Speaker Turman stated that the two Houses were in Joint Session for the purpose of hearing a message from the Honorable Price Daniel, Governor.

Speaker Turman presented Governor Daniel to the Joint Session.

Governor Daniel then addressed the Joint Session, speaking as follows:

To The Members of The Fifty-seventh Legislature:

I hope all of you have enjoyed the Christmas and New Year holidays and that the next thirty days of this New Year will be far more pleasant and profitable than some have predicted or anticipated.

Special Sessions of the Legislature are never very enjoyable either for Legislators or Governors, but as long as Texas continues to grow and problems remain unfinished, it is likely that we shall have more of such extra sessions in the future than in the past. We live in an age when the legislative business of this State simply cannot be attended to in 146-day Regular Sessions every two years. The people recognized this when they voted annual salaries for Members of the Legislature, and the writers of our Constitution anticipated it when they provided that the Legislature shall meet "at such other times when convened by the Governor."

As long as Governors are elected on platforms and issues in which they sincerely believe, they may be expected to exercise their Constitutional right to convene the Legislature to consider enactment of proposals which, if delayed, might result in severe losses to the State and to the people, or ultimate defeat of the legislative objectives.

In this category, there are four proposals which I have carried to the people with solemn pledges of support and on which I feel there is need for action without delaying them for another year. They are:

1. Enactment of legislation to include banking institutions in the new Eschelum Enforcement Act which was passed earlier this year, or in any special Act which will accomplish the same purpose.

2. Enactment of a law regulating small loans so as to stamp out the loan shark racket which has existed for too long at the expense and injury of our people.

3. Adjustment of the Farm-to-Market Road program to provide that some of the presently earmarked funds may be used for maintenance as well as construction of the Farm-to-Market Road system.

4. A supplemental appropriation bill providing more adequate financing of the juvenile parole system and a tourist attraction program sufficient to compete with the other States. This bill also should include an emergency appropriation for the repair of the San Jacinto Monument and prison system properties, both of which received substantial dam-
age from Hurricane Carla. I now submit to you and recommend the enactment of these four measures. In my opinion, any one of them is of sufficient importance to justify this session. I realize that some of you disagree—even that one member of the House will at two o'clock this afternoon move to adjourn sine die, and that a member of the Senate will do likewise after the Senate reconvenes. I have thanked them for the courtesy of waiting at least until I could deliver this message. Seriously, I thank all of you for this opportunity to present the reasons why I attach such importance to prompt action on these subjects. I earnestly solicit your consideration and cooperation, and assure you of mine.

Bank Legislation

First, as to bringing banking institutions under the provisions of the new Check Enforcement Law. There would be no urgency or emergency here if all banks were protecting and preserving their old dormant deposits so that they would be held safely intact for lost owners and missing heirs, or for the State if it should turn out that there are no owners.

You now have estimates worked out by the State Auditor for the House Committee, based upon figures furnished by 611 banks, that there are now in excess of 356,000 dormant accounts in Texas banks totaling in excess of $25 million. If all of these thousands of dormant deposits and millions of dollars were being securely held without dissipation or conversion, they would be there for action at the Regular Session next year or at any future date.

The trouble is that all banks in this State are not so preserving and protecting these deposits. Literally thousands of these dormant accounts are being wiped out each year by conversion of the funds to the banks themselves through outright transfers or unconscionable service charges ranging as high as 100% per year.

Since I first recommended this law to you in 1959, at least 200,000 dormant bank deposits have been converted from depositors’ accounts to bank profits through transfers and purported service charges. I estimate that the total sum so transferred is in excess of $2 million. (The State Auditor’s estimate, based on the 161 banks which reported, is in excess of 178,000 deposits transferred for a total of over $1 million. However, as the House Committee concluded, these estimates are “on the conservative side,” because there is every reason to believe that banks failing to report have even worse records on this subject than those which did not try to hide their actions.)

