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and surplus of such associations; providing for the supervision and regulation of such associations, their books and records, accounting practices, statements, reports, audits and examinations; providing for discontinuance of violations and receivership; limiting the rights of foreign associations to do business as a savings and loan association in this State; providing for conversion into Federal associations; providing for conversion into State associations and reorganization, merger, consolidation and voluntary liquidation of such associations; exempting savings accounts from securities laws; authorizing acknowledgments to be taken before members and employees of associations who are notaries public; providing for closing of places of business; permitting associations to act to avoid losses; providing for fees to be collected by savings and loan commissioner; requiring all associations authorized to conduct a savings and loan business to conform to this Act; providing that outstanding shares, stock, share accounts and investment certificates (except Permanent Reserve Fund Stock) shall be considered as savings accounts; prohibiting the issuance of stock or shares not authorized by this Act; providing for ad valorem taxation of the property of such associations; permitting rule-making procedures to be instituted under certain conditions; providing for judicial review; providing penalties for slander of an association, embarrassment, declaring greater dividends than earned, failing to comply with law, suppressing evidence and disclosures by examiners; repealing all laws in conflict herewith; providing for severability of the different Chapters or parts of Chapter so that the unconstitutionality of one or more shall not affect the remainder of the Act; providing an effective date; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

SHANNON, Chairman.

SIXTY-FIRST DAY
(Thursday, April 25, 1963)
The House met at 6:15 o'clock

Mr. Speaker
Adams
Allen
Allen
Atwell
Bail
Banfield
Barnes
Barnes
Base of Bowie
Base of Harris
Beckham
Berry
Birken
Blaine
Boyt
Bridges
Brooks
Brown
Brown
Brown
Brown
Brown
Butler
Cain
Caldwell
Camisa
Canons
Carriker
Carr
Champlain
Cherry
Clayton
Cole
Collins
Cook
Cory
Cotten
Coughton
Cowden
Cowen
Craft
Crow
Davis
Doe
Dugan
Dugan
Eckhardt
Edwards
Ekuevel
Fairchild
Finney
Fletcher
Floyd
Fondren
Foreman
Garrison
Gibbens
Gladden
Glenn

Green
Grover
Guffey
Haines of Brazos
Hallmark
Harrington
Harris
Harris of Galveston
Harris of Dallas
Harms of Orange
Headly
Helton
Hendrix
Hinson
Hollowell
Houston
Hughes
Jamieson
Jarvis
Johnson of Dallas
Johnson of Bexar
Kilgar
Knapp
Kothmann
Lack
Ligard
McClion
McDonald
Meadow of Hidalgo
McGregor
McIlhany
McLaughlin
McNutt
Meyett
Markgraf
Miler
Morgan
Moyer
Murray
Mutschler
Niemeyer
Nugent
Parker
Parme
Parson
Peery
Peeler
Pendleton
Penny
Perry
Pipsis
Price
Quilliam
Rapp
Richards
Richardson
Ritter

16 p.m., pursuant to adjournment, and was called to order by the Speaker.

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

Mr. Speaker
Adams
Allen
Allen
Atwell
Bail
Banfield
Barnes
Barnes
Base of Bowie
Base of Harris
Beckham
Berry
Birken
Blaine
Boyt
Bridges
Brooks
Brown
Brown
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Butler
Cain
Caldwell
Camisa
Canons
Carriker
Carr
Champlain
Cherry
Clayton
Cole
Collins
Cook
Cory
Cotten
Coughton
Cowden
Cowen
Craft
Crow
Davis
Doe
Dugan
Dugan
Eckhardt
Edwards
Ekuevel
Fairchild
Finney
Fletcher
Floyd
Fondren
Foreman
Garrison
Gibbens
Gladden
Glenn

