Courts sitting in said county of all cases involving adoption, birth records, removal of disability of minority, and coverture, change of name of persons, delinquent child proceedings, neglected or dependent child proceedings, and all jurisdiction, powers and authority now or hereafter placed in the District Courts under the Juvenile and Child-Welfare laws of this State, and all divorce and marriage annulment cases, including the adjustment of property rights and custody, visitation and support of minor children involved therein, alimony pendente lite, final hearing and any and every other matter incident to divorce or annulment proceedings as well as independent actions involving child custody, visitation, support, or reciprocal support cases, contempt actions arising out of failure to pay child support and all other cases involving justiciable controversies and differences between spouses, or between parents, or between them,
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or one of them, and their minor children, which are now, or may hereafter be within the jurisdiction of the civil District Courts of Galveston County; and all cases in which children are alleged or charged to be dependent, neglected or delinquent children as provided by law. All cases enumerated or included above may be instituted in or transferred to said Court.

Sec. 4. The District Courts of Galveston County may transfer to said Court of Domestic Relations any and all cases, in their respective courts of which cases said Court of Domestic Relations is hereby given jurisdiction, including all files, papers, reports, records, and certified copies of all orders therefore entered in said cases.

Sec. 5. All writings and process issued by or out of a District Court prior to the time any case is transferred by said Court to the Court of Domestic Relations shall be returned and filed in the Court of Domestic Relations and shall be as valid and binding upon the parties to such transferred cases as though such writ or process had been issued out of the Court of Domestic Relations, and all waivers of process, and other instruments executed prior to the transfer of any case shall also be as valid and binding as though executed after such transfer.

Sec. 6. The said Court of Domestic Relations shall be a court of record with all and hold court at the county seat of Galveston County, shall have a seal and maintain all necessary dockets, records and minutes therein. The District Clerk of Galveston County shall serve as Clerk of said Court. He shall keep a fair record of all acts done and proceedings had in said Court and shall perform all such duties as are required generally of District Clerks insofar as the same may be applicable in this Court. The seal of said Court shall have a star of five points with the words "Court of Domestic Relations, Galveston County, Texas" engraved thereon.

Sec. 7. The term of office of the Judge of said Court of Domestic Relations shall be for a period of four (4) years, the first full term to commence on January 1, 1961. Immediately upon the effective date of this act, the Governor of the State of Texas shall appoint a suitable person as Judge of said Court, who shall hold office until the next general election and until his successor shall be duly elected and qualified. Thereafter, said Judge shall be elected as provided by the Constitution and laws of the State for the election of District Judges. He shall be subject to removal from office for the same reasons and in the same manner as is provided by the Constitution and laws of this State for removal of District Judges. Vacancies in the office shall be filled by appointment by the Governor.

Sec. 8. (a) There is hereby established a County Juvenile Board in and for the County of Galveston, to be known as the Galveston County Juvenile Board, which Board shall be composed of the County Judge, the Judge of County Court No. 2, the Judges of the several District Courts in and for Galveston County, and eight citizen members, four (4) to be appointed by the commissioners court of Galveston County; one (1) to be appointed by the galveston City Council; and (1) to be appointed by the City Commission of Texas City; one (1) to be appointed by the City Council of Lamarque; and one (1) to be appointed by the City Council of Hitchcock. The Judge of the Domestic Relations and Juvenile Court shall serve as chairman of the Juvenile Board. Citizen members of the Board shall serve for terms of two (2) years.

(b) The members of the Galveston County Juvenile Board shall receive no compensation for their services on said Board.

(c) The Judge of the Domestic Relations and Juvenile Court of Galveston County may appoint discreet persons of good moral character to serve as Juvenile Officer and Assistant Juvenile Officers for Galveston County. The Board shall fix the salaries and allowances for the said Juvenile Officer and Assistant Juvenile Officers and employ a clerk for said office, and the commissioners court shall provide the necessary funds for the payment of such salaries and expenses as may be necessary. All claims for expenses of the Juvenile Officer and Assistant Juvenile Officers shall be certified by the Chairman of the Board to the said county commissioners court as being necessary in the perform-
of the Revised

The Judge of the

The Judge of the Domestic Relations and Juvenile Court of Galveston County may remove the Juvenile Officer or an Assistant Juvenile Officer at any time.

The said Juvenile Officer and Assistant Juvenile Officers shall have the authority, powers and duties authorized and required by Article 5142 of the Revised Civil Statutes of Texas, 1925, and any amendments thereto.

(e) The Commissioners Court of Galveston County shall furnish automobiles for the official use of said Juvenile Officer and Assistant Juvenile Officers, and provide for the expense of operating the same, as recommended by the Board.

Sec. 9. The Juvenile Board and its members shall give counsel and advice to the Judge of the Court of Domestic Relations when deemed necessary or when sought by him, and shall cooperate with him in the administration of the affairs of said Court.

Sec. 10. All cases, applications, complaints and all other matters over which the Court of Domestic Relations has been given jurisdiction may be transferred to or instituted in said Court; said Court and the Judge thereof may transfer any such cases, complaints, or other matters to any District Court of Galveston County having jurisdiction thereof under the laws of the State of Texas, with the consent of the Judge of such Court, and the Judge of each District Court may try all such cases, complaints, or other matters which may be so transferred. Any Judge of a District Court of Galveston County may in his discretion precede as Judge of the Juvenile Court and of the Court of Domestic Relations and hear and determine all such cases, complaints, or other matters over which the Judge of such District Courts has jurisdiction under the laws of the State of Texas, with the same authority to act as Presiding Judge over all such cases, complaints, or other matters for all purposes, and to the same extent as the Judge of the Court of Domestic Relations, and such Judge of a District Court of Galveston County, Texas may sit in his own court room, the Juvenile Court Room, the court room of any other District Court within the county, or the Court of Domestic Relations and hear and determine any case, complaint, or matter pending in the Court of Domestic Relations, and such Judge of a District Court may at his discretion transfer any such case, complaint, or other matter over which his Court has jurisdiction under the laws of the State of Texas from the Court of Domestic Relations to his own court for trial and disposition. In the event of disqualification of the Judge of the Court of Domestic Relations to try a particular case or because of illness, inability, failure or refusal of said Judge to hold court at any time, the Juvenile Board may select a Special Judge who shall hold the court and proceed with the business thereof, or said Juvenile Board may request the Presiding Judge of their Administrative Judicial District of Texas to assign a Judge to handle the business of said court pursuant to the provisions of Article 206a of the Revised Civil Statutes of Texas, and said Judge so selected by the Board or assigned by the Presiding Judge shall be paid for his services in the same manner as provided by the Constitution and Laws of this State for the payment of District Judges assigned to sit for other District Judges.

Sec. 11. It shall be the duty of all officers, agents, and employees of the Probation Department, Child Welfare Board, County Welfare Office, County Health Office, and Sheriff and Constables of Galveston County to furnish to said Court such services in the line of their respective duties as shall be required by said Court, and all sheriffs and constables within the State of Texas shall render the same services and perform the same duties with reference to process and writs from said Court of Domestic Relations as required of them by law with reference to process and writs from District Courts.

Sec. 12. The Judge of the Court of Domestic Relations with the consent of the Commissioners Court may appoint a court reporter, who shall receive the same compensation as
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provided by law for court reporters of District Courts in Galveston County and whose salary shall be paid by the Commissioners Court of Galveston County. A bailiff may be designated by the Sheriff of Galveston County to serve the Court as in other courts of the county.

Sec. 12. In all suits for divorce where it appears from the petition or otherwise that the parties to such suit have a child or children under the age of eighteen (18) years, and in any other cases involving the custody of any child or children, the said Court or Judge thereof, in its or his discretion, may require such juvenile officer or investigator to make a thorough and complete investigation as to the necessities, environment and surroundings of the child or children and of the disposition that should be made of such child or children, and to make report thereof to the Court, and, if desired by the Court, to produce such evidence on any hearing in such case as may have been developed in connection with such investigation.

Sec. 14. The said Court and the Judge thereof shall have the power to issue writs of habeas corpus and mandamus, injunctions, temporary injunctions, restraining orders, orders of sale, execution, writs of possession and restitution, and any and all other writs as now or hereafter may be issued under the laws of this State by District Courts, when necessary or proper in cases or matters in which said Court of Domestic Relations has jurisdiction, and also shall have power to punish for contempt.

Sec. 15. The first term of such Court of Domestic Relations shall begin when the Judge thereof is duly elected and qualified, and remain in session until the first day of the following September; and its term shall thereafter begin on the first day of September of each year and remain in session continuously to and including the thirty-first day of August of the next year.

Sec. 16. Appeals in all civil cases from judgments and orders of said Court shall be to the Court of Civil Appeals of the First Supreme Judicial District as now or hereafter provided for appeals from District and County Courts and in all criminal cases appeals shall be to the Court of Criminal Appeals.

Sec. 17. The practice and procedure, rules of evidence, selection of juries, issuance of process and all other matters pertaining to the conduct of trials and hearings in said Court shall be governed by provisions of this Act and the laws and rules pertaining to District Courts; provided that juries shall be composed of twelve (12) members.

Sec. 18. The District Attorney of Galveston County shall prosecute or defend all cases involving children alleged to be dependent, neglected or delinquent, or in which the Probation Officer, Child Welfare Board, County Welfare Board, County Welfare Office, County Health Officer or any other welfare agency is interested.

Sec. 19. All laws and parts of laws in conflict herewith pertaining to the Juvenile Board of Galveston County, including S. B. 136, Acts of the 57th Legislature, Regular Session, 1961, be, and the same are hereby repealed.

Sec. 20. The effective date of this Act shall be September 1, 1962.

Sec. 21. If any section, clause, or part of this Act shall be held invalid, it is hereby declared to be the intention of the Legislature that the remainder thereof not held invalid shall remain in effect, and the validity of the remainder of this Act shall not be affected thereby.

Sec. 22. The fact that there is at present imperative need for combining all matters affecting domestic relations under the authority of a single court; the fact that cases involving marital relationships and domestic relations generally are inextricably interwoven with problems of juvenile delinquency and dependent and neglected children requiring that all such matters be handled by such court; and the further fact that due to an extreme increase in the population of the territory covered by this Court, and the resulting increase in the matters to be handled by such Courts 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 the same is hereby suspended; and that this Act shall become effective on September 1, 1962, and it is so enacted.

The amendment was adopted without objection.
Mr. Stewart of Galveston offered the following amendment to the bill:

Amendment No. 2

Amend Senate Bill No. 101 by amending the caption to conform to the body of the bill so that it reads as follows:

"A BILL
To Be Entitled

An Act creating a Court of Domestic Relations for Galveston County, Texas; fixing the jurisdiction; conforming the jurisdiction of other courts thereto; fixing its term; providing the manner of selection, tenure and compensation of the Judge and other officers of said Court; providing the manner of and grounds for removal of the Judge of said Court; providing the Juvenile Board of Galveston County; providing for appeals to higher courts; providing the procedure of said Court; providing for the services of certain county and district officers to said Court; containing a saving clause; and declaring an emergency."

The amendment was adopted without objection.

S. B. No. 101 was then passed to third reading.

MOTION TO PLACE SENATE BILL NO. 101 ON THIRD READING

Mr. Korkmaa moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 101 be placed on its third reading and final passage.

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

Year—100


The Speaker laid before the House for consideration at this time the following resolution:

S. C. R. No. 28
Be it resolved by the Senate of the State of Texas, the House of Representatives concurring, that the Joint Rules be and they are hereby suspended to allow either House to consider Senate Bill No. 65 at any time.

The resolution was referred to the Committee on Rules.

TO AUTHORIZE CERTAIN CORRECTION IN H. C. R. NO. 50

Mr. Richards offered the following resolution:

H. C. R. No. 50
Be it resolved by the House, the Senate concurring, that the House Engrossing and Enrolling Clerk be and is hereby empowered to correct the parties named in H. C. R. No. 28, a resolution granting permission to sue the State, to conform to those named in the Senate Amendment adopted to said resolution and concurred in by the House.

The resolution was adopted without objection.

SENATE BILL NO. 59 ON PASSAGE TO THIRD READING

The Speaker laid before the House, as pending business on its passage to third reading.

S. B. No. 59, A bill to be entitled "An Act authorizing the Commissioners Court, in all counties having a population in excess of One Hundred Forty Thousand (140,000) but not in excess of Two Hundred Thousand (200,000) according to the last preceding or any future Federal Census, and having an assessed valuation in excess of Two Hundred Fifty Million Dollars ($250,000,000) to allow each member of the Commissioners Court an adequate motor vehicle, providing for motor vehicle expense, providing for the expenditure of county funds, providing for an accounting, providing for non repeal of certain statutes concerning motor vehicle transportation, and declaring an emergency."

The bill was read second time on January 31, with amendment offered by Mr. Stewart of Galveston pending.

The amendment was adopted.

Mr. Stewart of Galveston offered the following amendment to the bill:

Amendment No. 2
Amend Senate Bill No. 59 by Schwartz by striking all above the enacting clause and substituting the following:

"A BILL To Be Entitled An Act authorizing the Commissioners Court, in all counties having a population in excess of One Hundred Forty Thousand (140,000) but not in excess of Two Hundred Thousand (200,000) according to the last preceding or any future Federal Census, and having an assessed valuation in excess of Two Hundred Fifty Million Dollars ($250,000,000) to allow each member of the Commissioners Court an adequate motor vehicle; providing for motor vehicle expense; providing for the expenditure of county funds; providing for an accounting; providing for non repeal of certain statutes concerning motor vehicle transportation; amending Section 4 of Chapter 427, Acts of the Fifty-Fourth Legislature, Regular Session, 1955, as last amended, which is codified as Section 4 of Article 3883i, Vernon's Texas Civil Statutes, so as to provide higher compensation for the County Judge of certain counties with high assessed values for tax purposes; and declaring an emergency."

The amendment was adopted.

S. B. No. 59 was then passed to third reading.
Mr. Stewart of Galveston moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 59 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas-107
Adams of Lubbock Hughes
Alanis of Grayson Andrews
Bailey Jamieson Banfield, Mrs. Johnson of Bexar
Barnes Jones of Travis Bartram Kilpatrick Bass
Blaine Korkman Boone Kothmann Bridges Lack
Burgess Lary Butler Leaverton Caldwell Longoria
Cannon McCoppin Carriker McGregor
Cole of Harris of McLennan Cole of Hunt Collins of El Paso
Connell Mollhany Cook Miller Cowies Moore
Crais Mullen Crow Murray Mutchter
de la Garza Niemeyer Duff, Miss Oliver
Dungan Peary Eckhardt Peeler Ehrlie
Esquivel Pipkin Fairchild Frescon Fletcher Price
Floyd Rapp Foreman Ratcliiff
Garrison Read Gibbens Richards Gladden Richardson
Glass Roberts of Hill Glasing Ross
Green Bosson Greens Schramm
Guffey Shannon Harrington Shipler Haynes Smith of Bexar
Healy Smith of Jefferson Heath Springsteen Hinton Stewart
Huebner of Galveston Stewart Walker
of Wichita Ward Tharman Watson
Tharmond Wells Townsend Whitfield
Turnell Wilson

Nays—26
Adams of Titus Isaacks, Miss
Allen Johnson of Dallas Atwell
Barlow Koliba Barry Lewis
Buchanan Markgraf Chapman Martin
Cotten Nugent Dewey Osborn
Hale Parsons Harling Petty
Hollowell Sandahl Hughes of Dallas Blider

The Speaker then laid Senate Bill No. 59 before the House on third reading and final passage.

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

Yeas—115
Adams of Lubbock Cole of Hunt Alants Collins Andrews
Alwell Cowen Bailey Cowles
Banfield, Mrs. Crain Barnes Crews
Barram Carrington Bass de la Garza
Blaine Duff, Miss Boysen Duncan
Bridge Eckhardt Burgess Ehrlie
Butler Esquivel Caldwell Fairchild Cannon
Carrriker Floyd Cole of Harris Foreman
SUSPENDING THE JOINT RULES TO CONSIDER S. B. NO. 65

The Speaker laid before the House for consideration at this time, S. C. R. No. 25, Suspending the Joint Rules to consider S. B. No. 65.