At the very time the Texas Bankers Association was here in Austin fighting against the bill on the grounds that it would upset depositor-creditor relationships, many of the banks represented here were completely wiping out the deposit-
tor-creditor relationship by transferring their dormant deposits to the undivided profits of the banks.

For instance, after vigorously opposing legislative action requiring them to advertise for these lost owners and report the results to the State, the First National Bank of Jefferson, Texas, on September 29, 1939 transferred $2 dormant accounts ranging from $3 to $105 to the undivided profits of the bank. Some of these accounts were 50 years old.

The present president of that bank, who appeared before the House committee, testified that this practice was widespread. He admitted that for a long time:

"... the banks have been thinking, well, maybe we ought to do something toward getting this money ourselves rather than see it go to the State."

Most of these outright transfers involved National banks, but some were State chartered institutions which acted in violation of the State Banking Commissioner's regulation on this subject. For instance, last year while this subject was again under consideration by the Legislature and while it was being opposed by the Union State Bank of San Antonio, a violation of the depositors-creditor relationship, this same Union State Bank "in one fall swoop" transferred hundreds of dormant deposits totaling in excess of $25,000 to the undivided profits of the bank.

The State Banking Commissioner, Mr. J. M. Fulkner, testified before the House committee that upon learning of this action, he required the bank to restore the funds to the depositors' accounts.

These two examples, a National bank at Jefferson and a State bank in San Antonio, point up the need for uniform State law applying to all depositaries, because the State bank was required to restore the deposits while the National bank still has not been required to do so.

The second method of converting old deposits to bank profits accomplishes the same purpose as outright transfers, but it is more gradual. It is a purported monthly service charge, even though no checks are written and no service rendered. The most usual charge is $1 per month on deposits under $100, and in many cases these include small savings accounts. Some of the charges were admitted to be as high as $2 per month.

I have illustrations here of how these service charges operate. In this month I hold an inactive dormant account of a college student on which no checks have been written and no other activity encountered. The original account was $7.62. The National bank charged this dormant account $1 service charge per month for eight months and finally sent this student a statement showing not only that the account was completely wiped out, but that he owed the bank 46c for a purported service which was never rendered. This is more than 100% per annum for merely holding and using the money.

In this hand I have an example of a member of the Legislature whose father died leaving a dormant account of approximately $85, and after twelve years, without any notice whatever to the heirs, it was reduced by purported service charges to $40. If the same bank had been using the present $1 per month service charge on dormant accounts, this account would have been completely transferred to bank profits in seven years and four months.

These are examples of an unwarranted practice relating to deposits of owners or heirs who could be located, and the same thing is happening each month in thousands of cases to the deposits of owners who cannot be found, some of which are due the State because no owners exist.

Two Beaumont National banks reported the transfer in this manner of $766 dormant deposits since January 1, 1939. One National bank in Dallas completely charged off $421 deposits, and a Fort Worth National bank $402 deposits in the same period.

State banks are prohibited by the State Banking Commissioner from making service or maintenance charges on dormant accounts. The Commissioner testified, "We make that provision on the theory that the accounts were inactive or dormant and the bank does not render any service." The Usher Enforcement Law passed last year makes the same prohibition against maintenance or service charges by those
covered by that law. Many National banks have the same attitude and refrain from making service charges on dormant accounts. However, based on projections run by the State Auditor, it is estimated that at least 55 percent of the National banks in Texas and 13 percent of the State banks have been and are now using one of these two methods to transfer dormant accounts to bank profits. With at least 255,500 dormant accounts being subject to such action at the present time, it should be evident that this practice should be stopped now with respect to all banks and depositories, State and National, without another year's delay. If we delay action another twelve months, there will be another 109,900 dormant accounts wiped out and another $1 to $2 million lost to the owners or to the State.

It is unfair to the estimated 43 percent of the National banks and 87 percent of the State banks which do not engage in these practices to permit their competitors to continue to eat up, wipe out, and transfer these dormant accounts. It is unfair to the lost owners and missing heirs for this to be allowed to continue, and it is unfair to the State in those cases where there are no owners or heirs and the property is already subject to escheat under the age-old law on this subject.

