
TEXAS REGISTER

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Happy New year's



Harmony Dement
3rd Grade

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The artwork featured on the front cover is chosen at random. Inside each issue, the artwork is published on what would otherwise be blank pages in the *Texas Register*. These blank pages are caused by the production process used to print the *Texas Register*.

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Open Meetings

A notice of a meeting filed with the Secretary of State by a state governmental body or the governing body of a water district or other district or political subdivision that extends into four or more counties is posted at the main office of the Secretary of State in the lobby of the James Earl Rudder Building, 1019 Brazos, Austin, Texas.

Notices are published in the electronic *Texas Register* and available on-line. <http://www.sos.state.tx.us/texreg>

To request a copy of a meeting notice by telephone, please call 463-5561 if calling in Austin. For out-of-town callers our toll-free number is (800) 226-7199. Or fax your request to (512) 463-5569.

Information about the Texas open meetings law is available from the Office of the Attorney General. The web site is <http://www.oag.state.tx.us>. Or phone the Attorney General's Open Government hotline, (512) 478-OPEN (478-6736).

For on-line links to information about the Texas Legislature, county governments, city governments, and other government information not available here, please refer to this on-line site. <http://www.state.tx.us/Government>



Meeting Accessibility. Under the Americans with Disabilities Act, an individual with a disability must have equal opportunity for effective communication and participation in public meetings. Upon request, agencies must provide auxiliary aids and services, such as interpreters for the deaf and hearing impaired, readers, large print or Braille documents. In determining type of auxiliary aid or service, agencies must give primary consideration to the individual's request. Those requesting auxiliary aids or services should notify the contact person listed on the meeting notice several days before the meeting by mail, telephone, or RELAY Texas. TTY: 7-1-1.

THE GOVERNOR

As required by Government Code, §2002.011(4), the *Texas Register* publishes executive orders issued by the Governor of Texas. Appointments and proclamations are also published. Appointments are published in chronological order. Additional information on documents submitted for publication by the Governor's Office can be obtained by calling (512) 463-1828.

Appointments

Appointments for December 19, 2003

Appointed to the One-Call Board for a term to expire August 31, 2006, Howard T. Pebley, Jr. of McAllen (Mr. Pebley is being reappointed).

Appointed to the One-Call Board for a term to expire August 31, 2006, Ralph E. Alonzo of San Antonio (Mr. Alonzo is being reappointed).

Appointed to the One-Call Board for a term to expire August 31, 2006, Ernest Aliseda of Edinburg (Judge Aliseda is being reappointed).

Appointed to the One-Call Board for a term to expire August 31, 2006, Trisha S. Pollard of Bellaire (replacing Lynda Burke whose term expired).

Appointments for December 22, 2003

Appointed to the Board of Regents of Stephen F. Austin State University for a term to expire January 31, 2009, Valerie E. Ertz of Dallas (replacing Susan Roberds of Dallas whose term expired).

Appointed to the Board of Regents of Stephen F. Austin State University for a term to expire January 31, 2009, Paul Gifford Pond of Port Neches (replacing Michael Enoch of Mont Belvieu whose term expired).

Rick Perry, Governor

TRD-200400007



Executive Order

RP 30

Relating to the designation of the OneStar National Service Commission and the OneStar Foundation, and the dissolution of the Texas Commission of Volunteerism and Community service.

WHEREAS, Texans are a dedicated and selfless people who have a long and proud history of responding when their neighbors need help in the midst of crisis; and

WHEREAS, committed volunteers and volunteer organizations bring unique skills and resources to bear on the struggles faced by Texas families; and

WHEREAS, volunteer action can transform our communities, our families and the lives of individual Texans, and enrich the life of the volunteer offering assistance; and

WHEREAS, Texas can benefit from a comprehensive and coordinated effort to (i) improve and strengthen the state's volunteerism and community service infrastructure, (ii) maximize the utilization of available resources, and (iii) cultivate volunteer service opportunities that address the state's pressing needs; and

WHEREAS, Congress passed and the President signed the National and Community Services Trust Act of 1993 (the "Act") to reward community service with education grants; and

WHEREAS, in 1994, by means of Executive Order AWR 94-15, Texas designated the predecessor to the Texas Commission on Volunteerism and Community Service ("TxCVCS") to serve as the state's administrative vehicle under the Act, and to oversee Texas' participation in programs authorized and appropriated by the Corporation for National and Community Services; and

WHEREAS, further Executive Orders GWB 96-9, GWB 99-1 and GWB 00-5 continued and improved TxCVCS, and placed TxCVCS under the authority of the Division of Workforce Development of the Texas Workforce Commission; and

WHEREAS, in 2003, the 78th Texas Legislature passed Senate Bill No. 1183, which removed the requirement that federal volunteer programs be administered by the Texas Workforce Commission; and

WHEREAS, The OneStar Foundation, Inc., has been established as a Texas non-profit corporation, with the purpose of "furthering volunteerism and community service in the State of Texas"; and

WHEREAS, The OneStar National Service Commission, Inc., has also been established as an affiliated Texas non-profit corporation with the same purposes;

NOW, THEREFORE, I RICK PERRY, GOVERNOR OF TEXAS, by virtue of the power vested in me, do hereby order that, effective January 1, 2004, the Texas Commission on Volunteerism and Community Service is dissolved and The OneStar National Service Commission, Inc. (the "Commission") is designated as the state's commission under the Act, and is further charged with the following duties:

1. Serving as the state's liaison to the Corporation for National and Community Service, fulfilling the duties prescribed under the Act and with applying for funding under the Act;
2. Overseeing Texas' participation in Corporation for National and Community Service programs; and
3. Preparing a comprehensive three-year national service plan for the state that shall be updated annually.

Pursuant to federal law, state law, and to the Bylaws of the Commission:

1. The total number of voting members on the Board of Directors of the Commission (the "Commission Board") shall be at least 15 but no more than 25, of which no more than 50 percent plus one can be from the same political party, as currently required by federal law. All members shall serve three-year terms, except that initially a portion of the members shall serve terms of one year and two years. The Governor shall appoint all members of the Commission Board, including the following voting members required by federal law:

- a. An individual with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth;
- b. An individual with expertise in promoting involvement of senior citizens in service and volunteerism;
- c. A representative of community-based organizations within the state;
- d. The commissioner of the Texas Education Agency;

- e. A representative of local governments in the state;
- f. A representative of local labor unions in the state;
- g. A representative of business;
- h. An individual between the ages of 16 and 25 who is a participant or supervisor in a service program; and
- i. A representative of a national service program.

The membership criteria of the Commission Board is subject to changes in federal requirements.

2. The Governor shall name the Chairman and the Vice-Chairman of the Commission Board from the members, who shall serve in such capacities at the pleasure of the Governor. A member of the Commission Board shall serve without compensation, but may be reimbursed for reasonable and necessary travel expenses incurred while performing approved Commission Board duties.

3. The Governor shall name a person to be president of the Commission, in the Governor's sole discretion and at the Governor's pleasure. This person shall also concurrently serve as the President of the Foundation. The president of the Commission shall serve without compensation from the Commission, but shall be compensated by the Foundation and may be reimbursed for reasonable and necessary travel expenses incurred while performing approved Commission duties.

I FURTHER ORDER that The OneStar Foundation, Inc., (the "Foundation") is designated as the entity which shall perform all administrative functions of the Commission, and is further charged with the following duties:

- 1. Providing technical assistance, education, information, and other support to Texas' extensive volunteer community, and improving and

strengthening the state's volunteerism and community service infrastructure;

2. Promoting innovative and model programs and initiatives, and sharing best practices;

3. Working closely with faith-based and private charities, community-based groups, voluntary associations, educational entities, and other organizations to promote volunteerism and community service based not on the institutions of government, but on the institutions of civil society; and

4. Preparing and presenting the annual Governor's Volunteer Leadership Conference and the annual Governor's Volunteer Awards; coordinating a statewide Texas Mentoring Initiative; and supporting other volunteerism-related efforts throughout Texas.

I FURTHER ORDER that:

1. The Commission and the Foundation may contract with state agencies for administrative services; and

2. The Texas Workforce Commission shall award grants to the Commission of FY 2004 and FY 2005 state funds appropriated for the community service program under the Act.

This executive order supersedes all previous orders inconsistent with its terms and shall remain in effect and in full force until modified, amended, rescinded, or superseded by me or by a succeeding Governor.

Given under my hand this the 22nd day of December, 2003.

Rick Perry, Governor

TRD-200400042



PROPOSED RULES

Proposed rules include new rules, amendments to existing rules, and repeals of existing rules. A state agency shall give at least 30 days' notice of its intention to adopt a rule before it adopts the rule. A state agency shall give all interested persons a reasonable opportunity to submit data, views, or arguments, orally or in writing (Government Code, Chapter 2001).

Symbols in proposed rule text. Proposed new language is indicated by underlined text. ~~Square brackets and strikethrough~~ indicate existing rule text that is proposed for deletion. "(No change)" indicates that existing rule text at this level will not be amended.

TITLE 19. EDUCATION

PART 2. TEXAS EDUCATION AGENCY

CHAPTER 89. ADAPTATIONS FOR SPECIAL POPULATIONS

SUBCHAPTER DD. COMMISSIONER'S RULES CONCERNING HIGH SCHOOL EQUIVALENCY PROGRAMS

The Texas Education Agency (TEA) proposes amendments to §§89.1403, 89.1405, 89.1409, and 89.1417 and the repeal of §89.1421, concerning high school equivalency programs. The sections establish definitions, requirements, and procedures for implementation of an in-school General Educational Development (GED) program. The proposed amendments and repeal implement provisions relating to in-school GED programs, in accordance with Texas Education Code (TEC), §29.087, as amended by Senate Bill (SB) 1470, 78th Texas Legislature, 2003.

TEC, §29.087, was amended by SB 1470, 78th Texas Legislature, 2003, to specify that any school district or open-enrollment charter school is eligible to apply to the commissioner of education to operate an in-school GED program.

Language added in §89.1403 implements provisions in TEC, §29.087(d), relating to changes in student eligibility requirements.

Language modified in §89.1405 implements requirements in TEC, §29.087(b), which establish the authority for any school district or open-enrollment charter school to operate a program under this section. As a part of the application process, the commissioner shall require a district or charter school to provide information regarding the operations of any similar programs during the preceding five years.

Language modified in §89.1409, in accordance with TEC, §29.087(f), requires a student participating in an approved high school equivalency program to take the assessment instruments specified by TEC, §39.023(a), for Grade 9 and to take each grade level assessment instrument administered during the period in which the student is enrolled in the program. A student participating in the program may not take the high school equivalency examinations unless the student has taken the assessment instrument required by this subsection.

Language added in §89.1417 implements the provision in TEC, §29.087(b-1), that a school district or open-enrollment charter school authorized by the commissioner on or before August 31, 2003, to operate a program under this section may continue to

operate that program. New language also addresses reporting requirements.

Section 89.1421 is repealed in accordance with the repeal of TEC, §29.087(o).

Susan Barnes, associate commissioner for standards and programs, has determined that for the first five-year period the amendments and repeal are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Ms. Barnes has determined that for each year of the first five years the amendments and repeal are in effect the public benefit anticipated as a result of enforcing the sections will be extending the options for students desiring to obtain a high school credential. There will not be an effect on small businesses. There is no anticipated economic cost to persons who are required to comply with the amendments and repeal as proposed.

Comments on the proposal may be submitted to Cristina De La Fuente-Valadez, Policy Coordination, 1701 North Congress Avenue, Austin, Texas 78701, (512) 475-1497. Comments may also be submitted electronically to rules@tea.state.tx.us or faxed to (512) 463-0028. All requests for a public hearing on the proposed amendments and repeal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 15 calendar days after notice of a proposed change in the sections has been published in the *Texas Register*.

19 TAC §§89.1403, 89.1405, 89.1409, 89.1417

The amendments are proposed under the Texas Education Code, §29.087, amended by Senate Bill 1470, 78th Texas Legislature, 2003, which authorizes the commissioner of education to adopt rules to implement the requirement that the agency develop a process by which a school district or open-enrollment charter school may apply to the commissioner for authority to operate a program to prepare eligible students to take a high school equivalency examination.

The amendments implement the Texas Education Code, §29.087.

§89.1403. Student Eligibility.

A student is eligible to participate in a High School Equivalency Program if:

(1) the student has been ordered by a court under Code of Criminal Procedure, Article 45.054, or by the Texas Youth Commission to:

(A) participate in a preparatory class for the high school equivalency examination; or

(B) take the high school equivalency examination administered under Texas Education Code (TEC), §7.111; or

(2) the following conditions are satisfied:

(A) the student is at least 16 years of age at the beginning of the school year or semester;

(B) the student is at risk of dropping out of school, as defined by TEC, §29.081;

(C) the student and the student's parent, or person standing in parental relation to the student, agree in writing to the student's participation; and

(D) at least two school years have elapsed since the student first enrolled in Grade 9 and the student has accumulated less than one ~~third~~ [quarter] of the credits required to graduate under the minimum graduation requirements of the district or school. For students who left school prior to being enrolled in Grade 9, at least three years have elapsed since the student last enrolled in Grade 8, or four years since the student last enrolled in Grade 7, or five years since the student last enrolled in Grade 6.

§89.1405. *Application to Operate a High School Equivalency Program.*

(a) Applicant eligibility. ~~Any [A] school district or open-enrollment charter school may apply for authorization to operate a High School Equivalency Program (HSEP) [if the district or charter school:]~~

~~[(1) was operating a General Educational Development (GED) in-school pilot program on May 1, 2001, as authorized by the agency; and]~~

~~[(2) had at least one student enrolled in the GED in-school pilot program during the 2000- 2001 school year.]~~

(b) Cooperative HSEP criteria. A cooperative of school districts or open-enrollment charter schools may apply for permission to operate a cooperative HSEP if it operates pursuant to a written agreement [~~had at least one student enrolled during the 2000-2001 school year, and had at least one member with an approved HSEP on May 1, 2001. An approved cooperative HSEP may not accept students from any school district or open-enrollment charter school that was not a member of the cooperative on May 1, 2001.~~]. The fiscal agent of a cooperative HSEP is responsible for complying with all requirements of this subchapter.

(c) Application process.

(1) As part of the application process, the commissioner shall require a district or open- enrollment charter school to provide information regarding the operation of any similar program during the preceding five years.

~~[(1) As part of the application process, a district or charter school must provide information regarding the operation of the in-school GED pilot program during the preceding five years. If the program has been in operation for less than five years, the district or school must provide information for the year(s) the program has been in operation.]~~

(2) Reported historical information disaggregated by ethnicity, age, gender, and socioeconomic status will include, but not be limited to:

(A) the total number of students served in the program;

(B) the number of program participants who passed the high school equivalency examination; and

(C) when available, information on students' subsequent attendance in postsecondary educational programs.

(3) The agency shall make available to eligible school districts and open-enrollment charter schools an application form that must be completed and submitted to the agency for approval.

§89.1409. *Assessment.*

(a) A student entering a High School Equivalency Program (HSEP) must take:

(1) the Grade 9 assessment required by Texas Education Code, §39.025(a), prior to entering the program;

(2) each grade level assessment instrument administered during the period in which the student is enrolled in the program; and

(3) the assessment instruments required by this subsection before taking the high school equivalency examination.

~~[(a) A student must take the exit-level assessment instruments required by Texas Education Code (TEC), §39.025(a), before entering the program or within the first year in which the student is enrolled in the program.]~~

(b) A student entering an HSEP by order of the court pursuant to the Code of Criminal Proceedings, Article 45.054, or by order of the Texas Youth Commission (TYC), is exempt from the assessment requirements specified in subsection (a) of this section.

~~[(b) A student participating in a High School Equivalency Program (HSEP) after January 1, 2002, must take the exit-level assessment instruments before taking the high school equivalency examination.]~~

~~[(c) Beginning with the 2002-2003 school year, a student may take the assessment instruments required for Grade 10 students under the TEC, §39.023(a), instead of the exit-level assessment if the HSEP receives prior written approval from the commissioner.]~~

(c) ~~[(d)]~~ The school district or open-enrollment charter school operating an approved HSEP must present to the General Educational Development (GED) testing center, on a form provided by the agency, proof that a student has been administered the assessment instruments required by TEC, §39.025(a) and §39.023(a). GED testing centers will not allow an HSEP student to take the high school equivalency examination without proof from the approved HSEP that the student has been administered the required assessment instruments. A student who is enrolled in an HSEP as described in this section and withdraws from the HSEP before taking the [exit-level] assessment instruments required by this subsection cannot take the GED until after the individual's 18th birthday.

(d) ~~[(e)]~~ The school district or open-enrollment charter school operating an approved HSEP must inform each student who has completed the program of the time and place at which the student may take the high school equivalency examination as authorized by TEC, §7.111. A student must be over 17 years of age or meet other requirements specified in TEC, §7.111, to take the high school equivalency examination.

(e) If a student took the Grade 9 or higher grade level assessment instrument required by TEC, §39.025(a), prior to enrollment in the HSEP program, the student has met the enrollment and assessment requirement established by this section.