Green
Grover
Guffey
Haines of Brazos
Hallmark
Harrington
Harris
Harris of Galveston
Harris of Dallas
Harms of Orange
Headly
Helton
Hendrix
Hinson
Hollowell
Houston
Hughes
Jamieson
Jarvis
Johnson of Dallas
Johnson of Bexar
Kilgar
Knapp
Kothmann
Lack
Ligard
McClion
McDonald
Meadow of Hidalgo
McGregor
McIlhany
McLaughlin
McNutt
Meyett
Markgraf
Miler
Morgan
Moyer
Murray
Mutschler
Niemeyer
Nugent
Parker
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Dugan
Eckhardt
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McClion
McDonald
Meadow of Hidalgo
McGregor
McIlhany
McLaughlin
McNutt
Meyett
Markgraf
Miler
Morgan
Moyer
Murray
Mutschler
Niemeyer
Nugent
Parker
Parme
Parson
Peery
Peeler
Pendleton
Penny
Perry
Pipsis
Price
Quilliam
Rapp
Richards
Richardson
Ritter
LEAVES OF ABSENCE GRANTED

The following Members were granted leaves of absence on account of important business:

Mr. Macatee for today on motion of Mr. Stollenwerck.
Mr. de la Garza for today on motion of Mr. Pipkin.
Mr. Harding for today on motion of Mr. Ward.
Mr. Thurmond for today on motion of Mr. Cannon.

The following Member was granted leave of absence on account of illness:

Mr. Kilpatrick for today on motion of Mr. Haynes of Orange.

MEMORIAL RESOLUTIONS ADOPTED

H. B. No. 436, By Mr. Guffey:
In memory of Robert F. Howard.

SENATE JOINT RESOLUTION ON FIRST READING

The following Senate Joint Resolution received from the Senate was today laid before the House, read first time and referred to the appropriate Committee, as follows:

S. J. R. No. 26 to the Committee on Constitutional Amendments.

SENATE BILLS ON FIRST READING

The following Senate Bills received from the Senate were today laid before the House, read severally first time and referred to the appropriate Committees, as follows:

S. B. No. 233 to the Committee on Insurance.
S. B. No. 230 to the Committee on State Affairs.

PERMISSION GRANTED TO INTRODUCE A HOUSE BILL

Mr. Pipkin moved to suspend the necessary rules in order to introduce H. B. No. 1051 at this time.

The motion prevailed without objection.

RECALLING H. B. NO. 528 FROM THE GOVERNOR

Mr. Whitfield offered the following resolution:

H. C. R. No. 66

Whereas, House Bill No. 528 has been passed by both the House and the Senate and is now in the office of the Governor and there are certain corrections to be made therein; now, therefore, be it

Resolved by the House of Representatives of the State of Texas, the Senate concurring, That the Governor be and is hereby respectfully requested to return House Bill No. 528 to the House for correction; and, be it further

Resolved, That the action of the Speaker and the President of the Senate in signing House Bill No. 528 be declared null and void, and that the two presiding officers be authorized to remove their signatures
Resolved, That the Engrossing and Enrolling Clerk of the House be and is hereby directed to correct the enrolled copy of House Bill No. 528 by striking the first sentence of Section 2 of said bill and substituting, therefore, the following:

"Section 2. Chapter 125, Acts, Forty-fifth Legislature, Regular Session, 1937, as amended (compiled as Article 6243e, Vernon's Texas Civil Statutes), be amended by adding a new section to be numbered 23A-1 to read as follows:"

The resolution was adopted without objection.

CONGRATULATORY RESOLUTIONS ADOPTED

H. S. R. No. 435, By Guffey: Recommending Albert Horton Foote, Jr.

H. S. R. No. 427, By Mr. Cannon: Congratulating the Eastewanagi Indian Dance Society of Mexia.

H. S. R. No. 433, By Hans of Harris, Brooks, Floyd, Whittfield, Duggan, Shutt, Garrison and Whaley: Recommending Tom Omstead, reporter for The Houston Post.

GRANTING THE SOUTHWEST AREA COUNCIL OF YOUNG MEN'S CHRISTIAN ASSOCIATION PERMISSION TO MEET IN THE HOUSE CHAMBER

Mr. Cole offered the following resolution:

H. S. R. No. 432

Whereas, For each of the last sixteen years, the Southwest Area Council of the Young Men's Christian Association has sponsored a Youth Legislature as part of its youth and government program; and

Whereas, Its purpose is to train young people in democratic processes, both in theory and practice; and