A majority of the owners of these deposits can be found if their names are advertised as forty States now require. However, based on the State Auditor's projections, the House committee estimates that there are at least $4 million of these deposits which have no living owners, or which are subject to a presumption of death without heirs, because the existence or whereabouts of the owners have been unknown for more than seven years.

As you know, a uniform bill on this subject has been recommended by the American Bar Association, the Commission on Uniform State Laws, the National Governor’s Conference and the Council of State Governments. The constitutionality of similar laws in other States has been upheld by the Supreme Court of the United States with respect to both State and National banks in Securities Savings Bank v. California, 263 U. S. 242 (1923); and Ander


I believe every member of this Legislature will agree that some effective action should be taken on this subject without further delay if you will read the Interim Report of the Special House Committee dated December 31, 1951, and signed by the three members who were able to attend the hearings: Representatives Franklin Spears, Ted B. Springer, and Paul B. Haring. Attached to this report as Exhibit C is the State Auditor's analysis of information submitted to the committee by 161 banks and a projection on a percentage basis of the figures that are estimated for all of the 1,195 banks in the State.

I recommend that primary consideration in this matter be given to protection of the dormant bank accounts of lost owners and missing heirs, prohibiting their dissipation through transfers and purported service charges, requiring that after seven years the names of the missing owners be advertised and that a report of those who cannot be located be made to the State Treasurer, and that any of such funds turned over to the State be subject to repayment to the owners at any time in the future that they can be found. This can be accomplished by simply amending the Escheat Enforcement Law passed earlier this year to include banking institutions or through a special bill applying to such institutions.

The latter course may be the most advisable. I have in the past two weeks been able to arrive at a version of this bill with many of the leading bankers of the State, and it will be introduced today in both the House and Senate. As you probably know, and if not, I am pleased to advise you that there are many bankers in Texas who now realize that legislation is necessary and who are willing to cooperate in settling this issue.

Small Loan Regulations

On the subject of small loan regulations I feel that you are as familiar as anyone with the need for prompt
action in stopping the abuses of some who are engaged in this business. The people of Texas voted overwhelmingly in 1960 for a Constitutional amendment authorizing the Legislature to regulate this business. It is estimated that our people are being gouged an estimated $100 million per year by those who are charging exorbitant interest rates, to say nothing of the harassment and abuses employed to bring about payments. Both the Legislative Council and the Attorney General’s Conference have made suggestions for regulatory legislation. It is my hope that the interest rates which you might authorize will be lower than those contained in either of these proposals, but the main thing is to bring these small loan companies under State regulation regardless of what their interest rates may be. I hope that this Special Session will at least provide for licensing and regulating those engaged in this business so that present and future laws relating to interest can be better and more easily and promptly enforced.

Farm-To-Market Roads

On the farm-to-market road question, I vetoed the second-year appropriation for the Colson-Briscoe project as the sum of $15 million because there was no provision made by statute for maintenance of farm-to-market roads. Everyone who has studied this subject knows that we cannot continue to put all of our funds ear-marked for farm-to-market roads on construction and none on maintenance of the 28,000 miles of farm roads which already have been built under this program. I am pleased to advise that all of the organizations which have concerned themselves with this problem through the years have officially endorsed a proposal which I submit in bill form by which the Colson-Briscoe project of $15 million per year for construction would be restored and continued, and that maintenance funds would be provided from other presently ear-marked farm-to-market road funds. This would mean an actual increase in mileage constructed for farm-to-market roads, proper maintenance on a sustaining basis, and freeing the primary highway system of a present maintenance load of $15 million per year. The proposal has been endorsed by the Texas Farm Bureau, the Texas Good Roads Association, the County Judges and Commissioners Association, the State Highway Commission, and several other interested organizations. This is one of the finest instances which I have observed of cooperation between rural and city people in working out a recommendation to the Legislature which will be for the benefit of our entire State.