§89.1417. *Conditions of Program Operation.*

(a) A school district or open-enrollment charter school operating a High School Equivalency Program (HSEP) must comply with all assurances in the program application. Approved HSEPs will be required to submit annually one progress report on a form [at least two progress reports (midyear and final) on forms] to be provided by the General Educational Development Testing Service (GEDTS) to the

agency. The data in the progress reports must be disaggregated by ethnicity, age, gender, and socioeconomic status. Approved HSEPs will submit data as stated in the assurances section of the program application.

(b) A school district or open-enrollment charter school authorized by the commissioner on or before August 31, 2003, to operate a program in accordance with this subchapter may continue to operate that program in accordance with this section.

(c) [(b)] Enrollment in an HSEP may not exceed by more than 5% the total number of students enrolled in a similar program operated by the district or charter school during the 2000- 2001 school year.

(d) [(e)] A student enrolled in an HSEP must be offered a seven-hour school day and a 180-day instructional year calendar.

(e) Beginning with the 2003-2004 school year, a student may be enrolled in an HSEP that was authorized by the commissioner on or before August 31, 2003; however, the student can not take any portion of the GED test after September 1, 2003, without meeting the assessment requirements specified in this section.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308966

Cristina De La Fuente-Valadez
Director, Policy Coordination
Texas Education Agency

Earliest possible date of adoption: February 15, 2004
For further information, please call: (512) 475-1497



19 TAC §89.1421

(Editor's note: The text of the following section proposed for repeal will not be published. The section may be examined in the offices of the Texas Education Agency or in the Texas Register office, Room 245, James Earl Rudder Building, 1019 Brazos Street, Austin.)

The repeal is proposed under the Texas Education Code, §29.087, amended by Senate Bill 1470, 78th Texas Legislature, 2003, which authorizes the commissioner of education to adopt rules to implement the requirement that the agency develop a process by which a school district or open-enrollment charter school may apply to the commissioner for authority to operate a program to prepare eligible students to take a high school equivalency examination.

The repeal implements the Texas Education Code, §29.087.

§89.1421. *Expiration.*

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308967

Cristina De La Fuente-Valadez
Director, Policy Coordination
Texas Education Agency

Earliest possible date of adoption: February 15, 2004
For further information, please call: (512) 475-1497



CHAPTER 150. COMMISSIONER'S RULES CONCERNING EDUCATOR APPRAISAL SUBCHAPTER AA. TEACHER APPRAISAL

19 TAC §150.1003

The Texas Education Agency (TEA) proposes an amendment to §150.1003, concerning teacher appraisal. The section establishes the recommended appraisal process and criteria on which to appraise the performance of teachers. The proposed amendment implements provisions relating to employment policies adopted by a board of trustees that require a written evaluation of each teacher, in accordance with Texas Education Code (TEC), §21.203(a) and §21.352(c), as amended by House Bill (HB) 1440, 78th Texas Legislature, 2003.

TEC, Chapter 21, was amended by HB 1440, 78th Texas Legislature, 2003, to modify §21.203(a) and §21.352(c). The modification to the law provides school districts with the option that a teacher may be appraised less frequently if the teacher agrees in writing and the teacher's most recent evaluation rated the teacher as at least proficient, or the equivalent, and did not identify any area of deficiency.

The proposed amendment to 19 TAC §153.1003 establishes the option of less frequent appraisals for eligible teachers. Language is added in proposed new subsection (I) to establish the provision for a teacher to be appraised less frequently, to describe specific criteria that may be included in local district policy related to this appraisal option, and to address teacher performance that would result in placing the teacher back on the traditional annual appraisal cycle. Language is also added to permit districts to annually review the written agreements with teachers that are appraised under this option.

Susan Barnes, associate commissioner for standards and programs, has determined that for the first five-year period the amendment is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section. There may be a savings for local school districts as a result of the reduction in required appraisal frequency in response to the legislative change in statute.

Ms. Barnes has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the section will be extending the options of school districts by allowing districts to retain use of an annual appraisal system, or adopt a policy of allowing eligible teachers to be appraised less frequently. The potential effect may be to allow districts to concentrate teacher improvement efforts on those teachers with identified areas of deficiency, thereby improving the student performance of those teachers' students. There will not be an effect on small businesses. There is no anticipated economic cost to persons who are required to comply with the amendment as proposed.

Comments on the proposal may be submitted to Cristina De La Fuente-Valadez, Policy Coordination, 1701 North Congress Avenue, Austin, Texas 78701, (512) 475-1497. Comments may

also be submitted electronically to rules@tea.state.tx.us or faxed to (512) 463-0028. All requests for a public hearing on the proposed amendment submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 15 calendar days after notice of a proposed change in the section has been published in the *Texas Register*.

The amendment is proposed under the Texas Education Code, §21.351(a), which authorizes the commissioner of education to adopt a recommended appraisal process and criteria on which to appraise the performance of teachers.

The amendment implements the Texas Education Code, §§21.203, 21.351, and 21.352.

§150.1003. Appraisals, Data Sources, and Conferences.

(a) Each teacher must be appraised each school year, except as provided by subsection (l) of this section. Whenever possible, an appraisal shall be based on the teacher's performance in fields and teaching assignments for which he or she is certified.

(b) The annual teacher appraisal shall include:

(1) at least one classroom observation of a minimum of 45 minutes as identified in subsection (g) of this section, with additional walk-throughs and observations conducted at the discretion of the appraiser;

(2) a written summary of each observation, which shall be given to teachers within ten working days after the completion of an observation, with a pre- and post-observation conference conducted at the request of the teacher or appraiser;

(3) completion of Section I of the Teacher Self-Report Form that shall be presented to the principal:

(A) within the first three weeks from the day of completion of the Professional Development and Appraisal System (PDAS) orientation as described in §150.1007 of this title (relating to Teacher Orientation);

(B) within the first three weeks from the day of completion of the PDAS orientation as described in §150.1007 of this title for teachers new to the PDAS; or

(C) within the first three weeks of instruction in the school years when the PDAS orientation is not required pursuant to §150.1007 of this title.

(4) revision of Section I (if necessary) and completion of Sections II and III of the Teacher Self-Report Form that shall be presented to the principal at least two weeks prior to the summative annual conference;

(5) cumulative data of written documentation collected regarding job-related teacher performance, in addition to formal classroom observations;

(6) a written summative annual appraisal report; and

(7) a summative annual conference.

(c) A teacher may be given advance notice of the date or time of an appraisal, but advance notice is not required.

(d) Each school district shall establish a calendar for the appraisal of teachers. The appraisal period for each teacher must include all of the days of a teacher's contract. Observations during the appraisal period must be conducted during the required days of instruction for students during one school year. The appraisal calendar shall:

(1) exclude observations in the three weeks following the day of completion of the PDAS orientation in the school years when an orientation is required as described in §150.1007 of this title;

(2) exclude observations in the three weeks following the day of completion of the PDAS orientation for teachers new to the PDAS as described in §150.1007 of this title;

(3) exclude observations in the first three weeks of instruction in the school years when the PDAS orientation is not required pursuant to §150.1007 of this title;

(4) prohibit observations on the last day of instruction before any official school holiday or on any other day deemed inappropriate by the school district board of trustees; and

(5) indicate a period for summative annual conferences that ends no later than 15 working days before the last day of instruction for students.

(e) During the appraisal period, the appraiser shall evaluate and document teacher performance specifically related to the domain criteria as identified in §150.1002(b) of this title (relating to Assessment of Teacher Performance).

(f) The appraiser is responsible for documentation of the cumulative data identified in subsection (b)(5) of this section. Any third-party information from a source other than the teacher's supervisor that the appraiser wishes to include as cumulative data shall be verified and documented by the appraiser. Any documentation that will influence the teacher's summative annual appraisal report must be shared in writing with the teacher within ten working days of the appraiser's knowledge of the occurrence. The principal shall also be notified in writing when the appraiser is not the teacher's principal.

(g) By mutual consent of the teacher and the appraiser, the required minimum of 45 minutes of observation may be conducted in shorter time segments. The time segments must aggregate to at least 45 minutes.

(h) A written summative annual appraisal report shall be shared with the teacher no later than five working days before the summative conference and no later than 15 working days before the last day of instruction for students. The written summative annual appraisal report shall be placed in the teacher's personnel file by the end of the appraisal period.

(i) Unless waived in writing by the teacher, a summative conference shall be held within a time frame specified on the school district calendar and no later than 15 working days before the last day of instruction for students. The summative conference shall focus on the written summative report and related data sources.

(j) In cases where the appraiser is not an administrator on the teacher's campus, either the principal, assistant principal, or another supervisory staff member designated as an administrator on the campus will participate in the summative annual conference.

(k) Any documentation collected after the summative conference but before the end of the contract term during one school year may be considered as part of the appraisal of a teacher. If the documentation affects the teacher's evaluation in any domain, another summative report shall be developed and another summative conference shall be held to inform the teacher of the change(s).

(l) Except as otherwise provided by this subsection, appraisal must be done at least once during each school year. A teacher may be appraised less frequently if the teacher agrees in writing and the teacher's most recent evaluation rated the teacher as at least proficient, or the equivalent, and did not identify any area of deficiency. A teacher

who is appraised less frequently than annually must be appraised at least once during each period of five school years.

(1) District policy may stipulate:

(A) whether the appraisal option is to be made available to teachers;

(B) whether the appraisal option is to be adopted districtwide or is to be campus specific;

(C) if the appraisal accompanying a teacher new to a district or campus meets the option as specified in this subsection, whether the appraisal is to be accepted or whether that teacher is to be appraised by the new campus administrator; and

(D) whether an appraiser may place a teacher on the traditional appraisal cycle as a result of performance deficiencies documented in accordance with subsections (b)(5) and (f) of this section.

(2) A school district may choose annually to review the written agreement with the teacher. However, at the conclusion of the school year, the district may modify appraisal options through board policy and may make changes to expectations for appraisals that apply to all teachers regardless of a teacher's participation in the appraisal option in the previous year(s).

(3) For purposes of this subsection, in the teacher-appraisal system recommended by the commissioner, an area of deficiency is a domain. A teacher must be rated as at least proficient for each domain (i.e., for all domains) to be eligible for less frequent appraisals under this subsection.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400014

Cristina De La Fuente-Valadez

Director, Policy Coordination

Texas Education Agency

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 475-1497



TITLE 25. HEALTH SERVICES

PART 1. TEXAS DEPARTMENT OF HEALTH

CHAPTER 134. PRIVATE PSYCHIATRIC HOSPITALS AND CRISIS STABILIZATION UNITS

The Texas Department of Health (department) proposes amendments to §§134.2, 134.22, 134.23, 134.26, 134.81 and 134.83, and new §134.47, concerning private psychiatric hospitals and crisis stabilization units.

These amendments and new section are required as a result of revisions to the Health and Safety Code, Chapter 577, pursuant to House Bill (HB) 1614, HB 2292, and Senate Bill 162, 78th Legislature, 2003. Amendments to §134.2 include additional definitions for action plan, adverse event, medical error, reportable event, and root cause analysis. Amendments

to §§134.22 and 134.23 implement the process for converting to two-year licensing renewal cycles beginning January 1, 2005, and adds a requirement to submit to the department an annual events report, and a best practices report prior to the expiration of the license. Amendments to §134.26 increase licensing fees in order to implement the full cost recovery requirement for licensing programs. New §134.47 includes requirements related to development and implementation of a patient safety program, and establishes annual reporting requirements related to specific events occurring at the facility, and submission of best practice reports. The amendment to §134.81 clarifies limitations on the department's access related to a root analysis and action plan. Amendments to §134.83 reflect the addition of probation to the list of enforcement actions that can be taken against a facility.

Lisa Subia, Associateship for Consumer Health Protection, has determined that for each year of the first five years the sections are in effect, there will be fiscal implications as a result of administering the sections. The effect on state government will be related to the proposed increase in licensing fees to provide for cost recovery of expenses and the conversion to the two-year renewal cycle. Assuming an effective date of June 1, 2004, for the revised fee schedule, the increase in revenue for fiscal year 2004 will be approximately \$47,550. In fiscal year 2005, there will be an increase in revenue of \$190,200 related to the fee increase. Since fiscal year 2005 will be the first year in a two-year phase-in process for the two-year renewal cycle, there will be an additional temporary increase in revenue of approximately \$95,100, bringing the total estimated revenue to \$285,300. This estimate is based on the fact that during fiscal year 2005, one-half of the facilities will be renewing their licenses to be effective for two years, and will pay a corresponding fee to cover the two-year license period. The remainder of the facilities will be renewing their licenses for a one-year period in fiscal year 2005, which will result in the temporary additional revenue. This second group of facilities will renew their licenses for the two-year period in fiscal year 2006, so the anticipated additional revenue in fiscal years 2006 through 2009 will be approximately \$190,200 per year. There will be no effect on local government unless the local government operates a private psychiatric hospital or crisis stabilization unit. In that case, the local government would be subject to the proposed new fees and other requirements.

Ms. Subia has also determined that for each year of the first five years the sections are in effect, the public benefit will be to improve patient safety in the regulated facilities, and to provide the public with basic information about the occurrence of certain medical errors in these facilities. There will be economic costs for micro-businesses, small businesses and persons who are required to comply with the new sections. These costs are related to the increase in licensing fees and conversion to two-year renewal cycles. All regulated facilities will be subject to the fee increase, with the total increase ranging from \$2,000 per year for the smallest facility to \$13,515 per year for the largest facility. Once conversion to the two-year renewal cycle begins, facilities will be required to pay the fee for the two-year period. This increase for each facility will range from \$4,000 per two-year licensing period for the smallest facility to \$27,030 per two-year licensing period for the largest facility. There will be no anticipated impact on local employment.

Comments on the proposal may be submitted to Cindy Bednar, Director of Hospital Programs, Health Facility Licensing and Compliance Division, Texas Department of Health, 1100 West

49th Street, Austin, Texas, 78756-3182, (512) 834-6648. Comments will be accepted for 30 days following the publication of this proposal in the *Texas Register*.

SUBCHAPTER A. GENERAL PROVISIONS

25 TAC §134.2

The amendment is proposed under Health and Safety Code, Chapter 577, concerning private mental hospitals and other mental health facilities; and Health and Safety Code, §12.001, which provides the Texas Board of Health (board) with the authority to adopt rules for the performance of every duty imposed by law on the board, the department, and the commissioner of health.

The amendment affects the Health and Safety Code, Chapters 577 and 12.

§134.2. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Action plan--A written document that includes specific measures to correct identified problems or areas of concern; identifies strategies for implementing system improvements; and includes outcome measures to indicate the effectiveness of system improvements in reducing, controlling or eliminating identified problem areas.

(2) Adverse event--Untoward incident, therapeutic misadventure or other adverse occurrence directly associated with care or services provided within the hospital system, which may result from acts of commission or omission.

(3) [(4)] Applicant--The person legally responsible for the operation of the facility, whether by lease or ownership, who seeks a license from the department.

(4) [(2)] Board--The Texas Board of Health.

(5) [(3)] Community center--A center established under Health and Safety Code, Chapter 534, Subchapter A.

(6) [(4)] Contaminated linen--Linen which has been soiled with blood or other potentially infectious materials or may contain sharps. Other potentially infectious materials means:

(A) the following human body fluids: semen, vaginal secretions, cerebrospinal fluid, synovial fluid, pleural fluid, pericardial fluid, peritoneal fluid, amniotic fluid, saliva in dental procedures, any body fluid that is visibly contaminated with blood, and all body fluids in situations where it is difficult or impossible to differentiate between body fluids;

(B) any unfixed tissue or organ (other than intact skin) from a human (living or dead); and

(C) Human Immunodeficiency Virus (HIV)-containing cell or tissue cultures, organ cultures, and HIV or Hepatitis B Virus (HBV) containing culture medium or other solutions; and blood, organs, or other tissues from experimental animals infected with HIV or HBV.

(7) [(5)] Crisis stabilization unit (CSU)--A mental health facility operated by a community center or other entity designated by the Texas Department of Mental Health and Mental Retardation in accordance with Texas Health and Safety Code, §534.054, that provides treatment to individuals who are the subject of a protective custody order issued in accordance with Texas Health and Safety Code, §574.022.

(8) [(6)] Dentist--A person licensed to practice dentistry by the State Board of Dental Examiners. This includes a doctor of dental surgery or a doctor of dental medicine.

(9) [(7)] Department--The Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756-3199.

(10) [(8)] Dietitian--A person who is currently licensed by the Texas State Board of Examiners of Dietitians as a licensed dietitian or provisional licensed dietitian, or who is a registered dietitian with the American Dietetic Association.

(11) [(9)] Director--The director of the Health Facility Licensing and Compliance Division, Texas Department of Health.

(12) [(10)] Division--The Health Facility Licensing and Compliance Division, Texas Department of Health.

(13) [(11)] Emergency medical condition--A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain, psychiatric disturbances or symptoms of substance abuse) such that the absence of immediate medical attention could reasonably be expected to result in one or all of the following:

(A) placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;

(B) serious impairment to bodily functions;

(C) serious dysfunction of any bodily organ or part; or

(D) with respect to a pregnant woman who is having contractions:

(i) that there is inadequate time to effect a safe transfer to another hospital before delivery; or

(ii) that transfer may pose a threat to the health or safety of the woman or the unborn child.