Whereas, This is a valuable and comprehensive educational movement. Hi-Y participants in the Youth Legislature are elected by their respective clubs or high schools. Pre-legislative conferences are held in October and November to determine legislative programs and to acquaint the young people with procedures in lawmaking. A study of public issues also is made; and

Whereas, The Governor, the Attorney General, numerous State employees and experts in the field of legislation, as well as six universities and colleges, have in the past aided the schools and the YMCA in its pre-legislative conferences and in their preparation as well; and

Whereas, Plans are under way for the seventeenth and eighteenth annual Hi-Y Legislatures, scheduled when the Legislature is not in session. Dates for the 1963 Youth Legislature are December 12 to 15, inclusive, and for 1964 from December 10 to 12, inclusive. House Chamber would be used December 13 and 14 in 1963, and December 11 and 12 in 1964. The House Chamber would be used December 15, 1963, and December 13, 1964, for religious services and conference summation; and

Whereas, No expense would be incurred by the State in permitting use of the Chamber. The staff of the Youth Legislature, including ser­geant-at-arms and janitors, would be employed by the sponsoring organization; and

Whereas, The Legislature is sympathetic with, and heartily endorses, the avowed purpose of the Youth Legislature as a means of developing an understanding citizenry and as a training ground for future State officials; now, therefore, be it

Resolved by the House of Representatives of the Fifty-eighth Legislature of the State of Texas, that the Southwest Area Council of the Young Men's Christian Association be, and is hereby, granted permission to use the House Chamber of the State Capitol from December 12 to 15, inclusive, in 1963, and December 10 to 12, inclusive, in 1964.

The resolution was adopted without objection.

RELATIVE TO H. B. NO. 262

Mr. Smith of Bexar moved to call from the Journal H. B. No. 262.

The motion prevailed without objection.

SENATE BILL NO. 15 ON THIRD READING

The Speaker laid before the House
April 25, 1963

on its third reading and final passage,

S. B. No. 15, A bill to be entitled "An Act to classify loans and lenders and provide for their regulation; stating legislative intent; providing for the licensing and regulation of lenders; providing penalties for failure to obtain license including fines and imprisonment and loss of all principal and interest; defining interest and fixing the maximum rate of interest on loans with cash advance of $500 or less; defining terms; prescribing and defining unlawful acts; providing for and defining licensing; defining duties, power and authority of licensees; creating the office of Consumer Finance Commissioner and providing for appointment by the Finance Commissioner; defining duties, powers and authority of Consumer Finance Commissioner as administrator of the Act, including the appointment, bonding and removal of deputy commissioners, examiners and employees and the prescribing of their duties; providing for compensation of commissioner, deputy commissioner, examiners and employees, disposition of fees and revenue; providing for reports to Governor and Legislature; providing for nonliability for official acts and defense by the Attorney General; providing for short title of Act; providing for exemptions; providing for investigation of applicants for license; providing for the insurance or denial of license; fixing annual license fees; providing for examination fees; fixing minimum sets of licensees; requiring separate license for each place of business and for amendment of license upon removal of place of business; providing that residence of borrower shall not affect validity of loan; providing for the revocation, temporary suspension, surrender and reinstatement of licenses and for appeals; providing for examination of licensees; providing for the power of subpoena or other process on investigations and hearings by the commissioner; providing for cease and desist orders and injunctions; providing for the keeping of books and records and their availability to the commissioner; providing for annual reports; giving the commissioner authority and power to make regulations and orders interpreting, applying or explaining this Act; providing for certified copies of instruments and documents upon payment of costs therefor; prohibiting advertising by licensees which is false, misleading or deceptive with reference to rates, terms, or conditions of loans; providing for the conduct and other businesses in the same office as licensees; fixing maximum interest rate for default and extension and relating them to maximum rate of interest permitted; providing any other charges except those permitted; providing for refunds in the event of prepayment in full before maturity and the method of calculating refunds; providing for the requirement for the making and paying of loans; prohibiting the splitting of loans; prohibiting the confession of judgments and incomplete instruments; prohibiting the taking of loans on real estate as security for loans except as created by law through the rendition or recording of a judgment; providing for the taking of chattel mortgages and requiring the joinder of the spouse in the case of married persons; permitting insurance to be required by licensees in connection with loans and defining the types and amounts of insurance; requiring the delivery of policy or certificate of insurance to the borrower; providing for the deduction of premiums or identifiable charge from the proceeds of the loan; providing for additional loans by licensees to the same borrower, but prohibiting interest greater than would be permitted if not a licensee under this Act; providing that all purchases be deemed loans; providing for enforcement of loans made elsewhere enforceable in accordance with the laws of state where made; providing for the right of appeal to a district court of Travis County and trial de novo on that term is used in appealing from the Justice of the Peace to the county court on appeal from any order or regulation of the commissioner; providing for the disposition of fees and revenues; providing that pre-existing contracts shall not be impaired or affected; providing for the amendment of Chapter 144, Acts of the 48th Legislature, Regular Session, 1949, compiled as Article 4646(b), Revised Civil Statutes of Texas, 1925, and Article 5069, Revised Civil Statutes of Texas, 1925, and Article 5071,
Revised Civil Statutes of Texas, 1925, and Article 5073, Revised Civil Statutes of Texas, 1925; repealing of laws in conflict herewith to the extent of such conflict; carrying into effect the amendment of Article XVI, Sec. 11, of the Constitution adopted November 8, 1916; providing for penalties; providing for severability; and declaring an emergency.