The resolution having heretofore been referred to the Committee on Rules and reported favorably by the Committee,

The resolution was adopted.

ADOPTION OF CONFERENCE COMMITTEE REPORT ON HOUSE BILL NO. 3

Mr. Cole of Harris submitted the following Conference Committee Report on House Bill No. 3:

Austin, Texas, February 1, 1962

Honorable Charles F. Herring
President Pro Tempore of the Senate

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

Sirs: We, your Conference Committee appointed to adjust the differences between the Senate and the House of Representatives on H. B. No. 3, have met and had same under consideration, and beg to report it back with the recommendation that it do pass in the form attached.

OWEN,
DIES,
REAGAN,
KRUEGER,

On the part of the Senate.

CRISS COLE,
VERNON STEWART,
TERRY TOWNSEND,
DON KENNARD,
McGREGOR of El Paso,

On the part of the House.

By Cole of Harris

H. B. No. 3

A BILL
To Be Entitled

An Act to define and regulate the business of lending money at rates of interest exceeding ten per cent (10%) per annum; to prohibit any person engaged in the business of making loans with cash advances of Eight Hundred Dollars
Be It Enacted By The Legislature of The State of Texas:

Section 1. Declaration of Legislative Intent.

The Legislature finds as facts and determines:

(a) Small loans such as installment loans, personal loans, and the like, constitute an extremely important segment of the economic life of the State. There exists among citizens of the State a widespread demand for such loans, a demand which has been increasing progressively due to a number of social and economic factors.

(b) Due to the lack of adequate regulation in this field some unethical and unscrupulous lenders are presently engaged in the business of making small loans and are subjecting borrowers to a variety of vicious abuses.

(c) Because of this situation, the Texas Legislative Council was requested to study the field of small loans and report its findings and recommendations to the Legislature.

(d) The Legislative Council found that small loans make an important and useful contribution to our society in that they provide the only means by which many individuals and families can secure credit necessary to improve their standards of living and to meet unforeseen emergencies.

(e) The Legislative Council also found that small loan credit operations in Texas have been characterized by a number of abuses on the part of some lenders such as overcharging on loans, pyramidling of loans and entrapment of borrowers, and that these abuses stem from the lack of adequate regulation. To curb these abuses the Legislative Council recommended the adoption of legislation designed to eliminate unethical and unscrupulous lenders, regulate and control business practices, curb abuses of borrowers and provide for reasonable and reasonable rates of charges for borrowers and lenders alike.

(f) These facts characterise and distinguish loans with cash advances of Eight Hundred Dollars ($800) or less from charging rates of interest exceeding ten per cent (10%) per annum unless such person is licensed; to authorize the licensing and regulation of persons engaged in such business; to permit licensees to charge a greater rate of interest than lenders not licensed hereunder; to prescribe maximum rates of interest that licensees are permitted to charge; to provide for administration and enforcement of this Act and the issuance of regulations and orders therefor; 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; to provide certain exceptions; to amend Chapter 144, Acts of the Forty-eighth Legislature, Regular Session, 1943, compiled as Article 4646b, Vernon's Annotated Civil Statutes, and Articles 5665, 5671 and 5673, Revised Civil Statutes of Texas, 1925; to repeal Chapter 472, Acts of the Fifty-second Legislature, Regular Session, 1931, compiled as Article 1524a-1, Vernon's Annotated Civil Statutes, and Chapter 17, Acts of the Fortieth Legislature, First Called Session, 1927, as last amended by Chapter 196, Acts of the Forty-ninth Legislature, Regular Session, 1945, compiled as Article 6165a, Vernon's Annotated Civil Statutes and Article 1529a, Vernon's Annotated Penal Code, and Subdivisions (5) and (6) of Article 19.01, Title 152A, Taxation-General, Revised Civil Statutes of Texas, 1925, and all other laws or parts of laws in conflict; to provide for severability; and declaring an emergency.

Be It Enacted By The Legislature of The State of Texas:

Sec. 1a. Short Title
This Act shall be known and may be cited as the "Texas Small Loan Act."
Sec. 2. Definitions.  
The following words and terms when used in this Act shall have the following meaning, unless the context clearly requires a different meaning.  The meanings applied to the singular forms shall also apply to the plural.

(a) "Person" means an individual, corporation and any other legal entity.

(b) "Licensee" means the authority to do business under this Act.

(c) "Licensees" means any person to whom one (1) or more licenses have been issued.

(d) "Commissioner" shall mean the Small Loan Commissioner of Texas.

(e) "Finance Commission" means the Finance Commission created by the Texas Banking Code of 1943.

(f) "Cash advance" means the total amount of charges specifically authorized by Section 16 of this Act, including interest, and those items specified in Section 16 of this Act.

Sec. 3. Office of Small Loan Commissioner Created.

(a) There is hereby created the Office of Small Loan Commissioner of the State of Texas.  The Commissioner shall be appointed by the Finance Commission and shall serve at the pleasure of the Finance Commission.  The Commissioner shall be an employee of the Finance Commission, subject to its orders and directions, and shall receive such compensation as is fixed by the Finance Commission.  The Commissioner is authorized to appoint and remove examiners and employees, and to prescribe the duties of each.  The number of examiners and employees to be appointed and the compensation to be paid them shall be approved by the Finance Commission.

(b) The Commissioner shall, from time to time as directed by the Finance Commission, submit to the Finance Commission a full and complete report of the receipts and expenditures of the Office of Small Loan Commissioner and the Finance Commission may, from time to time, examine the financial records of the Office of the Small Loan Commissioner, or cause them to be examined.

(c) All fees and revenues collected by the Office of Small Loan Commissioner from every source whatever shall be retained and held by said Office and shall be used only for the administration and enforcement of this Act.  No part of such fees and revenues shall ever be paid into the General Revenue Fund of the State; provided, however, that the Office of Small Loan Commissioner shall reimburse the Office of the State Auditor for the actual expense of each audit of the Office of the Small Loan Commissioner, and in addition, the Office of the Attorney General shall be reimbursed for the actual expenses incurred by the Office of the Attorney General in legal actions relating to the administration and enforcement of this Act.  All expenses incurred by the Office of Small Loan Commissioner shall be paid only from the fees and revenues of such Office and no such expenses shall ever be a charge on the General Revenue Fund of the State.
(d) The Commissioner shall appoint a Deputy Commissioner, such examiners and assistant examiners as may be required to examine all licensees under this Act annually and such employees as may be necessary to maintain and operate the Office of Small Loan Commissioner and to enforce the laws of this State relative to licensees under this Act. The Deputy Commissioner, the examiners and assistant examiners and all such officers and employees shall receive such compensation as shall be fixed by the Finance Commission. The Commissioner, the Deputy Commissioner, the examiners and assistant examiners shall, before entering upon the duties of office, take the oath of office required of appointive officers and make a fidelity bond in the sum of Ten Thousand Dollars ($10,000) payable to the Finance Commission and its successors in office, in individual, schedule or blanket form, executed by a surety appearing upon the list of approved sureties acceptable to the Finance Commission. The bond shall be in a form approved by the Finance Commission. The premiums for all such bonds shall be paid out of the fees and revenues collected by the Commissioner.

(f) The Commissioner shall supervise and shall regulate, as provided in this Act, all licensees and shall enforce the provisions of this Act, and the powers given to the Deputy Commissioner or any examiner or assistant examiner. The Commissioner, the Deputy Commissioner, each examiner and assistant examiner and each employee under this Act shall not be personally liable for damages occasioned by his official acts or omissions except when such acts or omissions are corrupt or malicious. The Attorney General shall defend any action brought against any of the above mentioned officers or employees by reason of his official act or omission whether or not at the time of the institution of the action the defendant has terminated his services with the Office of the Small Loan Commissioner.

Sec. 4. Scope. (a) On and after ninety (90) days from the effective date of this Act, no person shall, without first obtaining a license from the Commissioner, engage in the business of making loans with cash advances of Eight Hundred Dollars ($800) or less, and contract for, charge or receive, directly or indirectly, on or in connection with any such loan, any charges, whether for interest, compensation, insurance, consideration or expense or other thing or otherwise, which in the aggregate are greater than such person would be permitted by law to charge if he were not a licensee under this Act. During such ninety (90) day period, any person who has applied for such license, or filed written notice of intention to apply for such license with the Commissioner, and who has not been denied, shall be subject to all the provisions of this Act and may contract for, charge and receive authorized charges as if he were a licensee.

Sec. 5. Exemptions. (a) The provisions of this Act shall not apply to any of the following persons and the following transactions; nor shall any of such persons be eligible to receive a license under this Act:

(1) Any person doing business under the authority of and as permitted by the Texas Banking Code of 1943, as amended.

(2) Any person doing business under the authority of and as permitted by Articles 551 through 553, Revised Civil Statutes of Texas, 1911, and Chapter 61, Acts of the 41st
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Legislature, Second Called Session, 1959, as amended, relating to Building and Loan Associations.

(2) Any person doing business under the authority of and as permitted by Articles 2461 through 2484, Revised Civil Statutes of Texas, 1925, as amended, relating to Credit Unions.

(4) Any person doing business under the authority of and as permitted by Articles 1614 through 1619, Revised Civil Statutes of Texas, 1925, relating to Agricultural Finance Corporations.

(5) Any person doing business under the authority of and as permitted by Articles 2485 through 2499, Revised Civil Statutes of Texas, 1925, as amended, relating to Agricultural and Livestock Pools.

(6) Any person doing business under the authority of and as permitted by Articles 2500 through 2507, Revised Civil Statutes of Texas, 1925, as amended, relating to Agricultural Credit Cooperatives.

(7) Any person doing business under the authority of and as permitted by Articles 2513, Revised Civil Statutes of Texas, 1925, relating to Cooperative Credit Associations.

(8) Any person doing business under the authority of and as permitted by Articles 2514 through 2516, Revised Civil Statutes of Texas, 1925, relating to Farmers Cooperative Societies.

(9) Any person doing business under the authority of and as permitted by Articles 5178 through 5611, Revised Civil Statutes of Texas, 1925, relating to Markets and Warehouse Corporations.

(10) Any person doing business as an insurance company under the authority of and as permitted by the Insurance Code of Texas, as amended.

(11) Any person doing business under the authority of and as permitted by any law of the United States relating to National Banks, Federal Credit Unions or other Federal Lending Agencies or Institutions.

(12) Any person doing business as a pawnbroker under the authority of and as permitted by Articles 6148 through 6161, Revised Civil Statutes of Texas, 1925, when such person does not require the personal liability of the borrower in a loan transaction.

(13) Any person doing business under the authority of and as permitted by Article 1613, Revised Civil Statutes of Texas, 1925, and Chapter 588, Acts of the Fifty-fifth Legislature, Regular Session, 1957, relating to Trust Companies.

(b) The provisions of this Act shall not apply to any bona fide cash or credit sale of property permitted by the laws of the State of Texas, either at wholesale or retail.

Sec. 6. Application for License; Fees; Appointment of Agent.

(a) Application for a license shall be in writing under oath, and in the form prescribed by the Commissioner; shall give the location from which the business is to be conducted, and shall contain such relevant information as the Commissioner may require, including identification of the principal parties in interest, and the names and addresses of the principal owners, officers and directors, to provide the basis for the findings necessary under Section 7. Upon making application, the applicant shall pay One Hundred Fifty Dollars ($150) to the Commissioner as an investigation fee, and One Hundred Fifty Dollars ($150) as the annual fee provided in Section 8 of this Act for the current calendar year, provided that if the license is granted after June 30th in any year such fee shall be Seventy Five Dollars ($75.00) for that year. No person convicted of a felony or a misdemeanor or involving moral turpitude shall be eligible for a license hereunder.

(b) Every license shall maintain on file with the Commissioner a written appointment of a resident of this State as his agent for service of all judicial or other process or legal notice, unless the license has appointed a resident agent under another statute of this State.

(c) Every applicant shall also, at the time of filing such application, file with the Commissioner a bond satisfactory to him and in an amount not less than Ten Thousand Dollars ($10,000) with a surety company qualified to do business in this State as surety, whose total liability in the aggregate shall not exceed the amount of each bond so fixed. The amount of the bond shall be increased by Five Thousand Dollars ($5,000) for each additional office.
operated by the applicant within the State. The said bond shall run to the State for the use of the State and of any person or persons who may have cause of action against the obligor of said bond under the provisions of this Act. Such bond shall be conditioned that said obligor will faithfully conform to and abide by the provisions of this Act and of all rules and regulations lawfully made by the Commissioner hereunder, and will pay to the State and to any such person or persons any and all amounts of money that may become due or owing to the State or to such person or persons from said obligor under and by virtue of the provisions of this Act during the calendar year for which said bond is given.

Sec. 7. Issuance or Denial of License.

(a) Upon filing of such application, bond and payment of the required fees, the Commissioner shall investigate the facts and if he shall find the financial responsibility, experience, character and general fitness of the applicant are such as to command the confidence of the public and to warrant belief the business will be operated lawfully and fairly, within the purposes of this Act, and the applicant has financial responsibility for the purpose of making loans under this Act at the specified location liquid assets of at least Fifteen Thousand Dollars ($15,000), it shall be his duty to issue a license which shall be issued to the applicant a license which shall remain in full force and effect until relinquished, suspended, revoked, or has expired. Every licensee shall on or before December 10th each year, pay the Commissioner One Hundred Fifty Dollars ($150.00) for each license held by him, as the annual fee for the succeeding calendar year. If the annual fee remains unpaid fifteen (15) days after written notice of delinquency has been given to the licensee by the Commissioner, the license shall thereupon expire, but not before December 31st of any year for which an annual fee has been paid.

(c) Every licensee shall maintain liquid assets of at least Fifteen Thousand Dollars ($15,000), either used or readily available for use in the
conduct of the business of each licensed office.

Sec. 9. Offices; Removal. 

(a) A license shall be required for each office operated under this Act. The Commissioner may issue more than one (1) license to any one (1) person, but no more than sixty (60) licenses to any one (1) person upon compliance with this Act and to each licensee. And it shall be unlawful for any person after the effective date of this Act, directly or indirectly, to hold or have an interest in more than sixty (60) licenses, the business thereof, or any interest in such licenses. Nothing contained herein, however, shall be construed to require a license for any place of business devoted to accounting or other record keeping and where loans under this Act are not made.

(b) When a licensee wishes to move his office to another location in the same city or town in which the license was originally granted, he shall give thirty (30) days' written notice to the Commissioner who shall amend the license accordingly. In such event, the licensee shall also give fifteen (15) days' written notice of his intention to remove his office to each of the borrowers having a loan outstanding at such office.

When a licensee wishes to move his office from a location in one city or town to a location in another city or town, he shall make application to the Commissioner for permission to make such change. The Commissioner, if he finds that the interests of the city or town will be served thereby, shall endorse on the license a transfer to such new place of business with the date of such transfer, which endorsement shall be authority for the operation of the business under the license at the new location.

Sec. 10. Revocation; Suspension; Surrender; Reinstatement of License. 

(a) The Commissioner shall, after notice and hearing, revoke any license if he finds that:

1. The licensee has failed to pay the annual license fee imposed by this Act, or an examination fee, investigation fee or other fee or charge imposed by the Commissioner under the authority of this Act; or that

2. The licensee, either knowingly or without the excuse of due care to prevent the same, has violated any provision of this Act or any regulation or order lawfully made pursuant to and within the authority of this Act, or that

3. Any fact or condition exists which, if it had existed or had been known to exist at the time of the original application for such license, clearly would have justified the Commissioner in refusing to issue such license.

The hearing shall be held upon twenty (20) days' written notice in writing setting forth the time and place thereof and a concise statement of the facts alleged to sustain the revocation. The hearing shall be full, fair and public. Such revocation and its effective date shall be set forth in a written order accompanied by findings of facts and a copy thereof shall be forthwith delivered to the licensee. Such order, findings and the evidence considered by the Commissioner shall be filed with the public records of the Commission.