(14) [(12)] Facility--A private psychiatric hospital or a crisis stabilization unit.

(15) [(13)] Facility administration--Administrative body of a facility headed by an individual who has the authority to represent the facility and who is responsible for the operation of the facility according to the policies and procedures of the facility governing body.

(16) [(14)] Fast-track projects--A construction project in which it is necessary to begin initial phases of construction before later phases of the construction documents are fully completed in order to establish other design conditions or because of time constraints such as mandated deadlines.

(17) [(15)] Governing body--The governing authority of a facility which is responsible for the facility's organization, management, control, and operation, including appointment of the medical staff; includes the owner or partners for facilities owned or operated by an individual or partners.

(18) [(16)] Governmental unit--A political subdivision of the state, including a hospital district, county, or municipality, and any department, division, board, or other agency of a political subdivision.

(19) [(17)] Hospital--A private psychiatric hospital.

(20) [(18)] Inpatient services--Services provided to a patient admitted to a hospital for an intended length of stay of 24 hours or greater.

(21) [(19)] Learning disability--When a severe discrepancy exists when the individual's assessed intellectual ability is above

the mentally retarded range, but where the individual's assessed educational achievement in areas specified is more than one standard deviation below the individual's intellectual ability.

(22) [(20)] Legally reproduced form--A medical record retained in hard copy, microform (microfilm or microfiche), or other electronic medium.

(23) [(21)] Licensed vocational nurse--An individual who is currently licensed as a licensed vocational nurse (LVN) by the Board of Vocational Nurse Examiners in accordance with Texas Occupations Code, Chapter 302.

(24) [(22)] Licensee--A person or governmental unit who has been granted a private psychiatric hospital license or crisis stabilization unit license.

(25) Medical error--An adverse event that was preventable with the current state of medical knowledge.

(26) [(23)] Medical staff--Licensed physicians and other licensed practitioners permitted by law and by the facility to provide medical care independently in the facility.

(27) [(24)] Mental health services--All services concerned with research, prevention, and detection of mental disorders and disabilities and all services necessary to treat, care for, supervise, and rehabilitate persons who have a mental illness.

(28) [(25)] Mental illness--An illness, disease, or condition (other than a sole diagnosis of epilepsy, senility, substance use disorder, mental retardation, autism, or pervasive developmental disorder) that:

(A) substantially impairs a person's thought, perception of reality, emotional process, or judgment; or

(B) grossly impairs an individual's behavior as demonstrated by recent disturbed behavior.

(29) [(26)] Mental retardation--Significantly subaverage general intellectual functioning that is concurrent with deficits in adaptive behavior and originates during the developmental period.

(30) [(27)] Minor--A person under 18 years of age who is not and has not been married or who has not had the disabilities of minority removed for general purposes.

(31) [(28)] Mobile unit--Any pre-manufactured structure, trailer, or self-propelled unit equipped with a chassis on wheels and intended to provide shared medical services to the community on a temporary basis. Some of these units are equipped with expanding walls, and designed to be moved on a daily basis.

(32) [(29)] Oral surgeon--A person licensed by the State Board of Dental Examiners in the specialty of dentistry which includes the diagnosis, surgical and adjunctive treatment of diseases, injuries, and defects involving both the functional and esthetic aspects of the hard and soft tissues of the oral and maxillofacial regions.

(33) [(30)] Outpatient services--Services provided to patients whose medical needs can be met in less than 24 hours and are provided within the facility.

(34) [(31)] Owner--One of the following persons which will hold or does hold a license issued under Health and Safety Code, Chapter 577, in the person's name or the person's assumed name:

- (A) a corporation;
- (B) a governmental unit;
- (C) a limited liability company;
- (D) an individual;

(E) a partnership if a partnership name is stated in a written partnership agreement or an assumed name certificate;

(F) all partners in a partnership if a partnership name is not stated in a written partnership agreement or an assumed name certificate; or

(G) all co-owners under any other business arrangement.

(35) [(32)] Patient--An individual who is receiving mental health services under this chapter.

(36) [(33)] Person--An individual, firm, partnership, corporation, association, joint stock company, joint venture, or local authority, and includes a receiver, trustee, assignee, or other similar representative of those entities.

(37) [(34)] Pharmacist--A person who is licensed to practice pharmacy by the Texas Board of Pharmacy in accordance with Texas Occupations Code, Chapter 558.

(38) [(35)] Physician--An individual who is:

(A) licensed as a physician by the Texas State Board of Medical Examiners in accordance with Chapter 155 of the Texas Occupations Code; or

(B) authorized to perform medical acts under an institutional permit at a Texas postgraduate training program approved by the Accreditation Council on Graduate Medical Education, the American Osteopathic Association, or the Texas State Board of Medical Examiners.

(39) [(36)] Podiatrist--A podiatrist licensed by the Texas State Board of Podiatry Examiners.

(40) [(37)] Political subdivision--A county, municipality, or hospital district in this state but does not include a department, board, or agency of the state that has statewide authority and responsibility.

(41) [(38)] Practitioner--A health care professional licensed in the State of Texas, other than a physician.

(42) [(39)] Premises--A premises may be any of the following:

(A) a single building where inpatients receive hospital services; or

(B) multiple buildings where inpatients receive hospital services, provided that the following criteria are met:

(i) all inpatient buildings and inpatient services are subject to the control and direction of the governing body of the hospital;

(ii) all inpatient buildings are within a 30-mile radius of the main address of the licensee;

(iii) there is integration of the organized medical staff of the hospital;

(iv) there is a single chief executive officer who reports directly to the governing body and through whom all administrative authority flows and who exercises control and surveillance over all administrative activities of the hospital;

(v) there is a single chief medical officer who reports directly to the governing body and who is responsible for all medical staff activities of the hospital; and

(vi) each building that is geographically separate from other buildings contains at least one nursing unit for inpatients,

unless providing only diagnostic or laboratory services, or a combination thereof, in the building for hospital inpatients.

(43) [(40)] Private psychiatric hospital--A hospital that provides inpatient mental health services to individuals with a mental illness or with a substance use disorder except that, at all times, a majority of the individuals admitted are individuals with a mental illness. Such services include psychiatric assessment and diagnostic services, physician services, professional nursing services, and monitoring for patient safety provided in a restricted environment.

(44) [(41)] Registered nurse--An individual who is licensed as a registered nurse by the Board of Nurse Examiners in accordance with Texas Occupations Code, Chapter 301.

(45) [(42)] Relocatable unit--Any structure, not on wheels, built to be relocated at any time and provide medical services. These structures vary in size.

(46) Reportable event--A medical error or adverse event or occurrence which the hospital is required to report to the Department, as set out in §134.47 of this title (relating to Patient Safety Program).

(47) Root cause analysis--An interdisciplinary review process for identifying the basic or contributing causal factors that underlie a variation in performance associated with an adverse event or reportable event. It focuses primarily on systems and processes, includes an analysis of underlying cause and effect, progresses from special causes in clinical processes to common causes in organizational processes, and identifies potential improvements in processes or systems.

(48) [(43)] Stabilize--With respect to an emergency medical condition, to provide such medical treatment of the condition necessary to assure, within reasonable medical probability, that no material deterioration of the condition is likely to result from or occur during the transfer of the individual from a facility, or that the woman has delivered the child and the placenta.

(49) [(44)] Transfer--The movement (including the discharge) of an individual outside a facility at the direction of any person employed by (or affiliated or associated, directly or indirectly, with) the facility, but does not include such a movement of an individual who has been declared dead, or leaves the facility without the permission of any such person.

(50) [(45)] Transportable unit--Any pre-manufactured structure or trailer, equipped with a chassis on wheels, intended to provide shared medical services to the community on an extended temporary basis. These units are designed to be moved periodically, depending on need.

(51) [(46)] Universal precautions--Procedures for disinfection and sterilization of reusable medical devices and the appropriate use of infection control, including hand washing, the use of protective barriers, and the use and disposal of needles and other sharp instruments as those procedures are defined by the Centers for Disease Control (CDC) of the United States Public Health Service. This term includes standard precautions as defined by CDC which are designed to reduce the risk of transmission of blood borne and other pathogens in facilities.

(52) [(47)] Violation--Failure to comply with the licensing statute, a rule or standard, special license provision, or an order issued by the commissioner of health or the commissioner's designee, adopted or enforced under the licensing statute. Each day a violation continues or occurs is a separate violation for purposes of imposing a penalty.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 2, 2004.

TRD-200400003

Susan K. Steeg

General Counsel

Texas Department of Health

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For further information, please call: (512) 458-7236



SUBCHAPTER B. APPLICATION AND ISSUANCE OF A LICENSE

25 TAC §§134.22, 134.23, 134.26

The amendments are proposed under Health and Safety Code, Chapter 577, concerning private mental hospitals and other mental health facilities; and Health and Safety Code, §12.001, which provides the Texas Board of Health (board) with the authority to adopt rules for the performance of every duty imposed by law on the board, the department, and the commissioner of health.

The amendments affect the Health and Safety Code, Chapters 577 and 12.

§134.22. *Application and Issuance of Initial License.*

(a) - (c) (No change.)

(d) Issuance of license. When it is determined that the facility has complied with subsections (a)-(c) of this section, the department shall issue the license to the applicant.

(1) (No change.)

(2) Expiration date.

(A) For initial licenses issued prior to January 1, 2005.

[If the effective date of the license is the first day of a month, the license expires on the last day of the month preceding the issuance month of the next year. For example, if a license is effective September 1, the license expires on August 31 of the next year and every year thereafter unless a change of ownership occurs.]

(i) If the effective date of the license is the first day of a month, the license expires on the last day of the 11th month after issuance.

(ii) If the effective date of the license is the second or any subsequent day of a month, the license expires on the last day of the 12th month after issuance.

(B) For initial licenses issued January 1, 2005 or after.

[If the effective date of the license is the second or any subsequent day of a month, the license expires on the last day of the month of the next year. For example, if the license is effective September 2, the license expires on September 30 of the next year and every year thereafter unless a change of ownership occurs.]

(i) If the effective date of the license is the first day of a month, the license expires on the last day of the 23rd month after issuance.

(ii) If the effective date of the license is the second or any subsequent day of a month, the license expires on the last day of the 24th month after issuance.

(e) - (g) (No change.)

§134.23. *Application and Issuance of Renewal License.*

(a) (No change.)

(b) Renewal license. The department shall issue a renewal license to a facility which meets the minimum requirements for a license.

(1) The facility shall submit the following to the department prior to the expiration date of the license:

(A) - (B) (No change.)

(C) the renewal license fee; ~~and~~

(D) documentation of accreditation by the Joint Commission on Accreditation of Healthcare Organizations, if applicable; [-]

(E) an annual events report in accordance with §134.47(b)(1) of this title (relating to Patient Safety Program); and

(F) a best practices report in accordance with §134.47(b)(2) of this title.

(2) (No change.)

(3) Renewal licenses issued prior to January 1, 2005, will be valid for 12 months.

(4) Renewal licenses issued January 1, 2005, through December 31, 2005, will be valid for either 12 or 24 months, to be determined by the department prior to the time of license renewal.

(5) Renewal licenses issued January 1, 2006, or after will be valid for 24 months.

(c) (No change.)

§134.26. *Fees.*

(a) (No change.)

(b) License fees.

(1) The fee for an initial license or a renewal license is \$100 [~~\$15~~] per bed per 12 months based upon the designed bed capacity. The total fee may not be less than \$3,000 per 12 months [~~\$1,000~~]. The designed bed capacity is determined as follows.

(A) - (C) (No change.)

(2) - (3) (No change.)

(c) - (e) (No change.)

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 2, 2004.

TRD-200400004

Susan K. Steeg

General Counsel

Texas Department of Health

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 458-7236



SUBCHAPTER C. OPERATIONAL REQUIREMENTS

25 TAC §134.47

The new section is proposed under Health and Safety Code, Chapter 577, concerning private mental hospitals and other mental health facilities; and Health and Safety Code, §12.001, which provides the Texas Board of Health (board) with the authority to adopt rules for the performance of every duty imposed by law on the board, the department, and the commissioner of health.

The new section affects the Health and Safety Code, Chapters 577 and 12.

§134.47. *Patient Safety Program.*

(a) General.

(1) The facility must develop, implement, maintain and enforce an effective, ongoing, organization-wide, data driven Patient Safety Program (PSP).

(A) The governing body must ensure that the PSP reflects the complexity of the facility's organization and services, including those services furnished under contract or arrangement, and focuses on the prevention and reduction of medical errors and adverse events.

(B) The PSP must be in writing, approved by the governing body and made available for review by the department. It must include the following components:

(i) the definition of medical errors, adverse events and reportable events;

(ii) the process for reporting medical errors, adverse events and reportable events;

(iii) a list of events and occurrences which staff are required to report;

(iv) time frames for reporting medical errors, adverse events and reportable events;

(v) consequences for failing to report events in accordance with facility policy;

(vi) the support systems available for staff members who have been involved in a medical error or adverse event;

(vii) mechanisms for preservation and collection of event data;

(viii) the process for conducting root cause analysis;

(ix) the process for communicating action plans;

and,

(x) the process for feedback to staff regarding the root cause analysis and action plan.

(C) The PSP program must include education of patients regarding shared responsibility for their own safety.

(D) All clinical and administrative staff must receive patient safety education and training. Training must include all PSP components as set out in subparagraph (B) of this paragraph.

(2) The facility must designate an individual qualified by training or experience to serve as the Patient Safety Program Coordinator (PSPC). The PSPC shall:

(A) coordinate all patient safety activities;

(B) facilitate assessment and appropriate response to reported events;

(C) monitor root cause analysis and resulting action plans; and

(D) serve as liaison among facility departments and committees to ensure facility-wide integration of the PSP.

(3) Within 45 days of becoming aware of a reportable event specified under subsection (b)(1)(A) of this section, the hospital must:

(A) complete a root cause analysis to examine the cause and effect of the event through an impartial process; and

(B) develop an action plan identifying the strategies that the facility intends to employ to reduce the risk of similar events occurring in the future. The action plan must:

(i) designate responsibility for implementation and oversight;

(ii) specify time frames for implementation; and

(iii) include a strategy for measuring the effectiveness of the actions taken.

(C) must make the root cause analysis and action plan available for on-site review by department representatives.

(b) Reporting requirements. The following requirements are effective July 1, 2004.

(1) Annual events report.

(A) On the renewal of the facility's license, or the anniversary of the facility's licensing date, the facility shall submit to the department a report that lists the number of occurrences at the hospital, including any outpatient facility owned or operated by the hospital, of each of the following events occurring during the preceding year:

(i) a medication error resulting in a patient's unanticipated death or major permanent loss of bodily function in circumstances unrelated to the natural course of the illness or underlying condition of the patient;

(ii) the suicide of a patient in a setting in which the patient received care 24 hours a day;

(iii) the sexual assault of a patient during treatment or while the patient was on the premises of the hospital or facility;

(iv) a hemolytic transfusion reaction in a patient resulting from the administration of blood or blood products with major blood group incompatibilities;

(v) a patient death or serious disability associated with the use or function of a device designed for patient care that is used or functions other than as intended.

(B) The hospital is not required to include any information other than the total number of occurrences of each of the events listed under subparagraph (A) of this paragraph.

(2) Best practices report.

(A) On the renewal of the facility's license, or the anniversary of the facility's licensing date, the facility shall submit to the department a minimum of one best practice and safety measure related to a reported event.

(B) The best practice report may be submitted on a form to be prescribed by the department, or the facility may submit a copy of a report submitted to a patient safety organization.

(C) Facilities may voluntarily report additional best practices and safety measures.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 2, 2004.

TRD-200400005

Susan K. Steeg

General Counsel

Texas Department of Health

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 458-7236



SUBCHAPTER E. ENFORCEMENT

25 TAC §134.81, §134.83

The amendments are proposed under Health and Safety Code, Chapter 577, concerning private mental hospitals and other mental health facilities; and Health and Safety Code, §12.001, which provides the Texas Board of Health (board) with the authority to adopt rules for the performance of every duty imposed by law on the board, the department, and the commissioner of health.

The amendments affect the Health and Safety Code, Chapters 577 and 12.

§134.81. *Survey and Investigation Procedures.*

(a) - (c) (No change.)

(d) General.

(1) The department may make any survey, or investigation that it considers necessary. A department representative(s) may enter the premises of a facility at any reasonable time to make a survey or an investigation to ensure compliance with or prevent a violation of HSC, Chapter 577, this chapter, an order or special order of the commissioner, a special license provision, a court order granting injunctive relief, or other enforcement procedures. Ensuring compliance includes permitting photocopying of any records or other information by or on behalf of the department as necessary to determine or verify compliance with the statute or rules adopted under the statute, except that the department may not photocopy, reproduce, remove or dictate from any part of the root cause analysis or action plan required under §134.47 of this title (relating to Patient Safety Program).

(2) - (3) (No change.)

(e) - (f) (No change.)

§134.83. *Enforcement.*

Enforcement is a process by which a sanction is proposed, and if warranted, imposed on an applicant or licensee regulated by the department for failure to comply with statutes, rules and orders applicable to them.

