The house met at 2 p.m. and was called to order by the speaker. The roll of the house was called and a quorum was announced present (Record 580).

Present — Mr. Speaker; Agnich; Armbrister; Arnold; Barrientos; Barton, B.; Barton, E.; Berlanga; Blanton; Bomer; Buchanan; Burnett; Bush; Cain; Carriker; Cary; Cavazos; Ceverha; Clark; Clemmons; Colbert; Collazo; Connelly; Coody; Craddick; Criss; Crockett; Danburg; Davis; DeLay; Delco; Denton; Eckels; Edwards; Elkenburg; English; Evans, C.; Evans, L.; Finnell; Fox; Gamez; Gandy; Garcia, A.; Garcia, M.; Gavin; Geistwedt; Gibson, B.; Gibson, J.; Gilley; Glossbrunner; Granoff; Green; Grisham; Hackney; Haley; Hall, L.; Hall, W.; Hammond; Hanna; Harrison, D.; Harrison, W.; Heflin; Hernandez; Highliewer; Hilbert; Hill, A.; Hill, G.; Hill, P.; Hinojosa; Horn; Hudson, D.; Hudson, S.; Hury; Jones; Keller; Kemp; Khoury; Kubiak; Kuempel; Laney; Lee, D.; Lee, E. F.; Luna; McKenna; McWilliams; Madla; Mankins; Martinez, R.; Martinez, W.; Messer; Millsap; Moreno, A.; Moreno, P.; Oliveira; Oliver; Parker; Patrick; Patronella; Patterson; Pennington; Peveto; Pierce; Polk; Polumbo; Presnal; Price; Ragland; Rangel; Robinson; Robnett; Rudd; Russell; Saunders; Schlueter; Schoolcraft; Shaw; Shea; Short; Simpson; Smith, A.; Smith, C.; Smith, T.; Staniswalis; Stiles; Sutton; Tejeda; Toomey; Tow; Turner; Uhler; Vowell; Waldrop; Wallace; Watson; Whaley; Wieting; Willis; Wilson; Wolens; Word; Wright.

Absent, Excused — Salinas.

Absent — Emmett; Hall, T.; Hollowell; Jackson; Leonard; Thompson, G.; Thompson, S.; Valles.

The invocation was offered by Representative Bill Coody.

(T. Hall, Hollowell, and Jackson now present)

LEAVE OF ABSENCE GRANTED

The following member was granted leave of absence for today because of important business:

Salinas on motion of C. Evans.

(G. Thompson, Leonard, and S. Thompson now present)

MESSAGE FROM THE SENATE

Austin, Texas, May 29, 1983

The Honorable Speaker of the House of Representatives

House Chamber

The Honorable

Mr. Speaker:

I am directed by the Senate to inform the House that the Senate has passed the following:
HB 490 by T. Smith, relating to subdivision controls in certain counties. (amended)

HCR 269 by Willis, congratulating Robert G. Cherry.

HB 2061 by C. Evans, relating to the establishment and operation of Gateway State Park. (amended)

CSHB 382 by Hightower, et al., relating to the payment by the state of certain expenses arising from the prosecution of an inmate of the department of corrections. (amended)

HB 895 by Laney, relating to the withholding of names drawn from jury service.

HB 1745 by Russell, relating to mandatory joint elections held by political subdivisions. (amended)

SCR 142 by Whitmire, requesting Governor Mark White to recognize distinguished citizens.

HCR 261 by G. Hill, in memory of Odis Havis.

HCR 262 by G. Hill, congratulating the Texas Legislative Service for 60 years of service to the people and legislature of the State of Texas.

HCR 264 by G. Hill, commending Professor Kenneth E. McIntyre.

HCR 266 by Polk, commending The University of Texas on its construction of a 300-inch telescope.

HB 1277 by Clark, relating to an administrative penalty for violation of laws, safety standards and regulations relating to transportation of gas and gas pipeline facilities. (amended)

SCR 143 by Harris, honoring Robert B. Anderson.

HJR 65 by W. Hall, proposing a constitutional amendment relating to the payment of assistance to the surviving dependent parents, brothers and sisters of certain public servants killed while on duty.

HB 594 by Millsap, relating to certification requirements for aircraft crash and rescue fire fighters.

CSHB 1580 by Jackson, relating to a taxpayer's remedies in the judicial review of certain property tax determinations.

HB 1769 by Eckels, et al., relating to imposition of a fee by the Texas Department of Water Resources to be used to pay expenses of inspection of waste treatment facilities. (amended)

HCR 103 by Wilson, requesting the governor to initiate an annual Distinguished Citizen Award.

HCR 274 by Wilson, honoring Robert B. Anderson.

HB 52 by Delco, relating to the attorney general's duty to respond to requests for legal opinions. (amended)

HCR 271 by Crockett, congratulating Mr. and Mrs. Hipp.

HCR 272 by DeLay, recognizing Capitol Physicians and Nurse.

Local and Uncontested Calendar

HB 210 by Ragsdale, relating to the designation and service of certain public school officials as deputy voter registrars.

HB 310 by Valles, relating to the expenditure of the proceeds from airport revenue bonds by certain cities.

HB 326 by Robnett, relating to the form in which certain government records may be kept.

CSHB 337 by Green, relating to the assignment of judges by the presiding judges of administrative judicial districts.

HB 340 by L. Hall, relating to disqualification for benefits under the Texas Unemployment Compensation Act.
HB 350 by S. Hudson, et al., relating to the placement of signs outside of the entrance of a polling place. (amended)

HB 358 by Willis, relating to child abuse investigations.

HB 385 by Willis, relating to the compensation of presiding judges of certain administrative judicial districts.

HB 401 by Presnal, relating to the amount of per diem to which a member of a state board or commission is entitled. (amended)

HB 411 by T. Smith, relating to the use of unclaimed funds received under a court order from a probationer for compensation to victims of crime. (amended)

HB 570 by E. Barton, relating to a continuing education requirement for a county treasurer.

HB 645 by DeLay, relating to the consolidation of property tax assessing and collecting.

HB 657 by P. Hill, relating to the appointment of substitute municipal judges.

HB 657 by Russell, relating to the application of the Professional Prosecutors Act to the Criminal District Attorney of Cass County.

HB 725 by Rangel, relating to certain defenses to charges of failure to maintain financial responsibility.

HB 726 by Shaw, relating to the compensation of the judge of the 118th Judicial District.

HB 742 by Rudd, relating to reports by the division heads of the Department of Public Safety regarding the efficiency of its employees.

HB 755 by Hury, relating to the authority of counties to contract for the destruction of certificates, bonds, interest coupons, or other evidences of indebtedness issued and paid by the counties.

CSHB 773 by Eckels, relating to prohibiting the discharge of waste and sewage into drainage ditches in Harris County.

HB 777 by J. Gibson, et al., relating to the composition of a county hospital's board of managers.

HB 790 by Hury, relating to the collection, deposit, and disposition of certain court costs collected in criminal cases.

HB 804 by D. Hudson, relating to county and precinct officials and employees who are paid wholly from county funds.

HB 812 by A. Garcia, relating to credit in the Employees Retirement System of Texas for certain service as an employee of a judicial district.

HB 845 by P. Hill, relating to the property tax exemption of certain organizations that promote or operate art galleries, museums, and collections.

HB 855 by Rudd, relating to the discretion of a court to allow certain persons convicted of crimes to serve their sentences during off-work hours or on weekends.

HB 859 by Rudd, relating to a requirement that a law enforcement agency that transfers a defendant to the custody of the Texas Department of Corrections provide the department with a written description of the offense.

CSHB 888 by Rudd, relating to a court's continuing jurisdiction over a prisoner sentenced to the Texas Department of Corrections.

HB 908 by T. Smith, relating to the identification of county-owned motor vehicles and heavy equipment.

HB 949 by A. Moreno, relating to the powers of the Board of Trustees of Pan American University.

HB 1007 by Finnell, relating to railroad crossing safety information.

HB 1018 by Russell, relating to the authority of rural fire prevention districts to issue bonds, notes, and bond anticipation notes. (amended)

HB 1080 by Turner, relating to the transfer of records in connection with a change of venue of certain probate proceedings.
HB 1106 by Saunders, relating to the expenses of the official court reporter for the 155th Judicial District.

HB 1108 by Keller, relating to the vacation time for jail personnel of certain county jails.

HB 1119 by Khoury, relating to the jurisdiction of the supreme court and the courts of appeals and the issuance of the writ of mandamus by the courts of appeals or the justices.

HB 1189 by Khoury, relating to the validation of bonds, certificates of obligation, warrants, notes, or other evidences of debt issued by an incorporated city in connection with the acquisition of a waterworks system.

HB 1216 by Hollowell, relating to the designation of emergency interim successors to assume the powers and duties of unavailable legislators in the event of enemy attack.

HB 1263 by Hightower, et al., relating to the powers and status of the tribal councils and tribal businesses of the Alabama-Coushatta and the Tigua Indian Tribes.

HB 1269 by Uher, relating to the maximum population for a county election precinct in which voting machines or electronic voting systems are used. (amended)

HB 1273 by E. Barton, relating to substantive revision of the law governing licensing of drivers.

HB 1282 by Jones, relating to split payment of and the granting of discounts for the early payment of property taxes. (amended)

HB 1310 by Coody, relating to judicial review of certain orders issued by the Alcoholic Beverage Commission.

CSHB 1344 by Gavin, relating to jurisdiction over and regulation of certain entities by the State Board of Insurance.

HB 1370 by Khoury, relating to the filing and docketing of certain suits for adoption.

HB 1401 by Fox, relating to a refund made to an employer for unemployment compensation benefits paid to a disqualified employee. (amended)

HB 1415 by Sutton, authorizing the Board of Regents of The University of Texas System to waive its reversionary interest in Mahnicke Park and Brackenridge Park Golf Course.

HB 1420 by Schoolcraft, relating to proceedings on offenses regarding certificates of title to motor vehicles.

HB 1421 by Jones, relating to the deposit in financial institutions of money received by the county tax collector for motor vehicle registration and certificates of title. (amended)

HB 1454 by Bush, relating to procedures under the administrative procedure and Texas Register Act.

HB 1460 by Edwards, relating to the authority of the commissioners court to set court costs in certain misdemeanor cases in certain counties.

HB 1481 by Delco, relating to the expenditure by certain counties of public or private grant or aid money.

HB 1519 by B. Gibson, relating to student center complex fees at institutions within The Texas A&M University System.

HB 1562 by Gandy, relating to nonpartisan elections in home-rule cities.

HB 1644 by McKenna, relating to parties agreeing to a trial by a special judge for district court civil cases.

HB 1651 by Colbert, relating to transactions involving business machines. (amended)
HB 1669 by Hightower, relating to the jurisdiction of the 9th and Second 9th, and 258th District Courts in Polk County and to the compensation of the judges of those courts.

HB 1679 by Salinas, relating to contributions to and disbursements from firemen's relief and retirement funds in certain cities.

HB 1699 by Hammond, relating to written investment objectives and performance evaluations concerning the investment of certain state funds.

HB 1702 by Hammond, relating to the composition and meetings of the board of trustees of the Teachers Retirement System of Texas.

HB 1704 by R. Martinez, et al., relating to the levy and collection of university center fee at the University of Houston-Downtown College.

HB 1712 by Wolens, relating to the reporting of certain traffic accidents.

HB 1726 by Danburg, et al., relating to rights of the elderly.

HB 1733 by Polumbo, relating to the Office of County Fire Marshal and the duties of that office. (amended)

HB 1750 by Gandy, relating to the minimum salary for a fireman, policeman, or member of a sheriff's department in certain cities and counties.

HB 1863 by Willis, relating to the coverage of certain persons under the state employee insurance plan.

HB 1867 by Robnett, relating to the registration of a securities dealer, agent, or salesman.

HB 1875 by Geistweidt, relating to a report of the seizure of illicit beverages.

HB 1876 by Laney, relating to filing the annual report of the Texas Alcoholic Beverage Commission.

HB 1877 by Luna, relating to the contents of a wine and beer retailer's permit and a retail dealer's on-premise license. (amended)

HB 1889 by G. Hill, relating to the sale of beer by general, local or branch distributors who have an assigned territory from manufacturers or nonresident manufacturers.

HB 1925 by Luna, relating to the authority of certain cities to provide automobile liability insurance for peace officers and fire fighters.

HB 1969 by P. Hill, relating to investment securities.

HB 1971 by Hilbert, relating to the disposition of certain hospital authority records.

HB 1980 by Hackney, relating to the definition of a motor vehicle.

HB 1985 by Messer, relating to the establishment, powers, duties of the Texas Planning Council for Developmental Disabilities and to the rights of persons with developmental disabilities. (amended)

HB 1999 by Wright, relating to the compensation and powers of members of the State Board of Medical Examiners, to registration of practitioners and interns, to qualifications of licensees, to grounds for refusal to admit persons to examination. (amended)

HB 2013 by Hightower, relating to the creation of the constitutional office of Criminal District Attorney of Tyler County, the application of the Professional Prosecutors Act to that criminal district attorney, and the powers of the district attorney.

HB 2058 by Millsap, relating to court-ordered commitment of a drug-dependent person.

HB 2066 by Cain, relating to airport zoning regulations. (amended)

HB 2067 by Cain, relating to airport zoning regulations.

HB 2088 by Cain, relating to off-street parking facilities, terminals, and facilities of cities over 650,000 population and the issuance and security of revenue bonds. (amended)
HB 2081 by Granoff, relating to promptness of payment of workers' compensation benefits, fines and penalties.
HB 2092 by Barrientos, et al., relating to the sale of urban renewal land.
HB 2126 by Shaw, relating to the establishment of a juvenile board in Ward County.
HB 2153 by Luna, relating to the issuance of warrants or notes by certain cities and towns to pay their current expenses.
HB 2157 by Turner, relating to reduced motor vehicle registration fees for vehicles transporting soil conservation machinery.
HB 2174 by Barrientos, relating to the participation of certain college and university employees in health maintenance organizations. (amended)
HB 2181 by Colbert, relating to the creation of the Legal Excellence Fund in the state treasury for the purpose of accepting gifts, grants, and donations from private sources to attain legal excellence in the office of the attorney general.
HB 2188 by Glossbrenner, relating to supplemental compensation for the District Attorney of the 293rd Judicial District.
HB 2189 by Glossbrenner, relating to the composition of the Fourth and Sixth Administrative Judicial Districts.
HB 2196 by Laney, relating to state employees health fitness programs.
CSHB 2227 by Davis, relating to the authority of any general-law city, town, or village to annex up to 5,280 feet gulfward of the coastline.
HB 2244 by Polk, relating to the assignment of justices and judges to the court of appeals.
HB 2258 by G. Hill, relating to recovery of actual costs and attorney’s fees by the attorney general in a charitable trust suit and to the venue of a charitable trust suit.
CSHB 2276 by Geistweidt, relating to the right of the state to appropriate water.
HB 2289 by B. Barton, relating to pilot programs for postsecondary-level students with learning disabilities.
HB 2385 by McWilliams, relating to the jurisdiction of the County Court at Law of Harrison County.
HB 2388 by Collazo, relating to the conveyance of certain state real property in Jefferson County to the city of Port Arthur.
HB 2390 by Bush, relating to fees for child support collections in Collin County.
HB 2393 by B. Barton, relating to county auditor in Llano County.
HB 2395 by Haley, relating to the creation of the County Court at Law of Panola County.
HB 2399 by Armbrister, relating to the creation of the County Court at Law No. 1 of Calhoun County and to membership on the county juvenile board of the judge of that court.
HB 2404 by Hanna, relating to establishment of a juvenile board in Shackelford County.
HB 2406 by Finnell, relating to the establishment and powers of a juvenile board in the 46th Judicial District, composed of Wilbarger, Foard, and Hardeman counties.
HB 2407 by Finnell, relating to the establishment and powers of a juvenile board in 50th Judicial District, composed of Baylor, Cottle, King and Knox counties.
HB 2412 by Hightower, relating to the juvenile board in the 12th Judicial District.
HB 2414 by Uher, relating to the creation of a seawall commission in Matagorda County.
HB 2432 by Russell, relating to establishment of a juvenile board in Camp, Marion, Morris and Titus counties.

HB 2439 by D. Harrison, relating to certain contracts executed by and the qualifications for membership on the Board of Directors of Val Verde County Hospital District.

HB 2440 by Rangel, relating to the creation of a juvenile board in Starr County.

HB 2441 by Hanna, relating to establishment of a juvenile board in Throckmorton County.

HB 2447 by Hanna, relating to establishment of a juvenile board in Haskell County.

HB 2449 by D. Hudson, relating to the child support collection service fee in Smith County.

HB 2452 by T. Smith, et al., relating to the authority of counties to provide and finance jail improvements.

HCR 62 by Green, creating a special interim committee to study fire protection standards. (amended)

HCR 73 by Uher, granting Jonnie J. Groda permission to sue the state.

HCR 122 by Presnal, granting Eva Jolene Boyd permission to sue the State of Texas.

HCR 127 by G. Hill, directing the State Board of Education to study the feasibility of providing effective driver education to all students at the secondary school level.

HCR 162 by Price, et al., declaring that federal and state nutrition programs should be protected from further budget cuts.

HCR 213 by Simpson, requesting the State Board of Insurance to study the various advantages and disadvantages of the various forms of property/casualty ratemaking and policy form implementation.

HCR 221 by T. Smith, granting Patricia Coleman, David Cooper, Kevin Cooper, and Dennis Lehman permission to sue the state.

HCR 229 by W. Hall, granting Southern States Exploration, Inc., permission to sue the state.

HCR 230 by W. Hall, granting Maria G. Gonzalez and Gutierrez Gonzalez Venture, Ltd., permission to sue the state.

HCR 233 by Hanna, granting Genevieve Sewell Conner, Joann Pankey and James L. Sewell permission to sue the state.

HCR 236 by Wallace, et al., requesting that the Houston Metropolitan Transit Authority purchase buses manufactured in this state.

HCR 242 by Price, expressing its commitment to promote improved communication with hearing-impaired individuals.

HCR 248 by Khoury, permitting A-1 Fire and Safety Equipment Company, Inc., permission to sue the Titus County Memorial Hospital.

HCR 250 by Uher, granting Big Train Carpets of El Campo, Inc., permission to sue the state.

HB 2294 by Robnett, relating to the terms and jurisdiction of County Court at Law No. 1 of Lubbock County and County Court at Law No. 2 of Lubbock County.

HB 2295 by Waldrop, relating to the composition of the Henderson County Juvenile Board, the compensation of the members of that board, and prosecution of juvenile cases in Henderson County.

HB 2299 by Criss, relating to legislative findings, boundaries, creation, administration, powers, duties, elections, issuance of bonds, levy and collection of taxes and finances for the Dickinson Bayou Watershed Drainage District.
HB 2322 by McWilliams, relating to creation of a Municipal Court of Record for the city of Marshall.

HB 2324 by Coody, relating to the establishment of a juvenile board in Parker County.

HB 2325 by Coody, relating to the establishment of a juvenile board in Cooke County.

HB 2326 by Coody, et al., relating to establishment of a juvenile board in Jack and Wise counties.

HB 2327 by C. Evans, relating to the creation of two county criminal courts in Tarrant County.

HB 2337 by Geistweidt, relating to the creation, administration, powers, duties, operation, and financing of the Mason County Hospital District.

HB 2338 by Geistweidt, relating to the creation, administration, powers, duties, operation, and financing of the Sutton County Hospital District.

HB 2340 by B. Gibson, relating to fees for support collections and payments to be charged by the clerk of the district courts of Johnson County.

HB 2348 by Davis, relating to the jurisdiction and authority of the county courts at law in Brazoria County.

HB 2350 by Davis, relating to the election of directors of the Community Hospital District of Brazoria County.

HB 2354 by Bomer, relating to the creation, administration, powers, duties, operation, and financing of the Teague Hospital District.

HB 2363 by Presnal, relating to the regulation of certain persons who contract with the state.

HB 2364 by Grisham, relating to the creation of the County Court at Law of Williamson County.

HB 2372 by Rudd, relating to establishment of a juvenile board in Cochran County.

HB 2375 by Hackney, relating to benefits for emergency medical personnel, peace officers, and fire fighters who are exposed to contagious diseases in the course of their employment.