(b) If the Commissioner finds that probable cause for revocation of any license exists and that enforcement of the Act requires immediate suspension of such license pending investigation, he may, upon ten (10) days' written notice and a hearing, enter an order suspending such license for a period not exceeding three (3) months.

(c) Any licensee may surrender any license by delivering it to the Commissioner with written notice of its surrender, but such surrender shall not affect his civil or criminal liability for acts thereto.

(d) No revocation, suspension, or surrender of any license shall impair or affect the obligation of any pre-existing lawful contract between the licensee and any borrower.

(e) The Commissioner may reinstate suspended licenses or issue new licenses to a person whose license or licenses have been revoked if no fact or condition then exists which clearly would have justified the Commissioner in refusing originally to issue such license under this Act.

Sec. 11. Examination of Licensees; Access to Records; Investigations; Injunctions.

(a) At least once each year and at such other times as the Commissioner shall deem necessary, the Commissioner, or his duly author-
is an authorized representative shall make an examination of the place of business of each licensee and shall inquire into and examine the loans, transactions, books, accounts, papers, correspondence, and records of such licensee (so far as they pertain to the business regulated by this Act. In the course of such examination, the Commissioner or his duly authorized representative shall have free access to the office, places of business, files, safes, and vaults of such licensee, and shall have the right to take or to make copies of such books, accounts, papers, correspondence and records. The Commissioner or his duly authorized representative may, during the course of such examination, administer oaths and examine any person under oath upon any subject pertinent to any matter about which the Commissioner is authorized or required by this Act to consider, investigate, or secure information. Any licensee who shall fail or refuse to let the Commissioner or his duly authorized representative examine, take, or make copies of such books, accounts, papers, or other documents shall thereby be deemed in violation of this Act and such failure or refusal shall constitute grounds for the suspension or revocation of such license. The information obtained in the course of such examination shall be confidential. Each licensee shall pay to the Commissioner the cost of the examination but not to exceed Fifty Dollars ($50) per day per examiner and the total cost of examinations assessed and charged a licensee in any one (1) calendar year shall not exceed Two Hundred Fifty Dollars ($250) for each licensed office.

For the purpose of discovering violations of this Act or of securing information required hereunder, the Commissioner or his duly authorized representatives may investigate the books, accounts, papers, correspondence and records of any licensee or other person who the Commissioner has reasonable cause to believe is violating any provision of this Act whether or not such person shall claim to be within the authority or scope of this Act. For the purposes of this subsection any person who advertises for, solicits, or him or herself out as willing to make loans with cash advances in the amount or the value of Eight Hundred Dollars ($800) or less, shall be presumed to be engaged in the business described in Section 4 of this Act.

(c) In the course of any examination or investigation or hearing looking to the enforcement or administration of any provision of this Act, the Commissioner may require by subpoena or summons, issued by the Commissioner addressed to any peace officer within this State, the attendance and testimony of witnesses, and the production of books, accounts, papers, correspondence, or records (excepting such as are absolutely necessary for the continued course of business) which such books, accounts, papers, correspondence, or records the Commissioner shall have the right to examine, or cause to be examined, at the office, or place of business, and to require copies of such portions thereof as may be deemed necessary touching the matter in question, which copies shall be verified by affidavit of such concern or an officer of such concern, and shall, when certified by the Commissioner, be admissible in evidence in any investigation or hearing under this Act, or in any appeal to the District Court of Travis County, Texas, as provided by this Act and for this purpose the Commissioner may sign subpoenas, administer oaths and affirmations, examine witnesses and receive evidence. In case of disobedience of any subpoena, or of the contempt of any witness appearing before the Commissioner, the Commissioner may invoke the aid of the district court within whose jurisdiction any witness may be found, and such court may thereupon issue an order requiring the person subpoenaed to obey the subpoena or give evidence, or produce books, accounts, correspondence, records and other documents touching the matter in question. Upon the filing of such application to enforce such subpoena which application shall be treated in the same manner as a motion in a civil suit pending in said court, the court shall forthwith set such application down for hearing and shall cause a notice of the filing of such application and of such hearing to be served upon the party to whom such subpoena is directed. Such notice may be served by any Peace officer in the State of Texas. Such application shall take precedence over all other matters of a
different nature pending before such court. Any failure to obey such order of the court may be punished by such court as contempt thereof.

(d) In the course of any examination, investigation or hearing described in subsection (e) of this section, the Commissioner may appoint a hearing officer to conduct such examination, investigation or hearing, and such hearing officer shall be vested for the purpose of such examination, investigation or hearing with the same power and authority as the Commissioner would have if he were personally conducting such examination, investigation or hearing, provided that such hearing officer shall not be authorized to make any order upon the subject matter of such examination, investigation or hearing; and provided further that the record of any examination, investigation or hearing conducted before the hearing officer may be considered by the Commissioner in the same manner and to the same extent as evidence that is adduced before him personally in any examination, investigation or hearing.

(e) The fees for serving the subpoenas shall be the same as that paid a sheriff or constable for similar services. Each witness required to attend before the Commissioner shall receive for each day's attendance, the sum of Two Dollars ($2) and shall receive in addition the sum of Ten Cents (10¢) for each mile traveled by such witness by the usual route going to or returning from the place where his presence is required, provided that such fees shall not become payable until the witness has actually appeared at such hearing. All disbursements made in the payment of such fees shall be included in and paid in the same manner as is provided for other expenses incident to the administration and enforcement of this Act.

(f) The fees, expenses and costs incurred in or in connection with any hearing may be imposed by the Commissioner upon any party in interest to the record or may be divided between any and all parties in interest to the record in such proportion as the Commissioner may determine.

(g) Whenever the Commissioner has reasonable cause to believe that any licensee or any other person is violating, or is threatening to violate any provision of this Act, he may in addition to all actions provided for in this Act and without prejudice thereto enter an order requiring such person to desist or to refrain from such violation; and an action may be brought in the District Court of Travis County, Texas, or in any district court of this State, on the relation of the Attorney General at the request of the Commissioner, to enjoin such person from engaging in or continuing such violation or from doing any act or acts in furtherance thereof. In any such action, an order or judgment may be entered awarding such preliminary or final injunction as may be deemed proper. In addition to all other means provided by law for the enforcement of a restraining order or injunction, the court in which such action is brought shall have power and jurisdiction to impound, and to appoint a receiver for the property and business of the defendant, including books, papers, documents and records pertaining thereto or so much thereof as the court may deem reasonably necessary to prevent violations of this Act through or by means of the use of said property and business. Such receiver, when appointed and qualified, shall have such powers and duties as to custody, collection, administration, winding up and liquidation of such property and business as shall from time to time be referred upon him by the court. This provision shall be cumulative of Articles 2592 through 2599, inclusive, Revised Civil Statutes of Texas, 1925, as amended.

Sec. 12. Records; Annual Reports. (a) Each licensee shall keep in this State such books and records as are necessary to enable the Commissioner to determine whether the licensee is complying with this Act. Such books and records shall be consistent with accepted accounting practices.

Each licensee shall preserve such books and records in this State for at least two (2) years after making the final entry of any loan recorded therein. Each licensee's system of records shall be accepted if it discloses such information as may be reasonably required under Section 18 of this Act. All obligations signed by borrowers shall be kept at an office in this State designated by
the licensee, except when hypothe-
cated under an agreement by which
the creditor gives the Commissioner
access thereto.

(b) Each licensee shall annually
on or before the first day of April
file a report with the Commissioner
giving such relevant information as
the Commissioner may reasonably
require concerning the business and
operations during the preceding cal-
endar year for each licensed place
of business conducted by such li-
censee within the State. In addition
to all other information reasonably
required by the Commissioner such
report shall show, among other
things, a detailed breakdown of each
expense for advertising, public
relations, legal fees and consultant
fees of any nature. Such breakdown
shall show the amount of such
expenditure, the name and address
of the person receiving such expendi-
ture, and the purpose of such ex-
penditure. Such report shall be made
under oath and shall be in the form
prescribed by the Commissioner,
who shall make and publish annual-
ya consolidated analysis and re-
capitulation of such reports. Failure
to file a report within the time speci-
fied, filing a report with omissions
or filing a false report shall be suf-
ficient grounds for the irrevocable
revocation of a license.

Sec. 13. Regulations; Copies; Public Record.

(a) The Commissioner may make
regulations necessary for the en-
forcement of this Act and consistent
with all of its provisions. Each such
regulation shall include reference
to the section or subsection to
which it applies. Before making a
regulation, the Commissioner shall
give every licensee at least twenty
(20) days written notice of a public
hearing, stating the time and place
thereof and the terms or substance
of the proposed regulation. At the
hearing, any licensee may be heard
and may introduce evidence data or
arguments or place the same on file.
After consideration of all relevant
matter presented, the Commissioner
shall promulgate every regulation in
written form stating its effective
date and the date of promulgation.
Each regulation shall be entered in
a permanent book which shall be a
public record and be kept in the
Commissioner’s office. A copy of
every regulation shall be mailed to
each licensee and no regulation shall
become effective until the expira-
tion of at least twenty (20) days
after such mailing.

(b) On application of any person
and payment of the costs thereof,
the Commissioner shall furnish,
under his seal and signed by him
or his deputy, a certificate of good
standing, a certified copy of any li-
cense, regulation or order.

(c) Any transcript of any hearing
held by the Commissioner or find-
ings by the Commissioner under
this Act shall be a public record and
open to inspection at all reasonable
times.


No licensee shall advertise or cause
or permit to be advertised, in any
manner whatsoever, any false, mis-
leading or deceptive statement or
representation with regard to the
rates, terms or conditions for loans.
If rates are stated in advertising, the
Commissioner may require them to
be stated fully and clearly.

No licensee under this Act shall
use any advertising stating that said
license is licensed by, or regulated
by, the State of Texas, or any agency
thereof; nor shall such licenses use
words of similar import for advertis-
ing purposes.

Sec. 15. More Than One Business
in Single Office.

(a) A licensee may conduct
the business of making loans under
this Act within any office, suite, room
or place of business in which any other
business is solicited or engaged in,
or in association or conjunction with
any other business, unless the Com-
mmissioner shall find, after a
hearing, that the conduct by the licensee of
such other business in the particular
licensed office has created or resulted
in a conflict of interest or thi			alent
of this Act and shall order such li-
censees, in writing, to cease from
such conduct in such office; pro-
vided, however, no licensee shall
operate an insurance business in any
office where loan business is con-
ducted under authority of this Act.

(b) No licensee shall maintain or
conduct the business of making loans
provided for by this Act under any name,
or at any place of business within this
State, other than that stated in the
license.

(c) Nothing in this Act shall be
 construed to limit the loans of any
licensees to residents of the com-
munity in which the licensed office is situated or to prohibit the licensee from making loans by mail.

Sec. 16. Maximum Interest Rates. (a) Every licensee may contract for and receive on any loan of money, not exceeding Eight Hundred Dollars ($800) the following maximum authorized charges:

(1) Three per cent (3%) per month on any part of the unpaid principal balance up to, including, but not in excess of One Hundred Dollars ($100).

(2) Two and one half per cent (2 1/2%) per month on any part of the unpaid principal balance in excess of One Hundred Dollars ($100), up to, including, but not in excess of Two Hundred Dollars ($200).

(3) Two per cent (2%) per month on any part of the unpaid principal balance in excess of Two Hundred Dollars ($200), up to, including, but not in excess of Three Hundred Dollars ($300).

(4) Five-sixths of one cent (5/6%) per month on any part of the unpaid principal balance in excess of Three Hundred Dollars ($300) up to, including, but not in excess of Eight Hundred Dollars ($800).

(b) Every loan contract shall provide for repayment of principal and authorized charges thereon according to the terms of each loan contract.

(d) In addition to the authorized charges provided in this Act no further or other charge or amount whatsoever shall be directly, or indirectly, charged, contracted for, or received. This includes (but is not limited by) all charges such as fees, compensation, insurance except as authorized in Section 17, commissions, brokerage, discounts, expenses and every other charge of any nature whatsoever, whether of the types listed herein or not. Without limitation of the foregoing, such charges may be any form of costs or compensation whether contracted for or not, received by the licensee, or any other person, in connection with (1) the investigating, arranging, negotiating, procuring, guaranteeing, making, servicing, collecting, or enforcing of a loan; or (2) for the forbearance of money, credit, goods or things in action; or (3) for any other service or services performed or offered. However, the prohibitions set out herein shall not apply to amounts actually incurred by a licensee as court costs; attorney fees assessed by a court; lawful fees for filing, recording, or releasing in any public office any instrument securing a loan; the reasonable cost actually expended for repossession, storing, or selling any security; or fees for noting a lien or on transferring a certificate of title to a motor vehicle offered as security for a loan made under this Act.

(e) If any amount in excess of the authorized charges permitted by this Act is charged, contracted for, or received, except as the result of an accidental and bona fide error of computation, the contract of loan shall be void as against public policy and the licensee shall forfeit to the borrower an amount equivalent to the amount of the loan, together with all charges. In addition, the licensee and the several members, officers, directors, agents, and employees thereof who shall have violated or participated in such violation shall be guilty of a misdemeanor and upon conviction thereof shall be punishable by a fine of not more than One Thousand Dollars ($1,000) and not less than One Hundred Dollars ($100) or by confinement in the county jail for not more than six (6) months, or by both such fine and confinement.

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In addition, the borrower shall be entitled to recover reasonable attorney fees incurred by him in any legal action brought to enforce any rights or penalties provided in this Act, when he prevails in such suit and such attorney fees shall be taxed as costs in such suit.

Sec. 17. Insurance.

A licensee may require a borrower to purchase property insurance on the face value of any property securing the loan, without including the charges therefore 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 or corporation which owns an interest in the licensee, or in which the licensee owns any interest, or which is as much as ten per cent (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 insurer or any person, firm or corporation which owns an interest in the insurer, 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.

2. The premium rates therefor are fixed and regulated by the State Board of Insurance of the State of Texas.

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

4. The license does not by any means, direct or indirect, encourage or require the purchase of such insurance from the insurer nor through any agent or other person, firm or corporation designated or indicated by the licensee.

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 practices, 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 cause 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.

Sec. 18. Licensee's Duty to Borrower.

(a) When a loan is made, the licensee shall deliver to the borrower, or, if more than one (1), to one (1) of them, a signed copy of the note or loan contract in the English language showing the following information:

1. The name and address of the borrower and of the licensee;

2. The date and amount of the cash advance, the maturity date, and the agreed schedule of payments or a description of such payments;

3. The nature of the security, if any;

4. The rates of authorized charges contracted for as authorized by this Act, and the effective rate of interest.
Sec. 22. Borrower Remedies.

Any loan contract which violates any provision of this Act shall be void and the lender shall have no right to collect, receive or retain any principal or authorized charges. In addition, the borrower shall be entitled to recover reasonable attorneys fees incurred by him in any legal action brought to enforce any rights or penalties provided by this Act when he prevails in such suit, and such attorneys fees shall be taxed as costs in such suit.

Sec. 24. Loans Under $50.

It is the specific legislative intent in enacting this Act that each licensee under this Act shall make at least five per cent (5%) of his loans to borrowers seeking loans of Fifty Dollars ($50) or less. No licensee shall refuse to make a loan of Fifty Dollars ($50) or less to any borrower who meets the general borrower requirements established by the licensee. No licensee shall induce or encourage any borrower seeking a loan of Fifty Dollars ($50) or less to borrow a greater sum of money. The Commissioner shall examine the loan records of each licensee to insure that the licensee is complying with the provisions of this Section. If the Commissioner finds that any licensee is refusing to comply with the provisions of this Section, he shall forthwith revoke the license of such licensee.

Sec. 25. Disposition of Fees and Revenues.

All fees and other revenues received by the Commissioner under the provisions of this Act shall be used for the administration of this Act and shall be funded and disbursed in accordance with the provisions of the Banking Department Self-Support and Administration Act.