(1) Denial, suspension or revocation of a license. The department has jurisdiction to enforce violations of the Acts or the Rules adopted under this chapter. The department may deny, suspend, or revoke a license for, but not limited to, the following reasons:

(A) - (G) (No change.)

(H) fails to pay administrative penalties in accordance with HSC, Chapter 571; [ø]

(I) fails to implement plans of corrections to deficiencies cited by the department; or [-]

(J) fails to comply with applicable requirements within a designated probation period.

(2) - (3) (No change.)

(4) Probation. In lieu of suspending or revoking the license, the department may schedule the facility for a probation period of not less than 30 days if the facility is found in repeated non-compliance and the facility's noncompliance does not endanger the health and safety of the public.

(5) ~~[(4)]~~ Administrative penalty. The department has jurisdiction to impose an administrative penalty against a person licensed or regulated under this chapter for violations of the HSC, Chapters 577 and 571, this chapter (25 TAC, Chapter 134), or for any reasons outlined in paragraphs (1) through (3) of this subsection. The imposition of an administrative penalty shall be in accordance with the provisions of the HSC, §571.025 and §577.060.

(6) ~~[(5)]~~ Licensure of persons with criminal backgrounds. The department may deny a person a license or suspend or revoke an existing license on the grounds that the person has been convicted of a felony or misdemeanor that directly relates to the duties and responsibilities of the ownership or operation of a facility. The department shall apply the requirements of the Texas Occupations Code, Chapter 53.

(A) The department is entitled to obtain criminal history information maintained by the Texas Department of Public Safety (Government Code, §411.122), the Federal Bureau of Investigation Identification Division (Government Code, §411.087) or any other law enforcement agency to investigate the eligibility of an applicant for an initial or renewal license and to investigate the continued eligibility of a licensee.

(B) In determining whether a criminal conviction directly relates, the department shall consider the provisions of Occupations Code, §§53.022 and 53.023.

(C) The following felonies and misdemeanors directly relate because these criminal offenses indicate an inability or a tendency for the person to be unable to own or operate a facility:

- (i) a misdemeanor violation of HSC, Chapter 571;
- (ii) a misdemeanor or felony involving moral turpitude;
- (iii) a misdemeanor or felony relating to deceptive business practices;
- (iv) a misdemeanor or felony of practicing any health-related profession without a required license;
- (v) a misdemeanor or felony under any federal or state law relating to drugs, dangerous drugs, or controlled substances;
- (vi) a misdemeanor or felony under the Texas Penal Code (TPC), Title 5, involving a patient or a client of any health care facility, a home and community support services agency or a health care professional;
- (vii) a misdemeanor or felony under the TPC:
 - (I) Title 4 - offenses of attempting or conspiring to commit any of the offenses in this clause;
 - (II) Title 5 - offenses against the person;
 - (III) Title 7 - offenses against property;
 - (IV) Title 8 - offenses against public administration;
 - (V) Title 9 - offenses against public order and decency;
 - (VI) Title 10 - offenses against public health, safety or morals; or

(VII) Title 11 - offenses involving organized crime.

(viii) Offenses listed in subparagraph (C) of this paragraph are not exclusive in that the department may consider similar criminal convictions from other state, federal, foreign or military jurisdictions which indicate an inability or tendency for the person to be unable to own or operate a facility.

(ix) A license holder's license shall be revoked on the license holder's imprisonment following a felony conviction, felony community supervision revocation, revocation of parole, or revocation of mandatory supervision.

(7) ~~[(6)]~~ Notice. If the department proposes to deny, suspend or revoke a license, the department shall send a notice of the proposed action by certified mail, return receipt requested, at the address shown in the current records of the department or the department may personally deliver the notice. The notice to deny, suspend, or revoke a license shall state the alleged facts or conduct to warrant the proposed action, provide an opportunity to demonstrate or achieve compliance, and shall state that the applicant or license holder has an opportunity for a hearing before taking the action.

(8) ~~[(7)]~~ Acceptance. Within 20 days after receipt of the notice, the applicant or license holder may notify the department, in writing, of acceptance of the department's determination.

(9) ~~[(8)]~~ Hearing request.

(A) A request for a hearing by the applicant or license holder, shall be in writing and submitted to the department within 20 calendar days of receipt of the notice. Receipt of the notice is presumed to occur on the 30th day after the notice is mailed by the department to the last address known of the applicant or license holder.

(B) A hearing shall be conducted pursuant to the Administrative Procedure Act, Government Code, Chapter 2001.

(10) ~~[(9)]~~ No response to notice. If the applicant or license holder fails to timely respond to the notice or does not request a hearing in writing within 30 days after proper notice, the person is deemed to have waived the opportunity for a hearing as outlined in the notice and the proposed action shall be taken by default.

(11) ~~[(10)]~~ Notification of department's decision. The department shall send the license holder or applicant a copy of the department's decision for denial, suspension or revocation of license by registered mail, which shall include the findings and conclusions on which the department based its decision.

(12) ~~[(11)]~~ Admission of new patients upon suspension or revocation. Upon the department's determination to suspend or revoke a license, the license holder may not admit new patients until the license is reissued.

(13) ~~[(12)]~~ Return of original license. Upon suspension, revocation or non-renewal of the license, the original license shall be returned to the department upon the effective date of the department's determination.

(14) ~~[(13)]~~ Reapplication following denial or revocation.

(A) One year after the department's decision's to deny or revoke, or the voluntary surrender of a license by a facility while enforcement action is pending, a facility may petition the department, in writing, for a license. Expiration of a license prior to the department's decision becoming final shall not affect the one-year waiting period required before a petition can be submitted.

(B) The department may allow a reapplication for licensure if there is proof that the reasons for the original action no longer exist.

(C) The department may deny reapplication for licensure if the department determines that:

- (i) the reasons for the original action continues;
- (ii) the petitioner has failed to offer sufficient proof;

or

(iii) the petitioner has demonstrated a repeated history of failure to provide patients a safe environment or has violated patient rights.

(D) If the department allows a reapplication for licensure, the petitioner shall be required to meet the requirements as described in §134.22 of this title (relating to Application and Issuance of Initial License).

(15) [(44)] Expiration of a license during suspension. A facility whose license expires during a suspension period may not reapply for license renewal until the end of the suspension period.

(16) [(45)] Surrender of a license. In the event that enforcement, as defined in this subsection, is pending or reasonably imminent, the surrender of a facility license shall not deprive the department of jurisdiction in regard to enforcement against the facility.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 2, 2004.

TRD-200400006

Susan K. Steeg

General Counsel

Texas Department of Health

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 458-7236



TITLE 28. INSURANCE

PART 1. TEXAS DEPARTMENT OF INSURANCE

CHAPTER 9. TITLE INSURANCE

SUBCHAPTER A. BASIC MANUAL OF RULES, RATES AND FORMS FOR THE WRITING OF TITLE INSURANCE IN THE STATE OF TEXAS

28 TAC §9.30

The Texas Department of Insurance has received a petition proposing the adoption by reference of amendments to endorsements and procedural rules in the Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas (Basic Manual) relating to home equity. The amendments to §9.30 are proposed to adopt by reference the amended endorsements, Forms T-42, T-42.1, T-44, T-45, and T-46 and the amended procedural rules, P-46 and P-47 to the Basic Manual. The 78th Legislature, Regular Session,

adopted Senate Joint Resolution 42 proposing a constitutional amendment authorizing home equity lines of credit, adding requirements for one day advance disclosure of all fees, and revising technical procedures regarding home equity loans on Texas homestead property. By voter approval on September 13, 2003, Section 50, Article XVI of the Texas Constitution was amended to provide for home equity lines of credit, to require an additional notice to borrowers prior to the origination of such mortgages, and to permit lenders to take certain actions to cure origination defects with such mortgages, including offering borrowers the opportunity to refinance such mortgages under certain circumstances. Stewart Title Guaranty Company (Stewart) has proposed amendments to the applicable procedural rules and endorsements in the Basic Manual to facilitate the issuing of mortgagee title policies insuring home equity liens on homestead property. The proposed modifications to the existing title insurance forms relating to home equity refer to the correct and applicable law, provide insurance for future advances under home equity lines of credit, and insure disclosure of fees by title insurance companies or title insurance agents who close home equity loans. The proposed amended endorsements and procedural rules will enable title insurance companies to write additional title insurance coverages regarding home equity lending in Texas. The proposed amendments will also provide both lenders and borrowers more certainty regarding the meaning of the law and a clear means of resolving origination problems.

The proposed amended endorsement forms are as follows: Proposed amendment to the Equity Loan Mortgage Endorsement (T-42) conforms this endorsement to the new amendments to constitutional provisions for home equity loans, including new provisions for home equity lines of credit. Proposed amendment to the Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1) provides insurance of advance disclosure of fees as required by the new amendments to constitutional provisions for home equity loans and also incorporates a definition of business day for purposes of the endorsement. Proposed amendments to the Texas Residential Limited Coverage Junior Mortgagee Policy (T-44) and the Texas Residential Limited Coverage Junior Mortgagee Policy Down Date Endorsement (T-45) conform these endorsements to the new amendments to constitutional provisions for home equity loans. Proposed amendment to the Texas Residential Limited Coverage Junior Mortgagee Policy Variable Rate Endorsement (T-46) conforms this endorsement to the new amendments to constitutional provisions for home equity loans, including new provisions for home equity lines of credit and adds to the name of the endorsement a reference to home equity line of credit.

The proposed amended procedural rules are Procedural Rule P-46, which incorporates references to applicable constitutional provisions for home equity lines of credit and to the modified Texas Residential Limited Coverage Junior Mortgagee Policy Home Equity Line of Credit/Variable Rate Endorsement (T-46), and Procedural Rule P-47, which establishes requirements for issuance of the proposed additional coverages to the Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1). The department has filed a copy of each of the proposed amended forms and procedural rules with the Secretary of State's Texas Register section. Persons desiring copies of the proposed items can obtain them from the Office of the Chief Clerk, Texas Department of Insurance, 333 Guadalupe Street, Austin, Texas, 78714-9104. To request copies, please contact Sylvia Gutierrez at (512) 463-6327.

Robert R. Carter, Jr., Deputy Commissioner for the Title Division, has determined that, for each year of the first five years the amendments are in effect, there will be no fiscal impact on state or local government as a result of enforcing or administering the amendments. Mr. Carter has also determined that there will be no effect on local employment or the local economy.

Mr. Carter has also determined that for each year of the first five years the proposed amendments are in effect, the public benefit anticipated as a result of administering and enforcing the amendments will be to ensure the appropriate policy and endorsement language on title insurance policies covering home equity loans. The department expects the public to benefit from the introduction of the expanded coverage offered by the proposed amendments, which is likely to facilitate the continued availability of mortgage loan funds in the State of Texas. Both Texas homeowners and lenders will benefit from a strong secondary market for Texas home equity loans. The department expects the current premium rates for these existing endorsements to fully cover the costs of producing the amended endorsements. The sale of such endorsements is voluntary and imposes no additional regulatory costs on companies that decide to participate in the market. Additionally, the department anticipates that the premium schedules will fully compensate small, large, and micro-businesses, and therefore, expects no differential impact between small, large, and micro-businesses that decide to participate in such sales. The cost per hour of labor should not vary between small, large, and micro-businesses. Further, it is neither legal nor feasible to exempt small or micro-businesses or to waive compliance considering the purpose of the efficient regulation of title insurance for which the amendments are to be adopted.

To be considered, written comments on the proposal must be submitted no later than 5:00 p.m. on February 16, 2004, to Gene C. Jarmon, General Counsel and Chief Clerk, Mail Code 113-2A, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104. An additional copy of the comments must be submitted simultaneously to Robert R. Carter, Jr., Deputy Commissioner, Title Division, Mail Code 106-2T, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104. Request for a public hearing should be submitted separately to the Chief Clerk's office.

The amended section is proposed pursuant to the Insurance Code, Articles 9.07, 9.21, and §36.001, and Section 50, Article XVI of the Texas Constitution. Article 9.07 authorizes and requires the commissioner to promulgate or approve rules and policy forms of title insurance and otherwise to provide for the regulation of the business of title insurance. Article 9.21 authorizes the commissioner to promulgate and enforce rules prescribing underwriting standards and practices, and to promulgate and enforce all other rules necessary to accomplish the purposes of Chapter 9, concerning regulation of title insurance. Section 36.001 of the Insurance Code provides that the Commissioner of Insurance may adopt any rules necessary and appropriate to implement the powers and duties of the Texas Department of Insurance under the Insurance Code and other laws of this state. By voter approval on September 13, 2003, Section 50, Article XVI of the Texas Constitution was amended to provide for home equity lines of credit, to require an additional notice to borrowers prior to the origination of such mortgages, and to permit lenders to take certain actions to cure origination defects with such mortgages, including offering borrowers the opportunity to refinance such mortgages under certain circumstances.

The following statutes are affected by this proposal: Insurance Code, Articles 9.07 and 9.21.

§9.30. Procedural Rules, Rates, and Forms Relating to Home Equity [Rule, Rate, and Form for Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1) and Rate for Equity Loan Mortgage Endorsement (T-42)].

In addition to material adopted by reference under §9.1 of this title (relating to Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas (the manual)), the Texas Department of Insurance adopts by reference, as part of the manual, amendments to Procedural Rule P-46 and Procedural Rule P-47 and endorsement forms, Equity Loan Mortgage Endorsement (T-42), [~~form T-42.1 for~~] Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1), Texas Residential Limited Coverage Junior Mortgagee Policy (T-44), Texas Residential Limited Coverage Junior Mortgagee Policy Down Date Endorsement (T-45), and Texas Residential Limited Coverage Junior Mortgagee Policy Home Equity Line of Credit/Variable Rate Endorsement (T-46), as amended effective March 15, 2004 [~~and Rate Rule 28 Premium for Equity Loan Mortgage Endorsement (T-42) and Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1)]~~]. This document is available from and on file at the Texas Department of Insurance, Title Division, Mail Code 106-2T, William P. Hobby State Office Building, 333 Guadalupe Street, P.O. Box 149104, Austin, Texas 78714-9104.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 2, 2004.

TRD-200400002

Gene C. Jarmon

General Counsel and Chief Clerk

Texas Department of Insurance

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 463-6327

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**PART 2. TEXAS WORKERS'
COMPENSATION COMMISSION**

**CHAPTER 42. MEDICAL BENEFITS
SUBCHAPTER B. MEDICAL COST
EVALUATION**

The Texas Workers' Compensation Commission (the commission) proposes amendments to §42.105 (Medical Fee Guideline), and the repeal of §42.115 (Pharmaceutical Fee Guideline).

The amendments to §42.105 are proposed to make all fee guidelines and pharmaceutical benefit provisions under Chapter 134 of the commission's rules applicable to the reimbursement of medical treatments and services provided to employees who sustained compensable injuries before January 1, 1991 ("old law" claims).

Currently, only §134.201 of that chapter provides for the reimbursement of professional medical treatments and services that relate to "old law" claims. In addition, there is currently no facility fee guideline applicable to the reimbursement of facility services that relate to "old law" claims. The proposed amendments to §42.105 provide that §134.201 will continue to apply to "old law" claim for professional medical treatments and services rendered

before May 1, 2004; and that all the fee guidelines and pharmaceutical benefit provisions within Chapter 134 will apply to "old law" claims for professional medical treatments and services rendered on or after May 1, 2004. The proposed amendments to §42.105 will also make any facility fee guidelines currently in effect, and any facility or other health care fee guidelines adopted by the commission in the future, applicable to "old law" claims.

The proposed amendments to §42.105 do not make all of Chapter 134 applicable to "old law" claims. Only the fee guideline provisions currently found in Subchapters C and D, and the pharmaceutical benefit provisions currently found in Subchapter F, and any fee guideline provisions or pharmaceutical benefit provisions adopted by the commission under Chapter 134 in the future, would apply. The only exception would be §134.501, relating to Initial Pharmaceutical Coverage. Section 134.501, which addresses the reimbursement of pharmaceutical services provided within the first seven days following the date of injury for new law cases.

The applicable sections of Chapter 134 currently in effect would be as follows:

134.201 Medical Fee Guideline for Medical Treatments and Services Provided under the Texas Workers' Compensation Act

134.202 Medical Fee Guideline

134.203 Dental Fee Guideline

134.401 Acute Care Inpatient Hospital Fee Guideline

134.500 Definitions

134.502 Pharmaceutical Services

134.503 Reimbursement Methodology

134.504 Pharmaceutical Expenses Incurred by the Injured Employee

134.506 Outpatient Drug Formulary

The commission proposes to amend §42.105 as follows:

Amend the title to read, "Medical Fee Guidelines and Pharmaceutical Benefits."

Add a new subsection (a), which provides that the fee guidelines and pharmaceutical benefit provisions under Chapter 134 of this title (regarding Benefits - Guidelines for Medical Services, Charges, and Payments) are applicable to medical treatments and services provided on or after May 1, 2004.

Amend subsection (b) to state that, for medical treatments and services provided before May 1, 2004, the maximum allowable reimbursement is the lesser of the provider's usual fees and charges or the reimbursement established by the applicable Medical Fee Guideline adopted by the commission in §134.201.

Delete subsections (c) and (d) because reimbursement of the purchase or rental of durable medical equipment is addressed in the established guidelines, and to eliminate unnecessary excess verbiage.