HB 2376 by Presnal, relating to office machines repaired by the state purchasing and general services commission.

HB 2377 by Shaw, relating to the establishment of a juvenile board in the 118th Judicial District.

HCR 251 by Schoolcraft, granting Shafer Plumbing and Heating Inc., permission to sue the state.

HCR 256 by Barrientos, granting Tercor Inc., permission to sue the state.

HCR 258 by Criss, granting the Gulf Coast Regional Mental Health-Mental Retardation Center permission to sue the state.

HCR 259 by Valles, granting R. A. Knapp, Karol Knapp, R. E. Knapp, and Barbara Knapp permission to sue the state.

HCR 268 by Stiles, directing the Texas Department of Water Resources and the Texas Air Control Board to take particular account of the dangers of locating such facilities in the flood-prone areas of Texas.

I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report on SB 960 by the following vote: viva voce vote.

I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report on HB 2154 by the following vote: viva voce vote.
I am directed by the Senate to inform the House that the Senate has granted the request of the House for a Conference Committee to adjust the differences between the two Houses on HB 2251.

The following have been appointed on the part of the Senate: Senators Parker, Edwards, Brooks, Doggett, Caperton.

I am directed by the Senate to inform the House that the Senate has concurred in House Amendments to SB 480 by 24 yeas, 7 nays.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 1235 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Santiesteban, Montford, Sharp, Farabee, Truan.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 1355 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Jones, Farabee, Glasgow, Vale, Howard.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SJR 40 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Montford, Santiesteban, Sharp, Farabee, Truan.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 1236 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Howard, Montford, Sims, Santiesteban, Farabee.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 853 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Whitmire, Santiesteban, Mauzy, Vale, Parker.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 895 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Caperton, Montford, Santiesteban, Sims, Sharp.

I am directed by the Senate to inform the House that the Senate has refused to concur in House Amendments to SB 1026 and requests the appointment of a Conference Committee to adjust the differences between the two Houses.

The following have been appointed on the part of the Senate: Senators Farabee, Sharp, Montford, Santiesteban, Truan.

Respectfully,

Betty King
Secretary of the Senate
The speaker laid before the house, as postponed business, on its final passage, SB 1274, A bill to be entitled An Act relating to public school finance and the calculation of the effective tax rate of a school district; adding Subchapter L to Chapter 16, Texas Education Code, as amended.

The bill was read third time on May 28 and was postponed until 2 p.m. today.

Representatives J. Gibson, Craddick, and Messer offered the following amendment to the bill:

Amend Floor Amendment No. ___ to SB 1274 by inserting a new Section ___ to read as follows and by renumbering appropriate sections of the amendment accordingly:

SECTION ___. Section 72.01, Texas Education Code, is amended to read as follows:

Sec. 72.01. ESTABLISHMENT. The Board of Regents of The University of Texas System shall establish and maintain a fully state-supported coeducational institution of higher education to be known as The University of Texas of the Permian Basin. The institution is [shall be] organized to teach [accept] only junior-, senior-, and graduate-level courses approved by the Coordinating Board, Texas College and University System [students, with at least 60 semester hours of accredited college or university study].

The amendment was adopted without objection.

[Mathew now present]

MESSAGE FROM THE SENATE
Austin, Texas, May 29, 1983

The Honorable Speaker of the House of Representatives
House Chamber

The Honorable
Mr. Speaker:

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

Local and Uncontested Calendars

SCR 133 by McFarland, granting Discover Air permission to sue the State of Texas and the Department of Agriculture.
SCR 136 by Mauzy, granting Thelma McCollum permission to sue the State of Texas and the Port of Houston Authority.
SB 724 by Parker, relating to information required to be posted in the places of business of certain licensed occupations.
SB 1437 by Sims, relating to selection of jurors for the Municipal Court of Record in Midland.

Respectfully,
Betty King
Secretary of the Senate

SB 1274 - (consideration continued)

Representative Presnal offered the following amendment to the bill:
Amend SB 1274 by adding a new section 3 to read as follows:

"SECTION 3. Subsection (d), Section 16.254, Texas Education Code, is amended to read as follows:

(d) Notwithstanding Subsection (b) of this section, no school district shall receive less state aid, plus pay raises exclusive of service increments for foundation personnel provided by Section 16.055(b) of this code per student in average daily attendance than it received per student in average daily attendance under the total of the Foundation School Program for the (1980-1981) school year immediately preceding the biennium for which appropriations are made, added to the amount received for that year under Subchapter D, Chapter 20 of this code."

Representative Schlueter raised a point of order against further consideration of the Presnal amendment on the grounds that the amendment violates Rule 12, Section 2 of the House Rules.

The speaker sustained the point of order.

Representative Wright offered the following amendment to the bill:

Amend SB 1274 by adding a new Section to read as follows:

SECTION 1. Title 3, Texas Education Code, is amended by adding Chapter 59 to read as follows:

"CHAPTER 59. HIGHER EDUCATION FINANCE CORPORATIONS

SUBCHAPTER A. GENERAL PROVISIONS

"Section 59.001. SHORT TITLE. This chapter may be cited as the Texas Higher Education Finance Corporations Act.

"Section 59.002. FINDINGS AND PURPOSE. (a) The legislature finds that:

(1) the present and prospective health, safety, and general welfare of the people of this state require institutions of higher education to provide adequate, reasonable, and accessible opportunities for education;

(2) educational facilities in many portions of this state are obsolete, inadequate, or insufficient in number; and

(3) the cost of education in this state has become excessive in many cases.

(b) It is the purpose of this chapter to authorize cities and counties to create corporations to:

(1) provide, expand, or improve educational facilities for the public purposes of improving the adequacy, cost, and accessibility of opportunities for education in this state; or

(2) provide a means for financing the cost of education for eligible students for the public purposes of improving the adequacy, cost, and accessibility of opportunities for education in this state.

(c) Therefore, the legislature finds that the creation of higher education finance corporations, the issuance of revenue bonds, notes, and other obligations by the corporations, and the exercise of the other powers by the corporations are in the public interest and in furtherance of an important public purpose.

"Section 59.003. DEFINITIONS. In this chapter:

(1) 'Board of directors' means the board of directors of a corporation organized under this chapter.

(2) 'Bonds' means bonds, notes, interim certificates, or other evidences of indebtedness of a corporation issued under this chapter.

(3) 'City' means a municipal corporation of this state created by general law or under a home-rule charter.

(4) 'Corporation' means any education finance corporation created under this chapter.

(5) 'Cost' means:
“(A) as applied to an educational facility, any costs of an educational facility and includes:

“(i) the cost of the acquisition of land, rights-of-way, options to purchase land, easements, leasehold estates in land, or interests in land related to an educational facility;

“(ii) the cost of the acquisition, construction, repair, renovation, remodeling, or improvement of buildings and structures to be used as or in conjunction with an educational facility;

“(iii) the cost of site preparation, including the cost of demolishing or removing any buildings or structures incident to providing an educational facility;

“(iv) the cost of architectural, engineering, legal, or related services, such as the cost of the preparation of plans, specifications, studies, surveys, or estimates of cost and of revenue, and any other expenses necessary or incident to planning, providing, or determining the feasibility and practicability of an educational facility;

“(v) the cost of machinery, equipment, furnishings, or facilities necessary or incident to equipping an educational facility so that it may be placed in operation;

“(vi) the cost of financing charges and interest before and during construction and for a maximum of two years after completion of construction and the start-up costs of an educational facility during construction and for a maximum of two years after completion of construction;

“(vii) any costs paid or incurred in connection with the financing of an educational facility, including out-of-pocket expenses and compensation related to the issuance, delivery, and sale of bonds under this chapter; the cost of financing, legal, accounting, financial advisory, rating agency, and appraisal fees, expenses, and disbursements; the cost of any policy of title insurance; the cost of printing, engraving, and reproduction services; and the cost of an initial or acceptance fee of any trustee or paying agent; and

“(viii) direct and indirect costs of the corporation incurred in connection with providing an educational facility, including reasonable sums to reimburse the corporation for time spent by its agents or employees with respect to providing the educational facility and to the financing or refinancing of the facility; and

“(B) as applied to the making of loans to eligible students, any costs or expenses incurred by the corporation in relation to the creation and operation of a program of making loans to eligible students, purchasing loans, or making loans to lending institutions pursuant to a program of purchasing loans or making loans to eligible students.

“(6) ‘County’ means a county of this state.

“(7) ‘Director’ means a member of a board of directors.

“(8) ‘Educational facility’ means any real, personal, or mixed property or any interest in property, the financing, refinancing, acquiring, providing, constructing, enlarging, remodeling, renovating, improving, furnishing, or equipping of which is found by the board of directors of the corporation to be necessary or convenient for the activities, services, or operations conducted by an educational institution in this state, regardless of whether the property is in existence or is to be provided after the making of the finding and regardless whether the educational facility is to be owned or operated by the educational institution or by another person directly or indirectly in connection with the operation of the educational institution. The term includes:

“(A) land, building, equipment, machinery, furniture, facilities, and improvements;

“(B) any structure suitable for use as a classroom building, laboratory, science building, museum, library, or facility or administrative office building or any other facility used for the conduct of the educational, administrative, or research functions of an educational institution;
"(C) any related or auxiliary structures and facilities, including food service and preparation facilities, student activity or student union buildings, stadiums, gymnasiums and other athletic facilities, alumni centers, infirmaries, computer facilities, communication facilities, fire-fighting and fire prevention facilities, police or security facilities, utility facilities, storage facilities, and parking facilities or parking areas;

"(D) any single- or multi-family residence used for housing or boarding students, faculty, or staff members of an educational institution, other than a housing or boarding facility for the use of a fraternity, sorority, or private club; and

"(E) any property or material used in the landscaping, equipping, or furnishing of an educational facility.

"(9) "Educational institution" means any public or private degree-granting college or university or the medical or dental unit of any public or private college or university authorized to grant a degree by the Coordinating Board, Texas College and University System, or accredited by a recognized accrediting agency as defined by Subdivision (12), Section 61.003, Texas Education Code, or any postsecondary school accredited by the Association of Independent Colleges and Schools or by the National Association of Trade and Technical Schools.

"(10) "Eligible student" means a student attending an educational institution who satisfies the eligibility criteria established by the corporation.

"(11) "Loans to eligible students" means loans incurred under the Higher Education Act of 1965, as amended, to eligible students or to the parents or guardians of any eligible students.

"(12) "Governing body of a sponsoring entity" means the council, commission, commissioners court, or other body charged by law with governance of a sponsoring entity.

"(13) "Resolution" means any resolution, order, ordinance, or other official action by the governing body of a sponsoring entity.

"(14) "Sponsoring entity" means any city or county.

"SUBCHAPTER B. INCORPORATION

"Section 59.011. AUTHORIZATION TO CREATE CORPORATION. (a) A sponsoring entity may create a nonmember, nonstock, public corporation as provided by this chapter for the purpose of either making loans to eligible students or acquiring, constructing, providing, improving, financing, or refinancing educational facilities and for the purpose of issuing bonds to finance loans to eligible students or to finance the cost of educational facilities, as applicable. Those purposes are public purposes of this state and of every sponsoring entity on behalf of which a corporation is created.

"(b) A sponsoring entity may not lend its credit or grant any public money or thing of value in aid of a corporation.

"Section 59.012. ARTICLES OF INCORPORATION. (a) If the governing body of a sponsoring entity by resolution finds that it is in the public interest and to the benefit of its residents and the citizens of this state to create a corporation to provide loans to eligible students or to promote and develop opportunities for education in order to assist the maintenance of the public health, safety, and general welfare, the governing body by resolution may authorize creation of a corporation on behalf of the sponsoring entity.

"(b) After authorizing creation of a corporation, the governing body shall approve proposed articles of incorporation for the corporation.

"(c) Not less than three individuals who are at least 18 years of age and residents of the sponsoring entity may act as incorporators of the corporation by signing and verifying the articles of incorporation and by delivering the original and two copies of the articles of incorporation to the secretary of state.
"(d) The articles of incorporation of the corporation must specify the items set forth in Section A, Article 3.02, Texas Non-Profit Corporation Act (Article 1396-3.02, Vernon’s Texas Civil Statutes), and must set forth:

(1) a statement that to assist the promotion and development of opportunities for education the purpose of the corporation is either to acquire, construct, provide, improve, finance, or refinance educational facilities or to provide loans to eligible students, but not both;

(2) a statement that the corporation has no members and is a nonstock corporation; and

(3) the name and address of the sponsoring entity and a statement that the sponsoring entity by resolution has specifically authorized the corporation to act on its behalf to further the public purpose set forth in the articles of incorporation.

(e) It is not necessary for the articles of incorporation to set forth any of the corporate powers enumerated by this chapter.

Unless the articles of incorporation provide that a change in the number of directors may be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws is controlling. In all other cases, if a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation controls.

Section 59.013. FILING ARTICLES OF INCORPORATION. (a) The original and two copies of the articles of incorporation and a certified copy of the resolution by the governing body of the sponsoring entity approving the articles shall be delivered to the secretary of state. If the secretary of state finds that the articles of incorporation conform to the requirements of this chapter and have been approved by the governing body of the sponsoring entity and that all required fees have been paid, the secretary of state shall:

(1) endorse on the original and on each copy of the articles the word ‘filed’ and the month, day, and year of the filing;

(2) file the original of the articles in his office; and

(3) issue two certificates of incorporation with one copy of the articles affixed to each certificate.

(b) The secretary of state shall deliver a certificate of incorporation together with a copy of the articles of incorporation affixed to the certificate to the incorporators or their representative and to the governing body of the sponsoring entity on behalf of which the corporation was created.

(c) On the issuance of the certificate of incorporation, the corporate existence begins. The certificate of incorporation is conclusive evidence that all conditions precedent required to be performed by the incorporators and by the sponsoring entity have been complied with and that the corporation has been incorporated under this chapter.

Section 59.014. ORGANIZATION MEETING. After the issuance of the certificate of incorporation, an organization meeting of the board of directors named in the articles of incorporation shall be held as provided by Article 3.05, Texas Non-Profit Corporation Act (Article 1396-3.05, Vernon’s Texas Civil Statutes), except that the meeting must be held in this state and notice of the meeting must be mailed, postage prepaid, not later than the fifth day before the date of the meeting.

[Sections 59.015-59.020 reserved for expansion]

"SUBCHAPTER C. ADMINISTRATION

Section 59.021. AMENDMENT OF ARTICLES OF INCORPORATION. (a) The articles of incorporation may be amended at any time the governing body of the sponsoring entity by resolution finds the amendment to be advisable and authorizes the amendment. The governing body may amend the articles in as many
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respects as desired so long as the amended articles contain only provisions that are lawful under this chapter.

"(b) The articles of amendment shall be executed on behalf of the corporation by its president or by a vice-president and by its secretary or an assistant secretary or by the presiding officer and the secretary or clerk of the governing body of the sponsoring entity on behalf of which the corporation was created and shall be verified by one of the officers signing the articles. The articles must set forth:

"(1) the name of the corporation;
"(2) if the amendment alters any provision of the original or amended articles of incorporation, an identification by reference or description of the altered provision and a statement of its amended text;
"(3) if the amendment is an addition to the original or amended articles of incorporation, a statement of that fact and the full text of each provision added;
"(4) the name and current address of the sponsoring entity;
"(5) a statement that the amendment was authorized by the governing body of the sponsoring entity; and
"(6) the date of the meeting at which the amendment was adopted or approved by the governing body.

"Section 59.022. FILING ARTICLES OF AMENDMENT. (a) The original and two copies of the articles of amendment shall be delivered to the secretary of state together with a certified copy of the resolution of the governing body of the sponsoring entity authorizing the articles. If the secretary of state finds that the articles of amendment conform to the requirements of this chapter and have been authorized by the governing body of the sponsoring entity on behalf of which the corporation was created and that all required fees have been paid, the secretary of state shall:

"(1) endorse on the original and on each copy of the articles the word 'filed' and the month, day, and year of the filing;
"(2) file the original of the articles of amendment in his office; and
"(3) issue two certificates of amendment with one copy of the articles of amendment affixed to each certificate.

"(b) The secretary of state shall deliver a certificate of amendment, together with a copy of the articles of amendment affixed to the certificate, to the corporation or its representative or to the governing body of the sponsoring entity on behalf of which the corporation was created.

"(c) On the issuance of the certificate of amendment by the secretary of state, the amendment is effective and the articles of incorporation are considered to be amended accordingly.

"(d) An amendment does not affect any existing cause of action in favor of or against the corporation, any pending suit to which the corporation is a party, or the existing rights of any person. If the corporate name is changed by amendment, a suit brought by or against the corporation under its former name does not abate on the basis of the change of name.

"Section 59.023. RESTATED ARTICLES OF INCORPORATION. (a) Except as otherwise provided by this section, under authorization from the governing body of the sponsoring entity on behalf of which the corporation was created, a corporation may restate its articles of incorporation as provided by Article 4.06, Texas Non-Profit Corporation Act, as amended (Article 1396-4.06, Vernon's Texas Civil Statutes).

"(b) The restated articles of incorporation shall be executed on behalf of the corporation by its president or a vice-president and by its secretary or an assistant secretary or by the presiding officer and the secretary or clerk of the governing body of the sponsoring entity on behalf of which the corporation was created and shall be verified by one of the officers signing such articles.
"Section 59.024. FILING RESTATED ARTICLES OF INCORPORATION. (a) The original and two copies of the restated articles of incorporation and a certified copy of the resolution of the governing body of the sponsoring entity authorizing the articles shall be delivered to the secretary of state. If the secretary of state finds that the restated articles of incorporation conform to the requirements of this chapter and have been authorized by the governing body of the sponsoring entity on behalf of which the corporation was created and that all required fees have been paid, he shall:

"(1) endorse on the original and on each copy of the restated articles the word "filed" and the month, day, and year of the filing;

"(2) file the original of the restated articles in his office; and

"(3) issue two restated certificates of incorporation with one copy of the restated articles affixed to each certificate.

(b) The secretary of state shall deliver a restated certificate of incorporation, together with a copy of the restated articles of incorporation affixed to the certificate, to the corporation or its representative and to the governing body of the sponsoring entity on behalf of which the corporation was created.

"(c) On the issuance of the restated certificate of incorporation by the secretary of state, the original articles of incorporation and all amendments to the original articles are superseded and the restated articles of incorporation are considered to be the articles of incorporation of the corporation.

"Section 59.025. REGISTERED OFFICE AND REGISTERED AGENT. Each corporation shall have and continuously maintain in this state a registered office and a registered agent in the manner provided by Article 2.05, Texas Non-Profit Corporation Act as amended (Article 1396-2.05, Vernon's Texas Civil Statutes).

"Section 59.026. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT. A corporation may change its registered office or change its registered agent and a registered agent may resign in the manner provided by Article 2.06, Texas Non-Profit Corporation Act (Article 1396-2.06, Vernon's Texas Civil Statutes).

"Section 59.027. SERVICE OF PROCESS. Process on a corporation shall be served as provided by Article 2.07, Texas Non-Profit Corporation Act (Article 1396-2.07, Vernon's Texas Civil Statutes), except that service on a committee member is not service on the president of the corporation.

"Section 59.028. BOARD OF DIRECTORS. (a) The affairs of a corporation shall be managed by a board of directors. The board of directors shall consist of not less than three individuals who shall be appointed by the governing body of the sponsoring entity on behalf of which the corporation was created for a term of not more than six years.

"(b) A director may be removed from office by the governing body of the sponsoring entity for cause or at the will of the governing body.

"(c) The directors constituting the first board of directors shall be named in the articles of incorporation.

"(d) Directors may be divided into classes, and the terms of office of the several classes need not be uniform.

"(e) Each director shall hold office for the term for which he is appointed and until his successor is appointed and has qualified unless sooner removed.

"(f) The directors serve without compensation except that they shall be reimbursed for their actual expenses incurred in the performance of their duties.

"Section 59.029. BYLAWS. The initial bylaws of a corporation shall be adopted by its board of directors. The power to alter, amend, or repeal the bylaws or to adopt new bylaws shall be vested in the board of directors. The bylaws may contain any provisions for the regulation and management of the affairs of a
corporation not inconsistent with law or with the articles of incorporation. The initial bylaws and all amendments thereto, substitute therefor, and repeals thereof shall be subject to the approval of the governing body of the sponsoring entity on behalf of which the corporation was created.