The Commissioner shall report to each Regular Session of the Legislature his findings and recommendations as to amendments to this Act which would provide more efficient and effective licensing, regulation and administration.
Sec. 27. Hearings and Review.
(a) At all hearings before the Commissioner under the provisions of this Act, parties in interest shall have the right to appear in person and by counsel, and to present oral and written evidence. If requested by a party in interest, a record shall be made of all evidence offered by each party and any other evidence considered by the Commissioner.

(b) Any party in interest aggrieved by any order, ruling or decision of the Commissioner may, within thirty (30) days after the date of entry, file in the District Court of Travis County, Texas, a petition against the Commissioner officially as defendant, alleging therein in brief detail the order, ruling or decision complained of and praying for a reversal or modification thereof. The Commissioner shall within twenty (20) days after the service upon him of such petition, certify to said District Court the record of the proceedings to which the petition refers, or such portion thereof as may be requested by the petitioner. The cost of preparing and certifying such record shall be paid to the Commissioner by the petitioner and taxed as a part of the costs in the case. Upon the filing of an answer by the Commissioner, the case before the District Court shall be at issue, without further pleadings, and upon application of either party shall be advanced and heard without further delay. The order of the Commissioner shall be sustained unless the hearing was conducted in a manner contrary to the rudiments of a fair hearing; or if the order was based upon an error of law which affected petitioner's substantial rights; or was arbitrary, capricious or unreasonable; or if the findings of fact were not reasonably supported by substantial evidence in the record, considered as a whole, adduced before the Commissioner. Provided, however, that any appeal to the District Court of Travis County, Texas, of an order, ruling or decision of the Commissioner, refusing to grant a license or licenses to an applicant or revoking the licenses or licenses of a licensee, such appeal shall be upon trial de novo as that term is used in appealing from justice of the peace court to county court.

(c) Upon a showing of good cause therefor by a party in interest, the Commissioner or the Court may enter an order staying, pending appeal, the effect of an order of the Commissioner from which the party in interest desires to appeal.

Sec. 28. Pre-Existing Contracts.

No modification, amendment, or repeal of this Act or any part thereof shall impair or affect any pre-existing lawful contract.


Chapter 144, Acts of the 48th Legislature, Regular Session, 1943, as amended by Acts of the 49th Legislature, Regular Session, 1945, is hereby amended to read as follows:

"Section 1. The State of Texas through its Attorney General, or any district or county attorney, may institute a suit in the district court to enjoin any person, firm or corporation or any officer, agent, servant or employee of such person, firm, or corporation who is engaged in the business of habitually loaning money for the use and detention of which usurious interest has been charged against or contracted to be paid by the borrower, from demanding, receiving or by the use of any means attempting to collect from the borrower usurious interest on account of any loan or from thereafter charging any borrower usurious interest, or contracting for any usurious interest. All persons, firms or corporations, and their agents, officers, servants and employees similarly engaged in making loans of money as herein defined, who reside in the same county, may be joined in a single suit and no plea of mistake of parties defendant shall ever be available to any defendant in such suit.

Sec. 2. By the term 'habitually' as used in this Act is meant the making of as many as three (3) loans on which or in connection with which usurious interest is charged or contracted for within a period of six (6) months preceding the filing of any such suit.

By the term 'usurious interest' as used in this Act is meant interest at a rate in excess of ten per centum (10%) per annum, unless as to any
class of credit transactions a higher rate of interest is fixed, as in the Texas Small Loan Act, Acts of the 57th Legislature, Third Called Session, 1962, or other Acts fixing maximum interest rates, then as to such transactions, the term 'usurious interest' means interest at a rate in excess of that allowed by law.

Sec. 2a. Nothing in this Act shall in any way modify, alter or change any valid provision of Article 8 of Chapter 5 of House Bill No. 79, Acts of the Regular Session, 48th Legislature, nor shall anything in this Act prevent charging of any actual and necessary expense, now or hereafter permitted and authorized by law, and such shall not be considered interest.

In the trial of any application for injunction under this Act there shall exist a prima facie presumption that the actual and necessary expenses of making any such loan was One Dollar ($1) for each Fifty Dollars ($50), or fractional part thereof loaned; but this prima facie presumption shall extend only to the first note or debt owing at the same time by an individual to any person, firm, corporation, partnership or association, and shall not apply to any renewal or extension thereof unless the original note or debt and all extensions thereof were for a period of not less than sixty (60) days.

Sec. 3. In any such suit venue shall lie in the county of the residence of a defendant, or in a county where such business of loaning money is being conducted by such defendant.

Sec. 4. If any section, sentence, phrase or part of this Act shall be held unconstitutional, such unconstitutionality shall not affect the validity of the remaining portions thereof.

Sec. 20. Amending Article 5069, Revised Civil Statutes of Texas, 1925.

Article 5069, Revised Civil Statutes of Texas, 1925, is hereby amended to read as follows:

"Article 5069. Definitions.

Interests are the compensation allowed by law or fixed by the parties to a contract for the use or forbearance or detention of money; 'legal interest' is that interest which is allowed by law when the parties to a contract have not agreed upon any particular rate of interest; and 'conventional interest' is that interest which is agreed upon and fixed by the parties to a written contract. The maximum rate of interest shall not exceed that specifically fixed by the Legislature as in the Texas Small Loan Act, Acts of the 57th Legislature, Third Called Session, 1962, or other legislation; provided, however, in the absence of such legislation fixing maximum rates of interest, a greater rate of interest than ten per centum (10%) per annum shall be deemed usurious. "Usury" is interest in excess of the amount allowed by law; all contracts for usury are contrary to public policy and shall be void."

Sec. 21. Amending Article 5071, Revised Civil Statutes of Texas, 1925.

Article 5071, Revised Civil Statutes of Texas, 1925, is hereby amended to read as follows:

"Article 5071. Limit on Rate.

Except where otherwise specifically provided by the Legislature, as in the Texas Small Loan Act, Acts of the 57th Legislature, Third Called Session, 1962, the parties to any written contract may agree to and stipulate for any rate of interest not exceeding ten per centum (10%) per annum on the amount of the contract, and except as provided in this Article all other written contracts whatsoever, which may in any way, directly or indirectly, provide for a greater rate of interest shall be void and of no effect for the amount or value of the interest only; but the principal sum of money or value of the contract may be received and recovered."

Sec. 32. Amending Article 5073, Revised Civil Statutes of Texas, 1925.

Article 5073, Revised Civil Statutes of Texas, 1925, is hereby amended to read as follows:

"Article 5073. Action on Usurious Rate.

Within two (2) years after the time that a greater rate of interest than that fixed in the Texas Small Loan Act, Acts of the 57th Legislature, Third Called Session, 1962, or by some other Act of the Legislature, but, if no other rate is so...
fixed, then ten per centum (10%) per annum, shall have been received or collected upon any contract, the person parting the same or his legal representative may by an action of debt recover double the amount of such interest from the person, firm or corporation receiving the same. Such action shall be instituted in any court of this State having jurisdiction thereof, in the county of the defendant's residence, or in the county where such nuisance interest shall have been received or collected, or where said contract has been entered into, or where the parties who paid the usurious interest resided when such contract was made.

Sec. 32. Certain Statutes Inapplicable.

Chapter 144, Acts of the 48th Legislature, Regular Session, 1943, compiled as Article 4646b, Vernon's Annotated Civil Statutes, and Articles 5669, 5071 and 5073, Revised Civil Statutes of Texas, 1925, where inconsistent with this Act are hereby repealed. All other laws in this Act, and except that nothing herein contained in this Act shall affect those laws specified and exempted in Section 6 herein. Provided, further, that the amendment or repeal of any law of this State by this Act shall not affect any right accrued, or established, or any liability or penalty incurred under the provisions of any such other laws prior to the amendment or repeal thereof.

Sec. 33. Severability.

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 provisions or application, and to this end the provisions of this Act are declared to be severable.

Sec. 36. Emergency Clause.

The fact that the vote of Texas adopted by an overwhelming majority, a Constitutional Amendment on November 3, 1960, directing the Legislature to classify loans and lenders, license lenders, define interest and regulate lenders to prevent the charging of exorbitant rates of interest and to prevent other abuses, creates an emergency and an imperative public necessity that the Legislature carry out this mandate of the people and creates a public necessity and emergency that the Constitutional Rule requiring bills to be read on three several days in each house be suspended, and the same is hereby suspended, and this Act shall take effect and be in force from and after August 31, 1965, and it is so enacted.

Mr. Cole of Harris moved that the House adopt the Conference Committee Report on House Bill No. 3.

The Conference Committee Report on House Bill No. 3 was adopted by the following vote:

Yeas—87

Adams of Lubbock
Duncan
Dungan
Alanis
Eckhardt
Andrews
Enquist
Atwell
Fletcher
Saxley
Garrin
Sailey
Barlow
Gibbens
Barram
Gladden
Barlow
Green
Bridges
Guffey
Buller
Hale
Butler
Caldwell
Carricker
Canon
Carrion
Cole of Harris
Harrington
Cole of Hunt
Hewitt
Collins
Hollowell
Connell
Huemer
Cook
Hughes
Cory
Dewey
Cory of Grayson
Hughes of Dallas
Duff, Miss
Isaacks, Miss
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Mr. Cole of Harris moved to reconsider the vote by which the Committee Report on H. B. No. 5 was adopted and to table the motion to reconsider.

A record vote was requested on the motion to table.

The motion to table was lost by the following vote:

<table>
<thead>
<tr>
<th>Yeas</th>
<th>Nays</th>
</tr>
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<tbody>
<tr>
<td>Adams of Lubbock</td>
<td>Adams of Titus</td>
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<tr>
<td>Lary</td>
<td>Jones of Dallas</td>
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<td>Leaverton</td>
<td>Johnson of El Paso</td>
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<td>Lack</td>
<td>Kilpatrick</td>
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<td>Leary</td>
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<td>McCall</td>
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<td>McIlhany</td>
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<td>Markgraf</td>
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<td>Martin</td>
<td>Shannon</td>
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<td>Miller</td>
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<td>Pearson</td>
<td>Wells</td>
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<td>Peeler</td>
<td>Whittington</td>
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<td>Perry</td>
<td>Wilson</td>
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<td>Quilliam</td>
<td>Wilson</td>
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<tr>
<td>Ratcliff</td>
<td>Wilson</td>
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<tr>
<td>Read</td>
<td>Wilson</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Nays</th>
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<tbody>
<tr>
<td>Adams of Titus</td>
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<tr>
<td>Alan</td>
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<td>Houston</td>
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<td>James</td>
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<td>Jarvis</td>
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<td>Jones of Bell</td>
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<td>Jones of Dallas</td>
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<tr>
<td>Chapman</td>
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<tr>
<td>Mullen</td>
</tr>
</tbody>
</table>

Absent

Cock
Cory
Cotter
Cowen
Cowen
Crain
Crews
Cushing
Echols
Earles
Fairchild
Floyd
Foreman
Glass
Connell
Harding
Mr. Oliver called from the Journal the motion to reconsider the vote by which the Conference Committee Report on H. B. No. 3 was adopted.

The motion to reconsider the vote by which the Conference Committee Report on H. B. No. 3 was adopted, was lost by the following vote:

_Yeas—67_  
Adams of Titus  
Allen  
Andrews  
Arts  
Ballman  
Banfield, Mrs. M.  
Banes  
Bass  
Boyes  
Buchanan  
Burgess  
Butler  
Connell  
Cook  
Cory  
Cotten  
Cowe  
Craiz  
Cunnington  
de la Garza  
Ehlie  
Oliver  
Pipkin  
Price  
Parsons  
Refton  
Reid  
Kohler  
Smith of Bexar  
Smith of Jefferson  
Jarvia  
Johnson of Dallas  
Johnson of Dallas  
Johnson of Bell  
Jones of Dallas  
Jones of Travis  
Kilkpatrick  
Kohler  
Koliba  
Korkmaz  
Kothmann  
Latimer  
Lewis  
Longoria  
McCoplin  
McGregor of McLennan  
McGregor  
McGregor of McLennan  
Moore  
Mullen  
Murray  
Mutchester  
Absence

_Yeas—81_  
Adams of Lubbock  
Allen  
Bailey  
Bartram  
Berry  
Blaine  
Bridges  
Caldwell  
Cannon  
Carriker  
Cole of Harris  
Cole of Hunt  
Collins  
Dewey  
Duff, Miss  
Dugan  
Sickard  
Quicksell  
Fletcher  
Garrison  
Gibbons  
Gladen  
Glass  
Glas  
Green  
Grover  
Guffey  
Hale  
Haring  
Harrington  
Haynes  
Hollowell  
Huebner  
Hughes  
Hughes of Grayson  
Imms, Miss  
Jamison  
Johnson of Bexar  
Kennard  
Kilkpatrick  
Kothmann  
Lack  
Rosen  
Snelson  
Hale  
Haring  
Springer  
Stewart  
Stewart  
Stewart  
Townsend  
Ward  
Weather  
Whiteley  
Whitfield  
Wilson  
Woods  
Yezak  
Absence

The Speaker signed in the presence of the House after giving due
notice thereof and their captions had been read severally the following enrolled resolutions:

H. C. R. No. 39, Relative to compiling a Roster of Members of the First through the Fifty-seventh Legislatures.

H. C. R. No. 40, To congratulate Dr. Konrad Adenauer on his 86th birthday.

H. C. R. No. 41, Congratulating Bernard Dewey Grover.

H. C. R. No. 45, Suspending the Joint Rules to consider H. B. No. 103 at any time.


MESSAGE FROM THE SENATE
Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House that the Senate has concurred in House Amendments to Senate Bill No. 46 by viva voce vote.

Respectfully submitted,
CHARLES A. SCHNABEL,
Secretary of the Senate.

REMARKS BY THE REVEREND CLINTON KERSEY
The Speaker recognized the Reverend Clinton Kersey, Chaplain, who addressed the House as follows:

"Mr. Speaker, Ladies and Gentlemen of the House:

On the closing night of last Session, through your goodness of heart, I was presented a gift of money by Representative Blaine of El Paso that had been given by the Members, employees and friends to pay my expenses on a trip to Greece and the Holy Lands. Thanks to Speaker Turman, I am giving you a few of my impressions of this trip. I left Houston at 2 p.m. on November 26 and arrived in Athens, Greece, at 6:30 p.m. the next day. Spent over 20 days in Greece—on the Mediterranean Sea and visiting Jordan and Israel.

I followed the route that the Apostle Paul traveled on his second missionary journey, visiting Thessalonica, Berea, Delphi, Corinth, the Isle of Hydra, then boarded a ship to various islands in the Mediterranean Sea, including the Isle of Patmos where John the Divine received the Book in the Bible we know as the Book of Revelations. I landed in Haifa in Israel, traveled to Mt. Carmel, where Jesus performed his first miracle of changing water into wine, then to Nazareth..."
where Jesus lived with Mary and Joseph. I then traveled to the mountain where Jesus was transfigured, known today as the Mountain of Transfiguration, then to the mountain where Jesus delivered the Sermon on the Mount. I then went to the ruins of the city of Capernaum, where Jesus preached his first sermon, also where he called Peter and Matthew to be his Apostles; put my feet in the River Jordan; rode in a boat on the Sea of Galilee and visited the Bible city known as Beersheba.

In Jerusalem, I visited Mt. Zion where the tomb of David is located, also the building where Jesus observed the first Lord’s Supper. From Jerusalem, I visited Tel Aviv, a beautiful new city with tall, modern buildings, located on the sea and just 12 miles from Jordan. Then I visited Rome, staying for a few hours, then boarding a plane for Houston. There are many more things that I would love to tell you but time does not permit.

I want to thank each one that made the trip possible. I enjoyed having one of my dreams come true.”

REMARKS ORDERED PRINTED

Mr. Read moved that the remarks made by the Reverend Clinton Kersey in addressing the House on today be printed in the Journal.

There was no objection offered and It was so ordered.

LEAVE OF ABSENCE GRANTED

Mr. Chapman was granted leave of absence for the remainder of the day on account of important business on motion of Mr. Slider.

MOTION TO CONSIDER THE CONFERENCE COMMITTEE REPORT ON S. B. NO. 3

Mr. Ratcliff moved that all necessary rules be suspended for the purpose of taking up and considering at this time the Conference Committee Report on Senate Bill No. 3.