A full explanation of the methodology used in developing the *Texas Workers' Compensation Commission Medical Fee Guideline 1996*, can be found in the preamble to the adoption 28 TAC §134.201, published in the March 12, 1996, *Texas Register* (21 TexReg 2361).

A full explanation of the methodology used in developing the *Acute Care Inpatient Hospital Fee Guideline, 1997* can be found

in the preamble to the adoption of 28 TAC §134.401, published in the July 4, 1997, *Texas Register* (22 TexReg 6305).

A full explanation of the methodology used in developing the *Reimbursement Methodology* under Subchapter F, Pharmaceutical Benefits, of Chapter 134 can be found in the preamble to the adoption of 28 TAC §134.503, published in August 31, 2001, *Texas Register* (26 TexReg 6584).

A full explanation of the methodology used in developing the *2002 Medical Fee Guideline*, can be found in the preamble to the adoption of 28 TAC §134.202, published in May 10, 2002, *Texas Register* (28 TexReg 4048). Additionally, a supplemental preamble further explaining the development of the *2002 Medical Fee Guideline*, §134.202, can be found in the December 27, 2002, publication of the *Texas Register* (27 TexReg 12304).

An explanation of the development of proposed §134.402, *Ambulatory Surgical Center Fee Guideline*, to be considered as one of several rules that will comprise Subchapter E, regarding Health Facility Fees, under Chapter 134, can be found in the proposal preamble of the October 31, 2003, publication of the *Texas Register* (28 TexReg 9405).

The repeal of §42.115, the Pharmaceutical Fee Guideline, is proposed because provisions regarding reimbursement for pharmaceutical benefits were incorporated into §134.201, *The Texas Workers' Compensation Medical Fee Guideline, 1996* (1996 MFG), which is applicable for dates of service before May 1, 2004. For dates of services on or after May 1, 2004, pharmaceutical benefits related to "old law" claims are to be reimbursed under Chapter 134, Subchapter F, Pharmaceutical Benefits.

A full explanation of the methodology used in developing the *Texas Workers' Compensation Commission Medical Fee Guideline 1996*, can be found in the preamble to the adoption 28 TAC §134.201, published in the March 12, 1996, *Texas Register* (21 TexReg 2361).

Judy Bruce, Director of the commission's Medical Review Division, has determined that for the first five-year period the proposed rules are in effect there will be no increased costs to state and local governments as a result of enforcing or administering the rules. State and local governments as regulated entities may realize a slight savings in costs or resources because administering one reimbursement system on or after May 1, 2004, may reduce potential confusion associated with the administration of two separate reimbursement systems for "old law" and "new law" claims, which may, in turn, reduce the number of disputes regarding payments for medical treatments and services. For the same reasons, the Medical Review Division should resolve reimbursement disputes more quickly, resulting in additional savings in costs to state and local governments as a result of enforcing or administering the rules.

The State Office of Risk Management and other self-insured governmental entities should experience a reduction in the payment rates for medical benefits as a result of the proposed amendments and repeal. The impact of those reductions will be dependent on the number of "old law" claims that remain active and the quantity of services provided. Since there is an overall reduction in reimbursement amounts under Chapter 134, that overall reduction will likely extend to "old law" claims. This same logic should apply to any other state or local government "old law" claims.

No impact to revenues of state or local governments is anticipated as a result of enforcing or administering the proposed rules.

Ms. Bruce has also determined that for each year of the first five years the proposed amendments and repeal are in effect the public benefit anticipated as a result of enforcing the rules will be greater efficiency in administering one reimbursement system for both "old law" and "new law" claims. The public will also benefit from the additional medical cost containment measures designed to assure continued quality of medical care, which are included in the more recently adopted provisions of Chapter 134. Additionally, the public will benefit from any future revisions or guidelines within Chapter 134, which will include these same features.

Based on current patterns of utilization, insurance carriers should experience a decrease in total medical service payments because of the overall reduction in reimbursement amounts under Chapter 134. It is also anticipated that insurance carriers will realize a slight savings in costs or resources as the number of disputes regarding payments for medical treatments and services may be reduced because administering one reimbursement system on or after May 1, 2004, will result in administrative efficiencies. These savings should favorably impact premiums thus benefiting employers and benefiting employees because appropriate cost containment favors workers' compensation coverage for employees.

Injured employees will benefit from these amended rules because the rules will assure reimbursement equity between services provided to employees who were injured prior to January 1, 1991, and services provided to employees injured after that date. There will be no fiscal impact on injured employees as a result of enforcing these rules.

For health care providers, the benefits of the proposed rule amendments are anticipated to minimize disputes and encourage prompt payments to health care providers. Because of some redistribution of total reimbursements, fiscal impact of revisions to the fee guidelines and pharmaceutical benefits on health care providers will depend on their area of practice. Some health care providers will experience an increase in fees for services, while others will experience a decrease in fees and still others will experience no fiscal impact as a result of the reimbursement system. Overall, there is expected to be a decrease in payments to health care providers.

There will be no adverse effect on small or micro businesses. There will be no difference in the costs of compliance for small or micro businesses as compared to large businesses.

Comments on the proposed rule or requests for a public hearing must be received by 5:00 p.m., February 16, 2004. You may comment via the Internet by accessing the commission's website at www.twcc.state.tx.us, clicking on "Laws, Rules and Forms," and then on "Proposed Rules." This medium for commenting will help you organize your comments. You may also comment by emailing your comments to RuleComments@twcc.state.tx.us or by mailing or delivering your comments to Linda Velasquez, Legal Services, Mailstop #4-D, Texas Workers' Compensation Commission, 7551 Metro Center Drive, Suite #100, Austin, Texas 78744-1609.

Commenters are requested to clearly identify by number the specific rule and paragraph (e.g., 42.105(a), 42.105(b)(1)(A), 42.115, etc.) commented upon. The commission may not be

able to respond to comments that cannot be linked to a particular proposed rule. Along with your comment, it is suggested that you include the reasoning for the comment in order for commission staff to fully evaluate your recommendations.

Based upon various considerations, including comments received and the Executive Director and staff's review, the rules as adopted may be revised from the rules as proposed in whole or in part.

Persons in support or opposition of the rule as proposed, in whole or in part, are encouraged to comment to that effect. The failure to comment accordingly is not indicative of support or opposition.

The proposed amendments and repeal affect the following statutes: Texas Revised Civil Statutes, Article 8306, §7(b) (Vernon 1990), which required the Industrial Accident Board (board) to adopt rules that establish guidelines for the charges and utilization of medical services and that implement medical cost containment measures; Texas Revised Civil Statutes, Article 8307, §4(a) (1990), which authorized the board to make rules to carry out and enforce the law in effect at that time; Texas Revised Civil Statutes, Article 8308-17.12(b), which authorizes the commission to delegate appropriate powers and duties to the Executive Director to administer the workers' compensation law in effect prior to the effective date of the new Texas Workers' Compensation Act (which delegation was made by the Commission on April 1, 1990; and Texas Revised Civil Statutes, Article 8308-17.18(d), which states that the commission shall process claims for injuries occurring prior to January 1, 1991, in accordance with the law in effect on the date of injury, and the former law is continued in effect for that purpose.

28 TAC §42.105

The amendment is proposed under Texas Revised Civil Statutes, Article 8306, §7(b); Article 8307, §4(a); Article 8308-17.12(b); and Article 8308-17.18(d) (Vernon 1990).

The previously cited sections of the Texas Revised Civil Statutes are affected by this proposed rule action. No other code or statute is affected by this rule action.

§42.105. Medical Fee Guidelines and Pharmaceutical Benefits Guideline.

(a) Reimbursement for medical treatments and services provided on or after May 1, 2004, shall be made pursuant to the fee guidelines and pharmaceutical benefit provisions under Chapter 134 of this title (regarding Benefits - Guidelines for Medical Services, Charges, and Payments).

(b) [(a)] For medical treatments and services provided before May 1, 2004, the [The] maximum allowable reimbursement [charge under the Medical Fee Guideline for Services Rendered under the Texas Workers' Compensation Act] is the lesser of:

- (1) the provider's usual fees and charges; or
- (2) the reimbursement [fees and charges] established by the applicable Medical Fee Guideline adopted by the commission in [use of a relative value scale adopted under subsection (b) of this section.]

(b) The commission will publish and adopt by reference herein a relative value scale used in conjunction with the 1990 CPT (Physician's Current Procedural Terminology) as part of the Medical Fee Guideline for Services Rendered under the Texas Workers' Compensation Act. This guideline is published as the 1991 Texas Workers' Compensation Commission Medical Fee Guideline, which is incorporated herein by reference. This shall be the same guideline adopted by

the Texas Workers' Compensation Commission and incorporated into §134.201 of this title (relating to Medical Fee Guideline for Medical Treatments and Services [and Equipment] Provided under the Texas Workers' Compensation Act) [as it exists on the effective date of this section and as it may be amended thereafter by the commissioners. The guideline may be obtained from the Reprographics Department, Texas Workers' Compensation Commission, The Southfield Building, 4000 South I-H 35, Austin, Texas 78704].

~~[(e) The allowable charge for the purchase or rental of durable medical equipment is the lesser of:]~~

~~[(1) the provider's usual fees and charges; or]~~

~~[(2) the fees and charges established in the durable medical equipment section of the Medical Fee Guideline, which is incorporated herein by reference.]~~

~~[(d) The guidelines established herein shall be used for services rendered, and durable medical equipment prescribed, on and after the effective date of this section.]~~

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400013

Susan Cory

General Counsel

Texas Workers' Compensation Commission

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 804-4287



28 TAC §42.115

(Editor's note: The text of the following section proposed for repeal will not be published. The section may be examined in the offices of the Texas Workers' Compensation Commission or in the Texas Register office, Room 245, James Earl Rudder Building, 1019 Brazos Street, Austin.)

The repeal is proposed under Texas Revised Civil Statutes, Article 8306, §7(b); Article 8307, §4(a); Article 8308-17.12(b); and Article 8308-17.18(d) (Vernon 1990).

The previously cited sections of the Texas Revised Civil Statutes are affected by this proposed rule action. No other code or statute is affected by this rule action.

§42.115. *Pharmaceutical Fee Guideline.*

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400012

Susan Cory

General Counsel

Texas Workers' Compensation Commission

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 804-4287



TITLE 34. PUBLIC FINANCE

PART 4. EMPLOYEES RETIREMENT SYSTEM OF TEXAS

CHAPTER 71. CREDITABLE SERVICE

34 TAC §71.31

The Employees Retirement System of Texas (ERS) proposes new Section 71.31, of Title 34, Texas Administrative Code. Section 71.31 concerns procedures for the establishment of and purchase option for certain waiting period service credit, which includes actuarial tables (Figure: 34 TAC §71.31(c)) reflecting the actuarial cost to purchase the service. This section is added to comply with and conform to House Bill 2359, 78th Legislature, Regular Session, as it relates to changes under Texas Government Code, Chapters 805, 812, and 813.

Paula A. Jones, General Counsel, has determined that for the first five-year period the rule is in effect, there will be no fiscal implications for state or local government as a result of enforcing or administering the rule, and small businesses and individuals will not be affected.

Ms. Jones also determined that for each year of the first five years the rule is in effect the public benefit anticipated as a result of enforcing the rule will be updated information and clarification of the rule establishing the option to purchase certain waiting period service credit. There are no known anticipated economic costs to persons who are required to comply with the rule as proposed.

Comments on the proposed rule may be submitted to Paula A. Jones, General Counsel, Employees Retirement System of Texas, P.O. Box 13207, Austin, Texas 78711-3207, or e-mail Ms. Jones at pjones@ers.state.tx.us. The deadline for receiving comments is February 16, 2004, at 10:00 a.m.

The rule is proposed under Texas Government Code, §805.009 and §815.102, which provides authorization for the Board of Trustees to adopt rules for administration of the retirement system and for eligibility of membership.

No other statutes are affected by this proposed rule other than as stated above.

§71.31. Credit Purchase Option For Certain Waiting Period Service.

(a) An eligible member may establish up to three months of service credit authorized by §813.514, Texas Government Code, and as provided in this section. The provisions of §71.14 of this chapter do not apply to service credit established under this section.

(b) A member is eligible to establish service credit under this section if the member:

(1) holds a position in the employee class;

(2) has completed the 90-day waiting period; and

(3) makes application for the establishment of service credit and payment of the required contributions in accordance with procedures developed by ERS.

(c) An eligible member shall deposit with the system in a lump sum a contribution in the amount determined by the system to be the actuarial present value of the benefit attributable to the service credit established under this section. The tables recommended by the system's actuary and adopted by the board shall be used to determine the actuarial present value:
Figure: 34 TAC §71.31(c)

(d) Actuarial present value shall be based on:

(1) the member's age on the date of the deposit required by this subsection;

(2) the earliest date on which the member will become eligible to retire and receive a service retirement annuity after establishing service credit under this section; and

(3) the future employment, compensation, investment and retirement benefit assumptions recommended by the system's actuary and adopted by the board.

(e) Waiting period service credit shall be established in increments of one month.

(f) This section does not apply to service credit transferred as authorized by Texas Government Code, Chapter 805.

(g) A member who withdraws contributions and cancels service credit established under this section may not reestablish such credit under §813.102, Texas Government Code, but may again establish credit only as provided by this section.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400010

Paula A. Jones

General Counsel

Employees Retirement System of Texas

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 867-7125



CHAPTER 77. JUDICIAL RETIREMENT

34 TAC §77.21

The Employees Retirement System of Texas (ERS) proposes new §77.21 of Title 34, Texas Administrative Code. Section 77.21 concerns the purchase of additional service credit, which includes the actuarial tables (Figure: 34 TAC §77.21(d)) reflecting the actuarial cost to purchase the service. This section is added to comply with and conform to House Bill 820 and House Bill 2916, 78th Legislature, Regular Session, as it relates to changes under Texas Government Code, Chapters 838 and 839.

Paula A. Jones, General Counsel, has determined that for the first five-year period the rule is in effect, there will be no fiscal implications for state or local government as a result of enforcing or administering the rule, and small businesses and individuals will not be affected.

Ms. Jones also determined that for each year of the first five years the rule is in effect the public benefit anticipated as a result of enforcing the rule will be updated information and clarification of the rule pertaining to purchasing additional service credit. There are no known anticipated economic costs to persons who are required to comply with the rule as proposed.

Comments on the proposed new section may be submitted to Paula A. Jones, General Counsel, Employees Retirement System of Texas, P.O. Box 13207, Austin, Texas 78711-3207, or e-mail Ms. Jones at pjones@ers.state.tx.us. The deadline for receiving comments is February 16, 2004, at 10:00 a.m.

The new section is proposed under Texas Government Code, §835.002 and §840.002, which provides authorization for the Board of Trustees to adopt rules for administration of the judicial retirement systems.

No other statutes are affected by the proposed new section.

§77.21. Purchase of Additional Service Credit.

(a) The provisions of this section apply only to the Judicial Retirement System of Texas Plan Two (JRS-II).

(b) An eligible member may establish equivalent membership service credit authorized by §838.108, Texas Government Code, as provided in this section. The provisions of §77.15 of this chapter do not apply to service credit established under this section.

(c) A member is eligible to establish service credit under this section in the membership class in which the member holds a position if the member:

(1) has 120 months of service credit for one or more periods of time during which the member held a position as a judge and the required contributions were made;

(2) is a member of the system at the time credit is established; and

(3) is not eligible to establish other credit or service.

(d) An eligible member shall deposit with the system in a lump sum a contribution in the amount determined by the system to be the actuarial present value of the benefit attributable to the credit established under this section. The tables recommended by the system's actuary and adopted by the board shall be used by the system to determine the actuarial present value:

Figure: 34 TAC §77.21(d)

(e) Actuarial present value shall be based on:

(1) the member's age on the date of the deposit required by this subsection;

(2) the earliest date on which the member will become eligible to retire and receive a service retirement annuity after establishing credit under this section; and

(3) the future employment, compensation, investment and retirement benefit assumptions recommended by the actuaries and adopted by the board.

(f) Credit shall be established in whole year increments of credit.

(g) A member who establishes credit under this section shall certify that the member is not eligible to establish other credit or service and shall waive any and all right to establish such credit or service that the member had on the date of the deposit required by subsection (d) of this section.

(h) Credit established under this section may not be used to compute the amount of a disability retirement annuity.

(i) A member who withdraws contributions and cancels credit established under this section may not reestablish such credit under §838.102, Texas Government Code, but may again establish credit as provided in this section.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400011

Paula A. Jones

General Counsel

Employees Retirement System of Texas

Earliest possible date of adoption: February 15, 2004

For further information, please call: (512) 867-7125



WITHDRAWN RULES

Withdrawn Rules include proposed rules and emergency rules. A state agency may specify that a rule is withdrawn immediately or on a later date after filing the notice with the Texas Register. A proposed rule is withdrawn six months after the date of publication of the proposed rule in the Texas Register if a state agency has failed by that time to adopt, adopt as amended, or withdraw the proposed rule. Adopted rules may not be withdrawn. (Government Code, §2001.027)

TITLE 34. PUBLIC FINANCE

PART 4. EMPLOYEES RETIREMENT SYSTEM OF TEXAS

CHAPTER 71. CREDITABLE SERVICE

34 TAC §71.31

The Employees Retirement System of Texas has withdrawn from consideration the proposed new §71.31 which appeared in the November 7, 2003, issue of the *Texas Register* (28 TexReg 9718).