Section 59.030. COMMITTEES. (a) If the articles of incorporation or the bylaws so provide, the board of directors by resolution adopted by a majority of the directors in office may designate one or more committees, which, to the extent provided in such resolution, in the articles of incorporation, or in the bylaws, shall have and exercise the authority of the board of directors of the corporation. Each such committee shall consist of two or more persons, all of whom shall be directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors or any individual director of any responsibility imposed upon it or him by law.

(b) Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated and appointed by a resolution adopted by a majority of the directors at a meeting at which a quorum is present or by the president thereof authorized by a like resolution of the board of directors or by the articles of incorporation or by the bylaws. Membership on such committees may, but need not be, limited to directors.

Section 59.031. LOCATION AND NOTICE OF DIRECTORS' MEETING. Regular meetings of the board of directors may be called and may be held at any location within the state with or without notice as prescribed in the bylaws. Special meetings of the board of directors shall be held at any location within or outside the state upon such notice as is prescribed in the bylaws. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting, unless required by the bylaws.

Section 59.032. QUORUM AND VOTING BY DIRECTORS. (a) A quorum for the transaction of business by the board of directors shall be whichever is less:

1. a majority of the number of directors fixed by the bylaws or, in the absence of a bylaw fixing the number of directors, a majority of the number of directors stated in the articles of incorporation; or

2. any number, not less than three, fixed as a quorum by the articles of incorporation or the bylaws.

(b) The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by the articles of incorporation or the bylaws of the corporation.

Section 59.033. MEETING BY COMMUNICATIONS EQUIPMENT. (a) Unless otherwise restricted by the articles of incorporation or bylaws, members of the board of directors or members of any committee designated by the board of directors may participate in and hold a meeting of the board of directors or of the committee, as applicable, by means of conference telephone or similar communications equipment through which all persons participating in the meeting can hear each other.

(b) Participation in a meeting pursuant to this section constitutes presence in person at the meeting unless a person is participating in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 59.034. OFFICERS. (a) The officers of a corporation consist of a president, a vice-president, and a secretary and any other officers and assistant officers, such as a treasurer, as considered necessary.
"(b) Each officer shall be elected or appointed at the time, in the manner, and for the terms not exceeding three years prescribed in the articles of incorporation or bylaws. In the absence of provisions in the articles of incorporation or bylaws, officers shall be elected or appointed annually by the board of directors.

"(c) Except for the offices of president and secretary, any two or more offices may be held by the same person.

"(d) Any officer elected or appointed may be removed by the persons authorized to elect or appoint the officer if in their judgment the removal serves the best interests of the corporation.

"Section 59.035. POWERS. (a) Each corporation established under this chapter has the powers necessary or convenient to accomplish the purposes of the corporation as provided by this chapter, including the powers:

"(1) to provide or cause to be provided by purchase, devise, gift, or lease or by construction or improvement educational facilities located in this state and in or partially in the boundaries of the sponsoring entity on behalf of which the corporation was created or, with the consent of every other sponsoring entity in which the educational facility is or is to be located, educational facilities located outside the limits of the sponsoring entity on behalf of which the corporation was created;

"(2) to lease as lessor all or any part of any educational facility for the rentals and on the terms and conditions that the corporation considers advisable and that are not in conflict with this chapter;

"(3) to sell for installment payments or otherwise, to option or contract for sale, or to convey all or any part of any educational facility for the price and on the terms and conditions that the corporation considers advisable and that are not in conflict with this chapter;

"(4) to make contracts and incur liabilities, borrow money at rates of interest determined pursuant to Subsection (b) of Section 59.042 of this chapter, issue its bonds in accordance with this chapter, and secure any of its bonds or obligations by mortgage or pledge or by all or any of its property, revenues, franchises, and income;

"(5) to make secured or unsecured loans directly or indirectly for providing temporary or permanent financing or refinancing of all or part of the cost of any educational facility, including the refunding of any outstanding obligations, mortgages, or advances issued, made, or given by any person for the cost of an educational facility, and to charge and collect interest on those loans for the loan payments and on the terms and conditions that the board of directors considers advisable and that are not in conflict with this chapter;

"(6) to acquire and to contract and enter into advance commitments to acquire by assignment or otherwise loans made to eligible students and owned by lending institutions at the purchase prices and on the other terms and conditions determined by the corporation or by another person the corporation designates as its agent;

"(7) to make and contract for and enter into advance commitments to make loans to eligible students;

"(8) to make and carry out contracts for the origination, administration, and servicing of loans to eligible students and to pay the reasonable value of services provided under those contracts;

"(9) to make loans to lending institutions under terms and conditions that, in addition to other provisions determined by the corporation, require the lending institutions to use substantially all of the net proceeds of the loans directly or indirectly for making loans to eligible students or loans to provide, expand, or improve educational facilities in the aggregate principal amount substantially equal to the amount of the net proceeds;
“(10) to establish by rule, in resolutions relating to issuance of bonds or in any financing documents relating to issuance of bonds, standards and requirements applicable to the making or purchase of loans to eligible students or to purchasing loans or to the making of loans to lending institutions as the corporation considers necessary or desirable, including rules relating to:

(A) the period in which lending institutions must make commitments and disbursements for loans to eligible students;

(B) the terms and conditions of loans to eligible students to be made or acquired;

(C) the amounts and types of insurance coverage or guaranties required on loans to eligible students and bonds;

(D) restrictions as to interest rates and other terms of loans to eligible students or the return realized from the loans by lending institutions; and

(E) any other matters related to the making or purchase of loans to eligible students or the making of loans to lending institutions as considered relevant by the corporation;

“(11) to rent, lease, sell, or otherwise dispose of any educational facility or loans to eligible students in whole or in part to loan sufficient funds to any person to defray in whole or in part directly or indirectly the development costs of any educational facility or the costs of purchasing loans made to eligible students, so that the rents or other revenues to be derived with respect to the educational facility or loans to eligible students, together with any insurance proceeds, reserve accounts, and earnings, are designed to produce revenues and receipts at least sufficient to provide for the prompt payment at maturity of principal, interest, and any redemption premiums on all bonds issued to finance the costs;

“(12) to pledge all or any part of the revenues, receipts, or resources of the corporation, including the revenues and receipts to be received from any educational facility or loans to eligible students, to the punctual payment of bonds authorized under this chapter and to the interest and any redemption premiums on the bonds;

“(13) to apply for and accept on its own behalf or on behalf of any person advances, loans, grants, contributions, guaranties, or any other form of financial assistance from the federal government, the state, any county or city, or any other public or quasi-public body, corporation, or foundation or from any other public or private source for any of the purposes of this chapter, and to include in any contract for financial assistance conditions it considers reasonable and appropriate and that are not inconsistent with the purposes of this chapter;

“(14) to lend money for its corporate purposes, invest and reinvest its funds, and to take and hold real and personal property as security for the payment of funds loaned or invested;

“(15) to purchase, receive, lease, accept donations of, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with real or personal property or any interest in property, wherever situated, as the purposes of the corporation require;

“(16) to sell, convey, mortgage, pledge, lease, exchange, transfer, or otherwise dispose of any part of its property and assets;

“(17) to elect or appoint officers and agents of the corporation for the period the corporation determines and to define the duties of the officers and agents;

“(18) to sue and be sued and to complain and defend in its corporate name;

“(19) to have a corporate seal that may be altered at the corporation’s pleasure and to use the seal by causing it or a facsimile of the seal to be impressed on, affixed to, or in any manner reproduced on instruments of any nature required or authorized to be executed by its proper officers;
“(20) to make and alter bylaws not inconsistent with its articles of incorporation or with the laws of this state for the administration and regulation of the affairs of the corporation, provided that the bylaws and amendments to the bylaws are approved by resolution of the governing body of the sponsoring entity on behalf of which the corporation was created;

“(21) to cease its corporate activities and terminate its existence by dissolution as provided by this chapter; and

“(22) whether included in the foregoing or not, to have and exercise all powers necessary or appropriate to effect any of the purposes authorized by this chapter for which the corporation is organized.

“(b) The powers provided by Subsection (a) of this section are subject to the control of the governing body of the sponsoring entity on behalf of which the corporation was created. This chapter does not bestow on or authorize a sponsoring entity to delegate to a corporation the power of taxation, the power of eminent domain, the police power, or any equivalent sovereign power of this state or of any sponsoring entity. In addition, this section does not grant any authority to officers or directors of a corporation to exercise any of the powers provided by Subsection (a) of this section in a manner inconsistent with limitations on any of the powers that are expressly set forth by this chapter, by any other laws of this state, or by the articles of incorporation or bylaws. This section does not grant any authority to officers or directors to act beyond the scope of the purpose of a corporation.

“Section 59.036. CONVEYANCE OF LAND. (a) With or without the seal of the corporation, any corporation may convey land by deed signed by the president or vice-president or attorney of the corporation if the conveyance is authorized by resolution of the board of directors.

“(b) A deed, acknowledged by an officer or attorney to be the act of the corporation or proved in the manner prescribed for other conveyances of land, may be recorded in the manner and with the same effect as other deeds. If signed by the president or any vice-president, the recorded deed constitutes prima facie evidence that the resolution of the board of directors was duly adopted.

“(Sections 59.037-59.040 reserved for expansion)

“SUBCHAPTER D. BONDS

“Section 59.041. PROGRAM DESCRIPTION. At least 14 days before the date on which bonds are issued by a corporation, the corporation must file with the governing body of the sponsoring entity on behalf of which the corporation was created a description of the program under which loans to eligible students are to be made or a description of any educational facility the cost of which is to be paid in whole or part from the proceeds of the proposed bonds, including an explanation of the projected costs of and the necessity for the proposed educational facility, the name of the proposed owner of the educational facility and, if different from that of the owner, the name of the educational institution in conjunction with whose operations the educational facility is to be operated. The information filed or required to be filed by this section shall be open to public inspection.

“Section 59.042. BONDS AUTHORIZED. (a) Each corporation may issue, sell, and deliver its bonds in accordance with the terms of this chapter to pay all or any part of the cost of an educational facility, to pay all or any part of the cost of providing funds to make loans to eligible students, or to refund any outstanding bonds of the corporation issued under this chapter.

“(b) The bonds must be dated, must mature not more than 40 years from their date, and may be made redeemable before maturity at a price and on the terms and conditions determined by the corporation. The bonds of each issue shall bear interest at a rate that is fixed, variable, floating, adjustable, or otherwise, as determined by the board of directors or by a formula or contractual arrangement for the periodic determination of interest rates. The determination, formula, or
arrangement must be set forth in the instrument providing for the issuance of the bonds. The bonds, including any interest coupons to be initially attached to the bonds, must be in the form and denomination, must be payable at the place, and may be executed or authenticated in the manner the corporation determines. If an officer whose signature or facsimile signature appears on any bonds or coupons ceases to be a corporate officer before the delivery of and payment for the bonds, the signature or facsimile is valid and sufficient for all purposes as if the officer had remained in office until delivery and payment. The bonds may be issued in coupon or in registered form, or both, or may be payable to a specific person as the corporation determines, and provision may be made for the registration of any coupon bonds as to principal alone, for the conversion of coupon bonds into fully registered bonds without coupons, and for the reconversion into coupon bonds of any fully registered bonds without coupons. The duty of conversion or reconversion may be imposed on a trustee in a trust agreement.

"(c) The principal of and any redemption premium and interest on the bonds are payable solely from and may be secured by a pledge of all or any part of the proceeds of bonds, revenues received with respect to loans to eligible students, revenues derived from the lease or sale of an educational facility or realized from a loan made by a corporation to finance or refinance in whole or in part an educational facility, revenues derived from operating an educational facility, or any other revenues provided by a user of an educational facility.

"(d) The corporation shall sell the bonds at such price or prices as it shall determine at public or private sale. The net effective interest rate on any bonds, calculated in accordance with Chapter 3, Acts of the 61st Legislature, Regular Session, 1969, as amended (Article 717k-2, Vernon's Texas Civil Statutes), may not exceed a rate equal to the maximum annual interest rate established by law for business loans of $250,000 or more.

"(e) The proceeds of the bonds of each issue may be used solely for the payment of all or part of the cost of or for the making of a loan in the amount of all or part of the cost of the loans to eligible students or of the educational facility for which the bonds have been authorized and, at the option of the corporation, for the deposit to a reserve fund for the bonds. The proceeds shall be disbursed in the manner and under any restrictions determined by the corporation. Each corporation shall be paid out of money from the proceeds of the sale and delivery of its bonds issued in accordance with this chapter an amount of money equal to all of the corporation's out-of-pocket expenses and costs in connection with the issuance, sale, and delivery of the bonds, including all financing, legal, financial advisory, printing, and other expenses incurred in issuing the bonds, plus an amount equal to the compensation paid to any employees of the corporation for the time the employees have spent on activities relating to the issuance, sale, and delivery of the bonds.

"(f) Before the preparation or issuance of definitive bonds, the corporation may issue interim receipts or temporary bonds, with or without coupons, that are exchangeable for definitive bonds at the time the definitive bonds have been executed and are available for delivery. The term of interim receipts or temporary bonds may not exceed three years.

Section 59.043. REFUNDING BONDS. Each corporation may issue, sell, and deliver its bonds for refunding any outstanding bonds of the corporation or for the payment of any redemption premium on the bonds or of any interest accrued or to accrue to the date of redemption of the bonds. The issuance of the refunding bonds, the maturities and other terms of the bonds, the rights of the holders of the bonds, and the rights, duties, and obligations of the corporation in respect to the bonds are governed by this chapter to the extent applicable. The corporation may
issue the refunding bonds in exchange for or in substitution for outstanding bonds or may sell the bonds and use the proceeds to pay or redeem outstanding bonds.

Section 59.044. BONDS NOT OBLIGATIONS OF STATE. Bonds issued in accordance with this chapter are neither obligations nor a pledge of the faith and credit of the state, any sponsoring entity, or any other political subdivision or agency of this state. The bonds must contain on the face of the bonds a statement to the effect that:

(1) neither the state nor any political subdivision or agency of the state, including the sponsoring entity on behalf of which the corporation issuing the bonds was created, is obligated to pay the principal of or the interest on the bonds; and

(2) neither the faith and credit nor the taxing power of the state, the sponsoring entity, or any other political subdivision or agency of the state is pledged to the payment of the principal, any redemption premium on, or interest on the bonds.

Section 59.045. STATUS AS EXEMPT SECURITIES. Any bonds issued by a corporation under this chapter and any coupons representing interest on the bonds are exempt securities under The Securities Act (Article 581-1 et seq., Vernon's Texas Civil Statutes).

Section 59.046. BONDS AS INVESTMENTS. (a) The bonds issued under this chapter are legal and authorized investments for:

(1) banks;

(2) savings banks;

(3) trust companies;

(4) savings and loan associations;

(5) insurance companies;

(6) fiduciaries;

(7) trustees and guardians; and

(8) sinking funds for cities, towns, villages, counties, school districts, and other political corporations or subdivisions of this state.

(b) The bonds are eligible to secure the deposit of any public funds of this state and any public funds of cities, towns, villages, counties, school districts, and other political corporations or subdivisions of this state. The bonds are lawful and sufficient security for the deposits at their face value if accompanied by any unmatured coupons pertaining to the bonds.

Sections 59.047-59.050 reserved for expansion

SUBCHAPTER E. DISSOLUTION

Section 59.051. PROCEDURE. (a) After all bonds and obligations of a corporation have been paid and discharged or adequate provision has been made for discharging the bonds and obligations of a corporation and the governing body of the sponsoring entity on behalf of which the corporation was created by written resolution has authorized and directed the dissolution of the corporation, the corporation shall be dissolved as provided by this subchapter.

(b) The articles of dissolution shall be executed on behalf of the corporation by its president or a vice-president and by its secretary or an assistant secretary or by the presiding officer and the secretary or clerk of the governing body of the sponsoring entity on behalf of which the corporation was created by written resolution, and must set forth:

(1) the name of the corporation;

(2) the name and address of the sponsoring entity, a statement that dissolution of the corporation has been authorized by the governing body of the sponsoring entity, and the date of the meeting at which the dissolution was so authorized;

(3) a statement that all bonds and obligations of the corporation have been paid and discharged or that adequate provision has been made for payment or discharge; and
"(d) a statement that suits are not pending against the corporation in any court or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in any pending suit.

"(c) The original and two copies of the articles of dissolution shall be delivered to the secretary of state. If the secretary of state finds that the articles of dissolution conform to the requirements of this subchapter and have been authorized by the governing body of the sponsoring entity on behalf of which the corporation was created and that all required fees have been paid, he shall:

"(1) endorse on the original and each copy of the articles the word 'filed' and the month, day, and year of the filing;

"(2) file the original of the articles in his office; and

"(3) issue two certificates of dissolution with one copy of the articles affixed to each certificate.

"(d) The secretary of state shall deliver a certificate of dissolution together with a copy of the articles of dissolution affixed to the certificate to the representative of the dissolved corporation and to the governing body of the sponsoring entity on behalf of which the corporation was created. On the issuance of the certificates of dissolution, the existence of the corporation ceases, except for the purpose of suits, other proceedings, and appropriate corporate action by the directors and officers of the corporation as provided by this subchapter.

"(e) If dissolution occurs, whether instituted by the governing body of the sponsoring entity on behalf of which the corporation was created or by the board of directors of the corporation, the title to all funds and properties owned by the corporation automatically vests in the sponsoring entity without any further conveyance, transfer, or act.

"Section 59.052. EFFECT. The dissolution of a corporation either by the issuance of a certificate of dissolution by the secretary of state or by expiration of its period of duration does not take away or impair any remedy available to or against the corporation or its directors or officers for any right or claim existing or any liability incurred before the dissolution if action or other proceeding is commenced not later than three years after the date of the dissolution. Any action or proceeding by or against a dissolved corporation may be prosecuted or defended by the corporation in its corporate name. The directors and officers may take corporate or other action to protect any remedy, right, or claim. If a corporation was dissolved by the expiration of its period of duration, the corporation may amend its articles of incorporation at any time during a period of three years after the date of dissolution to extend its period of duration.

"Sections 59.053-59.060 reserved for expansion"

"SUBCHAPTER F. MISCELLANEOUS"

"Section 59.061. FEES. Under this chapter, the secretary of state shall charge and collect for filing articles of incorporation and issuing each certificate of incorporation, filing articles of amendment and issuing each certificate of amendment, filing a statement of change of address of registered office or change of registered agent, filing articles of dissolution, and filing restated articles of incorporation and issuing each restated certificate of incorporation the same fees as are charged under Article 9.03, Texas Non-Profit Corporation Act (Article 1396-9.03 et seq., Vernon's Texas Civil Statutes), for those types of filings and issuances.

"Section 59.062. APPLICABILITY OF NON-PROFIT CORPORATION ACT. The following provisions of the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes) apply to a corporation created under this chapter:

"(1) Article 2.22 relating to indemnification;
Notwithstanding Article 9.104, Business & Commerce Code, any security interest granted by a corporation may be perfected in the manner and with the effect provided by Chapter 9, Business & Commerce Code.

Section 59.064. TAX STATUS. (a) Any educational facility, including any leasehold estate in an educational facility, owned by a corporation that would otherwise be taxable to the corporation under the provisions of the Tax Code but for the purposes and nonprofit nature of a corporation shall be assessed to the user of the educational facility or, if more than one user exists, to the users of the educational facility in proportion to the value of the rights of those users to occupy, operate, manage, or employ the educational facility, all to the same extent and subject to the same exemptions from taxation, if any, as if the educational facility were owned by the user or users.

(b) The user of any educational facility is considered to be the owner of an educational facility owned by a corporation for the purposes of any property, sales, or use taxes, including sales and use taxes arising in the construction of the educational facility and those resulting from any further sale, lease, or rental of the educational facility. The facility user is also considered the owner in case of any other taxes levied or imposed by this state or any political subdivision of this state.

(c) As a matter of public policy, the legislature finds that any corporation organized under the authority of this chapter shall be engaged exclusively in the performance of charitable functions and is exempt from all taxation by this state and by any municipal corporation or political subdivision of this state.

(d) All bonds issued by a corporation under this chapter, their transfer, the interest on the bonds, and any profits from the sale or exchange of the bonds is at all times free from taxation by this state or by any municipal corporation or political subdivision of this state.