A record vote was requested on the motion made by Mr. Ratcliff. The motion to suspend all necessary rules for the purpose of taking up and considering at this time the Conference Committee Report on Senate Bill No. 3 was lost by the following vote:

<table>
<thead>
<tr>
<th>Yeas—72</th>
<th>Nays—76</th>
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<tbody>
<tr>
<td>Ballman</td>
<td>Latimer</td>
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<tr>
<td>Berry</td>
<td>Leaverton</td>
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<td>Bridges</td>
<td>McCoplin</td>
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<td>Caldwell</td>
<td>McGregor</td>
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<tr>
<td>Cannon</td>
<td>McNairy</td>
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<tr>
<td>Cole of Harris</td>
<td>McElroy</td>
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<tr>
<td>Cole of Hunt</td>
<td>Marks</td>
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<tr>
<td>Collins</td>
<td>Mullen</td>
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<tr>
<td>Dewey</td>
<td>Muterschek</td>
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<td>Duncan</td>
<td>Nieneyer</td>
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<td>Eckhardt</td>
<td>Oeborn</td>
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<td>Eleven</td>
<td>Peary</td>
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<td>Fletcher</td>
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<td>Floyd</td>
<td>Pieratt</td>
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<td>Glass</td>
<td>Price</td>
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<td>Glutting</td>
<td>Ratcliff</td>
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<td>Richardson</td>
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<tr>
<td>Hale</td>
<td>Roberts of Hill</td>
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<td>Haring</td>
<td>Rosas</td>
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<td>Harrington</td>
<td>Schadahl</td>
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<td>Haynes</td>
<td>Schram</td>
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<td>Hefton</td>
<td>Shannon</td>
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<tr>
<td>Hinson</td>
<td>Smith of Bexar</td>
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<td>Hollowell</td>
<td>Smith of Jefferson</td>
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<td>Huchner</td>
<td>Slowinski</td>
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<tr>
<td>Hughes</td>
<td>Springer</td>
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<tr>
<td>of Grayson</td>
<td>Stewart</td>
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<tr>
<td>James</td>
<td>Stewart of Galveston</td>
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<tr>
<td>Jamison</td>
<td>Trevino</td>
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<tr>
<td>Johnson of Bexar</td>
<td>Tunnell</td>
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<td>Jones of Travis</td>
<td>Wells</td>
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<td>Kenedy</td>
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<tr>
<td>Kilpatrick</td>
<td>Wilson</td>
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<td>Kohlmann</td>
<td>Yeazak</td>
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<td>Lack</td>
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<tr>
<td>Adams of Llano</td>
<td>Cowen</td>
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<tr>
<td>Adams of Titus</td>
<td>Cowies</td>
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<td>Alsie</td>
<td>Cryin</td>
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<tr>
<td>Allen</td>
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<td>Andrews</td>
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<td>de la Garza</td>
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<tr>
<td>Bailey</td>
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<td>Banfield, Mrs.</td>
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<td>Garrison</td>
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<td>Blaine</td>
<td>Grover</td>
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<td>Boyden</td>
<td>Harding</td>
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<td>Buchanan</td>
<td>Heath</td>
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<td>Burgess</td>
<td>Hughes of Dallas</td>
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<td>Butler</td>
<td>Isaacs, Miss</td>
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<td>Carricker</td>
<td>Jarvis</td>
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<td>Cornel</td>
<td>Johnson of Dallas</td>
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<td>Jones of Dallas</td>
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<tr>
<td>Cory</td>
<td>Kohler</td>
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<tr>
<td>Osten</td>
<td>Koliba</td>
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February 1, 1962  HOUSE JOURNAL  637

<table>
<thead>
<tr>
<th>Korkmas</th>
<th>Read</th>
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<tbody>
<tr>
<td>Lary</td>
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<td>Lewis</td>
<td>Rosson</td>
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<tr>
<td>Longoria</td>
<td>Slidell</td>
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<td>of McLennan</td>
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<td>Thurmond</td>
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<td>Walker</td>
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<td>Weatherly</td>
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<td>Rapp</td>
<td></td>
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<tr>
<td>Absent—Excused</td>
<td>Chapman</td>
</tr>
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</table>

**CONSIDERATION OF THE CONFERENCE COMMITTEE REPORT ON S. B. NO. 3**

Mr. Dewey moved to suspend all necessary rules for the purpose of not adopting the Conference Committee Report on Senate Bill No. 3 and to request the appointment of a new Conference Committee to adjust the differences between the two Houses.

The motion prevailed by the following vote, receiving the necessary two-thirds vote:

<table>
<thead>
<tr>
<th>Yeas-132</th>
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</thead>
<tbody>
<tr>
<td>Adams of Titus</td>
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<tr>
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<td>Cowen</td>
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<td>Cowles</td>
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</tbody>
</table>

| Hotton     | Ibert |
| Hinson     | Pipkin |
| Hoolahan   | Preston |
| Huesner    | Price |
| Hughes     | Quilliam |
| Rapp       | of Grayson |
| Isaac, Miss| Hattiff |
| James      | of El Paso |
| Jameson    | Richards |
| Johnson of Bexar | Robertson |
| Johnson of Bell | Roberts of Hill |
| Jones of Travis | Roberts of Dawson |
| Kerriard   | Ross |
| Kilpatrick | Rosson |
| Kohler     | Sandahl |
| Korkmas    | Schram |
| Kothmann   | Shannon |
| Laclo      | Shipley |
| Lary       | Slack |
| Latimer    | Smith of Bexar |
| Leaverton  | Smith of Jefferson |
| Longoria   | Stedman |
| McDougal   | Spelman |
| McGregor   | of McLennan |
| McCropr    | of El Paso |
| McElroy    | of Wichita |
| Marshall   | Struve |
| Martin     | Thumann |
| Miller     | Townsend |
| Moore      | Trevino |
| Mullen     | Tunnell |
| Murray     | Walker |
| Muschler   | Ward |
| Niemeyer   | Watson |
| Nugent     | Wees |
| Oliver     | Wheelwright |
| Osborn     | Whitefield |
| Parsons    | Willey |
| Peary      | Woods |
| Peeler     | Young |
| Petty      | Nays—15 |

| Adams of Lubbock Jarvis | of Lubbock |
| Allen                 | Johnson of Dallas |
| Atwell                | Jones of Dallas |
| Buchanan              | Kolb |
| Butler                | Lee |
| Grover                | Leder |
| Healy                 | Thurman |
| Hughes of Dallas      | Absent |
| Cotten                | Absent—Excused |

**REASON FOR VOTE**

Reasons for vote to suspend the rules to take up S. B. 3:
With the assurance of Speaker Turman that the new Conference Committee would delete the provisions for the $1,000,000 parking garage, I voted for the House to consider the appropriations bill. Unless prompt action was taken by the House to take up and then reject the Conference Committee Report, a new and expensive Special Session would be imposed on the taxpayers of Texas.

MACO STEWART
CONFERENCE COMMITTEE REPORT ON SENATE BILL NO. 3

Austin, Texas, February 1, 1962
Honorable Charles Herring, President Pro Tempore of the Senate

Honorable James A. Turman, Speaker of the House of Representatives:

Sir: We, your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on Senate Bill No. 3, have met and had same under consideration, and beg to report back with the recommendation that it pass in the form attached.

BRUCE REGAN,
ROBERT W. BAKER,
NEVILLE H. COLSON,
ABRAHAM KAEN, JR.,
On the Part of the Senate.

JOE RACCLIFF,
GEORGE T. HINSON,
JOHN A. HUBBNER, SR.,
GUS MUTSCHER,
J. CHARLES WHITFIELD, JR.,
On the Part of the House.

S. B. No. 3
AN ACT

broadening the purposes for which monies appropriated in the Biennial Appropriations Bill to the Game and Fishable Colonies may now be expended; making an appropriation from the Mineral Lease Fund ($72) to the Department of Corrections of any monies over and above monies appropriated in Senate Bill No. 1, Acts 67th Legislature, First Called Session, 1961, for certain emergency purposes; broadening the purposes for which monies appropriated to the Board of Medical Examiners by Senate Bill No. 1, Acts 67th Legislature, First Called Session, 1961 may be expended; authorizing the expenditure from the Reserve Appropriation herefore made to the Board for Texas State Hospitals and Special Schools by Senate Bill No. 1, Acts 67th Legislature, First Called Session, 1961 for the purpose of preliminary planning, acquisition or preparation of sites for a state school for mentally retarded persons in the Gulf Coast area; broadening the purposes of certain monies already appropriated to the Senate by Item 2 of Article VI of Senate Bill No. 1, Acts 57th Legislature, First Called Session, 1961, so that said monies may now be used to pay Senate expenses of the Third Called Session of the 57th Legislature; authorization to expand monies already appropriated to the State Building Commission in Item 15, Article III, Senate Bill No. 1, Acts 57th Legislature, First Called Session, 1961, and further authorizing the expenditure of other monies appropriated in Item 19 of Senate Bill No. 1, Acts 67th Legislature, First Called Session, 1961, for the purpose of repairing San Jacinto Tower and Museum Building and related facilities at the San Jacinto Monument site; authorizing the erection and building of a parking facility and/or fallout shelter; providing for all necessary financing therefor by broadening the purposes for which certain monies may be expended, making other necessary and needed appropriations for the above purposes; providing that the state may receive donations from the Federal Government for this purpose; providing for any and all necessary inter-agency agreements; providing for the disposition of all operating receipts; providing for landscaping and construction of walks and gates between the Capitol Building, State Insurance Building, with removal of certain fences and the building of all other needed roadways, passages, on these premises; providing for the removal of certain state-owned buildings to effectuate the purpose of the Capitol Expansion Plan and providing for the purchase, equipment and installation of heat and air conditioning plant in the Executive Mansion; authorizing replacement of captiones at the entrance grounds; and appropriating $275,000.00 from the General Revenue Fund to the State Highway Department for tourism, including appropriating $180,000.00 out of the General Revenue Fund to Prairie...
February 1, 1962  
HOUSE JOURNAL 639

View A. & M. College for the purpose of repairing or replacing buildings damaged or destroyed by fire in January, 1962, and further providing for all necessary equipment, supplies, etc., in connection therewith; appropriating $65,000.00 out of the General Revenue Fund to Texas Youth Council for additional parole officers, travel, rent, supplementary salary, and other expenses; appropriating $6,000.00 out of the General Revenue Fund to Southwest Texas State College for repair of buildings, replacement of supplies and equipment damaged by fire and hurricane Carla; appropriating the unappropriated balance in the Pre­
gard Funeral Contract Fund 376 to the State Banking Department to be used in carrying out the provisions of Senate Bill No. 52, Chapter 546, Acts 54th Legislature (Article 548b), and providing further that all filing fees and examination costs collected under the provisions of Chapter 512, Acts 54th Legislature shall be received and disbursed by the Banking Department according to the provisions of Chapter 139, Acts 52nd Legislature; authorizing the expenditure of funds appropriat­ed by Senate Bill No. 1, Acts 57th Legislature, 1961, First Called Session of incentive pay increases to employees in classified positions in designated courts, departments and agencies of the state; providing for the reclassification to higher sal­ary groups of certain classified positions in the Board of Water En­gineers (or its successor agency, the Texas Water Commission); authorizing certain additional classified positions in the office of the Comptroller of Public Accounts; authorizing the addition of certain classi­fied positions in the State Depart­ment of Health; authorizing the po­

Be it Enacted by the Legislature of the State of Texas:

Section 1. Monies hereofore appro­

First Called Session, may also be appropri­

Item 1. For the construction of a building at Seabrook to be expended for the purposes and in the amounts set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. For repairs and replacement of patrol boats</td>
<td>$70,000</td>
</tr>
<tr>
<td>2. For the replacement of office, laboratory, and miscellaneous equipment and supplies, lost or damaged by Hurricane Carla</td>
<td>$11,000</td>
</tr>
<tr>
<td>3. For the replacement of buoys and markers in bays</td>
<td>$2,000</td>
</tr>
<tr>
<td>4. For re-surveying Pass Cavallo and Cedar Bayou Pass, to replace markers as required by law</td>
<td>$2,000</td>
</tr>
<tr>
<td>5. For the payment of rental of regional office space and field office space during the fiscal year ending August 31, 1962</td>
<td>$4,166</td>
</tr>
<tr>
<td>6. For the replacement of buoys and markers in the months subsequent to the above dates</td>
<td>$2,000</td>
</tr>
<tr>
<td>7. For the payment of rental of regional office space during the fiscal year ending August 31, 1963</td>
<td>$3,732</td>
</tr>
</tbody>
</table>

Total $104,588

Sec. 2. For emergency purposes only, there is also hereby appropri­

the amounts appropriated by Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, which additional monies may be expended only upon the prior, written approval of the Governor; provided however, that this appropriation of such additional monies shall cease to be effective as of September 1, 1963. Emergency purposes as used in this Section shall mean and include only unforeseeable conditions as disasters from weather condi­

inmates population exceeding
twelve thousand six hundred (12,600) during the 1962 fiscal year and thirteen thousand three hundred fifty (13,350) inmates during the 1963 fiscal year.

Sec. 3. Notwithstanding other provisions of law, any of the monies appropriated to the Board of Medical Examiners by Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, Item No. 5, for each of the fiscal years of the biennium beginning September 1, 1961, may also be expended for the payment of witness fees and other court costs as required by law.

Sec. 4. Out of the Reserve Appropriation herefore made to the Board for Texas State Hospitals and Special Schools by Article II of Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, said Board is hereby authorized to expend such amounts as it deems necessary for preliminary surveys, acquisition or preparation of a site, and other preliminary expenses for the establishment of a state school for mentally retarded persons in the Gulf Coast area as authorized by Chapter 288, Acts, 1961, 57th Legislature, Regular Session.

Sec. 5. Monies appropriated for the expenses of the State by Item 2, Article VI of Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, may also be expended for per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, capital outlay, and other necessary expenses incurred by the Senate of Texas during the Third Called Session of the 57th Legislature.

Sec. 6. Upon the effective date of this Act and out of the appropriation herefore made to the State Building Commission out of the State Building Fund in Item 10 of Article III, Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, the amount of One Hundred and Six Thousand Dollars ($106,000) is hereby authorized to be expended for the additional purpose of repairing the San Jacinto tower and museum building.

Out of said appropriation in Item 10 of said Senate Bill No. 1, the State Building Commission is hereby authorised to make the additional expenditure of Fifty Thousand Five Hundred Dollars ($50,500) for repairing, renovating, and restoring exterior terraces, doors to museum building, and providing or repairing drainage and plumbing systems at the San Jacinto Monument site.

It is further provided, that the expenditures authorized by this Section shall be contingent upon the Comptroller of Public Accounts certifying the said Building Commission that the provisions of Section Six of the Memorandum of Agreement dated August 31, 1965, and renewed biennially between the San Jacinto Museum Association of History and the State of Texas acting by and through the Board of Control, has been complied with, and an inventory of the property belonging to the state purchased under the provisions of the second paragraph of Section Eight of said Agreement has been made and approved by the State Auditor and filed with the Board of Control.

Sec. 7. a. Out of any funds herefore appropriated to the State Building Commission for acquisition of land in the Capitol Area, Item 10 of the appropriation to said Building Commission in Senate Bill No. 1, Acts, 1961, 57th Legislature, First Called Session, or from any additional and unappropriated funds which accrue to said Building Commission within two years after the effective date of this Act, the Commission is authorized to pay its share of the cost of planning, designing, constructing and equipping a parking garage on Block 171 of the City of Austin in cooperation with the Texas Employment Commission. Said parking garage or facility shall be so constructed that it will serve as the foundation for any future building that may be constructed on such lot; provided, however, that the top level of such garage or facility shall not exceed the maximum elevation of said block.