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400008

Paula A. Jones

General Counsel

Employees Retirement System of Texas

Effective date: January 5, 2004

For further information, please call: (512) 867-7125

CHAPTER 77. JUDICIAL RETIREMENT

34 TAC §77.21

The Employees Retirement System of Texas has withdrawn from consideration the proposed new §77.21 which appeared in the November 7, 2003, issue of the *Texas Register* (28 TexReg 9723).

Filed with the Office of the Secretary of State on January 5, 2004.

TRD-200400009

Paula A. Jones

General Counsel

Employees Retirement System of Texas

Effective date: January 5, 2004

For further information, please call: (512) 867-7125

ADOPTED RULES

Adopted rules include new rules, amendments to existing rules, and repeals of existing rules. A rule adopted by a state agency takes effect 20 days after the date on which it is filed with the Secretary of State unless a later date is required by statute or specified in the rule (Government Code, §2001.036). If a rule is adopted without change to the text as published in the proposed rule, then the *Texas Register* does not republish the rule text here. If a rule is adopted with change to the text of the proposed rule, then the final rule text is included here. The final rule text will appear in the Texas Administrative Code on the effective date.

TITLE 19. EDUCATION

PART 2. TEXAS EDUCATION AGENCY

CHAPTER 61. SCHOOL DISTRICTS

SUBCHAPTER EE. COMMISSIONER'S

RULES ON REPORTING CHILD ABUSE AND NEGLECT

19 TAC §61.1051

The Texas Education Agency (TEA) adopts an amendment to §61.1051, concerning reporting child abuse and neglect, without changes to the proposed text as published in the October 17, 2003, issue of the *Texas Register* (28 TexReg 9048) and will not be republished. The section establishes TEA's policy governing the child abuse reports required of school districts and their employees by Texas Family Code, Chapter 261. The adopted amendment adds a new category of information relating to reporting child abuse and neglect that must be addressed by school policies for the purpose of providing notification to school personnel. The new requirement is for notification of the provisions of Texas Education Code (TEC) §26.0091, added by House Bill 320, 78th Texas Legislature, 2003.

The existing 19 TAC §61.1051 requires the board of trustees of a school district to establish and annually review policies requiring reporting by employees, agents, and contractors of child abuse or neglect. The rule enumerates categories of information relating to child abuse reporting that must be included in school district policies for the purpose of providing notification to school personnel of elements of the law related to reporting child abuse and neglect. The rule also requires distribution of the policies to all school personnel and the inclusion of the policies in staff development programs at regular intervals.

The adopted amendment to 19 TAC §61.1051 adds a requirement that school district policies notify school personnel of the provisions of TEC, §26.0091, which prohibit school district employees from using or threatening to use the refusal of a parent, guardian, or managing or possessory conservator to administer or consent to the administration of a psychotropic drug to a child, or to consent to any other psychiatric or psychological testing or treatment of the child, as the sole basis for making a report of neglect unless the employee has cause to believe the refusal presents a substantial risk of death, disfigurement, or bodily injury to the child or has resulted in an observable and material impairment to the child's growth, development, or functioning.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Education Code (TEC), §38.004, which authorizes the agency to adopt a policy governing the child abuse reports required by Texas Family Code, Chapter 261.

The amendment implements the TEC, §38.004.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308968

Cristina De La Fuente-Valadez

Director, Policy Coordination

Texas Education Agency

Effective date: January 20, 2004

Proposal publication date: October 17, 2003

For further information, please call: (512) 475-1497

TITLE 28. INSURANCE

PART 1. TEXAS DEPARTMENT OF INSURANCE

CHAPTER 1. GENERAL ADMINISTRATION

SUBCHAPTER C. MAINTENANCE TAXES AND FEES

28 TAC §1.414

The Commissioner of Insurance adopts an amendment to §1.414 concerning assessment of maintenance taxes and fees for payment in the year 2004. The amended section is adopted with changes to the proposed text as published in the November 21, 2003, issue of the *Texas Register* (28 TexReg 10416).

The amendment is necessary to adjust the rates of assessment for maintenance taxes and fees for 2004 which will provide the revenue necessary to fund appropriations made by the Legislature to fund regulation of the insurance industry in Texas by the department. In subsection (c)(1) the rate per enrollee for multi-service health maintenance organizations is changed to \$.89. The original proposal mistakenly set the rate at \$.90. The preamble to the original proposal correctly stated the rate. The change will not impact any persons not affected by the original proposal, will not increase costs and will not be more burdensome to companies than the original proposal.

Section 1.414 sets rates of assessment and applies those rates to the gross premium receipts for the calendar year 2003, or some other basis designated by statute, to life, accident, and health insurance; motor vehicle insurance; casualty insurance, and fidelity, guaranty and surety bonds; fire insurance and allied lines, including inland marine; workers' compensation insurance; title insurance; health maintenance organizations; third party administrators; and corporations issuing prepaid legal services contracts. The department anticipates the adopted rates will produce revenue of \$34,205,227 to the state's general revenue fund.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Insurance Code Articles 4.17, 5.12, 5.24, 5.49, 5.68, 9.46, 21.07-6 §21, 23.08A, and 20A.33 and §36.001. These articles provide authorization for the Texas Department of Insurance to assess maintenance taxes and fees for the lines of insurance and related activities specified in §1.414. Article 4.17 establishes a maintenance tax based on insurance premiums for life, accident, and health coverage and the gross considerations for annuity and endowment contracts. Article 5.12 establishes a maintenance tax based on insurance premiums for motor vehicle coverage. Article 5.24 establishes a maintenance tax based on insurance premiums for casualty insurance and fidelity, guaranty and surety bonds coverage. Article 5.49 establishes a maintenance tax based on insurance premiums for fire and allied lines coverage, including inland marine. Article 5.68 establishes a maintenance tax based on insurance premiums for workers' compensation coverage. Article 9.46 establishes a maintenance fee based on insurance premiums for title coverage. Article 21.07-6 §21 establishes a maintenance tax based on the gross amount of administrative or service fees for third party administrators. Article 23.08A establishes a maintenance tax based on gross revenue of corporations issuing prepaid legal service contracts. The Texas Health Maintenance Organization Act, Section 33 (Article 20A.33), establishes an annual tax based on the gross amounts of revenues collected for the issuance of health maintenance certificates or contracts. Section 36.001 provides that the Commissioner may adopt any rules necessary and appropriate to implement the powers and duties of the Texas Department of Insurance under the Insurance Code and other laws of this state.

§1.414. Assessment of Maintenance Taxes and Fees, 2004.

(a) The following rates for maintenance taxes and fees are assessed on gross premiums of insurers for calendar year 2003 for the lines of insurance specified in paragraphs (1) - (5) of this subsection:

- (1) for motor vehicle insurance, pursuant to the Insurance Code Article 5.12, the rate is .035 of 1.0%;
- (2) for casualty insurance, and fidelity, guaranty and surety bonds, pursuant to the Insurance Code Article 5.24, the rate is .091 of 1.0%;
- (3) for fire insurance and allied lines, including inland marine, pursuant to the Insurance Code Article 5.49, the rate is .188 of 1.0%;
- (4) for workers' compensation insurance, pursuant to the Insurance Code Article 5.68, the rate is .030 of 1.0%;
- (5) for title insurance, pursuant to the Insurance Code Article 9.46, the rate is .045 of 1.0%.

(b) The rate for the maintenance tax to be assessed on gross premiums for calendar year 2003 for life, health, and accident insurance and the gross considerations for annuity and endowment contracts, pursuant to the Insurance Code Article 4.17, is .026 of 1.0%.

(c) Rates for maintenance taxes are assessed for calendar year 2003 for the following entities:

(1) pursuant to the Texas Health Maintenance Organization Act, §33 (Insurance Code Article 20A.33), the rate is \$.30 per enrollee for single service health maintenance organizations, \$.89 per enrollee for multi-service health maintenance organizations and \$.30 per enrollee for limited service health maintenance organizations;

(2) pursuant to the Insurance Code Article 21.07-6, §21, the rate is .150 of 1.0% of the correctly reported gross amount of administrative or service fees for third party administrators; and

(3) pursuant to the Insurance Code Article 23.08A, the rate is .022 of 1.0% of correctly reported gross revenues for corporations issuing prepaid legal service contracts.

(d) The enactment of Senate Bill 14, 78th Legislature, Regular Session, relating to certain insurance rates, forms, and practices, did not affect the calculation of the maintenance tax rates or the assessment of the taxes.

(e) The taxes assessed under subsections (a), (b), and (c) of this section shall be payable and due to the Comptroller of Public Accounts, Austin, TX 78774-0100 on March 1, 2004.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308937
Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Effective date: January 20, 2004
Proposal publication date: November 21, 2003
For further information, please call: (512) 463-6327

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**CHAPTER 7. CORPORATE AND FINANCIAL
REGULATION
SUBCHAPTER J. EXAMINATION EXPENSES
AND ASSESSMENTS**

28 TAC §7.1012

The Commissioner of Insurance adopts an amendment to §7.1012 concerning assessments to cover the expenses of examining insurance companies. The amendment is adopted without changes to the text as proposed in the November 21, 2003, issue of the *Texas Register* (28 TexReg 10418) and will not be republished.

The amendment is necessary to provide a rate of assessment for domestic and foreign insurance company examination expenses in 2004 which will provide the revenue necessary to fund the appropriations made by the Legislature.

Section 7.1012 provides the method and rates of assessment for examination expenses of foreign and domestic insurance companies. Rates of assessment are levied against and collected from each domestic insurance company based on admitted assets and gross premium receipts for the 2003 calendar year, and from each foreign insurance company examined during the calendar year 2004 based on a percentage of the gross salary paid to an examiner for each month or part of a month during which the examination is made. The department anticipates that the adopted rate will produce revenue of \$8,019,883 to the state's general revenue fund. The expenses and charges to be assessed are in addition to, and not in lieu of, any other charge which may be made under the law, including the Insurance Code Article 1.16.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Insurance Code Article 1.16 and §36.001. Article 1.16(a) and (b) authorize the Commissioner of Insurance to make assessments necessary to cover the expenses of examining insurance companies and to comply with the provisions of the Insurance Code Articles 1.16, 1.17, and 1.18, in such amounts as the Commissioner certifies to be just and reasonable. In addition, Article 1.16(c) provides that expenses incurred in the examination of foreign insurers by Texas examiners shall be collected by the Commissioner by assessment. Section 36.001 provides that the Commissioner may adopt any rules necessary and appropriate to implement the powers and duties of the Texas Department of Insurance under the Insurance Code and other laws of this state.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308936
Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Effective date: January 20, 2004
Proposal publication date: November 21, 2003
For further information, please call: (512) 463-6327



**CHAPTER 25. INSURANCE PREMIUM
FINANCE
SUBCHAPTER E. EXAMINATIONS AND
ANNUAL REPORTS**

28 TAC §25.88

The Commissioner of Insurance adopts an amendment to §25.88 concerning an assessment which will be used to cover the general administrative expense of insurance premium finance companies. The amendment is adopted without changes to the proposed text published in the November 21, 2003, issue of the *Texas Register* (28 TexReg 10419) and will not be republished.

The amendment is necessary to adjust the rate of assessment so that it is sufficient to meet the expenses of performing the department's statutory responsibilities for examining, investigating, and regulating insurance premium finance companies.

The department levies the rate of assessment established in the section to cover the 2004 fiscal year's general administrative expense and collect the assessment from each insurance premium finance company on the basis of a percentage of total loan dollar volume for the 2003 calendar year. The department estimates that \$224,908 will be collected for the state's general revenue fund.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Insurance Code articles 24.06(c), 24.09, and §36.001. Article 24.06(c) provides that each insurance premium finance company licensed by the department shall pay an amount assessed by the department to cover the direct and indirect cost of examinations and investigations and a proportionate share of general administrative expense attributable to regulation of insurance premium finance companies. Article 24.09 authorizes the department to adopt and enforce rules necessary to carry out provisions of the Insurance Code concerning the regulation of insurance premium finance companies. Section 36.001 provides that the Commissioner may adopt any rules necessary and appropriate to implement the powers and duties of the Texas Department of Insurance under the Insurance Code and other laws of this state.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308935
Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Effective date: January 20, 2004
Proposal publication date: November 21, 2003
For further information, please call: (512) 463-6327



TITLE 40. SOCIAL SERVICES AND ASSISTANCE

**PART 3. TEXAS COMMISSION ON
ALCOHOL AND DRUG ABUSE**

CHAPTER 141. GENERAL PROVISIONS

**40 TAC §§141.11, 141.21, 141.31, 141.51 - 141.55, 141.61,
141.62, 141.71**

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 141, §§141.11, 141.21, 141.31, 141.51 - 141.55, 141.61, 141.62 and 141.71, concerning General Provisions, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7209).

The repeal of Chapter 141 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services.

The code affected by the repeal is Chapter 461 of the Texas Health and Safety Code.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308940

Thomas F. Best

General Counsel

Texas Commission on Alcohol and Drug Abuse

Effective date: February 1, 2004

Proposal publication date: August 29, 2003

For further information, please call: (512) 349-6607



CHAPTER 141. GENERAL PROVISIONS

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts new Chapter 141, §§141.101, 141.201-141.205, 141.301, 141.302, 141.401, and 141.501-141.503 concerning General Provisions, with changes to the text that was published in the August 29, 2003, *Texas Register* (28 TexReg 7210).

The new Chapter 141 has been reorganized to provide a more functional and logical framework. It includes definitions that will apply to 40 TAC Chapters 141, 142, 144, 147, 148, 150, and 153. Many of the definitions have been rewritten for clarity and to more accurately reflect current usage. New definitions were added as appropriate due to changes in other proposed rules.

The new rules contain general provisions relating to the general operations of the Commission. These provisions include language relating to contract claims, procurement, public comment, approval authority, and training and education of employees. Language regarding advisory committees has not been carried forward from the previous rules. Provisions of former 40 TAC Chapter 146 (relating to Interagency Agreements) are now included in new Chapter 141 as Subchapter D. No significant changes were made to former §§141.31, 141.51-141.54, 141.61, 141.62, and 141.71, which deal with claims against the Commission. However, these sections have been renumbered.

Changes have been made to §141.101 as proposed. The definitions of brief intervention, licensed health professional, and nurse practitioner have been clarified. In addition, as a result of public comment, the definition of counselor has been revised to include counselor interns and graduates and the 1000 hours

of work experience are no longer required for the non-LCDC licensees listed in the definition of qualified credentialed counselor. In adopting §§141.101-141.503, the Commission makes other grammatical and non-substantive changes for the purpose of clarifying its intent.

The public comment period began on August 29, 2003, with the publication of the proposed rules in the *Texas Register* and on the Commission's website, and ended October 15, 2003. Public meetings to discuss the rules were held during the comment period in Austin, Dallas and Houston. The Commission received the majority of comments in writing by email, fax and U.S. mail. Commission staff summarized the comments received and published draft responses for review on the Commission's website in advance of its November 12, 2003, open meeting. The draft included a number of changes in response to the concerns expressed. As directed by the Commissioners at the November 12 meeting, the rules were revised further and published along with a draft final order on the Commission's website in advance of the December 9, 2003, open meeting. Chapter 141 was approved for adoption during that meeting.

The Commission received comments on the proposed rules from Amarillo Council on Alcoholism and Drug Abuse (Amarillo Council); The Association of Substance Abuse Programs (ASAP); Austin Travis County MHMR; Avenues Counseling Center; CiviGenics; Gateway Foundation; Land Manor; Permian Basin MHMR; Serenity Foundation of Texas; Southeast Texas Regional Planning Commission; Sundown Ranch; Texas Association of Addiction Professionals (TAAP); Texas Department of Criminal Justice (TDCJ); and various individual commenters. The specific comments received and the Commission's responses appear below in rule number order.

§141.101. Definitions. (16) Behavioral Health Integrated Provider System (BHIPS). The Amarillo Council comments that the definition of BHIPS should be expanded to include licensure reporting. The Commission responds that BHIPS is only used by funded providers and the new rules do not address BHIPS functionality. While expanding BHIPS functionality may be useful for certain providers, such expansion should be carefully planned and coordinated with affected entities. Such activities are beyond the scope of this rulemaking.

§141.101. Definitions. (39) Counselor and (98) Qualified Credentialed Counselor (QCC). Sundown Ranch, Southeast Texas Regional Planning Commission, CiviGenics, Gateway Foundation, Amarillo Council, ASAP, Avenues Counseling Center, Serenity Foundation of Texas and Austin Travis County MHMR have submitted various comments regarding these definitions. In addition to QCCs, the current rules include counselor interns and graduates in the definition of counselor, whereas the new rule only includes QCCs. Most of the commenters support retaining the current rule for financial and training reasons. They maintain that it is too expensive to staff a program when all counseling activities must be performed by QCCs, and question how counselor interns and graduates would have the opportunity to get their required training. The Commission responds that it has decided to revise the definition of counselor to include QCCs and interns working towards licensure that would qualify them to be a QCC.