Section 59.065. NONPROFIT CORPORATION. Any corporation created under this chapter is a nonprofit corporation, and its net earnings remaining after payment of its bonds and its expenses in accomplishing the public purpose provided for by this chapter may not inure to the benefit of any person other than the sponsoring entity on behalf of which the corporation was created.

Section 59.066. CORPORATE CHANGES. The sponsoring entity on behalf of which a corporation was created may alter the structure, organization, programs, or activities of the corporation, subject only to any limitation provided by the constitution and laws of this state or of the United States relating to the impairment of contracts entered into by a corporation.

Section 59.067. ACCESS TO RECORDS. Representatives of the sponsoring entity on behalf of which a corporation is created shall be given access at any time to all books and records of the corporation.

Section 59.068. DEFENSE UNAVAILABLE. A person to whom a loan is made by a corporation or who receives a loan directly or indirectly from funds provided by a corporation may not assert the defense of incapacity based on minority against the corporation or any person acquiring the note subsequent to the corporation.
"Section 59.069. CONVERSION OF AUTHORITY. (a) A higher education authority created under Chapter 53 of this code or any corporation requested to act on behalf of a city pursuant to Chapter 53 of this code may be converted into a corporation under this chapter as provided by this section. The board of the authority or corporation to be converted shall adopt a written resolution requesting the governing body of each city which has passed an ordinance creating the authority or corporation to be converted to approve the conversion. The resolution of the board must include or have attached the proposed articles of incorporation of the corporation to be created. The proposed articles of incorporation must be in the form prescribed for other corporations created under this chapter. If the governing body of each city which has passed an ordinance creating the authority adopts a resolution approving the resolution of the board and the proposed articles of incorporation, the articles and a certified copy of the resolutions of the board and the governing body of each city together with a statement to the effect that the corporation is being created to effect a conversion of the authority or corporation to be converted shall be filed with the secretary of state. On the filing of the articles of incorporation, the resolutions and the statement and the issuance by the secretary of state of a certificate of incorporation, the existence of the authority or corporation to be converted becomes consolidated with and continued through the existence of the corporation, and thereafter this chapter governs the corporation.

(b) The resulting corporation shall be liable for all liabilities of the respective authority or corporation to be converted and the corporation.

(c) The existence of the authority or corporation to be converted and the corporation are merged into and continued in the corporation and the corporation shall be deemed to be the same entity as the authority or corporation to be converted. All rights, franchises, and interests of the authority and the corporation in and to every type of property (real, personal, and mixed) and choses in action shall be transferred to and vested in the corporation without any order or other action on the part of any court or otherwise. The corporation holds and enjoys all rights of property, franchises, and interests, including appointments, designations, and nominations, and all other rights and interests in every capacity, in the same manner and to the same extent as such rights, franchises, and interests were held or enjoyed by the authority or corporation to be converted at the time of conversion.

"Section 59.070 CONSENT OF AUTHORITY OR CORPORATION. No articles of incorporation or articles of amendment for any corporation shall be filed with the secretary of state if the articles of incorporation or articles of amendment include among the purposes of the corporation the provision of loans to eligible students unless there is filed concurrently, either (i) a certificate of the county clerk of the county in which the registered office of the corporation is located to the effect that no authority created pursuant to Subchapter B of Chapter 53 of this code and no corporation acting on behalf of a city pursuant to Section 53.47 of Chapter 53 of this code is currently authorized by the commissioner's court of such county to make loans to eligible students residing in such county or attending institutions of higher education located in such county; or (ii) a statement from any authority or corporation or the amendment of its articles of incorporation.

"Section 59.071 APPLICABILITY OF OTHER CHAPTER. This chapter does not exempt any educational institution from compliance with Chapter 61 of this code."
The speaker sustained the point of order.

Representative Messer offered the following amendment to the bill:

Amend SB 1274 by striking all below the enacting clause and substituting the following:

SECTION 1. Section 72.01, Texas Education Code, is amended to read as follows:

Sec. 72.01. ESTABLISHMENT. The Board of Regents of The University of Texas System shall establish and maintain a fully state-supported coeducational institution of higher education to be known as The University of Texas of the Permian Basin. The institution is [shall be] organized to teach [accept] only junior-, senior-, and graduate-level courses approved by the Coordinating Board, Texas College and University System [students, with at least 60 semester hours of accredited college or university study].

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

The amendment was adopted without objection. (Heflin, Hilbert, Pennington, and Russell recorded voting no)

SB 1274, as amended, was passed. (Heflin, Pennington, Whaley, Robnett, and D. Harrison recorded voting no)

STATEMENT BY REPRESENTATIVE WILLIS

Tarrant County School District would have received approximately Seven and one-half million dollars more in state support had the Presnal amendment been included in SB 1274. It was knocked off on a point of order.

Willis

On motion of Representative Messer and by unanimous consent, the caption of SB 1274 was ordered amended to conform to the body of the bill.

HCR 3 - POSTPONED

Representative Turner moved that consideration of HCR 3 be postponed until 2 p.m., Monday, May 30.

The motion prevailed without objection.

(Emmett now present)

HR 278 - LAID ON THE TABLE SUBJECT TO CALL

Representative Rudd moved that HR 278 be laid on the table subject to call.

The motion prevailed without objection.

SCR 135 - ADOPTED

(Schlueter - House Sponsor)

Representative Schlueter moved that all necessary rules be suspended to take up and consider at this time, SCR 135.

The motion prevailed without objection.

The speaker laid before the house the following resolution:
WHEREAS, South Africa remains under the grip of the apartheid policies imposed by that nation’s ruling Nationalist Party; and

WHEREAS, Characterized by a white minority’s establishment of political, economic, and social control over a preponderantly nonwhite, and largely black, majority, apartheid is secured by the imposition of discriminatory laws and regulations that equate the rights of inhabitants solely to the color of their skin; and

WHEREAS, This dominance is enforced by the South African government’s suppression of any organized opposition groups who seek, even by peaceful exercise of fundamental rights of speech and assembly, to challenge the existing system; and

WHEREAS, Though touted by its proponents as a benevolently segregationist form of self-determination designed to achieve the separate development of South Africa’s black, Asian, mixed ancestry, and white cultures, apartheid is in fact a system of white supremacy, the “self-determination” that it mandates for nonwhite cultures being forced upon those cultures from without rather than being a future that they themselves have freely chosen; and

WHEREAS, The system of apartheid imposed by the Nationalist regime is contrary to principles of democratic government and equality of opportunity and justice held dear by all Americans; and

WHEREAS, Because South Africa is a nation heavily dependent on foreign trade and technology, voices in the United States have called for effective American opposition to apartheid via means of economic noncooperation; and

WHEREAS, Measures have been introduced in this legislature seeking to sever investment ties between South Africa and various funds administered by agencies and institutions of the State of Texas; and

WHEREAS, A study of the nature and extent of these investment ties would illuminate the relative support that this state could lend to efforts aimed at the repudiation of South African apartheid, as well as other nations which consistently deny basic human rights by actions which discriminate against persons within their jurisdiction on the basis of race, color, creed, political persuasion or affiliation, or for their affirmation or denial of any religious tenet or belief; now, therefore, be it

RESOLVED by the Senate of the State of Texas, the House of Representatives concurring, That the 68th Legislature hereby establish a special interim committee to be known as the Joint Committee Investments in Foreign Nations; and,

be it further

RESOLVED, That the committee investigate, with respect to investment in business and financial enterprises having commercial ties with, or subsidiaries in, foreign nations which by their official policy deny or through their toleration of certain practices condone the denial of basic human rights, the following:

(1) assets of the permanent university fund;
(2) assets of the veterans land fund;
(3) assets of the Employees Retirement System of Texas;
(4) assets of the Teacher Retirement System of Texas;
(5) assets of the Texas Municipal Retirement System; and
(6) assets of the Texas County and District Retirement System; and,

be it further

RESOLVED, That in making their determination as to which countries seriously deny basic human rights, the committee use as a guide but not be limited to the latest edition of the report to the Speaker of the House and the Committee on Foreign Relations of the Senate required by 22 U.S.C. 2151n(d); and, be it further

RESOLVED, That the committee determine those business and financial enterprises having commercial ties with or subsidiaries in nations denying basic
human rights and notify those included on the portfolios of the six funds and systems that the Legislature of the State of Texas is concerned about the state's investment ties with such nations and will be studying the impact on the portfolios of withdrawing from investment in those enterprises; and, be it further

RESOLVED, That the committee be composed of six members: three members of the senate, to be appointed by the lieutenant governor, and three members of the house of representatives, to be appointed by the speaker of the house; the committee shall meet initially at the call of the lieutenant governor, the senator having the most seniority to preside pending the election of a chair and vice-chair by the members of the committee; the committee subsequently shall hold meetings and public hearings at the call of the chair; and, be it further

RESOLVED, That the committee be authorized to employ staff to assist in the conduct of the study; and, be it further

RESOLVED, That the committee have the power to issue process to witnesses at any place in the State of Texas, to compel the attendance of such witnesses, and to compel the production of all books, records, documents, and instruments that the committee may require; if necessary to obtain compliance with subpoenas and other process, the committee shall have the power to issue writs of attachment; all process issued by the committee may be addressed to and served by any peace officer of the State of Texas or any of its political subdivisions; the chair shall issue, in the name of the committee, such subpoenas and other process as the committee may direct; in the event that the chair is absent, the vice-chair or any designee of the chair is authorized to issue subpoenas or any other process in the same manner as the chair; witnesses attending proceedings of the committee under process shall be reimbursed for their actual expenses, not to exceed $30 per day of attendance, and for their mileage or other travel expenses; the testimony given at any hearing conducted pursuant to this resolution shall be given under oath subject to the penalties of perjury; and, be it further

RESOLVED, That the committee be authorized to request the assistance, where needed in the discharge of its duties, of all state agencies and institutions and that it be the duty of such state agencies and institutions to assist the committee when requested to do so; the committee shall have the power to inspect the records, documents, and files of every agency and institution of the state to the extent necessary to the discharge of its duties within the area of its jurisdiction; and, be it further

RESOLVED, That from the contingent expense fund of the senate and the contingent expense fund of the house equally, the members of the committee be reimbursed for their actual expenses incurred in carrying out the provisions of this resolution and that other necessary expenses of operation be paid from the contingent expense fund of the senate and the contingent expense fund of the house equally; and, be it further

RESOLVED, That the committee make a complete report, including findings and recommendations and drafts of any legislation deemed necessary, to the 69th Legislature when it convenes in January, 1985; five copies of the completed report shall be filed in the Legislative Reference Library; five copies, with the Texas Legislative Council; two copies, with the Secretary of the Senate; and two copies, with the Chief Clerk of the House; following official distribution of the committee report, all remaining copies shall be deposited with the legislative reference librarian.
Representative Schlueter offered the following amendment to the resolution:

Amend SCR 135 by substituting the following:

SENATE CONCURRENT RESOLUTION

WHEREAS, The United States government by law denies certain forms of foreign assistance, except where of direct benefit to needy recipients, to nations that engage in a consistent pattern of violation of internationally recognized human rights (22 U.S.C. 2151n); and

WHEREAS, The same law requires the United States Secretary of State to transmit annually to the Speaker of the United States House of Representatives and to the Committee on Foreign Relations of the United States Senate a report on human rights as it applies to that foreign assistance; and

WHEREAS, The Legislature of the State of Texas, being equally committed to principles of justice and freedom, is concerned about investment ties of this state, through various funds administered by state agencies and institutions, which might be supportive of foreign nations that seriously deny basic human rights; and

WHEREAS, To address that concern, the legislature feels it appropriate to study the nature and extent of its investment ties with certain foreign nations; now, therefore, be it

RESOLVED by the Senate of the State of Texas, the House of Representatives concurring, That the 68th Legislature hereby establish the Joint Conference Committee on Investments in Foreign Nations; and, be it further

RESOLVED, That the committee investigate, with respect to investment in business and financial enterprises having commercial ties with, or subsidiaries in, foreign nations that by their official policy deny or through their toleration of certain practices condone the denial of basic human rights, the following:

(1) assets of the permanent university fund;
(2) assets of the veterans land fund;
(3) assets of the Employees Retirement System of Texas;
(4) assets of the Teacher Retirement System of Texas;
(5) assets of the Texas Municipal Retirement System; and
(6) assets of the Texas County and District Retirement System; and, be it further

RESOLVED, That in making its determination as to which foreign nations seriously deny basic human rights, the committee use as a guide, but not be limited to, the latest edition of the report to the Speaker of the United States House of Representatives and the Committee on Foreign Relations of the United States Senate required by 22 U.S.C. 2151n; and, be it further

RESOLVED, That the committee determine those business and financial enterprises having commercial ties with or subsidiaries in nations denying basic human rights and notify those included on the portfolios of the six funds and systems that the legislature of the State of Texas is concerned about the state's investment ties with such nations and will be studying the impact on the portfolios of withdrawing from investment in those enterprises; and, be it further

RESOLVED, That the committee be composed of six members: three members of the senate and three members of the house of representatives. The house delegation of the study committee shall be a subcommittee of the House Committee on State, Federal, and International Relations, to be appointed by the chair of the standing committee; however, the speaker of the house may appoint the members of the subcommittee from the entire house membership. The senate delegation of the study committee shall be appointed by the lieutenant governor; and, be it further

RESOLVED, That the lieutenant governor shall designate a co-chair of the committee and the chair of the House Committee on State, Federal, and International Relations shall designate a co-chair, and that the committee shall hold meetings and public hearings at the call of the co-chairs; and, be it further
RESOLVED, That the house delegation of the study committee be authorized to utilize, for purposes of assisting in the study, existing staff of the standing committee, of the house, or of legislative service agencies; the senate delegation may employ staff or use existing staff resources of the senate or legislative service agencies for the purposes of assisting in the study; and, be it further

RESOLVED, That the committee have the power to issue process to witnesses at any place in the State of Texas, to compel the attendance of such witnesses, and to compel the production of all books, records, documents, and instruments that the committee may require; if necessary to obtain compliance with subpoenas and other process, the committee shall have the power to issue writs of attachment; all process issued by the committee may be addressed to and served by any peace officer of the State of Texas or any of its political subdivisions; the co-chairs shall issue, in the name of the committee, such subpoenas and other process as the committee may direct; witnesses attending proceedings of the committee under process shall be allowed the same mileage and per diem as are allowed members of the committee when in travel status; the testimony given at any hearing conducted pursuant to this resolution shall be given under oath subject to the penalties of perjury; and, be it further

RESOLVED, That the committee be authorized to request the assistance, where needed in the discharge of its duties, of all state agencies and institutions and that it be the duty of such state agencies and institutions to assist the committee when requested to do so; the committee shall have the power to inspect the records, documents, and files of every agency and institution of the state to the extent necessary to the discharge of its duties within the area of its jurisdiction; and, be it further

RESOLVED, That the expenses incurred by the house delegation of the study committee in carrying out the provisions of this resolution be paid from the funds provided the House Committee on State, Federal, and International Relations for interim activities; and, be it further

RESOLVED, That the expenses incurred by the senate delegation of the study committee, including staff expenses, be paid from the contingent expense fund of the senate; and, be it further

RESOLVED, That clerical material, printing, and other necessary operating expenses incurred jointly by the senate and house delegations be shared equally by the senate and house; and, be it further

RESOLVED, That the committee make a complete report to the 69th Legislature when it convenes in January, 1985. Five copies of the completed report shall be filed in the Legislative Reference Library; five copies, with the Texas Legislative Council; two copies, with the Secretary of the Senate; and two copies, with the Chief Clerk of the House. Following official distribution of the committee report, all remaining copies shall be deposited with the legislative reference librarian.

The amendment was adopted without objection.

SCR 135, as amended, was adopted without objection. (Pennington, Delay, Emmett, Rudd, Wright, Clark, Hollowell, Robnett, and Ceverha recorded voting no)

SB 1026 - REQUEST OF SENATE GRANTED

On motion of Representative Kemp, the house granted the request of the senate for the appointment of a conference committee on SB 1026.
SB 1026 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 1026: Kemp, chair; Craddick, Geistweidt, Buchanan, and Tow.

SB 1236 - REQUEST OF SENATE GRANTED
On motion of Representative Craddick, the house granted the request of the senate for the appointment of a conference committee on SB 1236.

SB 1236 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 1236: Craddick, chair; Geistweidt, Buchanan, Kemp, and Tow.

SB 895 - REQUEST OF SENATE GRANTED
On motion of Representative Geistweidt, the house granted the request of the senate for the appointment of a conference committee on SB 895.

SB 895 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 895: Geistweidt, chair; Craddick, Buchanan, Jones, and Tow.

SB 1091 - REQUEST OF SENATE GRANTED
On motion of Representative Wallace, the house granted the request of the senate for the appointment of a conference committee on SB 1091.

SB 1091 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 1091: Wallace, chair; Coody, Robnett, Green, and Schlueter.

SJR 40 - REQUEST OF SENATE GRANTED
On motion of Representative Gavin, the house granted the request of the senate for the appointment of a conference committee on SJR 40.

SJR 40 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SJR 40: Gavin, chair; Craddick, Geistweidt, Kemp, and Buchanan.

SB 1235 - REQUEST OF SENATE GRANTED
On motion of Representative Polk, the house granted the request of the senate for the appointment of a conference committee on SB 1235.

SB 1235 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 1235: Polk, chair; Geistweidt, Buchanan, Craddick, and Tow.

SB 1355 - REQUEST OF SENATE GRANTED
On motion of Representative Presnal, the house granted the request of the senate for the appointment of a conference committee on SB 1355.
SB 1355 - APPOINTMENT OF CONFERENCE COMMITTEE
The speaker announced the appointment of the following conference committee, on the part of the house, on SB 1355: Presnal, chair; Millsap, T. Hall, E. F. Lee, and Leonard.

SB 179 - ADOPTION OF CONFERENCE COMMITTEE REPORT
Representative Presnal submitted the conference committee report on SB 179.
Representative Presnal moved to adopt the conference committee report on SB 179.
A record vote was requested.
The motion prevailed by (Record 581): 96 Yeas, 51 Nays, 1 Present, not voting.

Yeas — Agnich; Armbrister; Arnold; Barton, E.; Berlanga; Blanton; Bomer; Buchanan; Burnett; Bush; Cain; Ceverha; Clark; Collazo; Connelly; Criss; Danburg; Davis; Eckels; Edwards; Emmett; English; Evans, C.; Fennell; Garcia, A.; Gavin; Geistweidt; Gibson, B.; Gibson, J.; Gilley; Granoff; Haley; Hall, L.; Hall, T.; Hall, W.; Hammond; Hanna; Harrison, D.; Harrison, W.; Hellin; Hightower; Hilbert; Hill, A.; Hill, G.; Hill, P.; Hinojosa; Hollowell; Horn; Hudson, D.; Jackson; Keller; Kemp; Khoury; Kubik; Kuempel; Laney; Lee, D.; Lee, E. F.; Leonard; McKenna; Madla; Mankins; Messer; Millsap; Patrick; Patterson; Pennington; Peveto; Pierce; Presnal; Robnett; Rudd; Saunders; Schlueter; Schoolcraft; Shaw; Short; Simpson; Smith, A.; Staniswalis; Stiles; Sutton; Tejeda; Thompson, G.; Thompson, S.; Tow; Turner; Uher; Vowell; Waldrop; Whaley; Wieting; Willis; Wilson; Wolens; Wright.

Nays — Barrientos; Barton, B.; Carriker; Cary; Cavazos; Clemons; Colbert; Coody; Craddick; Crockett; DeLay; Delco; Denton; Eikcnburg; Evans, L.; Fox; Gamez; Gandy; Garcia, M.; Glossbrenner; Green; Grisham; Hackney; Hernandez; Hudson, S.; Hury; Jones; Luna; McWilliams; Martinez, R.; Martinez, W.; Moreno, A.; Moreno, P.; Oliveira; Oliver; Parker; Patronella; Polk; Polunbo; Price; Ragsdale; Rangel; Robinson; Russell; Shea; Smith, C.; Toomey; Valles; Wallace; Watson; Word.

Present, not voting — Mr. Speaker(C).
Absent, Excused — Salinas.
Absent — Smith, T.