Supplemental Appropriation Bill

I recommend a supplemental appropriation bill to provide specifically for the following:

1. An appropriation of $900,000 to the Texas Highway Department for the fiscal year beginning September 1, 1962, to finance a tourist attraction program, as authorized by the recent Constitutional amendment.

In the past four years, the annual number of visitors to Texas has dropped by more than 1,600,000 and we have lost untold millions of dollars to our economy as a result. The time has come for Texas to compete with the other States whose vigorous programs have cut deeply into the Texas tourist industry. All statistics indicate that this will be a money-making investment for our people and our State through increased tax revenues.

2. An appropriation of $100,000 to the Texas Youth Council for expanding the juvenile parole system in the fiscal year beginning September 1, 1962.

I recommend that this amount be authorized to provide 15 additional parole officers and two area supervisors. It was gratifying that the present Appropriation Bill initiated a paid parole system for juveniles, although only five parole officers were authorized. It is vitally important that this program be expanded now. Juvenile offenders paroled from the three correctional schools are wards of the State, and the Youth Council should have a program to assure adequate supervision. Just as the Board of Pardons and Paroles has established an adult parole system under authority of the Legislature.
January 3, 1962  HOUSE JOURNAL  17

There are approximately 1300 juvenile paroles, including 1367 from the Gatesville State School for Boys. During the last fiscal year, 715 parolees were returned to the schools for parole violations, including 618 from Gatesville. The return rate at Gatesville is 37%. Better parole supervision would help prevent the repetition of crime, and help save some of the lives of young offenders who are now involved in over 50% of the major crimes committed in Texas.

2. Authority for the Department of Corrections to spend for emergency purposes the unappropriated balances in the Mineral Lease Fund, subject to approval by the Governor with advice of the Legislative Budget Board. This was agreed to by the Conference Committee on Appropriations in the First Called Session, but the language was inadvertently omitted in the enrolling room. This authorization is now needed due to damage caused by Hurricane Carla. In order to help replace the great loss the State suffered last year in the death of the director, O. B. Ellin, the Board of Corrections has also recommended an increase to $22,590 in the salary of the director, and an increase to $15,000 in the salary of the assistant director for business and custody. I feel these increases are justified, and recommend them to you.

4. An appropriation of $156,000 out of the Building Commission funds, for the purpose of repairing damage to the San Jacinto Monument and its terraces.

Certain repairs were called for before the recent hurricane, but damage is now so extensive that the adjoining Museum is closed to the public. Much of the needed appropriation is for the purpose of waterproofing the shaft of the Monument which was the most serious source of water infiltration during the storm.

I recommend that the needed repairs and improvements be appropriated from Building Commission funds, since the Constitutional amendment creating the building program envisioned expenditures for memorials to those who fought in the Texas War for Independence as well as the Confederate forces in the War Between the States. I can think of no more worthy expenditure than for the preservation of one of our most cherished monuments to the heroism of our forefathers.

It would be tragic to permit the San Jacinto Monument to continue to deteriorate due to our neglect in providing funds for repair and improvement.

The Comptroller has reported that sufficient funds are in sight to enable him to certify these appropriations.

Other Possible Measures

If committee hearings are held Friday on these measures and if they progress without undue delay, there are quite a few local and other bills which I would like to submit. Many of you have asked for submissions of this nature. They include water districts, corrections of two Regular Session bills, authorization of fall-out shelter districts, increase of State disaster programs pointed up by Hurricane Carla, minor election law changes, and proposals which may be of a local or uncontroversial nature. I will consider all of these when I am sure they will not interfere with the primary purposes of this Session.

In this connection, I am not one who believes that a 30-day session cannot handle more than three or four bills. I saw this Legislature pass 549 bills in 140 days during the Regular Session with at least 199 of them contested in some degree. With full cooperation and good faith effort on the part of the Executive and the Legislative branches, I am sure that we can do what needs to be done in this 30-day Session. In fact, I am convinced that this can be one of the most productive Special Sessions in the history of our State, and I shall do all within my power to help you achieve this result.
confinement in the county jail for not more than six (6) months, or by both such fine and confinement.