Additionally, Avenues Counseling Center suggests including QCCs or clinicians with masters' degrees in social work, counseling, rehabilitation, psychology or related fields in the definition of counselor. The commenter suggests that the definition discounts the value of clinicians without two years

experience by placing them in the same category as a counselor intern with an associate's degree. The commenter requests a middle ground that recognizes this training and skill set.

The Commission responds that QCCs are already included in the definition of counselor. In response to comments received at the rules workshops and in response to the request for recognition of training and skills that other license holders may have, the Commission has revised the definition of QCC to delete the requirement for the listed licensees to have 1000 hours of documented experience treating substance-related disorders.

Sundown Ranch comments regarding whether LPC interns with a master's degree in counseling should be considered QCCs since they have more education than LCDCs. The Commission responds that it does not believe that LPC interns with a master's degree in counseling should qualify as QCCs since they do not have an appropriate license. Licensure carries with it certain duties and responsibilities that are not conveyed by education alone. The Commission further responds that it has amended 40 TAC CODE Chapter 141 to clarify who qualifies as a QCC and who qualifies as a counselor. Under the clarification of §141.101(39), a counselor includes various interns working towards licensure that would qualify them to be a QCC.

§141.101. Definitions. (67) Intervention Counseling. Austin Travis County MHMR and Amarillo Council comment that this term should be replaced with "intervention service" and that the last sentence of the definition should be deleted. The last sentence reads as follows: "The use of the term 'counseling' does not carry the same meaning as defined in paragraph (39) of this section."

The Commission disagrees. The term "intervention counseling" is appropriate and is currently used in the industry. The last sentence of the definition is needed because it prevents confusion with traditional counseling.

Comments Requesting Additional Definitions The Commission has received requests to add a variety of additional definitions. CiviGenics, Gateway Foundation, ASAP, Serenity Foundation of Texas, Land Manor and an individual comment that there is no definition for therapeutic community in Chapter 141 and suggest a definition. The Commission responds that it has added extensive rule provisions to Chapter 148 to address therapeutic communities.

Austin Travis County MHMR suggests adding a definition for "motivational interviewing" and suggests using the definition from current §148.1(35). The Commission declines to adopt a definition for "motivational interviewing" since it is a counseling style and should be distinguished from "brief intervention" counseling. Motivational interviewing is a directive, client-centered counseling style for eliciting behavior change by helping clients to explore and resolve ambivalence.

The Commission has amended its proposed definition of "brief intervention" in §141.101(17).

Austin Travis County MHMR further suggests adding definitions for "diversity of referrals," "successfully referred," and "other support services." The Commission declines to address the definition of "diversity of referrals" in this rulemaking. The term is more appropriately addressed in the FY05 contract. The Commission also declines to define "successfully referred" as the definition of "referral" in §141.101(101) provides sufficient guidance. Lastly, the Commission declines to adopt a definition for "other support

services" as it believes the term has a commonly understood meaning.

The Commission has substituted the definition of nurse practitioner and deleted the definition of advanced practice nurse to clarify its intent and conform the definitions to the revised rules.

SUBCHAPTER A. DEFINITIONS

40 TAC §141.101

The rules are adopted pursuant to the TEX. HEALTH & SAFETY CODE §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions, including rules that prescribe the policies and procedures it follows in administering any Commission program and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services.

The code affected by the adoption of these rules is Chapter 461 of the Health and Safety Code.

§141.101. Definitions.

The following words and terms, when used in 40 TAC chs. 141, 142, 144, 147, 148, 150, and 153 of this title shall have the following meanings, unless the context clearly indicates otherwise:

(1) Abuse--An intentional, knowing, or reckless act or omission by provider personnel, a counselor, applicant for counselor licensure, or counselor intern that causes or may cause death, emotional harm or physical injury to a participant or client. Abuse includes without limitation the following:

(A) any sexual activity between provider personnel, a counselor, applicant for counselor licensure, or counselor intern and a participant or client;

(B) corporal punishment;

(C) nutritional deprivation or sleep deprivation;

(D) efforts to cause fear;

(E) the use of any form of communication to threaten, curse, shame, or degrade a participant or client;

(F) restraint that does not conform with chapter 148 of this title (relating to Standard of Care);

(G) coercive or restrictive actions taken in response to a participant or client's request for discharge or refusal of medication or treatment that are illegal or not justified by the participant or client's condition; and

(H) any other act or omission classified as abuse by Texas law, including but not limited to, TEX. FAMILY CODE ANN. §261.001 (Vernon 1996) and TEX. HUM. RES. CODE ANN. §48.002 (Vernon Supp. 2004).

(2) Administrative Discharge--A discharge report processed by the Commission for a client whose last admission date and/or last billing end date exceeds 50 days.

(3) Administrative Follow-up--A report processed by the Commission if 90 days for non-detoxification clients or 40 days for detoxification clients have elapsed from the client's last discharge date and the client has not been readmitted to the same provider within 60 days (non-detoxification clients) or ten days (detoxification clients).

(4) Administrative Hearing--An appeals hearing conducted by the State Office of Administrative Hearings (SOAH).

(5) Administrative Law Judge (ALJ)--An individual appointed by the chief administrative law judge of SOAH under TEX.

GOV'T CODE ANN. §2003.041 (Vernon 2004) to preside over a contested case proceeding.

(6) Administrative Procedure Act (APA)-TEX. GOV'T CODE ANN. ch. 2001 (Vernon 2000 & Supp. 2004), as amended.

(7) Adolescent--An individual 13 through 17 years of age whose disabilities of minority have not been removed by marriage or judicial decree.

(8) Adult--An individual 18 years of age or older, or an individual under the age of 18 whose disabilities of minority have been removed by marriage or judicial decree.

(9) Agency--TCADA.

(10) Alternative Activities--A strategy that gives participants and their families the opportunity to take part in educational, cultural, recreational, skill-building, and work-oriented substance-free activities. Activities under this strategy are designed to encourage and foster bonding with peers, family and community.

(11) Applicant--A person who has submitted an application for an initial license to provide chemical dependency counseling or treatment, renewal of a license, or certification or approval for provision of an offender education program. For funding purposes, an applicant is a person who has submitted a proposal or application to provide substance abuse services in response to a solicitation issued by the Commission.

(12) Assessment--An ongoing process through which the counselor collaborates with the client and others to gather and interpret information necessary for developing and revising a treatment plan and evaluating client progress toward achievement of goals identified in the treatment plan, resulting in comprehensive identification of the client's strengths, weaknesses, and problems/needs.

(13) ATOD--Alcohol, tobacco and other drugs collectively.

(14) Authorized Representative--An attorney authorized to practice law in the State of Texas or, if authorized by applicable law, a person designated in writing by a party to represent the party.

(15) Behavioral Health Integrated Provider System (BHIPS)--The Commission's Internet-based computer system for contracted service providers that offers contractors the tools to meet State and Federal requirements for reporting, including capturing required client and billing data.

(16) Block Grant--Substance Abuse Prevention and Treatment Block Grant, 42 U.S.C. 300x-21, et seq.

(17) Brief Interventions--Practices designed to initiate a resolution of a problem and motivate an individual to begin to do something about his or her substance abuse. Brief interventions are described in "Brief Interventions and Brief Therapies for Substance Abuse" (Treatment Improvement Protocol 34), published by the United States Department of Health and Human Services Center for Substance Abuse Treatment (CSAT). Brief interventions are short counseling sessions that can be as short as five minutes or long as an hour for "at risk" or "harmful" users that are not chemically dependent. These interventions are for the purpose of goal setting within safe limits, giving self care instruction and referral to other sources that are appropriate. For those clients that are dependent or for whom the position along the stage of change spectrum of alcohol or drug problems is uncertain, the brief intervention is a negotiation process to seek further assessment and referral to an appropriate level of care. The brief intervention is summarized by the acronym FRAMES: feedback, responsibility, advice, menu of strategies, empathy and self-efficacy.

(18) Brief Therapy--A systematic, focused process that relies on client engagement, and rapid implementation of change strategies. Brief therapies are described in "Brief Interventions and Brief Therapies for Substance Abuse" (Treatment Improvement Protocol 34), published by CSAT.

(19) Business Day--A weekday on which State offices are open.

(20) Center for Substance Abuse Prevention (CSAP) Prevention Strategies--

(A) Community-Based Process--A strategy designed to enhance the ability of the community to provide effective prevention, intervention, and treatment services for ATOD problems and HIV infection through community mobilization and empowerment. Activities include multi-agency coordination and collaboration, networking, and development of written agreements among community organizations.

(B) Environmental and Social Policy--A strategy designed to establish or change written and unwritten community standards, codes, and attitudes, thereby influencing incidence and prevalence of substance abuse in the general population. It includes activities that center on legal and regulatory initiatives and those that relate to the service and action-oriented initiatives.

(C) Information Dissemination--A strategy that provides awareness and knowledge of ATOD problems and/or HIV infection and their harmful effects on individuals, families, and communities. It also gives the general population information about available programs and services. Information dissemination is characterized by one-way communication from the source to the audience, with limited contact between the two. Information is disseminated through written communications and/or in-person community presentations.

(D) Prevention Education and Skills Training--A curriculum-based strategy designed to develop decision-making, problem solving, and other life skills. It also provides accurate information about the harmful effects of ATOD use, abuse and addiction pertinent to the needs of the target population. The basis of activities under this strategy is interaction between the educator/facilitator and the participants. These activities are aimed to increase protective factors, foster resiliency, decrease risk factors and affect critical life and social skills relative to substance abuse and/or HIV risk of the participant and/or family members.

(E) Problem Identification and Referral--A strategy that provides services designed to ensure access to appropriate levels and types of services needed by youth or adult participants.

(F) Alternative Activities--A strategy that gives participants and their families the opportunity to take part in educational, cultural, recreational, skill-building, and work-oriented substance-free activities. Activities under this strategy are designed to encourage and foster bonding with peers, family and community.

(21) Chemical Dependency--In addition to the statutory provisions defining chemical dependency as abuse of, dependence on, or addiction to alcohol or a controlled substance (as defined by TEX. HEALTH & SAFETY CODE ANN. ch. 481 (Vernon 2001) and related statutory provisions in TEX. HEALTH & SAFETY CODE ANN. chs. 461 and 464 (Vernon 2001 & Supp. 2004), the Commission also defines chemical dependency as substance-related disorders as that term is used in the most recent published edition of the Diagnostic and Statistical Manual of Mental Disorders (See DSM).

(22) Chemical Dependency Counseling--See Practice of Chemical Dependency Counseling.

(23) Chemical Dependency Counselor--See Licensed Chemical Dependency Counselor (LCDC).

(24) Chemical Dependency Counselor Intern--A person registered with the Commission who is pursuing a course of training in chemical dependency counseling at a registered clinical training institution.

(25) Chemical Dependency Treatment--A planned, structured, and organized chemical dependency program designed to initiate and promote a person's chemical-free status or to maintain the person free of illegal drugs. It includes, but is not limited to, the application of planned procedures to identify and change patterns of behavior related to or resulting from substance-related disorders that are maladaptive, destructive, or injurious to health, or to restore appropriate levels of physical, psychological, or social functioning.

(26) Child--For purposes of reporting abuse and neglect, a child is an individual under the age of 18 whose disabilities of minority have not been removed by marriage or judicial decree. For all other purposes in these rules, child shall mean an individual under the age of 13.

(27) Child Abuse and Neglect--Any act or omission that constitutes abuse or neglect of a child under the age of 18 by a person responsible for a child's care, custody, or welfare as defined in the TEX. FAM. CODE ANN. §261.001 (Vernon 1996).

(28) Client--An individual who receives or has received services, including admission authorization or assessment or referral, from a chemical dependency treatment provider, counselor, counselor intern, or applicant for licensure as a counselor, or from an organization where the counselor, intern or applicant is working on a paid or voluntary basis.

(29) Client Data Systems (CDS) Forms--CDS forms consist of the admission/transfer admission report, discharge report, and follow-up report.

(30) Clinical Evaluation--A systematic approach to screening and assessment.

(31) Clinical Training Institution (CTI)--An individual or legal entity registered with the Commission to supervise a counselor intern.

(32) Cognizant Agency--The Federal or State agency responsible for reviewing, negotiating, and approving an organization's indirect cost rate. TCADA has not been designated as a cognizant agency.

(33) Commission--Texas Commission on Alcohol and Drug Abuse and its branches, divisions, departments, and employees.

(34) Consenter--The individual legally responsible for giving informed consent for a client. Unless otherwise provided by law, a legally competent adult is his or her own consenter and the consenter for an adolescent or child is the parent, guardian, or conservator. Texas law allows a person 16 or 17 years of age to consent to his or her own treatment.

(35) Contested Case--A proceeding, including but not restricted to licensing, in which the legal rights, duties, or privileges of a party are to be determined by the Commission after an opportunity for adjudicative hearing.

(36) Contractor--Person funded by the Commission to provide substance abuse services unless otherwise specified.

(37) Cost Reimbursement--A payment mechanism used for prevention and intervention services in which funds are provided to carry out approved activities based on an approved budget.

(38) Counseling--A collaborative process that facilitates the client's progress toward mutually determined treatment goals and objectives. Counseling includes methods that are sensitive to individual client characteristics and to the influence of significant others, as well as the client's cultural and social context. Competence in counseling is built upon the understanding of, appreciation of, and ability to appropriately use the modalities of care for individuals, groups, families, couples, and significant others.

(39) Counselor--A qualified credentialed counselor, graduate or counselor intern working towards licensure that would qualify them to be a qualified credentialed counselor (QCC).

(40) Crisis Intervention--Actions designed to intervene in situations which require immediate attention to avert potential harm to self or others. Services include face-to-face individual, family, or group interviews/interactions and/or telephone contacts to identify needs.

(41) Days--Calendar days, unless otherwise specified.

(42) Digital Authentication Key--Identification data (that includes user identification and a time stamp) that is digitally stamped on electronic documents identifying the specific user that created the document. The identification data shall be controlled by a unique user ID and an encrypted password.

(43) Direct Care Staff--Staff responsible for providing treatment, care, supervision, or other direct client services that involve face-to-face contact with a client.

(44) Discharge--Formal, documented termination of services.

(45) Document (noun)--A written or electronic record.

(46) Diagnostic and Statistical Manual of Mental Disorders (DSM)--The Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association. The current version is the Fourth Edition, Text Revision (DSM-IV-TR). Any reference to DSM shall constitute a reference to the most recent edition then published.

(47) Driving While Intoxicated (DWI)--The offense of driving while intoxicated as defined in the TEX. PEN. CODE ANN. ch. 49 (Vernon 2003).

(48) Elderly--A person 65 years of age or older.

(49) Emergency Behavioral Health Condition--Any condition, without regard to the nature or cause of the condition, which in the opinion of a prudent lay person possessing an average knowledge of medicine and health, requires immediate intervention and/or medical attention without which an individual would present a danger to themselves or others or which renders individuals incapable of controlling, knowing or understanding the consequences of their actions.

(50) Encryption--A method that allows secure transmittal of information along the Internet by encoding the transmitted data using a mathematical formula that scrambles the data. Without a corresponding "decoder," the transmission would be unusable.

(51) Executive Director--The chief administrative officer or designee of the Texas Commission on Alcohol and Drug Abuse.

(52) Exploitation--The illegal or improper use of a client or participant, or their resources, for monetary or personal benefit, profit, or gain by provider personnel, a staff member, volunteer, or other individual working under the auspices of a provider or by a counselor,

counselor intern or applicant for counselor licensure or any other act or omission classified as exploitation by Texas law including, but not limited to, TEX. FAM. CODE §261.001 (Vernon 1996) and TEX. HUM. RES. CODE §48.002 (Vernon Supp. 2004).

(53) Facility--See Treatment Facility.

(54) Family--The children, parents, brothers, sisters, other relatives, foster parents, guardians, and/or significant others who perform the roles and functions of family members in the lives of clients or participants.

(55) Fiscal Year--The Commission's fiscal year, September 1-August 31, unless otherwise specified.

(56) Gender Specific--Therapy, education and/or program components that are designed to address emotional, developmental, rehabilitative, health and/or other issues that are specific to the gender of the client.

(57) Graduate--An individual who has successfully completed the 270 hours of education, 300 hour practicum, and 4,000 hours of supervised work experience and who is still registered with the Commission as a counselor intern.

(58) Health Insurance Portability and Accountability Act of 1996 (HIPAA)--Pub. L. No. 104-191, 45 C.F.R. pts. 160 and 164.

(59) Human Immunodeficiency Virus (HIV)--The virus that causes Acquired Immune Deficiency Syndrome (AIDS). Infection is determined through a testing and counseling process overseen by the Texas Department of Health (TDH). Being infected with HIV is not necessarily equated with having a diagnosis of AIDS, which can only be diagnosed by a physician using criteria established by the National Centers for Disease Control and Prevention.

(60) HIV Antibody Counseling and Testing--A structured counseling session performed by Prevention Counseling and Partner Elicitation (PCPE) counselors registered with TDH. It promotes risk reduction behavior for those at risk of infection with HIV and other sexually transmitted diseases and offers testing for HIV infection.