Reasons for Votes
Today I voted for the conference committee report on SB 179, the Appropriations Bill, in spite of its shortcomings. I feel that in several areas the funding we are voting for is woefully inadequate.
Teacher pay raises are, in my opinion, far short of what we should be granting.
Even though I vote for this bill, I pledge my continued support for increasing teacher pay raises substantially and will work with Governor White during the special session this summer to seek a pay raise that our Texas teachers so well deserve.
During the consideration of the Appropriations Bill in committee, I voted for an 8.5% increase each year of the biennium. While this percentage raise failed, it is incumbent upon us to seek funding for a substantial raise, as well as for additional revenue sources to fund our major state function — the education of our young.

L. Hall
I voted no on vote 581 because insufficient monies were appropriated for school equalization especially for the children of Edgewood Independent School District, also appropriated insufficient monies for salary increases for teachers and public employees, and also appropriated insufficient funds for the people oriented needs in my district.

Gamez

My vote for adoption of the appropriations conference committee report on SB 179 does not reflect my acceptance of the new teacher retirement system contribution schedule.

Staniswalis

I cast my vote against the conference committee report on SB 179 because it fails to address essential needs of my constituents and the residents of our State. SB 179 fails to increase adequately teacher salaries and to provide needed funds for public education, higher education, Aid for Dependent Children and other State services. In addition, funding for South Texas projects was drastically reduced or eliminated.

A. Moreno

STATEMENT BY REPRESENTATIVE EDWARDS

I intended to vote No on SB 179.

Edwards

HB 1186 WITH SENATE AMENDMENTS

Representative Messer called up with senate amendments for consideration at this time,

HB 1186, A bill to be entitled An Act relating to adoption of a nonsubstantive revision of the statutes relating to civil procedure and civil remedies and liabilities.

On motion of Representative Messer, the house concurred in the senate amendments to HB 1186.

HB 1186 - TEXT OF SENATE AMENDMENTS

SENATE AMENDMENT NO. 1

Amend HB 1186 by inserting a new Subsection (c) in Section 1.001 of the proposed Civil Code to read as follows:

(c) It is the express intent of the legislature in passing this code that there shall be no change of any kind in the substantive law of this state. In the event of any variance between a provision of this code and the source statute, the source statute shall prevail in the construction of the revised provision.

SENATE AMENDMENT NO. 2

Amend the caption to conform to the body of the bill.

HB 2008 WITH SENATE AMENDMENT

Representative C. Evans called up with senate amendment for consideration at this time,

HB 2008, A bill to be entitled An Act relating to revision of the criminal laws relating to the offenses of rape, aggravated rape, rape of a child, sexual abuse, aggravated sexual abuse, and sexual abuse of a child; redefining those offenses as
assaultive offenses and revising the elements of, penalties for, and period of limitation applicable to those offenses; and revising certain terms in the assault and aggravated assault provisions relating to the gender of the actor or victim.

On motion of Representative C. Evans, the house concurred in the senate amendment to HB 2008. (Danburg and L. Evans recorded voting no)

HB 2008 - TEXT OF SENATE AMENDMENT

SENATE AMENDMENT NO. 1

C SHB 2008, A bill to be entitled An Act relating to revision of the criminal laws relating to the offenses of rape, aggravated rape, rape of a child, sexual abuse, aggravated sexual abuse, and sexual abuse of a child; redefining those offenses as assaultive offenses and revising the elements of, penalties for, and period of limitation applicable to those offenses; revising the elements of the offense of capital murder to include murder committed in the course of committing aggravated sexual assault; and revising certain terms in the assault and aggravated assault provisions relating to the gender of the actor or victim.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 22.01(a), Penal Code, is amended to read as follows:

(a) A person commits an offense if the person:

(1) intentionally, knowingly, or recklessly causes bodily injury to another, including the person's spouse; or

(2) intentionally or knowingly threatens another with imminent bodily injury, including the person's spouse; or

(3) intentionally or knowingly causes physical contact with another when the person knows or should reasonably believe that the other will regard the contact as offensive or provocative.

SECTION 2. Section 22.02(a), Penal Code, is amended to read as follows:

(a) A person commits an offense if the person commits assault as defined in Section 22.01 of this code and the person:

(1) causes serious bodily injury to another, including the person's spouse;

(2) causes bodily injury to a peace officer when the person knows or has been informed the person assaulted is a peace officer:

(A) while the peace officer is lawfully discharging an official duty; or

(B) in retaliation for or on account of the peace officer's exercise of official power or performance of official duty as a peace officer; or

(3) causes bodily injury to a participant in a court proceeding when the person knows or has been informed the person assaulted is a participant in a court proceeding:

(A) while the injured person is lawfully discharging an official duty; or

(B) in retaliation for or on account of the injured person's having exercised an official power or performed an official duty as a participant in a court proceeding; or

(4) uses a deadly weapon.

SECTION 3. Chapter 22, Penal Code, is amended by adding Sections 22.011 and 22.021 to read as follows:

Sec. 22.011. SEXUAL ASSAULT. (a) A person commits an offense if the person:

(1) intentionally or knowingly:
May 29, 1983

(A) causes the penetration of the anus or vagina of another person who is not the spouse of the actor by any means, without that person's consent;

(B) causes the penetration of the mouth of another person who is not the spouse of the actor by the sexual organ of the actor, without that person's consent; or

(C) causes the sexual organ of another person who is not the spouse of the actor, without that person's consent, to contact or penetrate the mouth, anus, or sexual organ of another person, including the actor, intentionally or knowingly:

(2) intentionally or knowingly:

(A) causes the penetration of the anus or vagina of a child by any means;

(B) causes the penetration of the mouth of a child by the sexual organ of the actor, or

(C) causes the sexual organ of a child to contact or penetrate the mouth, anus, or sexual organ of another person, including the actor.

(b) A sexual assault under Subsection (a)(1) of this section is without the consent of the other person if:

(1) the actor compels the other person to submit or participate by the use of physical force or violence;

(2) the actor compels the other person to submit or participate by threatening to use force or violence against the other person, and the other person believes that the actor has the present ability to execute the threat;

(3) the other person has not consented and the actor knows the other person is unconscious or physically unable to resist;

(4) the actor knows that as a result of mental disease or defect the other person is at the time of the sexual assault incapable either of appraising the nature of the act or of resisting it;

(5) the other person has not consented and the actor knows the other person is unaware that the sexual assault is occurring;

(6) the actor knows that the other person submits or participates because of the erroneous belief that the actor is the other person's spouse;

(7) the actor has intentionally impaired the other person's power to appraise or control the other person's conduct by administering any substance without the other person's knowledge; or

(8) the actor compels the other person to submit or participate by threatening to use force or violence against any person, and the other person believes that the actor has the ability to execute the threat.

(c) In this section:

(1) "Child" means a person younger than 17 years of age who is not the spouse of the actor;

(2) "Spouse" means a person who is legally married to another, except that persons married to each other are not treated as spouses if they do not reside together or if there is an action pending between them for dissolution of the marriage or for separate maintenance.

(d) It is a defense to prosecution under Subsection (a)(2) of this section that:

(1) the child was at the time of the offense 14 years of age or older and had prior to the time of the offense engaged promiscuously in conduct described in that subsection; or

(2) the conduct consisted of medical care for the child.

(e) It is an affirmative defense to prosecution under Subsection (a)(2) of this section that the actor was not more than two years older than the victim.

(f) An offense under this section is a felony of the second degree.
Sec. 22.021. AGGRAVATED SEXUAL ASSAULT. (a) A person commits an offense if the person commits sexual assault as defined in Section 22.011 of this code and:

1. The person causes serious bodily injury or attempts to cause the death of the victim or another person in the course of the same criminal episode;
2. By acts or words the person places the victim in fear that death, serious bodily injury, or kidnapping will be imminently inflicted on any person;
3. By acts or words occurring in the presence of the victim the person threatens to cause the death, serious bodily injury, or kidnapping of any person;
4. The person uses or exhibits a deadly weapon in the course of the same criminal episode; or
5. The victim is younger than 14 years of age.

(b) The defense provided by Section 22.011(d)(1) of this code and the affirmative defense provided by Section 22.011(e) of this code do not apply to this section. The defense provided by Section 22.011(d)(2) of this section does apply to this section.

(c) An offense under this section is a felony of the first degree.

SECTION 4. Section 21.13, Penal Code, is redesignated as Section 22.065 and amended to read as follows:

Sec. 22.065. EVIDENCE OF PREVIOUS SEXUAL CONDUCT. (a) Evidence of specific instances of the victim's sexual conduct, opinion evidence of the victim's sexual conduct, and reputation evidence of the victim's sexual conduct may be admitted under Sections 22.011 and 22.021 of this code only if, and only to the extent that, the judge finds that the evidence is material to a fact at issue in the case and that its inflammatory or prejudicial nature does not outweigh its probative value.

(b) If the defendant proposes to ask any question concerning specific instances, opinion evidence, or reputation evidence of the victim's sexual conduct, either by direct examination or cross-examination of any witness, the defendant must inform the court out of the hearing of the jury prior to asking any such question. After this notice, the court shall conduct an in camera hearing, recorded by the court reporter, to determine whether the proposed evidence is admissible under Subsection (a) of this section. The court shall determine what evidence is admissible and shall accordingly limit the questioning. The defendant shall not go outside these limits nor refer to any evidence ruled inadmissible in camera without prior approval of the court without the presence of the jury.

(c) The court shall seal the record of the in camera hearing required in Subsection (b) of this section for delivery to the appellate court in the event of an appeal.

(d) This section does not limit the right of the state or the accused to impeach credibility by showing prior felony convictions nor the right of the accused to produce evidence of promiscuous sexual conduct of a child 14 years old or older as a defense to sexual assault, aggravated sexual assault (rape of a child, sexual abuse of a child), or indecency with a child. If evidence of a previous felony conviction involving sexual conduct or evidence of promiscuous sexual conduct is admitted, the court shall instruct the jury as to the purpose of the evidence and as to its limited use.

SECTION 5. Section 9.32, Penal Code, is amended to read as follows:

Sec. 9.32. DEADLY FORCE IN DEFENSE OF PERSON. A person is justified in using deadly force against another:

1. If he would be justified in using force against the other under Section 9.31 of this code;
(2) if a reasonable person in the actor's situation would not have retreated; and
(3) when and to the degree he reasonably believes the deadly force is immediately necessary:
   (A) to protect himself against the other's use or attempted use of unlawful deadly force; or
   (B) to prevent the other's imminent commission of aggravated kidnapping, murder, sexual assault [rape], aggravated sexual assault [rape], robbery, or aggravated robbery.

SECTION 6. Section 19.03(a), Penal Code, is amended to read as follows:
   (a) A person commits an offense if he commits murder as defined under Section 19.02(a)(1) of this code and:
       (1) the person murders a peace officer or fireman who is acting in the lawful discharge of an official duty and who the person knows is a peace officer or fireman;
       (2) the person intentionally commits the murder in the course of committing or attempting to commit kidnapping, burglary, robbery, aggravated sexual assault [rape], or arson;
       (3) the person commits the murder for remuneration or the promise of remuneration or employs another to commit the murder for remuneration or the promise of remuneration;
       (4) the person commits the murder while escaping or attempting to escape from a penal institution; or
       (5) the person, while incarcerated in a penal institution, murders another who is employed in the operation of the penal institution.

SECTION 7. Articles 12.01, 13.15, and 38.07, Code of Criminal Procedure, 1965, are amended to read as follows:
Art. 12.01. FELONIES. Except as provided in Article 12.03, felony indictments may be presented within these limits, and not afterward:
   (1) no limitation: murder and manslaughter;
   (2) ten years from the date of the commission of the offense:
       (A) theft of any estate, real, personal or mixed, by an executor, administrator, guardian or trustee, with intent to defraud any creditor, heir, legatee, ward, distributee, beneficiary or settlor of a trust interested in such estate;
       (B) theft by a public servant of government property over which he exercises control in his official capacity;
       (C) forgery or the uttering, using or passing of forged instruments;
   (3) five years from the date of the commission of the offense:
       (A) theft, burglary, robbery;
       (B) arson;
       (C) sexual assault;
   (4) three years from the date of the commission of the offense: all other felonies.

Art. 13.15. SEXUAL ASSAULT [RAPE]. Sexual assault [rape] may be prosecuted in the county in which it is committed, in the county in which the victim is abducted, or in any county through or into which the victim is transported in the course of the abduction and sexual assault [rape]. When it shall come to the knowledge of any district judge whose court has jurisdiction under this Article that sexual assault [rape] has probably been committed, he shall immediately, if his court be in session, and if not in session, then, at the first term thereafter in any county of the district, call the attention of the grand jury thereto; and if the court be in session, but the grand jury has been discharged, he shall immediately recall the grand jury to investigate the accusation. The district courts are authorized and
directed to change the venue in such cases whenever it shall be necessary to secure a speedy trial.

Art. 38.07. TESTIMONY IN CORROBORATION OF VICTIM OF SEXUAL OFFENSE. A conviction under Chapter 21, Section 22.011, or Section 22.021, Penal Code, is supportable on the uncorroborated testimony of the victim of the sexual offense if the victim informed any person, other than the defendant, of the alleged offense within six months after the date on which the offense is alleged to have occurred. The court shall instruct the jury that the time which lapsed between the alleged offense and the time it was reported shall be considered by the jury only for the purpose of assessing the weight to be given to the testimony of the victim.

SECTION 8. Article 18.021(a), Code of Criminal Procedure, 1965, is amended to read as follows:

(a) A search warrant may be issued to search for and photograph a child who is alleged to be the victim of the offenses of injury to a child as defined by Section 22.04, Penal Code, as amended; sexual assault [rape] of a child as defined by Section 22.011(a) [2+09], Penal Code, as amended; or aggravated sexual assault [abuse] of a child as defined by Section 22.021 [24+68], Penal Code.

SECTION 9. Section 3e(a), Article 42.12, Code of Criminal Procedure, 1965, is amended to read as follows:

(a) For the purposes of this section, the jurisdiction of a court in which a sentence requiring confinement in the Texas Department of Corrections is imposed for conviction of (a felony) shall continue for 180 days from the date the execution of the sentence actually begins. After the expiration of 60 days but prior to the expiration of 180 days from the date the execution of the sentence actually begins, the judge of the court that imposed such sentence may, on his own motion or on written motion of the defendant, suspend further execution of the sentence imposed and place the defendant on probation under the terms and conditions of this article, if in the opinion of the judge the defendant would not benefit from further incarceration in a penitentiary. Probation may be granted under this section only if:

(1) the defendant is otherwise eligible for probation under this article; and

(2) the defendant had never before been incarcerated in a penitentiary serving a sentence for a felony; and

(3) the offense for which the defendant was convicted was other than those defined by Section 19.02, 20.04, 22.021 [2+09-2+05], 22.03, 22.04(a)(1), (2), or (3), 29.03, 36.02, 38.07, 71.02 or a felony of the second degree under Section 38.10, Penal Code.

SECTION 10. Section 3(a), Article 42.12, Code of Criminal Procedure, 1965, is amended to read as follows:

(a) The provisions of Sections 3 and 3c of this Article do not apply:

(1) to a defendant adjudged guilty of an offense defined by the following sections of the Penal Code:

(A) Section 19.03 (Capital murder); (B) Section 20.04 (Aggravated kidnapping); (C) Section 22.021 [2+05] (Aggravated sexual assault [rape]); (D) Section 21.05 (Aggravated sexual abuse); (E) Section 29.03 (Aggravated robbery); or

(2) to a defendant when it is shown that the defendant used or exhibited a deadly weapon as defined in Section 1.07(a)(11), Penal Code, during the commission of a felony offense or during immediate flight therefrom. Upon affirmative finding that the defendant used or exhibited a deadly weapon during the commission of an offense or during immediate flight therefrom, the trial court shall enter the finding in the judgment of the court. Upon an affirmative finding that the
deadly weapon the defendant used or exhibited was a firearm, the court shall enter that finding in its judgment.

SECTION 11. Section 1, Chapter 299, Acts of the 63rd Legislature, Regular Session, 1973 (Article 4471n, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 1. Any law enforcement agency that requests a medical examination of a victim of an alleged sexual assault [rape] for use in the investigation or prosecution of the offense shall pay all costs of the examination.


SECTION 13. (a) The change in law made by this Act applies only to an offense committed on or after the effective date of this Act.

(b) An offense committed before the effective date of this Act is covered by the law in effect at the time the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before the effective date.

SECTION 14. This Act takes effect September 1, 1983.

SECTION 15. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

HB 2087 WITH SENATE AMENDMENTS

Representative D. Lee called up with senate amendments for consideration at this time,

HB 2087, A bill to be entitled An Act relating to the application of the Health Facilities Development Act to certain types of health facilities for adults, and to costs incurred by a health facility.

On motion of Representative D. Lee, the house concurred in the senate amendments to HB 2087. (Fox, C. Smith, Craddick, and Emmett recorded voting no)

HB 2087 - TEXT OF SENATE AMENDMENTS

SENATE AMENDMENT NO. 1

Amend HB 2087 by deleting the following language on lines 66 and 67 of the printed version of the bill:

"...that no facility organized for profit is included in this subdivision"

SENATE AMENDMENT NO. 2

Amend the caption to conform to the body of the bill.

HB 1701 WITH SENATE AMENDMENT

Representative Hammond called up with senate amendment for consideration at this time,

HB 1701, A bill to be entitled An Act relating to the management and investment of certain state funds.

On motion of Representative Hammond, the house concurred in the senate amendment to HB 1701.
HB 1701 - TEXT OF SENATE AMENDMENT

SENATE AMENDMENT NO. 1

CSHB 1701, A bill to be entitled An Act relating to the use of external professional investment managers in investing certain state funds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 15, Texas Education Code, is amended by adding Section 15.021 to read as follows:

Sec. 15.021. EXTERNAL INVESTMENT MANAGERS. The State Board of Education may contract with private professional investment managers to assist the board in making investments of the permanent school fund.

SECTION 2. Chapter 66, Texas Education Code, is amended by adding Section 66.06 to read as follows:

Sec. 66.06. EXTERNAL INVESTMENT MANAGERS. The board of regents of The University of Texas System may contract with private professional investment managers to assist the board in making investments of the permanent university fund.

SECTION 3. Section 25.301, Title 110B, Revised Statutes, is amended by adding Subsection (c) to read as follows:

(c) The board of trustees may contract with private professional investment managers to assist the board in investing the assets of the retirement system.

SECTION 4. Section 35.301, Title 110B, Revised Statutes, is amended to read as follows:

Sec. 35.301. INVESTMENT OF ASSETS. (a) The board of trustees shall invest assets of the retirement system without distinction as to their source. All securities are held collectively for the proportionate benefit of all accounts of the system.

(b) The board of trustees may contract with private professional investment managers to assist the board in investing the assets of the retirement system.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

HB 2436 WITH SENATE AMENDMENT

Representative Schueter called up with senate amendment for consideration at this time,

HB 2436, A bill to be entitled An Act relating to the exemption from the motor fuels tax for gasoline and alcohol mixtures.

On motion of Representative Schueter, the house concurred in the senate amendment to HB 2436 by (Record 582): 136 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Aglich; Armbrister; Arnold; Barrientos; Barton, B.; Barton, E.; Berlanga; Blanton; Bomer; Buchanan; Burnett; Bush; Cain; Carriker, Cary; Cavazos; Ceverha; Clark; Clemens; Colbert; Collazo; Connelly; Coody; Craddick; Criss; Crockett; Danburg; Davis; Delay; Delco; Denton; Eckels; Eikenburg; Emmett; English; Evans, C.; Evans, L.; Finnell; Fox; Gamez; Gandy; Garcia, A.; Garcia, M.; Gavin; Geistweidt; Gibson, B.; Gibson, J.; Glossbrenner; Granoff; Green; Grisham; Haley; Hall, L.; Hall, T.; Hammond; Hanna; Harrison, D.; Harrison, W.; Heflin; Hernandez; Hightower; Hilbert; Hill, A.; Hill, G.; Hill, P.; Hinojosa; Hollowell; Horn; Hudson, D.; Hudson, S.; Hury; Jackson; Jones; Keller;
HB 2436 - TEXT OF SENATE AMENDMENT

SENATE AMENDMENT NO. 1

CSHB 2436, A bill to be entitled An Act relating to the exemption from the motor fuels tax for gasoline and alcohol mixtures.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 153.123(a), (b), (d), (e), and (f), Tax Code, are amended to read as follows:

(a) For a gasoline and alcohol mixture which meets the requirements of Subsection (e) of this section and except as provided in Subsection (b), a credit may be claimed by a distributor, pursuant to Subsection (d) of this section, in the following amounts:

(1) until January 1, 1987, five cents per gallon on the first sale or use of that mixture;
(2) from January 1, 1987, through December 31, 1987, four cents per gallon on the first sale or use of that mixture;
(3) from January 1, 1988, through December 31, 1988, three cents per gallon on the first sale or use of that mixture;
(4) from January 1, 1989, through December 31, 1989, two cents per gallon on the first sale or use of that mixture;
(5) from January 1, 1990, through December 31, 1990, one cent per gallon on the first sale or use of that mixture; and
(6) on and after January 1, 1991, no credit may be claimed [amount of transfers to the gasoline and alcohol mixture fund may be made].