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

ECKHARDT,
McGREGOR of El Paso.

MESSAGE FROM THE SENATE
Austin, Texas, January 10, 1962

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

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

S. C. R. No. 4, Granting W. H. Nichols & Company, Inc., of Dallas, Texas, permission to sue the State of Texas.

S. C. R. No. 9, Commending Val Verde County Library; and declaring an emergency.

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

MESSAGE FROM THE GOVERNOR

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

Wednesday, January 10, 1962

To The Members Of The Fifty-seventh Legislature, Third Called Session:

Reorganization of the State Board of Water Engineers along the pattern of the State Highway Commission, with engineering duties under a Chief Engineer, is one of the few important phases of water legislation which was not completed at the Regular Session. A bill for this purpose passed the House, but was not acted upon in the Senate.

I am now advised that Senator Parkhouse and Senator Spears in the Senate, and Representative Buchanan in the House, have introduced a bill which reconciles the differences encountered at the Regular Session and offers an opportunity to enact this important legislation at this session.

Therefore, I hereby submit the subject of reorganization of the State Board of Water Engineers and recommend the enactment of this legislation.

Respectfully submitted,
PRICE DANIEL,
Governor.

RECESS

Mr. Cole of Harris moved that the House recess until 2:30 o'clock p. m. today.

The motion prevailed without objection.

In accordance with the motion to recess, the House, at 12:05 o'clock p. m., took recess until 2:30 o'clock p. m. today.

AFTERNOON SESSION

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

COMMITTEE MEETING

On motion of Mr. Dungan, and by unanimous consent of the House, the Committee heretofore appointed to study the contents of textbooks used in public schools was granted permission to continue a meeting at this time.

HOUSE BILL NO. 3 ON PASSAGE TO ENGROSSMENT

The Speaker laid before the House, as pending business, on its passage to engrossment, H. B. No. 3, relative to interest rates charged on small loans of $11500 or less.

The bill was read second time on this morning.

The House resumed consideration of the amendment offered on this morning by Mr. Eckhardt to the Committee Amendment No. 1, offered by Mr. Stewart of Wichita.

Mr. Cole of Harris moved to table the amendment offered by Mr. Eckhardt.

The motion to table was lost.

A record vote was requested on the amendment offered by Mr. Eckhardt to the Committee Amendment No. 1.
Mr. Yezak for today on motion of Mr. Adams of Titus.

Mr. Snelson for today on motion of Mr. Johnson of Bell.

Messrs. Glusing, Rapp, de la Garza, Murray and Longoria, temporarily for today, on motion of Mr. Pipkin.

Mr. Green was granted leave of absence for today on account of a death in his family, on motion of Mr. Richardson.

Mr. Cory was granted leave of absence for today on account of illness in his family, on motion of Mr. Blaine.

MEMORIAL RESOLUTION ADOPTED

H. S. R. No. 82, By Mr. Moore: Commending the Ballinger Lions Club and The Texas Association of Lions in regard to observance of "I am an American Day."

INTRODUCTION OF JAMES SAXTON

The Chair recognized the Honorable Rayford Price who escorted James Saxton to the Speaker's Rostrum.

Mr. Price introduced James Saxton, All-American football player from the University of Texas, and presented him with a COPY of H. S. R. No. 60, congratulating him for his achievements in football.

Mr. Saxton then addressed the House briefly.