The Texas Employment Commission is hereby authorized to cooperate with the State Building Commission to accomplish this purpose and to expend as its portion of the cost of said parking garage or facility all such funds as may be available to the Texas Employment Commission for such purpose, and such
funds are hereby appropriated therefor, the State Building Commission's "share" of the cost as used in the first paragraph of this subsection shall mean the balance of the total cost of said parking garage or facility, provided, however, that the State Building Commission's "share" of the cost shall not exceed $500,000 if the facility is constructed for parking purposes alone, and shall not exceed $750,000 if the facility is constructed in a manner to serve also as an emergency control center and shelter for the operation of the State Government in time of fallout danger or other emergency.

All funds accruing to the State Building Commission within two years after the effective date of this Act, not to exceed $1,300,000, and not heretofore appropriated, are hereby appropriated for the purposes set out in Item 16 of said Senate Bill No. 1, Acts 1961, 57th Legislature, and for the additional purposes set out in this Section.

The State Building Commission, the Texas Employment Commission, and the State Board of Control are authorized to make such inter-agency agreements as may be necessary for the accomplishment of the purposes of this subsection, including the operation of the parking facility and any emergency control center that may be incorporated, the allocation of space, operation charges, upkeep and removal of the structure. From any revenues received from such parking garage or facility, there is hereby appropriated to the State Building Commission or to the operation agency designated in the inter-agency agreement such sum as may be necessary to pay costs of operation and maintenance, and the remainder of such revenue shall be deposited in the State Treasury to the account of the State Building Commission. If the emergency control center is incorporated in the parking garage or facility and Federal matching funds are provided therefor, the State Building Commission is authorized to accept such funds and they are hereby appropriated for such purposes.

In addition to the purposes set out in Item 10 of the appropriation made in Senate Bill No. 1, Acts 57th Legislature, First Called Session, 1961, and from such appropriation and the additional appropriation made in Section 1 above, the State Building Commission is authorized to expend such sums as may be necessary to:

1. Landscape and construct walks and gates between the Capitol Building and the State Insurance Building, with removal of the present iron fence only at the places necessary for such walks and gates, and to build such drives and passageways as may be necessary in front of the State Insurance Building east of and outside of the present iron fence located on the Capitol grounds.

2. Move to suitable state-owned locations any buildings usable to house state agencies when such buildings have been acquired in connection with the Capitol expansion plan, and to acquire additional land if necessary for such purposes.

3. Purchase such equipment and machinery as may be necessary to replace the obsolete heating and air-conditioning plant in the Executive Mansion, and to furnish such equipment to the State Board of Control for installation.

4. Out of previously appropriated funds the State Board of Control is hereby authorized to replace the granite capstones at the entrances to the Capitol grounds.

Sec. 5. For the fiscal year beginning September 1, 1962, there is hereby appropriated to the State Highway Department Two Hundred Seventy-five Thousand Dollars ($275,000) from the General Revenue Fund which may be expended by the Highway Department for the purposes stipulated by Section 3 of Chapter 193, Acts 1959, 56th Legislature (codified in Vernon's Civil Statutes as Article 6144c). It is further provided, that private contributions received under the matching provisions stipulated by Section 2-d of said Chapter 193 are also hereby appropriated for the purposes of said Chapter.

Sec. 6. There is hereby appropriated out of the General Revenue Fund to Prairie View A. & M. College One Hundred Eighty Thousand Dollars ($180,000) for the purposes of repairing or replacing supplies, equipment, and buildings damaged or destroyed by the tornado of January 1, 1962, provided, however, that none of such appropriation shall be expended for any other purpose. It is
Sec. 10. For the fiscal year beginning September 1, 1962, there is hereby appropriated to the Texas Youth Council out of the General Revenue Fund an amount necessary to supplement the salary contained in Senate Bill No. 1, Acts of the 57th Legislature, First Called Session, 1961, of the Director of Parole Supervision by the additional sum of One Thousand Two Hundred Dollars ($1,200) annually, and to provide the following additional itemized appropriations:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parole Officers, 10 NTE</td>
<td>$5,400</td>
</tr>
<tr>
<td>Travel (restricted to these Parole Officers)</td>
<td>12,335</td>
</tr>
<tr>
<td>Postage, telephone, stationary, printing and office supplies</td>
<td>1,200</td>
</tr>
<tr>
<td>Total</td>
<td>$67,110</td>
</tr>
</tbody>
</table>

Sec. 11. The sum of Six Thousand Dollars ($6,000) is hereby appropriated out of the General Revenue Fund to Southwest Texas State College for replacement of supplies, materials and equipment, and for repair of buildings damaged by fire and Hurricane Carla.

Sec. 12. The balance in the Prepaid Funeral Contract Fund (No. 76) as of the effective date of this Act is hereby appropriated to the Department of Banking to be used in carrying out the provisions of Senate Bill No. 92, Chapter 513, Acts of the 54th Legislature (Article 645b, Vernon's Texas Civil Statutes), and hereafter all filing fees and examination costs collected under the provisions of Chapter 513, Acts of the 54th Legislature, shall be received and disbursed by the Department of Banking according to the provisions of Chapter 139, Acts of the 53rd Legislature.

Sec. 13. Any monies appropriated by Senate Bill No. 1, Acts of the 57th Legislature, 1st Called Session, 1961, for the purpose of paying salaries of classified positions in all agencies in Articles I, III and the Central Education Agency, Deaf and Blind Schools of Article IV, may be used by the heads of the respective departments to grant incentive pay increases to classified personnel. Incentive increases authorized herein may be granted only during the period from March 1, 1962 to March 1, 1963; provided that the amount of incentive increase granted under this provision to any employee during the period from March 1, 1962 to March 1, 1963 shall not exceed one full step increment for the salary range prescribed for the respective class of work, as set out in Article III of Senate Bill No. 1, Acts of the 57th Legislature, 1st Called Session, 1961, and that no such increase may result in a salary rate above the maximum of their prescribed salary range.

This Section shall not in any way be construed as increasing the appropriation of any department or agency. It being the intent of the Legislature that incentive increases be paid out of available monies in existing appropriations for salaries of classified personnel resulting from resignations of employees or other causes, to the end that more efficient performance will be assured the state.

Sec. 14. a. The salary group allocations for the positions listed in Section 13, Article II of Senate Bill No. 1, First Called Session of the 57th Legislature, from and after the effective date of this Act shall be as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>No.</th>
<th>Title and Salary Group Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1548</td>
<td>19</td>
<td>Chief of Office Service</td>
</tr>
<tr>
<td>2014</td>
<td>19</td>
<td>Engineering Aide</td>
</tr>
<tr>
<td>2091</td>
<td>9</td>
<td>Geologic Aide</td>
</tr>
<tr>
<td>2387</td>
<td>16</td>
<td>Engineer or Hydrologist I</td>
</tr>
<tr>
<td>2388</td>
<td>17</td>
<td>Engineer or Hydrologist II</td>
</tr>
<tr>
<td>2399</td>
<td>18</td>
<td>Engineer or Hydrologist III</td>
</tr>
<tr>
<td>2399</td>
<td>18</td>
<td>Engineer or Hydrologist IV</td>
</tr>
<tr>
<td>2399</td>
<td>18</td>
<td>Engineer or Hydrologist V</td>
</tr>
<tr>
<td>2407</td>
<td>16</td>
<td>Geologist; Assistant II</td>
</tr>
<tr>
<td>2423</td>
<td>16</td>
<td>Geologist I BWE</td>
</tr>
<tr>
<td>2424</td>
<td>17</td>
<td>Geologist II BWE</td>
</tr>
<tr>
<td>2425</td>
<td>19</td>
<td>Geologist III BWE</td>
</tr>
<tr>
<td>2426</td>
<td>19</td>
<td>Geologist IV BWE</td>
</tr>
<tr>
<td>2427</td>
<td>20</td>
<td>Geologist V BWE</td>
</tr>
<tr>
<td>1447</td>
<td>19</td>
<td>Chief Examiner</td>
</tr>
</tbody>
</table>
Funds heretofore appropriated for the years ending August 31, 1962 and August 31, 1963 respectively to the Board of Water Engineers for salaries of classified positions shall be available for the payment of salaries of the positions as reclassified and listed above.

b. The position of Assistant Chief Engineer listed as a classified position and bearing the Class Number 2393 in Section 12, Article III of Senate Bill No. 1, First Called Session of the 57th Legislature shall from and after the effective date of this Act be an unclassified position and from the monies heretofore appropriated for the years ending August 31, 1962 and August 31, 1963, respectively to the Board of Water Engineers for salaries of classified positions there is hereby made available such funds as shall be necessary to pay the salary of the position of Assistant Chief Engineer at the rate of Eleven Thousand Five Hundred Dollars ($11,500) per annum.

c. The Board of Water Engineers is authorized to employ one secretary to fill the classified position of Administrative Secretary, Class Number 0138, in lieu of one of the Secretary I, Class Number 0135, position authorized in the appropriation to the Board of Water Engineers contained in Article III of Senate Bill No. 1, First Called Session of the 57th Legislature. Such funds as shall be necessary to pay the salary of the person employed to fill the position of Administrative Secretary herein authorized are hereby made available from monies heretofore appropriated for the years ending August 31, 1962 and August 31, 1963, respectively, to the Board of Water Engineers for salaries of classified positions.

Sec. 15. Out of funds appropriated for salaries and classified positions to the Comptroller of Public Accounts in Senate Bill No. 1, Acts of the 57th Legislature, First Called Session, 1961, the Comptroller is authorized to employ the following personnel to conduct hearings required to carry out the purposes of House Bill No. 20, Acts of the 57th Legislature, Second Called Session, 1961, such employees to be classified according to the following titles and salary groups within the schedule of salary ranges provided in said Senate Bill No. 1:

<table>
<thead>
<tr>
<th>Title</th>
<th>Salary Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director, Hearings Division</td>
<td>19</td>
</tr>
<tr>
<td>Hearings Examiner III</td>
<td>17</td>
</tr>
<tr>
<td>Hearings Examiner II</td>
<td>15</td>
</tr>
<tr>
<td>Hearings Examiner I</td>
<td>12</td>
</tr>
</tbody>
</table>

Sec. 16. Out of funds appropriated for salaries and wages to the Department of Health in Senate Bill No. 1, Acts of the 57th Legislature, First Called Session, 1961, the Department of Health is authorized to employ the following personnel to carry out the purposes of Senate Bill No. 49, Acts of the 57th Legislature, Regular Session, 1961, such employees to be classified according to the following titles and salary groups within the schedule of salary ranges provided in said Senate Bill No. 1:

<table>
<thead>
<tr>
<th>Title</th>
<th>Salary Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radiological Health Specialist II</td>
<td>17</td>
</tr>
<tr>
<td>Radiological Health Specialist I</td>
<td>15</td>
</tr>
</tbody>
</table>

Sec. 17. Out of funds appropriated for salaries and wages to the Central Education Agency in Senate Bill No. 1, Acts of the 57th Legislature, First Called Session, 1961, the Central Education Agency is authorized to employ an Investment Officer at an annual salary rate of Eleven Thousand Dollars ($11,000), and an Assistant Investment Officer, in which latter position shall be classified and placed in Salary Group 21 within the schedule of salary ranges provided in said Senate Bill No. 1.

Sec. 18. If any Section, clause or part of this Act shall for any reason be held to be invalid, such decision shall not affect the remaining portions of this Act, and it is hereby declared to be the intention of the Legislature to have passed each sentence, Section, clause or part thereof, irrespective of the fact that any other sentence, Section, clause or part thereof may be declared invalid.

Sec. 19. The importance of this legislation and the crowded condition of the calendar in each House creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said 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.
Mr. Atwell moved that the new Conference Committee on the part of the House on S. B. No. 3 consist of the following Members:

Messrs. Cotten, Hollowell, Buchanan, McGregor and Ballman.

Mr. Hale raised a point of order on further consideration of the motion made by Mr. Atwell on the ground that it is not in order to make a motion for the Speaker to appoint certain members on a Conference Committee.

The Speaker sustained the point of order.

INSTRUCTIONS TO THE HOUSE CONFERENCE COMMITTEE ON SENATE BILL NO. 3

Mr. James submitted the following motion:

"I move to instruct the House Conference to the Conference Committee on S. B. No. 3 to include Sections 8 and 9 of the version of the bill passed by the House, in any report returned for consideration by the House."

James

The motion by Mr. James prevailed.

Mr. Oliver submitted the following motion:

"I move that the House instruct its Conference to delete from S. B. No. 3 all of Section 7, of the present report."

The motion by Mr. Oliver prevailed without objection.

CONFERENCE COMMITTEE APPOINTED ON S. B. NO. 3

The Speaker announced the appointment of the following Conference Committee, on the part of the House, on S. B. No. 3:

Messrs. Ratcliff, Chairman; Hinson, Huebner, Mutchler, and Whitfield.
February 1, 1962    HOUSE JOURNAL 645

Osborn   Slider
Pearcy    Smith of Bexar
Peeler    Smith of Jefferson
Perry     Swenson
Pieratt    Spilman
Pipkin     Springer
Preston    Stewart
Quilliam   of Galveston
Rapp     Stewart
Read     of Wichita
Richards   Struve
Richardson    Thurmond
Roberts    Trevino
Robertson  Walker
Ross     Ward
Rosson    Watson
Sandahl   Wells
Schaum    Wilson
Shannon    Yeak
Shipley

Present—Not Voting
Buchanan  McCoppin
Connell    Miller
Cotten    Thurman
Hollowell

Absent
Adams of Titus  Huebner
Allen       Isaacks, Miss
Berry       Mutchcher
Cole of Harris  Price
Dewey       Ratcliff
Duff, Miss  Black
Gladden     Townsend
Gladding    Tunnell
Healy       Wheatley
Heflin      Whitlefield

Absent—Excused
Chapman

MESSAGE FROM THE SENATE
Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.
Sir: I am directed by the Senate to inform the House that the following have been appointed on the Conference Committee for H. B. No. 3:
Senators: Calhoun, Creighton, Hudson, Kazen and Spears.
Respectfully,
CHARLES A. SCHUMACHER
Secretary of the Senate.

REASON FOR VOTE
I voted against the Conference Committee Report on Senate Bill No. 39 because this bill is not as innocent in its intent as many persons have believed. This bill will remove many large companies from regulation by the Railroad Commission and change the definition of a "utility" and will permit change in corporate structure so as to avoid regulation by the Railroad Commission. Last but, by far, not least, the State of Texas will lose considerable income from "gross receipts tax."

FORREST HARDING.

SENATE BILL NO. 101 ON THIRD READING

Mr. Korkmas moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 101 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—128
Adams of Lubbock  Ehrl
Adams of Titus  Esquivel
Allen       Fletcher
Allen       Floyd
Andrews    Foreman
Awell      Garrison
Bailey     Gibbons
Ballman    Gladden
Banfield, Mrs.  Glass
Barnes    Glassing
Bartram    Green
Bass       Grover
Blaine     Guffey
Boyson     Hale
Bridges    Harding
Buchanan   Harrington
Burgess    Haynes
Butler     Healy
Caldwell   Heffon
Cannon    Hollowell
Carriker    Hughes
Cole of Harris  of Grayson
Cole of Hunt  Hughes of Dallas
Collins  Isaacks, Miss
Connell    James
Cook       Jamison
Corry      Johnson of Dallas
Cowie     Johnson of Bexar
Cromwell   Johnson of Bell
Crain      Jones of Dallas
Crews      Jones of Travis
Curtis     Kennard
de la Garza  Kilpatrick
Duff, Miss  Kohler
Dungan    Koliba
Eckhardt   Korkmas

FORREST HARDING.