(b)(1) On or before the 30th day preceding each calendar quarter, the comptroller shall estimate (based on the most recent data available) the total volume, in gallons, of first sales or uses of gasoline and alcohol mixture meeting the requirements of Subsection (e) of this section, and the total amount of credits which will be allowed to distributors under Subsection (d), both for the next calendar quarter. If the total amount of that estimated credit exceeds $2,712,500, the comptroller shall estimate and publish in the Texas Register a credit per gallon (rounded to the nearest one-tenth cent) of mixture which, if applied to first sales or uses of gasoline and alcohol mixture containing alcohol produced from renewable
sources produced outside the state, would limit the total of the credits allowed to $2,712,500 for the next calendar quarter. Such estimated amount shall be the maximum amount of the credit which may be claimed for the next calendar quarter for first sales or uses of gasoline and alcohol mixture containing alcohol produced from renewable sources produced outside the state.

(2) If the total amount of the estimated credit resulting from first sales or uses of gasoline and alcohol mixtures containing alcohol from renewable sources produced in the state only exceeds $2,712,500 for the next calendar quarter, then no credit may be claimed for such mixtures containing alcohol produced from renewable sources from outside the state, and the comptroller shall estimate and publish in the Texas Register a credit per gallon (rounded to the nearest one-tenth cent) of mixture which, if applied to first sales or uses of such mixtures containing alcohol produced from renewable sources produced in the state, would limit the total of the credits allowed to $2,712,500 for the next calendar quarter. Such estimated amount shall be the maximum of the credit which may be claimed for the next calendar quarter for first sales or uses of gasoline and alcohol mixture produced from renewable sources from within the state.

(3) In arriving at estimates of credits per gallon of mixture which will limit total credits to $2,712,500 per calendar quarter, the comptroller shall consider actual total credits during the second preceding calendar quarter and shall, if necessary, include an adjustment in the estimate for the next calendar quarter to account for the difference between actual total credits during the second preceding calendar quarter and $2,712,500.

(4) Except as provided in this paragraph, no mixture that contains alcohol that was produced or distilled in another state is eligible for a credit on its first sale or use in the state. If the comptroller certifies that another state provides an exemption from that state’s taxes applicable to gasoline or a credit or refund for taxes collected or an amount in lieu of taxes collected on a mixture of gasoline and alcohol, and if the other state’s exemption, credit, or refund allowance applies to a mixture that includes alcohol produced or distilled in Texas, and if the alcohol produced in the other state meets the specifications provided by Subdivisions (1), (2), and (3) of Subsection (e) of this section, then the specifications for the mixture for which the transfers shall be made to the gasoline and alcohol mixture fund and for which credits or payments shall be made shall include mixtures that include alcohol produced and distilled in the other state or in Texas and the other state. However, if a mixture of alcohol produced or distilled in another state and gasoline qualifies under this subsection for a transfer and a credit, the amount of the transfer and credit under this section for the mixture may not exceed the amount of the exemption, credit, or refund (stated in or converted to cents for each gallon of the mixture) provided by the state in which the alcohol was produced or distilled.

(5) The provisions of Section 153.123, Tax Code, are not severable. If any portion of Section 153.123, Tax Code, is held to be unlawful or unconstitutional, the entire section shall have no force and effect. [On the effective date of this section, the comptroller shall estimate the amount of credit to be claimed within the subsequent 60 days and shall transfer that amount of money to the gasoline and alcohol mixture fund.]

(d) A distributor may claim a credit on the first sale or use of the gasoline and alcohol mixture described in Subsection (c) of this section or on the gasoline used for mixing with ethyl alcohol if the mixture meets the specifications described in Subsection (e) of this section, in the amount per gallon [transferred to the gasoline and alcohol mixture fund] as specified in Subsections [Subsection] (a) and (b) of this section. The distributor may take the credit on his monthly Texas gasoline distribution report. [Thereafter, the] The comptroller shall, on or before the 25th day of each month, transfer the total amount of credits allowed the previous month.
from the General Revenue Fund to the gasoline and alcohol mixture fund, which is hereby created, and thereafter shall promptly transfer funds from the gasoline and alcohol mixture fund to the highway motor fuel tax fund in the amount of the credits allowed to distributors. If a claim is based on gasoline used for mixing with ethyl alcohol, the comptroller may require the person making the claim to include in the claim the total number of gallons of ethyl alcohol produced or purchased and not thereafter resold or distributed as ethyl alcohol and any other information deemed necessary. The forms to be used, the procedure for filing, and the time within which a claim for credit must be instituted are the same as those set forth for claims for refund of taxes provided in Sections 153.120 and 153.121 of this code, with any modifications that the comptroller determines to be appropriate to accomplish the purposes of this section.

(e) the mixture of gasoline and alcohol for which transfers, credits, or payments shall be made under this section shall meet the following specifications:

1. the mixture must contain at least 10 percent ethyl alcohol;
2. the alcohol added to the gasoline must have been at least 192 proof when added; and
3. the alcohol added to the gasoline must have been produced or distilled from a renewable source only; and
4. except as provided by Subsection (f) of this section, the mixture must contain no alcohol that was produced or distilled outside the state.

(f) If the comptroller certifies that another state provides an exception from that state's taxes applicable to gasoline or a credit or refund for taxes collected or an amount in lieu of taxes collected on a mixture of gasoline and alcohol, and if the other state's exemption, credit, or refund allowance applies to a mixture that includes alcohol produced or distilled in Texas, and if the alcohol produced in the other state meets the specifications provided by Subdivisions (1), (2), and (3) of Subsection (c) of this section, then the specifications for the mixture for which the transfers shall be made to the gasoline and alcohol mixture fund and for which credits or payments shall be made shall include mixtures that include alcohol produced and distilled in another state and gasoline qualifies under this subsection for a transfer and a credit, the amount of the transfer and credit under this section for the mixture may not exceed the amount of the exemption, credit, or refund (stated in or converted to cents for each gallon of the mixture) provided by the state in which the alcohol was produced or distilled.

SECTION 2. The comptroller shall make the initial estimates required by Section 153.123(b), Tax Code, by July 1, 1983, to be effective with credit claims filed during and after September 1, 1983. During the portion of the calendar quarter of the initial effectiveness of this Act, the credits per gallon shall be estimated such that total credits are expected to be $904,167 per month. Beginning with the last calendar quarter of 1983, all estimates shall be made on a calendar quarter basis, as required by Section 153.123(b), Tax Code.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and that the rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

HB 208 WITH SENATE AMENDMENTS

Representative Wolens called up with senate amendments for consideration at this time.

HB 208. A bill to be entitled An Act relating to provision of certain insurance and payment of premiums by counties and other political subdivisions of the state.
On motion of Representative Messer, the house concurred in the senate amendments to HB 208.

**HB 208 - TEXT OF SENATE AMENDMENTS**

**SENATE AMENDMENT NO. 1**

Amend HB 208, line 39 to read:
"employees, and retirees."

**SENATE AMENDMENT NO. 2**

Amend HB 208 by striking subparagraph (c) to Section 1 and substituting a new subparagraph (c) to read as follows:

(c) Each county or political subdivision of the State of Texas is authorized to establish a fund to provide for the life [insurance], health, accident, accidental death and dismemberment, and hospital, surgical, and/or medical insurance [expense] of its officials, employees and their dependents and retirees, to be known as "Health and Insurance Fund—Employees and Dependents", and there shall be credited to such fund such deductions as may be agreed to in writing by any such official, employee, and retiree, and contributions from the county or political subdivision, from which fund payment shall be authorized only [for the purpose of the payment of health, hospital, surgical, and/or medical care of such official, employee, and retirees; and their dependents; and] for the payment of premiums on life, group health, accident, accidental death and dismemberment and hospital, surgical, and/or medical expense insurance, for officials, employees, and retirees, and their dependents, under such rules and regulations as may be adopted by the county, or political subdivision, which claims shall be payable under existing laws in like manner as other county or other political subdivision claims. No deduction from the salary of any official, employee, or retiree shall be made except when they shall have consented in writing to such deduction.

**SENATE AMENDMENT NO. 3**

Amend HB 208 by deleting the words "and retirees" from line 39.

**SENATE AMENDMENT NO. 4**

Amend HB 208 by adding a new subparagraph (c) to Section 1 to read as follows:

(c) Each county or political subdivision of the State of Texas is authorized to establish a fund to provide for the life insurance, health, accident, accidental death and dismemberment, and hospital, surgical, and/or medical expense of its officials, employees, and retirees, to be known as "Health and Insurance Fund—Employees and Dependents", and there shall be credited to such fund such deductions as may be agreed to in writing by any such official, employee, and retiree, and contributions from the county or political subdivision, from which fund payment shall be authorized only for the purpose of the payment of health, hospital, surgical, and/or medical care of such official, employee, and retirees; and their dependents; and for the payment of premiums on life, group health, accident, accidental death and dismemberment and hospital, surgical, and/or medical expense insurance, for officials, employees, and retirees, and their dependents, under such rules and regulations as may be adopted by the county, or political subdivision, which claims shall be payable under existing laws in like manner as other county or other political subdivision claims. No deduction from the salary of any official, employee, or retiree shall be made except when they shall have consented in writing to such deduction; such coverages.
SENATE AMENDMENT NO. 5

Amend the caption to conform to the body of the bill.

HB 1157 WITH SENATE AMENDMENTS

Representative Messer called up with senate amendments for consideration at this time.

HB 1157, A bill to be entitled An Act relating to the authority of a commissioners court to permit the revision of a subdivision plat or cancellation of a subdivision.

On motion of Representative Messer, the house concurred in the senate amendments to HB 1157.

HB 1157 - TEXT OF SENATE AMENDMENTS

SENATE AMENDMENT NO. 1

Amend HB 1157 by inserting the following language after the last sentence of Subsection (b) of Section 5:

"Provided, however, that upon the receipt of written objection to cancellation by the owners of ten (10) percent of the land area affected by the application, the grant of an order of cancellation shall be at the discretion of the commissioners' court."

SENATE AMENDMENT NO. 2

Amend the caption to conform to the body of the bill.

HB 141 WITH SENATE AMENDMENTS

Representative Glossbrenner called up with senate amendments for consideration at this time.

HB 141, A bill to be entitled An Act relating to the purchase of newspapers for use in public schools.

On motion of Representative Glossbrenner, the house concurred in the senate amendments to HB 141.

HB 141 - TEXT OF SENATE AMENDMENTS

SENATE AMENDMENT NO. 1

Strike Sec. 21.918 of SECTION 1 of the printed version of HB 141 and substitute in lieu thereof the following:

Sec. 21.918. PURCHASE OF NEWSPAPERS. From funds appropriated, the State Board of Education may allocate money to each school district for the purpose of purchasing newspapers for use in high schools of the district. The board shall allocate the funds according to a formula developed by the commissioner of education and approved by the board.

SENATE AMENDMENT NO. 2

Amend the caption to conform to the body of the bill.

HB 2427 WITH SENATE AMENDMENTS

Representative Tow called up with senate amendments for consideration at this time.

HB 2427, A bill to be entitled An Act relating to creation, administration, powers, duties, operations, and financing of the Montgomery County Flood Control District; providing a civil penalty.
On motion of Representative Tow, the house concurred in the senate amendments to HB 2427.

HB 2427 - TEXT OF SENATE AMENDMENTS

SENATE AMENDMENT NO. 1

Amend HB 2427 by placing a period after the word "District" in line 61 on page 1 of the printed bill and striking the rest of line 61 and all of lines 62 and 63.

SENATE AMENDMENT NO. 2

Amend HB 2427, by inserting the following language on Page 31, line 20 after the word "Act."

then all sums due any transit authority.

SENATE AMENDMENT NO. 3

Amend the caption to conform to the body of the bill.

SB 149 - ADOPTION OF CONFERENCE COMMITTEE REPORT

Representative Messer submitted the conference committee report on SB 149.

Representative Messer moved to adopt the conference committee report on SB 149.

The motion prevailed without objection.

HB 2154 - ADOPTION OF CONFERENCE COMMITTEE REPORT

Representative Turner submitted the following conference committee report on HB 2154:

Austin, Texas, May 27, 1983

Honorable William P. Hobby
President of the Senate

Honorable Gibson D. "Gib" Lewis
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 HB 2154 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Ted Lyon  Jim Turner
Chet Edwards  Al Luna
Ray Farabee  Bill Ceverha
On the part of the Senate  On the part of the House

HB 2154

A BILL TO BE ENTITLED
AN ACT
relating to revision of the political funds reporting and disclosure law and to regulation of the ethical conduct of public servants; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 237(A), Texas Election Code (Article 14.01, Vernon's Texas Election Code), is amended to read as follows:

(A) "Candidate" is defined as any person who has knowingly and willingly taken affirmative action for the purpose of seeking nomination or election to any
public office which is required by law to be determined by an election. Some examples of affirmative action are:

1. Filing of application for a position on a ballot.
2. Filing of application for nomination by a convention under Section 224a of this code.
3. Independent candidate's declaration of intent under Section 224a of this code.
4. Public announcement of a definite intent to run for office at a particular election, either with or without designating the specific office to be sought.
5. Statement of definite intent and solicitation of support through letters or other modes of communication, prior to a public announcement.
7. Seeking the nomination of an executive committee of a political party to fill a vacancy pursuant to Section 233 of this code (Article 13.56, Vernon's Texas Election Code).
8. [The filing] of a designation of a campaign treasurer [is not affirmative action which makes one a candidate as defined in this chapter].

SECTION 2. Subsections (B), (F), and (J), Section 238, Texas Election Code (Article 14.02, Vernon's Texas Election Code), are amended to read as follows:

(B) Every candidate for nomination to or election to a state or district office and every specific purpose political committee in any such election or in an election involving a statewide or district measure and every general purpose political committee shall designate a campaign treasurer by written appointment filed with the Secretary of State, and may also designate assistant campaign treasurers for each county by written appointment to be filed either with the county clerk of said county, or the Secretary of State.

(F)(1) Except as expressly permitted in this chapter, no contribution as defined in Section 237(E)(1) shall be accepted nor any expenditure, as defined in Section 237(E)(1), including the paying of any filing fee, made by an individual until he has filed the name of his campaign treasurer with the appropriate authority. No contribution shall be accepted nor any expenditure made by a political committee until it has filed the name of its campaign treasurer with the appropriate authority. If it is not otherwise possible for a candidate or specific purpose political committee to determine which authority is appropriate for the filing of campaign treasurer designation, then a filing with the Secretary of State shall be sufficient, but only until such time as the appropriate authority may be determined in accordance with [the provisions of] Subsections (B), (C), and (D) [(a), (b), and (c)] of this Section.

(J) A designation of a campaign treasurer or an assistant campaign treasurer shall be deemed to be timely filed if it is placed in the United States Post Office [or in the hands of a common or contract carrier] properly addressed to the appropriate authority within the time limits applicable to such designation. The postmark for
receipt mark (if received by a common or contract carrier) will be prima facie evidence of the date that such statement was deposited with the post office or carrier. The person filing the designation may show by competent evidence that the actual date of posting was to the contrary. No charge shall be made for filing designations of campaign treasurer or assistant campaign treasurer with any authority.

SECTION 3. Section 239, Texas Election Code (Article 14.03, Vernon's Texas Election Code), is amended by amending Paragraph (D) and adding Paragraph (E) to read as follows:

(D) Except as expressly permitted by Paragraphs (A), (B), and (E) of this Section it shall be unlawful for any person, other than a candidate, his campaign treasurer, or assistant campaign treasurer, or the campaign treasurer of a political committee, to make or authorize any campaign expenditure. Except as provided in Paragraphs (A), (B), and (E) of this Section, campaign expenditures must be made by the candidate, campaign treasurer, or assistant campaign treasurer, or the campaign treasurer of a political committee.

(E)(1) It shall be lawful for a corporation or a labor organization to expend its own funds for the purpose of aiding or defeating a measure by making a contribution to a political committee that supports or opposes measures exclusively.

(2) It shall be lawful for a corporation or labor organization, not acting in concert with any other person, to make direct expenditures from its own funds for the purpose of aiding or defeating a measure by complying with this Section as if the corporation or labor organization were an individual.

SECTION 4. Section 242(A), Texas Election Code (Article 14.06, Vernon's Texas Election Code), is amended to read as follows:

(A) It is unlawful for any corporation, as defined in this Act, to make a contribution or expenditure, as defined in Section 237 of this code (Article 14.01, Vernon's Texas Election Code), or any labor organization to make a contribution or expenditure, or for any candidate, office-holder, political committee, or other person to knowingly accept any contribution prohibited by this Article except that a corporation or labor organization may make a contribution or expenditure for the purpose of aiding or defeating a measure in accordance with Section 239 of this code (Article 14.03, Vernon's Texas Election Code).

SECTION 5. Chapter 14, Texas Election Code, is amended by adding Section 239d to read as follows:

239d. PROHIBITION OF PERSONAL USE OF CONTRIBUTIONS. (a) A person who accepts a contribution as a candidate or office-holder shall not convert such contributions to personal use except as authorized by the State Ethics Advisory Commission.

(b) In this section, "personal use" means a use which primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office. The term does not include any payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a holder of public office including payment of rent, interest, utility and other reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not ordinarily reside in Travis County.

(c) This section applies only to contributions accepted after the effective date of this Act.

(d) A person who converts a contribution to his personal use in violation of this section is civilly liable to the State of Texas for an amount equal to the amount of the converted contribution plus reasonable court costs.
SECTION 6. Section 243, Texas Election Code (Article 14.07, Vernon's Texas Election Code), is amended by amending Subsections (B), (C), (D), (G), (H), (I), (J), and (K) and by adding Subsection (P) to read as follows:

(B) Each [opposed] candidate whose name is printed on the ballot, each person who, after having become a candidate, has withdrawn as a candidate, each write-in candidate taking affirmative action in an election and each political committee involved in an election concerning a candidate or measure shall file [a] sworn statements as [statement at each time] required herein. [The statement shall include the full name and complete address of each person to whom a payment is made from unexpended contributions; and the date, amount, and purpose of the payment:] Each office-holder and political committee as defined in Subsections (O)(2), (P)(2), or (Q)(2) in Section 237 of this Code, shall file [a] sworn statements [statement] as required herein.

(C)(1) Each statement filed by a candidate, office-holder, political committee, or the political committee's campaign treasurer must list all contributions received and all expenditures made during the period covered by the statement as described in Subsection (H) of this section. Each statement must include, for the period covered, the following information:

(a) the full name and complete address of each person from whom contributions in an aggregate amount of more than $50 were received, and the date and amount of the contributions;
(b) the full name and complete address of each person to whom any expenditures aggregating more than $50 were made, and the date, amount, and purpose of the expenditures;
(c) the full name and complete address of each person to whom a payment that is not an expenditure was made; if the payment was made from a contribution, and the date, amount, and purpose of the payment;
(d) the full name and complete address of each person who assisted in obtaining credit or a loan of money for or on behalf of the candidate, office-holder, or political committee, if the benefit of the credit, the proceeds of the loan, or the guarantee or assumption of the obligation was to be involved, directly or indirectly, in an election, and the date and total value of the credit, loan, or guarantee or assumption.