MESSAGE FROM THE GOVERNOR

The Chair laid before the House and had read the following message from the Governor:

January 17, 1962

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

In view of the fact that excellent progress has been made on the legislation heretofore submitted and the fact that all Members requesting the submission of additional subjects have agreed that these additional submissions will not be permitted to delay action on the measures originally submitted in my message of January 3, I herewith submit for your consideration the following subjects:

1. Municipal annexation.
2. Revision of the driver licensing law.
3. Creation, expansion, or regulation of water improvement, reclamation, drainage, soil conservation, navigation, and seawall districts and authorities, municipal utility districts, bonds of public agencies, wharves, and contracts for water treatment plants.
4. Validating acts and amendments thereto.
5. Regulation of gas sold for irrigation purposes.
6. Laws relating to terms of courts, court reporters, district and
county clerks, district attorneys, abstracts of judgments, probation officers, domestic relations courts, care of dependent and neglected children, juvenile boards, rehabilitation districts, hospitals, grand juries, mobile homes safety standards, public printing, trademarks, school trustees, airports, public roads, local game and fish laws, and the Texas Motor Vehicle Safety Responsibility Act.

7. Group insurance for purchasers under the Veterans Land Program, retirement plans, and annuities for public school and college employees.

8. Corrections or clarification of laws relating to principals in ten-year schools, Articles 5.15 and 13.34 of the Texas Election Code relating to residence change of voters, and county and precinct conventions, Article 240 of the Penal Code to apply equally to second primaries, Article 6675a-2 relating to registration fees for construction machinery, classification of State employees, Senate Bill 394 of the Regular Session (Article 911b) relating to motor carriers, House Bill 261 of the Regular Session (Article 6252-13) relating to rules of public agencies; and reimbursement of the Unemployment Compensation Clearing Account for warrants voided and erroneously transferred.

9. Disaster relief measures and emergency funds for the Game and Fish Commission and State Parks Board due to Hurricane Carla damages.

10. Providing for the incorporation of San Angelo College and Pan-American University into the State system of four-year colleges effective September 1, 1965, as recommended by the Commission on Higher Education.

11. Authorizing the State Building Commission and the Texas Employment Commission to cooperate in the construction of parking facilities on the block east of the Texas Employment Commission building in the City of Austin.

12. Supplemental appropriation for the State Board of Barber Examiners.

Respectfully submitted,

PRICE DANIEL,
Governor.

PROVIDING FOR A SUPPLEMENTARY PICTURE PANEL OF NEW MEMBERS OF THE HOUSE

Mr. Smith of Jefferson offered the following resolution:

H. S. R. No. 83

Whereas, Five new Members have been elected to the House of Representa­tives since the last session of this Fifty-seventh Legislature and are now serving in this Third Called Session; and

Whereas, These new Representatives, including the Honorable Glenn H. Kothmann, the Honorable Don Hearst, the Honorable George F. Korkmas, the Honorable Rudy Esquivel, and the Honorable Kenneth Kohler, took office after the picture panel of the Fifty-seventh Legislature was prepared; and

Whereas, It is appropriate that these new Members receive recognition and have their photographs placed in this Hall; now therefore be it

Resolved, That the five new Members of the Fifty-seventh Legislature have their pictures made for use in a supplementary panel to be hung near the panel of the Fifty-seventh Legislature already prepared and be it further

Resolved, That the Rules Committee arrange with the photographer to make individual pictures of the five new Members, the expense of such panel to be paid out of the Contingent Expense Fund.

The resolution was referred to the Committee on Rules.

TO GRANT PERMISSION TO SUING THE STATE

Mr. Jones of Travis offered the following resolution:

H. C. R. No. 17

Whereas, Connecticut General Life Insurance Company is a Connecticut corporation doing business in the State of Texas in accordance with the laws of the State of Texas; and

Whereas, Pursuant to Article 4765 of Vernon’s Texas Statutes, now Article 3.36 of the Texas Insurance Code, and Article 4769 of Vernon’s Texas Statutes, the Connecticut General Life Insurance Company alleges that it paid gross premium taxes in the amount certified by the State
MESSAGE FROM THE GOVERNOR

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

January 19, 1962

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

As additional subjects for your consideration, I herewith submit the following legislation involving disposition of State-owned property:

1. Return of approximately 1,200 acres known as Camp Hulen in Matagorda County to the City of Palacios, in view of the abandonment of the use for which the property was given to the State. Palacios citizens acquired this land in 1924 for the 36th Division of the Texas National Guard to be used as a permanent camp site, but Camp Hulen was discontinued as a training site after World War II and there are no plans to utilize it as such in the future. The City of Palacios was especially hard hit by Hurricane Carla and is in need of this abandoned site for industrial development. The Adjutant General concurs in this recommendation provided part or all of the revenue from any future sale by Palacios shall go to the State Armory Board.