SENATE BILL NO. 101 ON THIRD READING

Mr. Korkmas moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 101 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—128
Adams of Lubbock  Ehrl
Adams of Titus  Esquivel
Allen       Fletcher
Allen       Floyd
Andrews    Foreman
Awell      Garrison
Bailey     Gibbons
Ballman    Gladden
Banfield, Mrs.  Glass
Barnes    Glassing
Bartram    Green
Bass       Grover
Blaine     Guffey
Boyson     Hale
Bridges    Harding
Buchanan   Harrington
Burgess    Haynes
Butler     Healy
Caldwell   Heffon
Cannon    Hollowell
Carriker    Hughes
Cole of Harris  of Grayson
Cole of Hunt  Hughes of Dallas
Collins  Isaacks, Miss
Connell    James
Cook       Jamison
Corry      Johnson of Dallas
Cowie     Johnson of Bexar
Cromwell   Johnson of Bell
Crain      Jones of Dallas
Crews      Jones of Travis
Curtis     Kennard
de la Garza  Kilpatrick
Duff, Miss  Kohler
Dungan    Koliba
Eckhardt   Korkmas
The Speaker laid before the House, on its third reading and final passage, S. B. No. 101, a bill to be entitled "An Act creating a Court of Domestic Relations for Galveston County, Tex- as; fixing the jurisdiction; conforming the jurisdiction of other courts thereto; fixing its term; providing the manner of selection, tenure and compensation of the Judge and other officers of said Court; providing the manner of and grounds for removal of the Judge of said Court; providing for the membership of the Juvenile Board of Galveston County; provid- ing for appeals to higher courts; providing the procedure of said Court; providing for the services of certain county and district officers to said Court; containing a saving clause; and declaring an emergency."

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

Yeas—129
Abstentions—1
Nays—7

Present—Not Voting
Barlow

Absent
Berry
Cotten
Fairchild
Hinson
Huebner
Mutscher
Parsons

Absent—Excused
Chapman

Adams of Lubbock Glueing
Adams of Titus Green
Alamis Grover
Allen Guffey
Andrews Hale
Atwell Harding
Bailey Harrington
Ballman Hayes
Bannfield, Mrs. Healy
Barlow Hefton
Barnes Hughes
Bartram of Grayson
Bass Hughes of Dallas
Berry Issacks, Miss
Blaine James
Boyon Janse
Bridges Jaree
Buchanan Johnson of Dallas
Burgess Johnson of Bexar
Butler Johnson of Bell
Caldwell Jones of Travis
Cannon Kennard
Carriere Kilpatrick
Cole of Harris Kobler
Cole of Hunt Koliba
Collins Korkmas
Connel Knopmann
Cook Lack
Cory Larry
Cowen Latimer
Cowles Leaverton
Craun Longoria
Crews McClure
Curington McCoppin
de la Garza of McLennan
Duff, Miss McGregor
Dungan of El Paso
Dickhardt McClary
Duhm Markgraf
Duenas Miller
Fairchild Moore
Fauler Mullen
Floyd Murray
Foreman Niemeyer
Garrison Oliver
Gibbons Osborn
Gudden Parsons
Mr. Sandahl moved that the constitutional rule requiring bills to be read on three several days be suspended and that Senate Bill No. 42 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—128

Adams of Lubbock
Adams of Titus
Allen
Andrews
Bailey
Ballman
Bartram
Bass
Berry
Blaine
Boysen
Bridges
Buchanan
Burges
Butler
Caldwell
Chambers
Carrillo
Cole of Harris
Cole of Hunt
Collins
Counsel
Cook
Cory
Cotter
Cowen
Crawford
Crews
de la Garza
Dewey
Duff, Miss
Dungan
Eckhardt
Ehrle
Esquivel
Fairchild
Fletcher
Floyd
Foreman
Garrigan

Nays—8

Dewey
Hartogs
Hollowell
Lewis

Present—Not Voting

Absent

Cotten
Glass
Hinson
Huskey
Jones of Dallas

Absent—Excused

Chapman

SENATE BILL NO. 42 ON THIRD READING

Mr. Sandahl moved that all the necessary rules be suspended for the purpose of taking up and considering at this time Senate Bill No. 42.

The motion prevailed by unanimous consent.

The Speaker laid before the House on its second reading and passage to third reading,

S. B. No. 42. A bill to be entitled "An Act amending Articles 607, 608, as amended, 609, 610, 611, 612, 613, as amended, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, and 629 of the Revised Civil Statutes of Texas; and declaring an emergency."

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

SENATE BILL NO. 42 ON THIRD READING

Mr. Sandahl moved that the bill was read second time and was passed to third reading.
The Speaker then laid Senate Bill No. 42 before the House on third reading and final passage. The bill was read third time and was passed by the following vote:

**Yea—130**

Adams of Lubbock
Bartram
Adams of Titus
Bush
Allen
Bain
Andrews
Baker
Ballman
Banfield, Mrs.
Barlow
Barone

Cannon
McGregor
Carrière
of McLennan
Collo of Harris
McGregor
Collo of Hunt
of El Paso
Collins
McElhany
Connel
Markgraf
Cook
Martin
cory
Miller
Cowan
Moore
Crain
Mullen
Curlington
Murray
Crews
Niemeyer
de la Garza
Nugent
Dewey
Osborn
Duff, Miss
Parsens
Dungan
Pearcy
Eckhardt
Feeder
Enriquez
Feleti
Fairchild
Pietatt
Fletcher
Pipkin
Floyd
Preston
Foreman
Price
Garrison
Quilliam
Gibbens
Rapp
Gladden
Read
Glass
Richards
Glusting
Richardson
Green
Roberts of Hill
Grover
Roberts of Dawson
Guffey
Brenes
Hale
Rosson
Harding
Sandahl
Harrington
Schem
Haynes
Shannon
Healy
Shipley
Heaton
Slack
Hollowell
Slider
Hughes of Dallas
Smith of Jefferson
Isaacks, Miss
Snelson
James
Spelman
Jamison
Springer
Jarvis
Stewart
Johnson of Dallas
of Galveston
Johnson of Bexar
Stewart
Johnson of Bell
of Wichita
Jones of Travis
Struve
Kilpatrick
Thurmond
Kohler
Townsend
Koliba
Trevino
Korkmas
Tunell
Kothmann
Walker
Leach
Ward
Leatimer
Wells
Leaverton
Wheatley
Lewis
Wilson
Longoria
Woods
McCoppin
Yezak

**Nays—4**

Alanis
Hughes
Barlow
Haring
of Grayson
Thurman
MESSAGE FROM THE SENATE

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House that the Senate has granted the request of the House for a new Conference Committee to adjust the differences between the two Houses on Senate Bill No. 3.

The following have been appointed on the part of the Senate:

Senators: Reagan, Aikin, Colson, Kazen and Baker.

I am directed by the Senate to inform the House that the Senate has concurred in House Amendments to Senate Bill No. 48 by viva voce vote.

Respectfully submitted,
CHARLES A. SCHNABEL, Adams of Lubbock
Secretary of the Senate.

MOTION TO CONSIDER THE CONFERENCE COMMITTEE REPORT ON S. B. NO. 3

Mr. Ratcliff moved that all necessary rules be suspended for the purpose of taking up and considering at this time the Conference Committee Report on Senate Bill No. 3.

A record vote was requested on the motion by Mr. Ratcliff.

The motion by Mr. Ratcliff was lost, not receiving the necessary two-thirds vote, by the following vote:

Yeas—78
Ballman  Berry
Barlow  Bland
Bartram  Bridges

Nays—70
Adams of Lubbock  de la Garza
Adams of Titus  Dover, Miss
Allen  El Paso
Allen  Fairchild
Andrews  Garrison
Atwell  Gibbens
Banner  Giddens
Bandy, Mrs.  Grover
Barrs  Harding
Bass  Herndon
Boyan  Hughes of Dallas
Buchanan  James
Burgess  James
Butler  Jasper
Carriker  Johnson of Dallas
Connell  Jones of Dallas
Cook  Kehl
Corby  Koliba
Cotter  Korkmas
Cowen  Larry
Cowles  Lewin
Crain  Longoria
Crews  McGregor
Curington of McLennan

649
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<tr>
<th>Martin</th>
<th>Shipley</th>
<th>Miller</th>
<th>Sider</th>
<th>Moore</th>
<th>Siplman</th>
<th>Murray</th>
<th>Stewart</th>
<th>Nofan</th>
<th>of Wichita</th>
<th>Parsons</th>
<th>Struve</th>
<th>Petty</th>
<th>Thurman</th>
<th>Pipkin</th>
<th>Thurmond</th>
<th>Quilliam</th>
<th>Townsend</th>
<th>Rapp</th>
<th>Ward</th>
<th>Westley</th>
<th>Roberts of Dawson Woods</th>
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<td>Chapman</td>
<td>MESSAGE FROM THE SENATE</td>
<td>Austin, Texas, February 1, 1962</td>
<td>Hon. James A. Turman, Speaker of the House of Representatives.</td>
<td>Sir:</td>
<td>I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee report on H. B. No. 3 by viva voce vote.</td>
<td>I am directed by the Senate to inform the House that the Senate has passed the following:</td>
<td>H. C. R. No. 43, Suspending the Joint Rules so as to permit the House to consider H. B. No. 95 and S. B. No. 98.</td>
<td>H. B. No. 10, Making certain appropriations out of the unexpended balances in the Special Mineral Lease Fund; and declaring an emergency. (with amendments)</td>
<td>Respectfully, CHARLES A. SCHNABEL, Secretary of the Senate.</td>
<td>The motion was lost, not receiving the necessary two thirds vote, by the following vote:</td>
<td>Yeas—71</td>
<td>Hayley</td>
<td>Leaverton</td>
<td>Barlow</td>
<td>McCoplin</td>
<td>Barnes</td>
<td>McGregor</td>
<td>Bartram</td>
<td>of McLennan</td>
<td>Bass</td>
<td>McGregor</td>
</tr>
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Of taxation for the District; authorizing District certain rights, powers, and authority for and in connection with its systems, facilities, and other things necessary to the fulfillment of its purposes whether within or without the boundaries of the District but limited to Brazoria County, Texas, and related matters; providing for governing body of District; providing for qualifications and bonds of Directors; naming first Board of Directors; providing for terms and election of Directors; providing Directors to fill vacancies; providing for organization of Board of Directors; providing for employment of engineers, attorneys, fiscal agents, managers, and employees; providing for sale and price of bonds; providing for exchange of bonds for property acquired or in payment of contract price for work done or materials or services furnished and providing for price of bonds in such exchange; providing for bonds or refunding bonds to be approved by Attorney General of Texas and registered by the Comptroller of Public Accounts and providing for negotiability, legality, validity, obligation and incontestability of the bonds or refunding bonds; and authorizing refunding bonds to be issued without concurrent surrender of underlying bonds and related matters; making bonds or refunding bonds eligible investments; making inapplicable to the District certain provisions of Article 7880-77b, Vernon’s Texas Civil Statutes, as amended; exempting property and bonds of the District from taxation and related matters; providing for an annual audit, fiscal year, and related matters; providing District shall bear expense of redlining, raising, or recouting of any highway, railroad, utility lines, or pipeline made necessary by its exercise of the power of eminent domain; enacting other provisions related to the aforementioned subjects; providing for a severability clause; and declaring an emergency.

S. B. No. 44, An Act amending Section 186a of the Election Code of the State of Texas, as added by Section 1 of Chapter 494, Acts of the 55th Legislature, Regular Session 1957 (codified as Article 12.00a, Vernon’s Texas Election Code), relating to the filing fees of candidates for office in counties having a population of one million (1,000,000) or more.
S. B. No. 46, An Act authorizing Home-Rule cities having a population in excess of 60,000 and bordering on the Gulf of Mexico having beaches suitable for park purposes to estab­lish a Beach Park Board; finding the boundaries form a closure, and declaring the establishment of such Board; containing a severability clause; and declaring an emergency.

S. B. No. 47, An Act repealing Section 2 of Chapter XCIV, Acts of the 24th Legislature, 1899; and declaring an emergency.

S. B. No. 57, An Act creating and establishing a conserva­tion and re­clamation district under Article 16, Section 59, Constitution of Texas, to be known as Brazoria County Water Control and Improvement District—Brushy Meadows; declaring District a governmental agency, body politic and corporate; defining the boundaries; finding the field notes and boundaries form a closure, and relat­ed matters; finding a benefit to all land and other property within the District; finding that District is cre­ated to serve a public use and bene­fit; de­fining powers of District; con­fer­ring on District the rights, pow­ers, privileges, authority, and duties of the General Laws of Texas applicable to control and improvement districts created under Article 16, Section 59, Constitution of Texas, where not in conflict with this Act and adopting same by reference; pro­viding for no election for con­firmation and no hearing for exclusions and no hearing on plan of taxation and adopting ad valorem plan of taxation for the District; authorizing District certain rights, powers, and authority for and in connection with its systems, facili­ties, and other things necessary to the fulfillment of its purposes whether within or without the boundaries of the District but limited to Brazoria County, Texas, and related matters; providing for governing body of District; pro­viding for qualifications and bonds of Directors; naming first Board of Directors; providing for terms and election of Directors; providing Directors to fill vacancies; providing for organization of Board of Direc­tors; providing for employment of engineers, attorneys, fiscal agents, managers, and employees; providing for sale and price of bonds; provid­ing for exchange of bonds for property acquired or in payment of con­tract price for work done or materials or services furnished and providing for price of bonds in such exchange; providing for bonds or refund­ing bonds to be approved by At­orney General of Texas and registered by the Comptroller of Public Accounts and providing for negotiable­ity, legality, validity, obligation and incom­testability of the bonds or refund­ing bonds; and authorizing refund­ing bonds to be issued without con­current surrender of underlying bonds and related matters; making bonds or refund­ing bonds eligible in­vestments; making inapplicable to the District certain provisions of Article 7880-77b, Vernon's Texas Civil Statutes, as amended; exempt­ing property and bonds of the Di­strict from taxation and related mat­ters; providing for an annual audit, fiscal year, and related matters; providing District shall bear expense of relocating, raising, or rerouting of any highway, railroad, utility lines, or pipelines made necessary by its exercise of the power of eminent domain; enacting other provi­sions related to the aforementioned subjects; providing for a severability clause; and declaring an emergency.

S. B. No. 58, An Act authorizing the Commissioners Court and Improvement Districts having a population in excess of one hundred forty thousand (140,000) but not in excess of two hundred thousand (200,000) according
to the last preceding or any future Federal Census, and having an assessed valuation in excess of Two Hundred Fifty Million Dollars ($250,000,000) to allow each member of the Commissioners Court, an adequate motor vehicle; providing for motor vehicles expense; providing for the expenditure of county funds; providing for an accounting; providing for non-repeal of certain statutes concerning motor vehicle transportation; amending Section 4 of Chapter 427, Acts of the 54th Legislature, Regular Session, 1955, as last amended, which is codified as Section 4 of Article 3383, Vernon's Texas Civil Statutes, so as to provide higher compensation for the County Judge of certain counties with high assessed values for tax purposes; and declaring an emergency.

S. B. No. 66, An Act amending Article 1903, Revised Civil Statutes of Texas, 1925, so as to provide procedure for determining whether or not there shall be nominees for election to the office of joint clerk for the county and district court or nominees for the separate offices of district clerk and county clerk in all counties having a population of less than eight thousand (8,000) according to the last preceding Federal census; and declaring an emergency.

S. B. No. 69, An Act amending Article 1903, Revised Civil Statutes of Texas, 1925, as amended by Chapter 47, Senate Bill No. 24, Acts 55th Legislature of Texas, Regular Session, 1957, by adding thereto a provision that a wife shall never be the joint maker of a note or a surety on any bond or obligation of another without the joinder of her husband with her in making such contract, unless she has been declared a feme sole; and declaring an emergency.

S. B. No. 80, An Act to amend House Bill No. 261, Acts 67th Legislature, Regular Session, 1961, Chapter 274, relating to the filing of rules and regulations of state administrative agencies, declaring all rules, regulations and orders in effect on or issued by state agencies after August 21, 1961, and prior to the effective date hereof to be valid although certified copies thereof were not filed with the Secretary of State; making an exception for rules, regulations and orders under litigation on said date; providing for severability; repealing all laws and parts of laws in conflict herewith; and declaring an emergency.

S. B. No. 84, An Act amending Article 182A, Acts 1951, 52nd Legislature, page 1097, Chapter 492, as amended by Acts 1954, 53rd Legislature, First Called Session, page 36, Chapter 26, Section 1, codified as Article 12.64A, Vernon's Texas Election Code, by changing the provision relating to counties having a population in excess of eight hundred thousand (800,000) inhabitants to apply to counties having a population in excess of five hundred thousand (500,000) inhabitants and counties containing a city of over one hundred thousand (100,000) inhabitants partially located in two counties; providing that where different political party primaries are held in the same building that the entrance to the rooms shall be specifically designated as to political party designation; providing a severability clause; and declaring an emergency.