The bill was read third time.

Mr. Quilliam moved that further consideration of Senate Bill No. 16 be postponed until 11:00 o'clock a.m. next Monday, April 29.

Mr. Cory moved to table the motion to postpone further consideration of S. B. No. 16, and the motion to table prevailed.

A record vote was requested on the passage of S. B. No. 15.

S. B. No. 15 was passed by the following vote:

Yea—99

Adams Fondren
Allen Foreman
Aronell Garrison
Bennard Gibbens
Bass of Harris Haines of Brazos
Beggs Harding
Bilke Harris of Dallas
Boyesen Haynes of Orange
Bridges Heatly
Brooks Hetton
Brown of Taylor Houston
Butler Hughes
Cain Jamison
Caldwell Jarvis
Canales Johnson of Dallas
Cavness Klier
Chapman Knapp
Clayton Kohmann
Cole Lack
Cook Ligards
Cory McClintock
Coughran McDonald
Cowden of Hidalgo
Cowles McIlhany
Crews McLaughlin
Davis McNutt
Duggan Mann
Dungan Miller
Donald Morgan
Fairchild Murray
Finch Mathies
Fincher Parker
Floyd Parsley

Nay—37

Alanis Hendryx
Ball Hinson
Bass of Bowie Inaucks
Birken Johnson of Bexar
Brown McGregor
Brown of Galveston Markgraf
Carillet Moyer
Cherry Nugent
Collins Parmer
Coplen Quilliam
Crayn Richardson
Eckhardt Roberts
Edwards Rosen
Gladren Smith of Jefferson
Glenz Townsend
Green Ward
Guyen Walls
Hallmark Wilson
Haring Harris
Harris of Galveston

Present—Not Voting

Arledge Hollowell

Cannon Absent

Barnes McDonald of Rusk
Bode Niemeyer

Absent—Excused

Carpenter Koliba
de la Garza Macatee
Kilpatrick Thurmond

PAIRED

Mr. Hollowell (present), who would vote Nay with Mr. de la Garza (absent) who would vote Ye.

Mr. Cannon (present), who would vote Nay with Mr. Macatee (absent) who would vote Ye.

(The above record vote was re-
CAPTION ORDERED AMENDED

On motion of Mr. Garrison, and by unanimous consent of the House, the caption of S. B. No. 15 was ordered amended to conform with the body of the bill.

REASON FOR VOTE

I voted against final passage of S. B. 15, because of the interest rate being too high on the very small loans. However, I expect the bill to be sent to a Conference Committee at which time I trust it will be considerably improved in this respect.

JIM MARKGRAF.

REASON FOR VOTE

I voted for Senate Bill 15 because I feel a regulatory bill is needed and only by passing this bill now can we get a Conference Committee to draft a final bill for both Houses to consider.

RONALD W. BRIDGES.

REASON FOR VOTE

We voted against S. B. 15 on final passage because we could not vote for a bill which legalizes the loan sharks, as opposed to regulating them, by authorizing interest rates in excess of 600%.