2. Authority for Southwest Texas State College to exchange certain State-owned land for property owned by the United States.

3. Authority for the State Parks Board to convey to the City of Mineral Wells certain land previously deeded to the city for limited purposes in 1921.

4. Conveyance of certain portions of the beds and banks of the Pecos and Devils Rivers underlying the Amistad Reservoir, on application of the United States Section, International Boundary and Water Commission.

In addition to these matters, I submit these subjects:

5. Discretionary authority for a juvenile court to refer to district court those juvenile offenders 16 and over who are charged with major crimes such as burglary. This was a recommendation of the Texas Law Enforcement Study Commission in 1959, and was contained in House Bill 106 passed by the House during the Regular Session.

2. An emergency appropriation to Prairie View A. & M. College for replacement of supplies, materials and equipment damaged or lost by fire January 9, 1962.

3. Authority for payroll deductions investment in a county or political subdivision Employees Credit Union.

4. Authority for State-chartered banks to make real estate loans up to 15% of appraised value. The present limit is 9/23%., and the State Banking Commissioner recommends an increase to keep pace with new regulations for National banks.

5. Correction or clarification of election laws by: allowing payment of poll tax in the county of residence at the time of payment, without changing other residence requirements for voting in the county; providing runoffs in special elections to fill vacancies in the Legislature; amending Article 13.08a of the Election Code relating to counties of more than one million population; amending Articles 7.14 and 12.20 of the Election Code pertaining to voting machines and other voting equipment.

Respectfully submitted,

PRICE DANIEL
Governor
MESSAGE FROM THE GOVERNOR

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

January 19, 1962
To the Members of the 57th Legislature, Third Called Session:

I herewith submit for your consideration the subject of an amendment to Article 4923 relating to contracts of married women, as requested by members with pending legislation on this subject.

Respectfully submitted,
PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 23, 1962

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

In addition to the subject of parking facility heretofore submitted there are several other items which are necessary for improvements in the Capitol Area and naming certain buildings. Therefore I submit the entire subject of construction, improvements, equipment, designation of buildings, landscaping and acquisition of property in the Capitol Area.

I also submit the subjects of medical, hospital and funeral expenses of certain Board of Control employees; and legislation relating to the Unemployment Compensation Act as it affects distributive education and industrial cooperative program students.

Respectfully submitted,
PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 24, 1962

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

In my opening message delivered to the Legislature on the first day of this Special Session, I said, "I am convinced that this can be one of the most productive Special Sessions in the history of our State." Your prompt and diligent action thus far has borne out this prediction. I commend you for the accomplishments to date. If you enact the remaining major items of small loan regulation and adequate emergency appropriations, there is no doubt that the Members of this Legislature will have written the most successful record of any Special Session ever held in Texas.

I commend the Senate for its action in proposing increases in the salaries of some of the State's top administrative officers. This I had recommended in previous budget messages, and although it had not been suggested specifically at this session, I fully concur in these proposals and recommend their enactment. Texas is fortunate to have some of the finest administrative officers in the Nation, and considering the multi-million-dollar size and vast scope of the operations for which they are responsible, these higher salaries are fully justified. I also recommend a revision of the salary schedule and financing of the Texas Securities Commission, which is suffering constant losses of experienced accountants and examiners who cannot be retained or replaced at present salaries.

I am deeply concerned about the reductions which were made in the Senate bill appropriating funds for the tourist attraction program and the repair of the San Jacinto Monument and Memorial Museum. In view of the recognized merits of these two proposals, I am assuming that these reductions were made before the State Comptroller certified that there would be an additional $300,000 available for appropriation during this biennium. In any event, I strongly urge that these appropriations be restored to the amounts heretofore recommended.