S. B. No. 91, An Act amending Senate Bill No. 188, Acts of the 57th Legislature, State of Texas, Regular Session, 1961, to fix and make certain the amount of compensation to be paid from County funds to District Judges of the 10th, 54th and 122nd District Courts of Galveston County by the Commissioners Court of Galveston County in addition to the compensation provided by the State of Texas; prohibiting, however, the payment of any salary by Galveston County in excess of the compensation provided by this Act; providing the time and manner of payment; authorizing amendment of the budget; providing that if any portion of this Act is unconstitutional, it shall not affect the remainder thereof; and declaring an emergency.

S. B. No. 96, An Act amending Chapter 16, Acts of the 51st Legislature, 1st Called Session, 1959, by adding a new section to be known as Section 1a changing the name and designation of County Court at Law of Lubbock County in County Court at Law No. 2 of Lubbock County; and declaring an emergency.

S. C. R. No. 16, Providing for the appointment of the Border Conference Committee.
S. C. R. No. 27, Suspending the Joint Rules to consider H. B. No. 10.

S. C. R. No. 28, Suspending the Joint Rules to consider S. B. No. 86.

MOTION TO ADOPT THE CONFERENCE COMMITTEE REPORT ON S. B. NO. 3

Mr. James moved that all necessary rules be suspended for the purpose of adopting the Conference Committee Report on Senate Bill No. 3.

A point of order was raised on further consideration of the motion by Mr. James at this time on the ground that the time beyond which the Speaker would accept any business other than routine matters had arrived.

The Speaker sustained the point of order.

(While the House stood at ease temporarily, Mr. Ward and Mr. Cotton occupied the Chair.)

(Speaker In The Chair)

BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER

The Speaker signed in the presence of the House, after giving due notice thereof and their captions, the following enrolled bills and resolutions:

H. B. No. 66, An Act creating and establishing a conservation and reclamation district under Article 16, Section 59, Constitution of Texas, to be known as McLennan County Water Control and Improvement District—Bosqueville Hills; declaring District a governmental agency, body politic and corporate; defining the boundaries; finding the field notes and boundaries form a closure, and related matters; finding a benefit to all land and other property within the District; finding that District is created to serve a public use and benefit; defining powers of District; conferring on District the rights, powers, privileges, authority, and duties of the General Laws of Texas applicable to water control and improvement districts created under Article 16, Section 59, Constitution of Texas, where not in conflict with this Act and adopting same by reference; providing for no election for confirmation; providing for a hearing for exclusions and notice for same; providing no hearing on plan of taxation and adopting ad valorem plan of taxation for the District; authorizing District certain rights, powers, and authority for and in connection with its systems, facilities, and other things necessary to the fulfillment of its purposes whether within or without the boundaries of the District but limited to McLennan County, Texas, and related matters; providing for governing body of District; providing for qualifications and bonds of Directors; naming first Board of Directors; providing for terms and election of Directors; providing Directors to fill vacancies; providing for organization of Board of Directors; providing for employment of engineers, attorneys, fiscal agents, managers, and employees; providing for sale and price of bonds or refunding bonds; providing for exchange of bonds or refunding bonds for property acquired or in payment of contract price for work done or materials or services furnished; providing for the sale of bonds or refunding bonds in such exchange; providing for bonds and refunding bonds to be approved by Attorney General of Texas and registered by the Comptroller of Public Accounts and providing for negotiability, legality, validity, obligation, and incontestability of the bonds or refunding bonds; making bonds or refunding bonds eligible investments; making inapplicable to the District certain provisions of Articles 7459-775 Vernon’s Texas Civil Statutes, as amended; exempting property and bonds of District from taxation, and related matters; providing for an annual audit, fiscal year, and related matters; providing District shall bear expense of relocating, hiring, or re-routing of any highway, railroad, utility lines, or pipelines made necessary by its exercise of the power of eminent domain; enacting other provisions related to the aforementioned subjects; granting District power to lease or contract for water supply, sewage disposal, drainage, and related systems, facilities and services, and to operate, maintain, collect, account to owners of the systems, and related matters; providing for a severability clause; and declaring an emergency.

H. B. No. 108, An Act creating the Old Galveston Quarter in order to...
H. C. R. No. 28, To grant C. G. Way, et al, permission to sue the State.

H. C. R. No. 43, Suspending the Joint Rules to consider H. R. No. 95 and S. B. No. 98 at any time.

H. C. R. No. 50, Authorizing the Engrossing and Enrolling Clerk of the House to make certain corrections in H. C. R. No. 28.

HOUSE NOTIFIED

A Committee from the Senate was announced at the Bar of the House and, being admitted, stated that the Senate had completed its labors and is now ready to adjourn Sine Die.

TO PROVIDE FOR COMMITTEES TO NOTIFY THE GOVERNOR AND THE SENATE

Mr. Pearcy offered the following resolution:

H. S. R. No. 249

Be it resolved by the House that the Speaker appoint two committees of five members each, one to notify the Senate, and the other to notify the Governor, that the House is now ready to stand adjourned Sine Die.

The resolution was adopted.

COMMITTEE TO NOTIFY THE GOVERNOR

The Speaker announced the appointment of the following Committee to notify the Governor that the House has completed its labors and is now ready to adjourn Sine Die:


COMMITTEE TO NOTIFY THE SENATE

The Speaker announced the appointment of the following Committee to notify the Senate that the House has completed its labors and is now ready to adjourn Sine Die:


SENATE NOTIFIED

The Committee appointed to notify the Senate that the House has completed its labors and is now ready to adjourn Sine Die was announced.
at the Bar of the House and stated that they had performed the duty assigned them.

GOVERNOR NOTIFIED

The Committee appointed to notify the Governor that the House has completed its labors and is now ready to adjourn Sine Die was announced at the Bar of the House and stated that they had performed the duty assigned them.

ADJOURNMENT SINE DIE

Mr. Ward moved that the House of Representatives of the Third Called Session of the Fifty-seventh Legislature adjourn Sine Die.

The Benediction was offered by the Honorable Herman Yezak.

The motion by Mr. Ward prevailed.

Speaker Turman, at 12:00 o’clock midnight, pronounced the House of Representatives of the Third Called Session of the Fifty-seventh Legislature adjourned Sine Die.

APPENDIX

STANDING COMMITTEE REPORTS


REPORTS OF THE COMMITTEE ON ENGROSSED BILLS

Austin, Texas, January 31, 1962

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

Sir: Your Committee on Engrossed Bills to whom was referred

H. C. R. No. 18, directing the State Parks Board and the State Historical Survey Committee to investigate the preservation of Fort McKavett as an historic site and State Park.

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

Sir: Your Committee on Engrossed Bills to whom was referred

H. C. R. No. 30, authorizing Chief Clerk of the House and Senate to compile an accurate list of legislative members from First through the Fifty-seventh Legislatures.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, January 31, 1962

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

Sir: Your Committee on Engrossed Bills to whom was referred

H. C. R. No. 70, A bill to be entitled "An Act amending Chapter 443, Acts of the Forty-fourth Legislature, Second Called Session, 1936, as amended (codified as Article 3886f, Vernon’s Texas Civil Statutes), to increase the salary of district attorneys in all judicial districts to Nine Thousand Dollars ($9,000) per year; to increase the salary of the State’s attorneys assigned to and practicing before the Court of Criminal Appeals to Twelve Thousand Dollars ($12,000) per year; providing compensation for county attorneys performing duties of district attorneys; and declaring an emergency."

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Engrossed Bills to whom was referred

H. C. R. No. 40, congratulating Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.
Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 41, congratulating Mr. and Mrs. Henry Grover on the birth of a son.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 46, suspending the Joint Rules so as to permit the House to consider local bills.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 43, suspending the Joint Rules so that either House may take up and consider H. B. No. 113 at any time.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 34, suspending the Joint Rules so that either House may take up and consider House Bill No. 103 at any time.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 42, suspending the Joint Rules so that either House may take up and consider H. B. No. 113 at any time.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Engrossed Bills to whom was referred
H. C. R. No. 45, suspending the Joint Rules so that either House may take up and consider H. B. No. 113 at any time.

Has carefully compared same and finds it correctly engrossed.

H. G. WELLS, Chairman.
REPORTS OF THE COMMITTEE ON ENROLLED BILLS

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. B. No. 27, An Act closing the season for hunting alligators in Orange County, Texas; providing a penalty for violation; repealing conflicting laws; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. B. No. 110, An Act providing that at the next General Election the electorate shall determine whether the office of the county superintendent shall be abolished in any county of this State having a population of not less than six hundred thousand (600,000) according to the last preceding Federal Census, and wherein there are four (4) or more common school districts; providing that in the event the office is abolished certain duties shall be transferred to the county judge; providing for the compensation to be paid the county judge for performing such duties in an ex officio capacity; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. B. No. 5, directing the Texas Commission on State and Local Tax Policy to make a comprehensive study of proposed or prospective changes in the Texas Limited Sales, Excise and Use Tax and to render to the Governor and to the Fifty-eighth Legislature a written report on its findings, conclusions and recommendations.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 18, directing the State Parks Board and the State Historical Survey Committee to make an investigation of the possibilities of preserving Fort McKavett as an historic site and State park.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 30, authorizing the compilation of an accurate roster of Legislative Members from the First through the Fifty-seventh Legislatures.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 35, authorizing the consideration of a revised bill for the Legislature's consideration, and directing the Speaker of the House to call the House into an advisory session to pass on and possibly act upon the bill.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962
Hon. James A. Turman, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 55, granting permission to Pierce Brothers, Inc., to sue the State of Texas and the State Highway Commission.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.
H. C. R. No. 38, congratulating Father Levada and his family.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 38, congratulating Father Levada and his family. finds

It correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred

Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany, on

his 86th birthday.

Has carefully compared same and

finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 40, congratulating

Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany, on

his 86th birthday.

Has carefully compared same and

finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 41, congratulating

Bernard Downey Grover, son of Representative and Mrs. Henry Cush·

ing Grover.

Has carefully compared same and

finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred

H. C. R. No. 42, An Act creating and

establishing a conservation and reclamation district under Article 16,

Section 59, Constitution of Texas, to be known as McLennan County

Water Control and Improvement District—Bosqueville Hills; declar·

ing District a governmental agency, body politic and corporate; defining

the boundaries; finding the field notes and boundaries form a closure,

and related matters; finding a bene·

fit to all land and other property

within the District; finding that Dis·

trict is created to serve a public

use and benefit; defining powers of

District; conferring on District the

rights, powers, privileges, authority,

and duties of the General Laws of

Texas applicable to water control

and improvement districts created

under: Article 16, Section 59, Con·

stitution of Texas, where not in con·

flict with this Act; and adopting

same by reference; providing for

no election for confirmation; pro·

viding for a hearing for exclusions

and notice for same; providing no

hearing on plan of taxation and

adopting ad valorem plan of taxation

for the District; authorizing District
certain rights, powers, and authority
for and in connection with its sys·
tems, facilities, and other things
necessary to the fulfillment of its
purposes whether within or without
the boundaries of the District but
limited to McLennan County, Texas,
and related matters; providing for
governing body of District; provid·
ing for qualifications and bonds of
Directors; naming first Board of
Directors; providing for terms and
election of Directors; providing Dis·
rectors to fill vacancies; providing for
organization of Board of Direc·
tors; providing for employment of
engineers, attorneys, fiscal agents,
managers, and employees; provid·
ing for sale and price of bonds or
refunding bonds; providing for ex·
change of bonds or refunding bonds
for property acquired or in payment
of contract price for work done or materials or services furnished and providing for price of bonds or refunding bonds in such exchange; providing for bonds and refunding bonds to be approved by Attorney General of Texas and registered by the Comptroller of Public Accounts and providing for negotiability, legality, validity, obligation, and incontestability of the bonds or refunding bonds; making bonds or refunding bonds eligible investments; making inapplicable to the District certain provisions of Article 7880-77b, Vernon's Texas Civil Statutes, as amended; exempting property and bonds of the District from taxation, and related matters; providing for an annual audit, fiscal year, and related matters; providing District shall bear expense of relocating, raising, or re-routing of any highway, railroad, utility lines, or pipelines made necessary by its exercise of the power of eminent domain; enacting other provisions related to the aforementioned subjects; granting District power to lease or contract for water supply, sewage disposal, drainage, and related systems, facilities and services, and to operate, maintain, collect, account to owners of the systems, and related matters; providing for a severability clause; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred H. C. R. No. 28, granting permission to C. G. Way, et al, to sue the State of Texas. Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred H. C. R. No. 43, suspending the Joint Rules of the two Houses so that either House may take up and consider House Bill No. 95 and Senate Bill No. 98 at any time. Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

Austin, Texas, February 1, 1962

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

Sir: Your Committee on Enrolled Bills to whom was referred H. C. R. No. 50, authorizing the Engrossing and Enrolling Clerk of the House of Representatives to make certain corrections in House Concurrent Resolution No. 28. Has carefully compared same and finds it correctly enrolled.

JAMES V. ADAMS, Chairman.

SENT TO GOVERNOR

February 1, 1962

H. B. No. 27.
H. B. No. 110.
H. C. R. No. 5.
H. C. R. No. 18.
H. C. R. No. 30.
H. C. R. No. 36.
H. C. R. No. 38.
H. C. R. No. 40.
H. C. R. No. 41.
H. C. R. No. 42.
H. C. R. No. 46.
<table>
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<tr>
<th>February 1, 1962</th>
<th>H. C. R. No. 28.</th>
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<td>H. B. No. 66.</td>
<td>H. C. R. No. 43.</td>
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<td>H. B. No. 108.</td>
<td>H. C. R. No. 50.</td>
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Speaker James A. Turman announced committee appointments, as follows:

INTERIM COMMITTEE TO WORK WITH SOUTHWEST ANIMAL HEALTH RESEARCH FOUNDATION OF ERADICATION OF THE SCREWWORM
(Pursuant to H. C. R. No. 6)
Messrs. Bartram, Burgess, Bynum, Kolbmann and Mutcher.

THE BORDER CONFERENCE COMMITTEE
(Pursuant to S. C. R. No. 14)

COMMITTEE ON SPECIAL DISTRICTS
(Pursuant to H. S. R. No. 24)
Messrs. Watson and Cord, Miss Duff, and Messrs. Harding and Quillian.

COMMITTEE TO INVESTIGATE THE CONDITION OF PAINTINGS IN THE HOUSE OF REPRESENTATIVES
(Pursuant to H. S. R. No. 45)
Messrs. Lewis, Caldwell and Cole of Hunt.

COMMITTEE TO MAKE A SURVEY OF STATE-OWNED LANDS NEAR THE CAPITOL TO STUDY THE POSSIBILITY OF CONVERTING A PORTION OF SUCH LANDS FOR USE AS PARKING LOTS
(Pursuant to H. S. R. No. 136)
Messrs. Jones of Travis, Sandahl and Foreman.

INTERIM COMMITTEE ON MIGRANT LABOR
(Pursuant to H. S. R. No. 164)

COMMITTEE TO MAKE A COMPREHENSIVE STUDY OF DIVORCE AND THE LAWS RELATING THERETO
(Pursuant to H. S. R. No. 504)
Messrs. Ransom, Crews, Fletcher, Haring and Whitfield.

THE TEXAS COMMISSION ON STATE AND LOCAL TAX POLICY
Messrs. Hallman, Sandahl and Wilson of Trinity.

INTERIM COMMITTEE TO STUDY SALT WATER POLLUTION TO THE SOIL AND SURFACE WATERS OF TEXAS
(Pursuant to H. S. R. No. 124)
Messrs. Kilpatrick, Barnes, Koliba, Nugent and Ward.

COMMITTEE TO STUDY OPERATIONS OF TEXAS EXAMINING AND LICENSING BOARDS
(Pursuant to H. S. R. No. 163)