Signed: Terry Townsend, Jim Nugent, Don Brown, Bill Hollowell, Maurice B. Hall.

REASON FOR VOTE

Reason for Vote on S. B. 15

It is true that this bill creates fine regulatory machinery and provides stiff penalties for violators. However, the interest rates it legalizes are so exorbitant that the only function I foresee for this fine machinery is simply to collect the license fees. After a law is passed on loan regulation public interest in the subject will subside. It will then be too late to get lower interest rates to protect the poor, the aged, and the infirm.

DICK CHERRY.
filed favorable reports on bills and a resolution, as follows:

Commerce and Manufactures: H. B. No. 719, H. B. No. 935.

Common Carriers: H. B. No. 760.


Labor: H. B. No. 326.


REPORTS OF THE COMMITTEE ON ENROLLED BILLS

Austin, Texas, April 26, 1963
Hon. Byron M. Tunnell, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred H. B. No. 602, An Act relating to the authority of and the procedures to be followed by county auditors in certain counties in auditing all books, accounts, vouchers and other records of all funds handled by county departments of education; providing for severability; repealing laws in conflict; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

SHANNON, Chairman.

Austin, Texas, April 26, 1963
Hon. Byron M. Tunnell, Speaker of the House of Representatives.

Sir: Your Committee on Enrolled Bills to whom was referred H. B. No. 236, An Act amending Section 2 of Chapter 297, Acts of
the Fifty-second Legislature, Regular Session, 1951, as amended, relating to commercial fishing in certain counties, to prohibit fishing commercially in that portion of the Angelina River that is the boundary line between Cherokee and Nacogdoches Counties North of Texas Highway 21; and declaring an emergency.

Has carefully compared same and finds it correctly enrolled.

SHANNON, Chairman.

SENT TO GOVERNOR

April 26, 1963

H. C. R. No. 62.
H. C. R. No. 65.
H. B. No. 236.
H. B. No. 602.
H. B. No. 690.

SIXTY-SECOND DAY
(Monday, April 29, 1963)

The House met at 11:00 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
Adams
Allen
Arledge
Atwell
Ball
Banfield
Barnes
Bass of Bowles
Bass
Beckham
Berry
Birkner
Butler
Canales
Caldwell

cannon
Carricker
Cavness
Chapman
Cherry
Clayton
Cole
Collins
Cook
Cotten
Cowdren
Cowden

Craw
Crews

de la Garza
Dobbs
Dungan
Dungan
Edwards
Eskridge

Fairchild

Fletcher
Floyd
Forden
Foreman
Garrison
Gibbons
Gladden
Glen
Green
Grover
Guffey

Haines of Brazos
Hallmark
Harding
Haring
Harris
Harris of Galveston
Harrs of Dallas
Harrs of Orange
Hess
Hilton
Hendryx
Hinson
Hollowell
Houston
Hughes
Isacks
Jamison
Jarvis
Johnson of Dallas
Johnson of Bexar
Kilpatrick
Klager
Kilpatric
Klopp
Kotthmann
Lack
Ligarde
Ligarde
Ligon
McClintock
McDonald

McDonald of Rusk
McGregor
McHany
McLaughlin
McNutt
Meadows
Meadows
Mann
Markgraf
Miller
Morgan

Morgan of Jefferson

Naylor
Murray
Noltecker
Niemeyer
Nugent
Parker
Parmer
Pearce
Peeler
Pendleton
Petty
Pipkin
Price
Quilliam
Ramp
Richards
Richardson
Ritter
Roberts
Rodrigues
Rosson
Ratterwhite
Schiller
Scoggins
Segrest
Shannon
Shibley
Shutt
Simpson
Slack
Slider
Smith of Bexar
Smith of Jefferson
Stewart
Stollenwerck
Thompson
Thurmond
Townsends
Trager
Walker
Ward
Weldon
Wells
Whaley
Wheeler
Whitfield
Wieling
Wilson
Woods

Absent—Excused
Carpenter
Koliba
Cory

A quorum of the House was announced present.

The Invocation was offered by the Reverend I. W. Oliver, Chaplain, as follows:

"Our Heavenly Father, the demands upon our time are heavy. The