(e) a total of all contributions of $50 and less received and a total of all expenditures of $50 and less made; and
(f) a total of all contributions received and all expenditures made; and[
(g) the total of unexpended contributions received or the outstanding indebtedness from expenditures made as of the end of the period covered by the previous statement required to be filed under this section.

(2) Each statement filed by a candidate or a political committee must include the campaign treasurer's name, business or residence street address, and telephone number.

(3) Each statement filed by a general-purpose political committee or its campaign treasurer must include the principal occupation of each person from whom contributions in an aggregate amount of more than $50 were received in the period covered by the statement.

(4) Each statement filed by a political committee or its campaign treasurer must include the amount of each expenditure in the form of a contribution made to a candidate, office-holder, or another political committee that was returned to the political committee during the period covered by the statement, the name of the person to whom the expenditure was originally made, and the date it was returned.

(5) A contribution received but not accepted is not required to be reported pursuant to this section. A determination of whether to accept a contribution that
is received by a candidate, office-holder, campaign treasurer, or assistant campaign treasurer shall be made before the end of the reporting period during which the contribution was received. If the determination on accepting the contribution is not made before that time, it is considered accepted on the last day of the reporting period for purposes of reporting pursuant to this section. The candidate, office-holder, campaign treasurer, or assistant campaign treasurer who received a contribution that was not accepted shall return it to the contributor not later than the 30th day after the deadline for filing a statement for the reporting period during which the contribution was received. A candidate, office-holder, campaign treasurer, or assistant campaign treasurer commits a Class A misdemeanor if he knowingly fails to return a contribution as required by this subdivision.

(6) For purposes of the time and manner of reporting, an expenditure need not be considered to have been made until the amount is readily determinable or, if the character of the expenditure is such that normal business practice is not to disclose the amount until the next periodic bill is received, then the expenditure need not be considered to have been made until the date of receipt of the bill.

(D)(1) A general-purpose political committee must file a statement of organization with the secretary of state at the time it files the name of its campaign treasurer. The name of a general-purpose political committee may not be the same as, or deceptively similar to, the name of any other general-purpose political committee whose statement of organization is filed with the secretary of state. If there is a change in the information required to be included in the statement of organization, the political committee shall file an amended statement of organization with the secretary of state not later than the 30th day after the change occurs. The statement of organization must include the political committee's campaign treasurer's name, business or residence street address, and telephone number, and the following information:

(a) the name of each corporation, labor organization, or other association or legal entity that directly establishes, administers, or controls the political committee, if applicable; or

(b) the name of each person that determines to whom the political committee makes contributions or for what purposes the political committee makes expenditures.

(2) Each political committee receiving contributions or making expenditures on behalf of a candidate, or office-holder, shall notify the candidate, or office-holder, as to the name and address of the political committee and its campaign treasurer, if one is required. The candidate, or office-holder, shall include within each statement required by this code a list identifying the name and address of each such political committee and its campaign treasurer, if one is required. “On behalf of” means the knowing acceptance of a contribution for a candidate(s), or office-holder(s), or the making of an expenditure for a candidate(s), or office-holder(s). Any campaign treasurer, candidate, office-holder, or other person managing a political committee, who violates the provisions of this subdivision shall be guilty of a Class A misdemeanor.

(3) In reporting a contribution received from a political committee not in this state, the information for the contributing committee that is required by Subdivision (1) of this subsection shall be included unless a copy of the committee's statement of organization filed with the Federal Election Commission is filed under Subsection (G) of this section.

(G) In the event a political committee has elected to comply with the provisions applicable to political committees within this state, the requirements of this paragraph shall not be applicable. A candidate, office-holder, or political committee shall not accept a contribution aggregating more than $500 in a
reporting period from a political committee not in this state unless the contribution is accompanied by either: (1) a written statement which sets forth the full name and complete address of each person who contributed more than $100 to such committee during the preceding twelve months and which is certified by an officer of the contributing political committee; or (2) a certified copy of the contributing political committee's statement of organization filed as required by law with the Federal Election Commission. A correct copy of any such statement shall be included with the statement filed on which the contribution is reported. For the purpose of reporting, "political committee not in this state" shall mean any political committee expending 80 percent or more of its expenditures in any combination of elections outside of this state and federal offices not voted on in this state within the immediately preceding twelve-month period.

(H)(1)(a) Candidates and the campaign treasurers of specific purpose political committees as defined in subsection (P)(1) of Section 237, shall file sworn statements at the times required in paragraph (4) of this subsection.

(b)(i) Office-holders and specific purpose political committees assisting office-holder(s) as defined in subsection (P)(2) of Section 237 of this Code shall file sworn statements on or before July 15 and on or before January 15 of each year of all contributions received and all expenditures made during the six calendar months preceding the statements [previous calendar year] in accordance with the provisions of subsection (C) of this section but reporting only such contributions accepted and expenditures made that have not been previously reported.

(ii) In addition to the statements [annual statement] required in subsection (H)(1)(b)(i) above, any such office-holder shall file additional statements to cover all contributions received and expenditures made by such office-holder for that period of time prior to the designation of a campaign treasurer by such office-holder, and after such designation all contributions and expenditures are to be reported pursuant to subsection (H)(1)(a). The statements required by this subsection shall be filed not later than the 15th day following the designation of a campaign treasurer.

(2) Campaign treasurers of general purpose political committees shall file sworn statements at times required in paragraph (5) of this subsection.

(3) If the operations of a political committee necessitate a change in the applicability of paragraph (1) or (2) of this subsection, the campaign treasurer of such political committee shall make such change and declare the identity of the authorities with whom future filings are expected to be made by filing a notification(s) with the authority(ies) with whom such committee has previously been required to file sworn statements. Failure to file such notice(s), when such change has been properly made, before the next applicable deadline for filing sworn statements under the formerly applicable sections, shall constitute a Class B misdemeanor.

(4)(a) Every candidate and every specific purpose political committee shall file two sworn statements for each year in which the candidate or the specific purpose political committee is not involved in an election. The two sworn statements shall be filed on or before July 15 of each nonelection year and on or before January 15 following a nonelection year. The period reported in the first such statement begins on January 1 or the day of campaign treasurer designation, as applicable, and ends on and includes June 30. The period reported in the second such statement begins on July 1 and ends on and includes December 31.

(b)(i) Every opposed candidate and every [or] specific purpose political committee shall file three sworn statements relating to the election in which such person is involved in addition to any statement as provided in paragraph (4)(b)(iii) of this subsection [69] below. The three sworn statements shall be filed not later than the 30th day prior to the election, not later than the 7th day prior to the
election, and not later than the 30th day after the election, respectively. [A candidate who has been nominated by his party's primary or a specific purpose political committee existing for the sole purpose of supporting such candidate and having given notice of such sole purpose in lieu of filing his third statement which encompasses nine (9) days prior to the twenty-five (25) days after the election shall include in his first statement prior to the general election all previously unreported contributions and expenditures.] The period reported in the first such statement shall begin on the day of campaign treasurer designation or on the day after the end of the period covered by the last required statement, as applicable, and end on and include the 40th day prior to the election. The period reported in the second such statement shall begin on the 39th day before the election and end on and include the 10th day before the election. The period reported in the third such statement shall begin on the 9th day before the election and end on and include the 25th day after the election. In the event an opposed [a] candidate or a specific purpose political committee becomes involved in an election after the end of any period covered by the regular reports otherwise required herein, the first applicable sworn statement shall be filed at the next regularly required deadline and its reporting period shall begin on the date of designation of campaign treasurer or on the day after the end of the period covered by the last required statement, as applicable.

(ii) [f9] In lieu of any third statement required by paragraph (4)(b)(i) of this subsection, which falls on the 30th day after any general, primary, or special election elections, whenever a candidate or specific purpose political committee is involved in a run-off election, not later than the 7th day before the run-off election, the candidate or specific purpose political committee shall file a statement of all previously unreported contributions and expenditures through the 10th day before the run-off election. The next statement required shall be filed not later than the 30th day after the run-off election and shall report all contributions received and all expenditures made during a period beginning on the 9th day before the run-off election and ending on the 25th day after the run-off election.

(iii) [f9] Each year after the last deadline for filing a statement of contributions and expenditures under paragraph (4)(b)(i) of this subsection, an additional statement shall be filed, provided, however, if there have been no expenditures made or contributions knowingly accepted since the last required reporting period, or if any contributions knowingly accepted and any expenditures made have all been reported under Subsection (H)(1)(b) of this section, there shall be no filing required. The annual statement shall be filed on or before January 15 (following the last filing) and the period shall cover all previously unreported contributions and expenditures through and including the 31st day of December.

(c) Every unopposed candidate shall file two sworn statements during the year in which an election occurs in which the unopposed candidate is involved. The statements shall be filed on or before July 15 of the year in which the election occurs and on or before January 15 of the year following the election. The period reported in the first such statement begins on January 1 or the day of campaign treasurer designation, as applicable, and ends on and includes June 30. The period reported in the second such statement begins on July 1 and ends on and includes December 31.

(5) [f9] All general purpose political committees shall file sworn statements as designated either in this paragraph or in Paragraph (6) [f8] of this subsection:

(a) On January 15th of each year, a statement of all contributions received and all expenditures made during the previous calendar year which have not been previously reported;

(b) Not earlier than the 40th day and not later than the 30th day before the date of an election in which the general purpose committee is involved, a statement of all contributions received and all expenditures made during the period from the
date on which the general purpose political committee filed a designation of a campaign treasurer through the 40th day before the date of the election which have not been previously reported;

(c) Not earlier than the 10th day and not later than the 7th day before the date of an election in which the general purpose political committee is involved, a statement of all contributions received and all expenditures made through the 10th day before the date of the election which have not been previously reported;

(d) Not earlier than the 25th day and not later than the 30th day after the date of an election in which the general purpose political committee is involved, a statement of all contributions received and all expenditures made since the date covered by the last report filed under this subsection;

(e) Whenever a general purpose political committee is involved in a run-off election, in lieu of the statement to be filed by not later than the 30th day after the first election, the committee shall file a statement on the 7th day before the date of the run-off election showing all contributions received and all expenditures made since the date of the last report filed under this subsection;

(f) In the event a general purpose political committee becomes involved in an election after the end of any periods covered by the regular reports otherwise required herein, the first applicable sworn statement shall be filed at the next regularly required deadline and its reporting period shall begin on the date of designation of campaign treasurer.

(6) [f(9)] In lieu of the sworn statements required under Paragraph (5) of this subsection [f(7)], a general purpose political committee may elect to file sworn monthly statements of all contributions received and all expenditures made which have not been previously reported by filing the sworn statements designated herein:

(a) A notice of intent to file monthly statements shall be filed between January 1 and January 15 of the first year in which the committee intends to file monthly statements. However, a general purpose political committee formed after January 15 of any particular year may upon designation of its campaign treasurer file at the same time a notice of intent to file monthly statements pursuant to this paragraph. The filing remains effective until notice of intent to revert to the regular filing schedule is filed pursuant to Subparagraph (c) of this paragraph.

(b) On the first day of each calendar month, even if there has been no activity, a statement of all previously unreported contributions received and all previously unreported expenditures made through the 25th day of the preceding month. Any general purpose political committee filing under the procedures of this paragraph shall include in each statement the dates and amounts and the full name and complete address of each person from whom contributions in an aggregate amount of more than $10 has been received or borrowed during the reporting period. Each statement shall also include the dates and amounts and the full names and complete addresses of all persons to whom any expenditures aggregating more than $10 were made during the appropriate reporting period and the purpose of such expenditures.

(c) If a general purpose political committee electing to file sworn monthly statements wishes to revert to filing the sworn statements required under Paragraph (5) of this subsection [f(7)], such committee must file its intent to do so between January 1 and January 15 in addition to a statement of all contributions received and expenditures made which have not previously been reported.

(7) [f(9)] Candidates for offices created under laws of the United States are specifically exempted from the requirements of this section. It is provided, however, that they shall file copies of any reports required by federal laws with the secretary of state on the same date they file such reports with the appropriate federal authorities.

(8) [f(9)] Final Statement. A candidate or political committee may cease filing sworn statements regarding a campaign after a final statement has been filed
and designated as such. Any of the required sworn statements may constitute a final statement if its filing results in the completion of the reporting of all contributions and expenditures involved in an election, together with the appropriate related information, required to be reported.

(2) [(T)] In the event a general purpose political committee makes a contribution to either another general purpose political committee or an out of state political committee, and cannot thereby make the determination of the appropriate times to make filings of sworn statements, such contributing general purpose political committee shall be deemed to have complied with the requirements of this Section by filing a sworn statement with the Secretary of State fully reporting such contribution (as an expenditure) no later than the next succeeding filing deadline for the January 15th annual statement.

UQI [(T)] In the event a campaign treasurer of a political committee is terminated, either voluntarily or by action of the political committee, he shall file a sworn statement no later than the 10th day after such termination, reporting all appropriate matters for the period from the end of the period reported in the preceding sworn statement through the day of his termination. Any subsequent sworn statement which is to be filed by a successor campaign treasurer need not report those matters included in the previous campaign treasurer's termination statement.

(1)(1) If any candidate, office-holder, or campaign treasurer of a political committee fails to file a sworn statement containing all information required by this chapter, such person shall be guilty of a Class C misdemeanor.

(2) Any candidate, office-holder, campaign treasurer, assistant campaign treasurer, or other person managing a political committee who swears falsely in a filed statement is subject to the provisions of Section 37.02 of the Texas Penal Code.

(1) Any candidate or campaign treasurer or assistant campaign treasurer of a political committee who fails to report in whole or in part any contribution or expenditure as provided in the foregoing provisions of this Section shall be liable for double the amount or value of such unreported contribution or expenditure or unreported portion thereof, to each opposing candidate in the election in which same should have been reported. Each of such opposing candidates shall also recover reasonable attorneys' fees for collecting the above liquidated damages.

(K) Any candidate, office-holder, or campaign treasurer of a political committee who fails to report in whole or in part any contribution or expenditure as provided in this Section, shall be civilly liable to the State of Texas for an amount equal to triple the amount or value of such unreported contribution or unreported expenditure.

(P) An assistant campaign treasurer designated by a political committee under Section 238(B)(2) of this Code (Article 14.02, Vernon's Texas Election Code) may perform any duties imposed on the political committee's campaign treasurer by this Section in the absence of the campaign treasurer.

SECTION 7. Section 243a, Texas Election Code (Article 14.07a, Vernon's Texas Election Code), is amended by amending Subsection (b) and adding Subsections (d), (e), (f), and (g) to read as follows:

(b) An annual statement filed pursuant to this section shall be filed between January 1 and January 15 of each year. The statement shall include the full name and complete address of each person to whom a payment is made from unexpended contributions and the date, amount, and purpose of the payment. The statement shall include the total amount of unexpended contributions at the end of the year and the amount of interest earned on the contributions during the calendar year. The statement shall be filed with the same authority with whom the person was required to file sworn statements pursuant to Section 243 of this code. An
unsuccessful unopposed candidate shall file the statement with the authority with whom an opposed candidate for that office is required to file.

(d) A person may retain contributions accepted under this chapter for six years after the person is no longer an office-holder or candidate, pending any future candidacy. If the person does not become a candidate within the six-year period, the person must dispose of any unexpended contributions in accordance with Subsection (c) of this section and must report the disposition by filing a sworn statement in accordance with this section not later than the 30th day after the end of the six-year period.

(c) A person required to dispose of unexpended contributions under this section must transfer the funds as follows:

(1) to the political party with which the person was affiliated when his name last appeared on the ballot;
(2) to a candidate or a political committee;
(3) to the general revenue fund;
(4) to any person from whom contributions were received; or
(5) to a recognized tax-exempt charitable organization formed for educational, religious, or scientific purposes; or

(6) to a public or private post-secondary educational institution or an institution of higher education as defined in Section 61.003(7), Texas Education Code, solely for the purpose of assisting or creating a scholarship program.

(f) A person who disposes of unexpended contributions under Subsection (e)(2) of this section must report each contribution as if he were a specific purpose political committee.

(g) Contributions disposed of under Subsection (e)(3) of this section may be appropriated only for the financing of political party primary elections.

(h) The amount of contributions disposed of under Subsection (e)(4) of this section may not exceed the aggregate amount received from the person who made the contribution during the last two years that the candidate or officeholder accepted contributions pursuant to this chapter.

SECTION 8. Chapter 14, Texas Election Code, is amended by adding Sections 243b and 243c to read as follows:

243b. MODIFIED REPORTING PROCEDURE. (a) A candidate or political committee required by Section 243 of this code (Article 14.07, Vernon's Texas Election Code) to file sworn statements may file a sworn statement as provided by this section instead, if the candidate or political committee does not intend to accept contributions exceeding $500 or to make expenditures exceeding $500 in the election.

(b) When designating a campaign treasurer, the candidate or political committee shall file a declaration of intent not to exceed $500 in contributions or expenditures with the authority with whom the candidate or political committee is required to file a designation of campaign treasurer. The declaration of intent must contain a statement that the candidate or political committee understands that if the $500 maximum for contributions or expenditures is exceeded, sworn statements must be filed in accordance with Section 243 of this code.

(c) The candidate or political committee shall file a sworn statement not later than the 30th day after election day. The reporting period covered by the statement begins on the day of the campaign treasurer designation and ends on the 25th day after election day.

(d) A candidate or political committee that exceeds the $500 maximum shall file sworn statements as required by Section 243 of this code. If a candidate or political committee exceeds the maximum after the filing deadline prescribed by Section 243 for the first sworn statement required to be filed under that section, the candidate or political committee shall file a sworn statement not later than 48 hours
after the maximum is exceeded. The reporting period covered by the statement begins on the day of the campaign treasurer designation and ends on the day the maximum is exceeded. The reporting period for the next sworn statement filed by the candidate or political committee begins on the day following the last day of the period covered by the first sworn statement.

(f) Section 243 of this code applies to a candidate or political committee filing in accordance with this section to the extent that Section 243 does not conflict with this section.

243c. CIVIL PENALTY FOR LATE STATEMENT FILED WITH SECRETARY OF STATE. (a) The secretary of state shall determine from any available evidence whether a sworn statement required to be filed with him under Section 243 of this code (Article 14.07, Vernon's Texas Election Code) is late. On making that determination, the secretary shall immediately mail a notice of the determination to the person responsible for filing the statement and to the appropriate attorney for the state.

(b) If a statement is determined to be late, the person responsible for filing the statement is civilly liable to the state for $100. The appropriate attorney for the state may not initiate suit for the penalty until the 10th day after the date the notice is mailed under Subsection (a) of this section. If the penalty is paid before the 10th day after the mailing, the secretary of state shall notify the appropriate attorney for the state, and the civil suit under this section may not be initiated.

(c) A penalty paid voluntarily under this section shall be deposited to the credit of the general revenue fund.

(d) This section is cumulative of any other available sanctions for late filings of sworn statements.

(e) The prohibitions prescribed by Section 249(b) of this code (Article 14.13, Vernon's Texas Election Code) on the reporting by the secretary of state of alleged violations of this chapter while a candidate is engaged in campaign activities do not apply to the procedures for collecting a penalty under this section.

SECTION 9. Section 249, Texas Election Code (Article 14.13, Vernon's Texas Election Code), is amended by adding Paragraph (H) to read as follows:

(H) Review of sworn statements.

(1) Periodically, the Secretary of State shall review the sworn statements filed with the Secretary under this chapter.
(2) If the Secretary of State determines that a person has failed to comply with this chapter, the Secretary shall notify the person by certified mail of the determination of noncompliance.

(3) The notice required by Subdivision (2) of this paragraph shall include a statement that the person notified must take the action necessary to comply with this chapter not later than the 30th day after the date the notice was mailed.

(4) The Secretary of State shall maintain a listing of those persons who fail to comply with Subdivision (3) of this paragraph. The listing is open to public inspection.