Tourist Attraction Program

The reduction of the tourist attraction appropriation from $300,000 to $260,000 in the Senate bill actually means a $200,000 reduction in the funds which will be available for this program, because all of this appropriation in excess of $100,000 must be matched equally by private funds. The total recommended amount is small in comparison with that expended by other States which are competing with us for the tourist business, and I am confident that it will be an investment which will yield substantial returns to the State and to our people.

I also recommend that the Submerged Lands Act (S. B. 71 of the Regular Session) be amended to include recreation as one of the purposes for which the land may be leased.

San Jacinto Memorial and Museum Rebuilding

Of equal importance is our responsibility to provide adequate funds to repair and renovate the San Jacinto Memorial and Museum building. This structure houses one of the most treasured collections of Texas historical materials and exhibits. More important, it marks the hallowed ground on which Texas won its freedom. It serves as a memorial to a greatly outnumbered band of Texans who were willing to risk their lives for the cause of liberty. Except for their courageous deeds, you and I would not be enjoying the fruits of their victory as there would be no State of Texas as we know it today.

The men at San Jacinto did not settle for halfway measures, and I do not think we should employ halfway measures in preserving the memorial which marks the site of their victory.

Two reputable engineers have estimated that it will take approximately $157,000 to properly restore this structure so as to prevent further damage and deterioration of the
building and its valuable documents and displays, and permit reopening of the Museum which has now been closed to the public. The Attorney General has ruled that this expenditure may be made from State Building Commission funds without calling upon the General Fund. The work can be supervised by the State Board of Control the same as the Capitol Building repairs are being conducted by the Board of Control with funds furnished by the State Building Commission. The work will be let on sealed bids, and if it can be performed for less than $157,000 it will be done.

Half that amount is wholly insufficient. Nothing will be accomplished by repairing only the top or bottom half of the structure, since the hurricane winds and rains have resulted in damage and leaks scattered throughout the entire shaft and base of the building.

For the safety of the thousands of school children and other visitors each year, the protection of the valuable collections, and in memory of those who fought here that Texas might be free, I again urge the appropriation of the full amount recommended for repairing and renovating this historic structure.

Respectfully submitted,

PRICE DANIEL.
Governor.
MESSAGE FROM THE GOVERNOR

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

January 25, 1962

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

I herewith submit as additional subjects for the Special Session the following legislation:

1. Authority for the Texas Employment Commission to enter into a compact with other States.
2. Appropriating the balance in the Prepaid Funeral Contract Fund (No. 76) to the Department of Banking, as requested by the Banking Commissioner.
3. Amendments to Article 527 of the Penal Code, as amended, relating to the definition of "obscene," requested by several members with pending bills on the subject.

Respectfully submitted,

PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 29, 1962

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

In order to clear up possible delays in consideration of a bill relating to second primaries, I herewith submit amendments to Article 13.49 of the Election Code as well as Article 240 of the Penal Code previously submitted.

Respectfully submitted,

PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 29, 1962

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

At the request of Members with pending bills, I herewith submit the subject of amending S. B. 192, Chapter 292, Regular Session of the Fifty-Seventh Legislature, to provide for abolishment of the office of County School Superintendent in certain counties, effective upon vote of the people on this question.

I also submit the subject of registration fees for liquid fertilizer trailers.

Respectfully submitted,
PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 29, 1962

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

Because of the crowded docket of the district court of Orange County and the need of County Commissioners to arrange court facilities in advance of the effective date of the creation of a new district court, I hereby submit the subject of a second district court for Orange County, effective September 1, 1963.

Respectfully submitted,
PRICE DANIEL,
Governor.
MESSAGE FROM THE GOVERNOR

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

January 30, 1962

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

In order to clarify a previous submission, I hereby submit for your consideration an appropriation for replacement of facilities, equipment, materials and supplies damaged or destroyed by fire at Prairie View A&M College on January 9, 1962.

Respectfully submitted,

PRICE DANIEL,
Governor.