SECTION 11. Title 110A, Revised Statutes, is amended by adding Article 6252-9d to read as follows:

Art. 6252-9d. STATE ETHICS ADVISORY COMMISSION
Sec. 1. COMMISSION. The State Ethics Advisory Commission is created.
Sec. 2. MEMBERSHIP. (a) The commission is composed of the following members:
(1) three public members who are appointed by the governor;
(2) two members who are appointed by the governor and who must be the legal counsel to different political parties whose candidates in the most recent gubernatorial general election received 15 percent or more of the votes cast;
(3) two members who are appointed by the lieutenant governor, one of whom must be a state senator and one of whom must be a public member;
(4) two members who are appointed by the speaker of the house of representatives, one of whom must be a state representative and one of whom must be a public member;
(5) the secretary of state who shall serve as a nonvoting member; and
(6) the attorney general who shall serve as a nonvoting member.
(b) The governor shall make his appointments under Subsection (a)(2) of this section from lists of nominees submitted by the chairmen of the state executive committees of the appropriate political parties.
(c) Except as provided by Subsection (f) of this section, to be eligible for appointment as a public member, a person may not be at the time of appointment and during service on the commission any of the following:
(1) an officer of the state or of a political subdivision of the state;
(2) a candidate or campaign treasurer subject to Chapter 14, Texas Election Code;
or
(3) a lobbyist required to be registered under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon's Texas Civil Statutes).
(d) A member of the commission must have the qualifications prescribed by this section at the time of appointment and during service on the commission.
(e) Appointments to the commission shall be made without regard to the race, creed, sex, religion, or national origin of the appointee.
(f) One of the public members appointed by the governor may be a registered lobbyist.

Sec. 3. TERMS. Members are appointed for staggered terms of two years, with the terms of three of the governor's appointees, one of the lieutenant governor's appointees, and one of the speaker's appointees expiring on February 1 of each odd-numbered year, and with the terms of the remaining four members expiring on February 1 of each even-numbered year.

Sec. 4. OFFICERS; MEETINGS; QUORUM. The commission annually shall elect a chairman and a vice-chairman from its members. A majority of the appointed membership of the commission constitutes a quorum. The commission shall meet at least four times each year as provided by the rules of the commission and shall meet at the call of the chairman.
Sec. 5. EXPENSES. A member of the commission is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the commission. A legislative member is to be reimbursed from the appropriate fund of the member's house of the legislature. Other members are to be reimbursed from funds appropriated to the commission.

Sec. 6. ADDITIONAL FUNCTIONS OF OFFICE. The functions performed by each legislative member of the commission are additional functions of the member's legislative office.

Sec. 7. VACANCY. A vacancy on the commission shall be filled for the unexpired term in the same manner in which the original appointment was made.

Sec. 8. STAFF. The secretary of state shall provide the commission with legal, clerical, and other necessary staff support for the commission's functions. The commission may employ an executive director and other staff necessary to administer the commission's functions. No person may be employed by the commission who is at the time of his proposed employment a lobbyist required to be registered under Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon's Texas Civil Statutes).

Sec. 9. ADVISORY OPINIONS. (a) If a person subject to any of the following laws requests in writing a commission opinion about the application of any of these laws to himself in regard to a specified factual situation, whether existing or hypothetical, the commission shall prepare a written opinion answering the request:

1. laws governing the standards of conduct of state officers or employees, as regulated by Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes);
2. laws governing the activities, registration, and reporting requirements of persons engaging in activities designed to influence legislation, as regulated by Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon's Texas Civil Statutes);
3. laws governing political funds reporting and disclosure, as regulated by Chapter 14, Texas Election Code;
4. laws governing bribery and corrupt influence, as regulated by Chapter 36, Penal Code;
5. laws governing abuse of office, as regulated by Chapter 39, Penal Code; or
6. Articles 5428a and 5428b, Revised Statutes.

(b) The commission shall issue a written advisory opinion not later than the 60th day after the date the commission receives the written request.

(c) The commission shall maintain the confidentiality of the name of any person requesting an advisory opinion and shall issue opinions in a form necessary to maintain the confidentiality of the person making the opinion request, unless the requesting party files written notice to the commission waiving the confidentiality of identity.

(d) On its own initiative, the commission may issue a written advisory opinion about the application of an ethics provision when a majority of the commission members determines that an opinion would be in the public interest or in the interest of any person or persons within the jurisdiction of the commission.

However, in no case may the commission, on its own initiative, issue opinions that include the name of any individual who may be affected by the opinion.

(e) The commission shall number and categorize each advisory opinion issued and shall annually compile a summary of its advisory opinions in a single reference document.

(1) It is a defense to prosecution or to imposition of a civil penalty that the person reasonably relied on a written advisory opinion of the commission relating to the provision of law he is alleged to have violated.
(g) If the commission issues an advisory opinion concluding that a transaction or activity constitutes the conversion of a contribution to personal use in violation of Section 239d, Texas Election Code, a person involved in such a conversion will not be civilly liable to the state if, on or before the 30th day after the date the opinion is published, he returns an amount equal to the amount converted to the political fund from which it was removed and within that period notifies the commission by certified mail that the return has been completed as required by this subsection.

(h) The authority of the commission to issue an opinion does not affect the authority of the attorney general or the secretary of state to issue an opinion as authorized by law. If an opinion of the secretary of state conflicts with an opinion of the commission, the attorney general shall issue an opinion to resolve the conflict.

(i) The commission shall make recommendations to the legislature for proposed legislation it considers necessary in connection with this article.

Sec. 10. RULES. The commission may adopt rules necessary to administer its functions.

SECTION 12. Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon’s Texas Civil Statutes), is amended by adding Section 12A to read as follows:

Sec. 12A. CIVIL PENALTY FOR LATE STATEMENT FILED WITH SECRETARY OF STATE. (a) The secretary of state shall determine from any available evidence whether a statement required to be filed with him under this Act is late. On making that determination, the secretary shall immediately mail a notice of the determination to the person responsible for filing the statement and to the appropriate attorney for the state.

(b) If a statement is determined to be late, the person responsible for filing the statement is civilly liable to the state for $100. The appropriate attorney for the state may not initiate suit for the penalty until the 10th day after the date the notice is mailed under Subsection (a) of this section. If the penalty is paid before the 10th day after the mailing, the secretary of state shall notify the appropriate attorney for the state, and the civil suit under this section may not be initiated.

(c) A penalty paid voluntarily under this section shall be deposited to the credit of the general revenue fund.

(d) This section is cumulative of any other available sanctions for late filings of sworn statements.

SECTION 13. Chapter 422, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9c, Vernon’s Texas Civil Statutes), is amended by adding Section 13A to read as follows:

Sec. 13A. CIVIL PENALTY FOR LATE FILING WITH SECRETARY OF STATE. (a) The secretary of state shall determine from any available evidence whether a registration or report required to be filed with him under this Act is late. On making that determination, the secretary shall immediately mail a notice of the determination to the person responsible for the filing and to the appropriate attorney for the state.

(b) If a registration or report is determined to be late, the person responsible for the filing is civilly liable to the state for $100. The appropriate attorney for the state may not initiate suit for the penalty until the 10th day after the date the notice is mailed under Subsection (a) of this section. If the penalty is paid before the 10th day after the mailing, the secretary of state shall notify the appropriate attorney for the state, and the civil suit under this section may not be initiated.

(c) A penalty paid voluntarily under this section shall be deposited to the credit of the general revenue fund.

(d) This section is cumulative of any other available sanctions for late filings of registrations or reports.
SECTION 14. Section 6(a), Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) The secretary of state shall compile, index, and publish a publication to be known as the Texas Register, which shall contain:

(1) notices of proposed rules issued [after the effective date of this Act] and filed in the office of the secretary of state as provided in Section 5 of this Act;
(2) the text of rules adopted [after the effective date of this Act] and filed in the office of the secretary of state;
(3) notices of open meetings issued [after the effective date of this Act] and filed in the office of the secretary of state as provided by law;
(4) executive orders issued by the governor [after the effective date of this Act];
(5) summaries of requests made [after the effective date of this Act] for opinions of the attorney general or the State Ethics Advisory Commission, which shall be prepared by the attorney general or the commission, as appropriate, and forwarded to the secretary of state;
(6) summaries of opinions of the attorney general and of the State Ethics Advisory Commission [issued after the effective date of this Act], which shall be prepared by the attorney general or the commission, as appropriate, and forwarded to the secretary of state; and
(7) other information of general interest to the public of Texas, which may include, but is not limited to, federal legislation or regulations affecting the state or state agencies and state agency organizational and personnel changes.

SECTION 15. (a) In making the initial appointments to the State Ethics Advisory Commission, the governor shall designate two of his appointees, the lieutenant governor shall designate one of his appointees, and the speaker of the house of representatives shall designate one of his appointees for terms expiring on February 1, 1984. The appointing authorities shall designate their other initial appointees for terms expiring on February 1, 1985.
(b) The governor shall fix a time and place at which the commission shall meet for an organizational meeting. At this meeting, the commission shall elect its initial chairman and vice-chairman.

SECTION 16. Section 239d, Texas Election Code, as added by this Act, applies only to contributions accepted on and after the effective date of this Act.

SECTION 17. Article 6447, Revised Statutes as amended by H.B. No. 593, Acts of the 68th Legislature, 1983, is amended to read as follows:

Art. 6447. THE COMMISSION. Election. - The Railroad Commission of Texas shall be composed of three members, one of whom shall be elected biennially at each general election for a term of six years.

Qualifications. - The members shall be resident citizens of this State, and qualified voters under the Constitution and laws, and not less than twenty-five years of age. No member shall be directly or indirectly interested in any railroad, or in any stock, bond, mortgage, security, or earnings of any railroad, and should a member voluntarily become so interested his office shall become vacant, or should he become so interested otherwise than voluntarily, he shall within a reasonable time divest himself of such interest, failing to do this, his office shall become vacant.

Shall hold no other office, etc. - No commissioner shall hold any other office of any character, while such commissioner, nor engage in any occupation or business inconsistent with his duties as such commissioner.

Oath, etc. - Before entering upon the duties of his office, each commissioner shall take and subscribe to the official oath and shall in addition thereto, swear that he is not directly or indirectly interested in any railroad, nor in the bonds, stock, mortgages, securities, contracts or earnings of any railroad, and that he will to the best of his ability faithfully and justly execute and enforce the provisions of this title,
and all laws of this State concerning railroads, which oath shall be filed with the Secretary of State.

Organization. — The commissioners shall elect one of their number chairman. They may make all rules necessary for their government and proceedings. They shall be known collectively as the "Railroad Commission of Texas," and shall have a seal, a star of five points with the words "Railroad Commission of Texas" engraved thereon. They shall be furnished necessary furniture, stationary, supplies and all necessary expenses, to be paid for on the order of the Governor.

Expenses. — The Commissioners shall receive from the State their necessary traveling expenses while traveling on the business of the Commission, which shall include the cost only of transportation while traveling on business for the Commission, upon an itemized statement thereof, sworn to by the party who incurred the expense, and approved by the Commission. Employees of the Commission are entitled to reimbursement for expenses incurred in traveling on the business of the Commission as provided by the General Appropriations Act.

Sessions. — The Commission may hold its sessions at any place in this State when deemed necessary.

SECTION 18. This Act takes effect September 1, 1983.

SECTION 19. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Representative Turner moved to adopt the conference committee report on HB 2154.

The motion prevailed without objection. (Mankins and Hollowell recorded voting no)

Reason for Vote

The Conference Committee report on HB 2154 (relating to revision of the political funds reporting and disclosure law and to regulating of the ethical conduct of public servants) pulled the teeth of this proposed ethics bill Friday, May 27, 1983, when at the request of and when a Senator pushed for the removal of the reporting requirements which required reporting of large last minute contributions to political campaigns. Thus the people could not know before an election who was putting money in their campaign. House conferees only agreed to go along with the Senate request to delete or take out the provision on the assurance from Senate negotiators that the Senate would reject the compromise if the reporting provision remained in the bill. In other words the Senate did not want the people to have information about who was paying their bills until after the election—when it was too late to do anything about it. For this reason I voted against the bill because I considered the conference report a fraud and a farce. The bill is only an empty shell of deception. It also did not provide for power for the so called State Ethics Advisory Commission to investigate wrongdoing as is provided for by the House of Representatives by House Resolution 114 with the House Ethics Committee.

It is strange indeed that those who do not reveal the truth about campaign contributions to the people in time for them to act on the information before an election are the ones that do all of the talking about ethics. Is this an attempt to sear their conscience or throw out a smoke screen to try to fool the general public? Because this bill is an attempt to fool the people that something has been done about ethics when in truth, it has not, I am going to vote against this bill.

Hollowell
SB 448 - ADOPTION OF CONFERENCE COMMITTEE REPORT
Representative Criss submitted the conference committee report on SB 448.
Representative Criss moved to adopt the conference committee report on SB 448.
The motion prevailed without objection. (Toomey and Pennington recorded voting no)

SB 255 - ADOPTION OF CONFERENCE COMMITTEE REPORT
Representative Simpson submitted the conference committee report on SB 255.
Representative Simpson moved to adopt the conference committee report on SB 255.
The motion prevailed without objection.

SB 705 - ADOPTION OF CONFERENCE COMMITTEE REPORT
Representative Colbert submitted the conference committee report on SB 705.
Representative Colbert moved to adopt the conference committee report on SB 705.
The motion prevailed without objection.

HR 513 - ADOPTED
Representative C. Evans moved that all necessary rules be suspended to take up and consider at this time, HR 513.
The motion prevailed without objection.
The speaker laid before the house the following resolution:
By C. Evans:
HR 513, Congratulating Lori and Dennis Weitzel.
The resolution was adopted without objection.
On motion of Representative C. Evans, the names of all the members of the house were added to HR 513 as signers thereof.

HR 514 - ADOPTED
Representative C. Evans moved that all necessary rules be suspended to take up and consider at this time, HR 514.
The motion prevailed without objection.
The speaker laid before the house the following resolution:
By C. Evans:
HR 514, Officially greeting Aubrey Morrow Hooser.
The resolution was adopted without objection.
On motion of Representative C. Evans, the names of all the members of the house were added to HR 514 as signers thereof.
HR 515 - ADOPTED

Representative C. Evans moved that all necessary rules be suspended to take up and consider at this time, HR 515.

The motion prevailed without objection.

The speaker laid before the house the following resolution:

By C. Evans:

HR 515, Congratulating the students and coaches involved in the Bell High School athletic program.

The resolution was adopted without objection.

On motion of Representative C. Evans, the names of all the members of the house were added to HR 515 as signers thereof.

HR 488 - ADOPTED

Representative W. Hall moved that all necessary rules be suspended to take up and consider at this time, HR 488.

The motion prevailed without objection.

The speaker laid before the house the following resolution:

By W. Hall:

HR 488, Congratulating the Martin High School boys' baseball team.

The resolution was adopted without objection.

On motion of Representative C. Evans, the names of all the members of the house were added to HR 488 as signers thereof.

HR 457 - ADOPTED

Representative G. Hill moved that all necessary rules be suspended to take up and consider at this time, HR 457.

The motion prevailed without objection.

The speaker laid before the house the following resolution:

By G. Hill:

HR 457

WHEREAS, Planned activities for American Legion Boys State include convening the Boys State House of Representatives in the House Chamber on June 10, 1983; and

WHEREAS, The Texas House of Representatives heartily endorses the goals and ideals of American Legion Boys State; now, therefore, be it

RESOLVED by the House of Representatives of the 68th Legislature, That, in accordance with house rules, American Legion Boys State be hereby granted permission to use the chamber of the Texas House of Representatives on Friday, June 10, 1983.

The resolution was adopted without objection.

HR 527 - ADOPTED

Representative Delco moved that all necessary rules be suspended to take up and consider at this time, HR 527.
The motion prevailed without objection.

The speaker laid before the house the following resolution:

By Delco:

HR 527

WHEREAS, The Office for Civil Rights, U.S. Department of Education, formerly the Department of Health, Education, and Welfare, conducted a Title VI Compliance Review of Texas' system of higher education in 1978; and

WHEREAS, In 1980 after prolonged discussions and negotiations, the State of Texas was found by the Office for Civil Rights to have within its system of higher education "vestiges of a dual system of higher education"; and

WHEREAS, In 1981 after prolonged discussions and negotiations, the State of Texas system of higher education was found to be in partial compliance with Title VI of the 1965 Civil Rights Act and granted a "provisional compliance" status; and

WHEREAS, In 1983 after further prolonged discussions and negotiations, the State of Texas submitted a plan entitled The Texas Equal Education Opportunity Plan to the Office for Civil Rights, U.S. Department of Education, to once and for all resolve the problems within its system of higher education discovered in the 1978 compliance review; and

WHEREAS, The 68th Legislature has recently passed H.J.R. 19, proposing to amend the Texas Constitution to restructure the permanent university fund allowing Prairie View A&M University to share in the available university fund and to establish a dedicated fund to provide guaranteed funding to support higher education including Texas Southern University; and

WHEREAS, The Coordinating Board, Texas College and University System has been designated as the agency responsible for monitoring and reporting on the implementation and carrying out of the "Texas Plan", now, therefore, be it

RESOLVED, That the House of Representatives of the 68th Texas Legislature hereby direct the Coordinating Board, Texas College and University System to ensure in a responsible manner that both the spirit and intent of all of the provisions of The Texas Equal Education Opportunity Plan be implemented and carried forward by working with both Texas Southern University and Prairie View A&M University to guarantee that the facilities and programs at each institution are enhanced and enriched to their fullest potential; and, be it further

RESOLVED, That the Coordinating Board, Texas College and University System be hereby directed to prepare progress reports on the implementation of The Texas Equal Education Opportunity Plan in regard to the facilities and programs of Texas Southern University and Prairie View A&M University; the reports shall be completed for distribution on December 1, 1983, June 1, 1984, and November 30, 1984, and shall be distributed on those dates to the speaker of the house and lieutenant governor and to the chairs of the House Committee on Higher Education, House Committee on Appropriations, Senate Education Committee, and Senate Finance Committee.

The resolution was adopted without objection.

HR 167 - ADOPTED

Representative Delco moved that all necessary rules be suspended to take up and consider at this time, HR 167.

The motion prevailed without objection.

The speaker laid before the house the following resolution:
By Delco:

HR 167

WHEREAS, in appointing members to its advisory committees, the Coordinating Board, Texas College and University System, traditionally has favored a heavy preponderance of laypersons and administrators, with minimal representation of higher education faculty in the disciplines of the sciences and liberal arts;

WHEREAS, in the interest of more rigorous standards in Texas junior colleges, four-year colleges, and universities, and in Texas teacher-training programs, it seems highly desirable to incorporate in the policy discussions of these advisory committees some representation of the views of higher education faculty in such disciplines;

WHEREAS, earlier recognition by higher education faculty of community and administrative concerns would enable policies and procedures to be formulated and implemented more expeditiously and with less friction;

NOW THEREFORE BE IT RESOLVED, That this 68th Legislature recommends to the Coordinating Board, Texas College and University System, that in future appointments to its advisory committees serious attention be given to securing adequate and appropriate representation of higher education faculty from the traditional disciplines of the sciences and liberal arts.

The resolution was adopted without objection.

HR 168 - ADOPTED

Representative Delco moved that all necessary rules be suspended to take up and consider at this time, HR 168.

The motion prevailed without objection.

The speaker laid before the house the following resolution:

By Delco:

HR 168

WHEREAS, in appointing members to its advisory committees the Texas Education Agency has favored a heavy preponderance of laypersons, administrators, teachers, and higher education faculty from schools of education, to the virtual exclusion of higher education faculty in the disciplines of the sciences and liberal arts;

WHEREAS, in the interest of raising program standards in Texas schools and teacher-training centers, communicating more effectively the concerns of schools and communities to higher education faculty, and meshing high school and college curricula more efficiently, it seems highly desirable to incorporate in the policy discussions of advisory committees some representation of the views of higher education faculty in the traditional disciplines; and

WHEREAS, time spent by higher education faculty members in such service, away from the laboratory, library, or classroom, will be well spent if it leads to higher standards in Texas schools and teacher-preparation centers, mutual awareness at each educational level of the concerns of those working at other levels, and better integration of the Texas educational system as a whole;

NOW THEREFORE BE IT RESOLVED, That the 68th Legislature recommends to the Texas Education Agency that in future appointments to its advisory committees, serious attention be given to securing adequate and appropriate representation of higher education faculty from the traditional disciplines of the sciences and liberal arts.
The resolution was adopted without objection.

ADJOURNMENT

Representative Watson moved that the house adjourn until 10 a.m. tomorrow. The motion prevailed without objection. The house accordingly, at 4:29 p.m., adjourned until 10 a.m. tomorrow.

APPENDIX

ENROLLED


SENT TO THE GOVERNOR