(61) HIV Early Intervention Services--

(A) appropriate pretest counseling for HIV and AIDS;

(B) testing individuals with respect to such disease, including tests to confirm the presence of the disease, tests to diagnose the extent of the deficiency in the immune system, and tests to provide information on appropriate therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from the disease;

(C) appropriate post-test counseling; and

(D) providing the therapeutic measures described in subparagraph (B) of this paragraph.

(62) Indicated Population--The population who may already be experimenting with drugs or who exhibit other problem-related behaviors.

(63) Individual Service Day--A day on which a specific client receives services.

(64) Intake--The process for gathering information about a prospective client and giving a prospective client information about treatment and services.

(65) Intervention--The interruption of the onset or progression of chemical dependency in the early stages. Intervention strategies target indicated populations.

(66) Intervention Counseling--Interactions to assist individuals, families, and groups to identify, understand, and resolve issues and problems related to ATOD use within a specific number of sessions or within a certain time frame. It is intended to intervene in problem situations and high-risk behaviors, which, if not addressed, may escalate to substance abuse or cause communicable disease. Such interactions should not include determining whether a person is in need of treatment. The use of the term "counseling" does not carry the same meaning as defined in paragraph (38) of this section.

(67) Key Performance Measures--Measures that reflect the services that are critical to the program design and intended outcomes of the program. Key performance measures are specified for all Commission-funded programs.

(68) Knowledge, Skills, and Attitudes (KSAs)--The knowledge, skills, and attitudes of addictions counseling as defined by CSAT Technical Assistance Publication (TAP 21) "Addictions Counseling Competencies: the Knowledge, Skills, and Attitudes of Professional Practice."

(69) License--The whole or part of any agency permit, certificate, approval, registration, or similar form of permission authorized by law.

(70) Licensed Chemical Dependency Counselor (LCDC)--A counselor licensed by the Texas Commission on Alcohol and Drug Abuse pursuant to TEX. OCC. CODE ch. 504 (Vernon 2002 & Supp. 2003).

(71) Licensed Health Professional--A physician, physician assistant, advanced practice nurse practitioner, registered nurse, or licensed vocational nurse authorized to practice in the State of Texas.

(72) Licensee--Any individual or person to whom the agency has issued any permit, certificate, approved registration, or similar form of permission authorized by law.

(73) Licensing--The agency process relating to the granting, denial, renewal, revocation, suspension, annulment, withdrawal, or amendment of a license.

(74) Life Skills Training (Treatment)--A structured program of training, based upon a written curriculum and provided by qualified staff designed to help clients with social competencies such as communication and social interaction, stress management, problem solving, decision making, and management of daily responsibilities.

(75) Mechanical Restraint--

(A) The application of a device restricting the movement of the whole or a portion of an individual's body to control physical activity. Only commercially available devices specifically designed for the safe and comfortable restraint of humans may be used as mechanical restraints.

(B) Despite their commercial availability, the following types of devices may not be used to implement restraint:

(i) those with metal wrist or ankle cuffs;

(ii) those with rubber bands, rope, cord, or padlocks or key locks as fastening devices;

(iii) long ties (e.g., leashes); or

(iv) bed sheets.

(C) The following devices may be utilized to implement restraint.

(i) Anklets--A cloth or leather band fastened around the ankle or leg and secured to a stationary object (e.g., bed or chair

frame). Acceptable fasteners include Velcro and buckles. The device must not be secured so tightly as to interfere with vital functions, including circulation, or so loose as to permit chafing of the skin. Padding on the inside of the device, which aids in preventing chafing, is required.

(ii) Belts--A cloth or leather band fastened around the waist. The belt may either be attached to a stationary object (e.g., chair frame) or used for securing the arms to the sides of the body. The device must not be secured so tightly as to interfere with vital functions, including breathing and circulation.

(iii) Chair restraint--A well-padded stabilized chair that supports all body parts and prevents the individual's voluntary egress from the chair without assistance (e.g., table top chair, Geri-chair). Mechanical restraint devices (e.g., wristlets, anklets) are attached or may be easily attached to restrict movement. The devices must not be secured so tightly as to interfere with vital functions, including breathing and circulation.

(iv) Ties--A length of cloth or leather used to secure approved mechanical restraints (i.e., mittens, wristlets, arm splints, belts, anklets, vests, etc.) to a stationary object (i.e., bed or wheelchair frame) or to other approved mechanical restraints. Ties must not be secured so tightly as to interfere with vital functions, including breathing and circulation.

(v) Wristlets--A cloth or leather band fastened around the wrist or arm and secured to a stationary object (e.g., bed or chair frame, waist belt). Acceptable fasteners include Velcro and buckles. The device must not be secured so tightly as to interfere with vital functions, including circulation or so loose as to permit chafing of the skin. Padding on the inside of the device, which aids in preventing chafing, is required.

(76) Medication Error--Medication not given according to the written order by the prescribing professional or as recommended on the medication label. Medication errors include without limitation, duplicate doses, missed doses, and doses of the wrong amount or drug.

(77) Minor--A person under the age of 18.

(78) Neglect--A negligent act or omission by provider personnel, a staff member, volunteer, or other individual working under the auspices of a provider, or by a counselor, applicant for counselor licensure, or counselor intern that causes or may cause death, physical injury, or substantial emotional harm to a participant or client. Examples of neglect include, but are not limited to:

(A) failure to provide adequate nutrition, clothing, or health care;

(B) failure to provide a safe environment free from abuse;

(C) failure to maintain adequate numbers of appropriately trained staff;

(D) failure to establish or carry out an appropriate individualized treatment plan; and

(E) any other act or omission classified as neglect by the Texas law including, but not limited to, TEX. FAM. CODE §261.001 (Vernon 1996) and TEX. HUM. RES. CODE §48.002 (Vernon Supp. 2004).

(79) Advanced Practice Nurse Practitioner--A registered nurse currently licensed in Texas who is approved by the Texas State Board of Nurse Examiners to engage in advanced practice.

(80) Offender Education Program--An Alcohol Education Program for Minors, Drug Offender Education Program, DWI Education Program, or DWI Intervention Program approved by the Commission under 40 TAC ch. 153 of this title (relating to Offender Education Programs).

(81) OMB--United States Office of Management and Budget.

(82) On Duty--Present, ready, awake and able to perform job duties at the physical locations where services are provided.

(83) Outcome--The results of a service on clients or participants or the service delivery system itself.

(84) Outreach--Activities directed toward finding individuals who might not use services due to lack of awareness or active avoidance.

(85) Participant--An individual who is receiving prevention or intervention services.

(86) Party--A person or agency formally named or admitted as a party.

(87) Person--An individual, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or any other legal entity.

(88) Personal Restraint--Physical contact to control or restrict an individual's physical movement or actions. See also Mechanical Restraint.

(89) Personnel--The members of the governing body of a provider and, without limitation, its staff, employees, contractors, consultants, agents, representatives, volunteers, or other individuals working for or on behalf of the provider through a formal or informal agreement.

(90) Pleading--A written document submitted by a party, or a person seeking to participate in a case as a party, which requests procedural or substantive relief, makes claims, alleges facts, makes legal argument, or otherwise addresses matters involved in the case.

(91) Practice of Chemical Dependency Counseling Services--Providing or offering to provide chemical dependency counseling services involving the application of the principles, methods, and procedures of the chemical dependency counseling profession as defined by the activities listed in the domains of TAP 21 "Addictions Counseling Competencies: the Knowledge, Skills, and Attitudes of Professional Practice" published by CSAT.

(92) Prevention--A proactive process that uses multiple strategies to preclude the illegal use of alcohol, tobacco and other drugs and to foster safe, healthy, drug-free environments.

(93) Private Practice--The individual practice of a private, licensed health care practitioner who personally renders individual or group services within the scope of the practitioner's license and in the practitioner's offices. To qualify to be engaged in private practice, the individual licensed health care practitioner must not hold him/herself out as an organized program, or a part thereof, that provides counseling or treatment. This definition does not prohibit the sharing of office space or administrative support staff.

(94) Program--A specific type of service delivered to a specific population, at a specific location.

(95) Proprietary School--An organization approved and regulated by the Texas Workforce Commission under 40 TAC ch. 807 (2003) (relating to Proprietary Schools) that offers a course of study in chemical dependency counseling.

(96) Protective Factors--Characteristics within individuals and social systems which may inoculate or protect persons against risk factors and strengthen their determination to reject or avoid substance abuse.

(97) Provider--A person that performs or offers to perform substance abuse services. The term includes but is not limited to, a qualified credentialed counselor, applicant for counselor licensure, and counselor intern.

(98) Qualified Credentialed Counselor (QCC)--A licensed chemical dependency counselor or one of the practitioners listed below who is licensed and in good standing in the State of Texas and has at least 1,000 hours of documented experience treating substance-related disorders:

- (A) licensed professional counselor (LPC);
- (B) licensed master social worker (LMSW);
- (C) licensed marriage and family therapist (LMFT);
- (D) licensed psychologist;
- (E) licensed physician;
- (F) licensed physician's assistant;
- (G) certified addictions registered nurse (CARN); or

(H) advanced practice nurse practitioner recognized by the Board of Nurse Examiners as a clinical nurse specialist or nurse practitioner with a specialty in psych-mental health (APN-P/MH).

(99) Qualified Mental Health Professional--A qualified mental health professional as defined in the 25 TAC §401.583 (15) (2003).

(100) Recovery Maintenance--A level of treatment designed to maintain and support a client's continued recovery.

(101) Referral--The process of identifying appropriate services and providing the information and assistance needed to access them.

(102) Residential Site--A physical location owned, leased, or operated by a provider where clients reside in a supervised treatment environment.

(103) Respondent--A person against whom the Commission seeks an administrative, civil or criminal remedy for non-compliance with law and rules governing substance abuse services.

(104) Restraint--See Personal and Mechanical Restraint.

(105) Retaliate--Actions taken to punish or discourage a person, including a participant or client, who reports a violation of these rules or cooperates with an investigation, inspection, or intimidation proceeding by the Commission. Such actions include, but are not limited to, suspension or termination of employment, demotion, discharge, transfer, discipline, abuse, neglect, restriction of privileges, harassment, or discrimination.

(106) Risk Factor--A characteristic or attribute of an individual, group, or environment associated with an increased probability of certain disorders, addictive diseases, or behaviors.

(107) Risk Management--The process of identifying, evaluating and taking steps to minimize the risk associated with any activity, function, or process.

(108) Rules--An agency statement of general applicability that implements, or prescribes law or policy by defining general standards of conduct, rights, or obligations of persons, or describes the

procedure or practice requirements that prescribe the manner in which public business before an agency may be initiated, scheduled, or conducted, or interprets or clarifies law or agency policy. The term includes the amendment or repeal of a prior rule but does not include statements concerning only the internal management or organization of the agency and does not affect private rights or procedures. This definition includes regulations. Any reference to the rules herein shall mean Commission rules currently in effect unless otherwise specified.

(109) Screening--The process through which a qualified staff, client or participant, and available significant others determine the most appropriate initial course of action, given the individual's needs and characteristics and the available resources within the community. In a treatment program, screening includes determining whether an individual is appropriate and eligible for admission to a particular program.

(110) Seclusion--Confinement of an individual for a period of time in a hazard-free room or other area in which direct observation can be maintained and from which egress is prevented.

(111) Selective Program--A prevention program designed to target subsets of the total population that are deemed to be at higher risk for substance abuse by virtue of membership in a particular population segment. Risk groups may be identified on the basis of biological, psychological, social or environmental risk factors, and targeted groups may be defined by age, gender, family history, place of residence, or victimization by physical and/or sexual abuse. Selective prevention programs target the entire subgroup regardless of the degree of individual risk.

(112) Services--Substance abuse services.

(113) Service Coordination--Administrative, clinical, and evaluative activities that bring the client, treatment services, community agencies, and other resources together to focus on issues and needs identified in the treatment plan. Service coordination, which includes care management and client advocacy, establishes a framework of action for the client to achieve specified goals. It involves collaboration with the client and significant others, coordination of treatment and referral services, liaison activities with community resources and managed care systems, client advocacy, and ongoing evaluation of treatment progress and client needs.

(114) Sexual Exploitation--A pattern, practice, or scheme of conduct by provider personnel or other individual working under the auspices of a provider, or by a counselor, intern, or applicant that involves a client or participant and can reasonably be construed as being for the purpose of sexual arousal or gratification or sexual abuse. It may include sexual contact, a request for sexual contact, or a representation that sexual contact or exploitation is consistent with, a part of or, a condition of receiving services. It is not a defense to sexual exploitation of a client, or participant if it occurs:

(A) with consent of the client or participant;

(B) outside of the delivery of services; or

(C) off of the premises used for the delivery of substance abuse services; or

(D) after the client or participant is no longer receiving services, unless it occurred two years after the client or participant stopped receiving services.

(115) Signature--Authentication of a record that meets the criteria established in §148.507 of this title (relating to General Documentation Requirements).

(116) Staff--Individuals working for a person in exchange for money or other compensation.

(117) State Office of Administrative Hearings (SOAH)--The agency to which contested cases are referred by the Commission.

(118) Substance Abuse--A maladaptive pattern of substance use leading to clinically significant impairment or distress, as defined by the most recently published version of the DSM.

(119) Substance Abuse Education--A planned, structured presentation of information provided by qualified staff, which is related to substance abuse or substance dependence, allows for discussion of the material presented and is relevant to the client or participant's goals.

(120) Substance Abuse Services (Services)--A comprehensive term intended to describe activities undertaken to address any substance-related disorder as well as prevention activities. The term includes the provision of screening, assessment, referral, treatment for chemical dependency and chemical dependency counseling.

(121) Substance-Related Disorders--Defined by the most recently published version of the DSM.

(122) TCADA--Texas Commission on Alcohol and Drug Abuse

(123) Texas Public Information Act-TEX. GOV'T CODE ANN. ch. 552 (Vernon 2000 & Supp. 2004).

(124) Therapeutic Services for Women--Education, services and/or therapy to address: parenting, reproductive and general health, self-esteem, physical and sexual abuse, mental health, child development and self-sufficiency.

(125) Toxic Inhalant--A gaseous substance that is inhaled by a person to produce a desired physical or psychological effect and that may cause personal injury or illness to the inhaler.

(126) Treatment--See Chemical Dependency Treatment.

(127) Treatment Facility--

- (A) a public or private hospital;
- (B) a detoxification facility;
- (C) a primary care facility;
- (D) an intensive care facility;
- (E) a long-term care facility;
- (F) an outpatient care facility;
- (G) a community mental health center;
- (H) a health maintenance organization;
- (I) a recovery center;
- (J) a halfway house;
- (K) an ambulatory care facility; or
- (L) any other facility that offers or purports to offer treatment.

(128) Treatment Planning--A collaborative process through which the provider and client develop desired treatment outcomes and identify the strategies for achieving them. At a minimum, the treatment plan addresses the identified substance use disorder(s), as well as issues related to treatment progress, including relationships with family and significant others, employment, education, spirituality, health concerns, and legal needs.

(129) Unethical Conduct--Conduct prohibited by the ethical standards adopted by state or national professional organizations or by rules established by a profession's state licensing agency.

(130) Unit Rate--A payment mechanism in which a specified rate of payment is made in exchange for a specified unit of service.

(131) Universal Population--Universal prevention programs are delivered to large groups without any prior screening for substance abuse risk. A prevention program designed to address an entire population with messages and programs aimed at preventing or delaying the use and abuse of alcohol, tobacco, and other drugs.

(132) Utilization Review--The process of evaluating the necessity, appropriateness and efficiency of the use of chemical dependency treatment services, procedures and facilities.

(133) Youth--Individuals between the ages of 13 through 17. See also Young Adult in chapters 147 and 148 of this title (relating to Contract Program Requirements and Standard of Care).

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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SUBCHAPTER B. CLAIMS AGAINST THE COMMISSION

40 TAC §§141.201 - 141.205

The rules are adopted pursuant to the TEX. HEALTH & SAFETY CODE §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions, including rules that prescribe the policies and procedures it follows in administering any Commission program and §461.0141 which provides the Commission with authority to adopt rules regarding purchase of services. The rules are also adopted under TEX. HEALTH & SAFETY CODE §464.009, which provides TCADA with the authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Health and Safety Code.

§141.201. *Notice of Claim.*

(a) For purposes of this Subchapter, the term contractor shall also have the meaning given that term in TEX. GOV'T CODE ANN. ch. 2260 (Vernon 2000 & Supp. 2004).

(b) To file a claim of breach of contract under TEX. GOV'T CODE ANN. ch. 2260 (Vernon 2000), the contractor must deliver written notice of the claim to the Commission's executive director.

(c) The notice must be signed by the contractor's authorized representative and delivered by hand, certified mail return receipt requested, or other verifiable delivery service.

(d) The claim must specifically describe:

(1) the nature of the alleged breach of contract, including the date of the event which forms the basis of the claim and the contract provision(s) breached;

(2) the damages claimed, including the amount and the method used to calculate them; and

(3) the legal basis for filing the claim, including the relationship between the alleged breach and the damages claimed.

(e) The contractor must submit supporting documentation with the notice of claim.

(f) The notice must be delivered no later than 180 days after the date of the event that forms the basis of the claim.

(g) Any amount(s) owed by the contractor shall be deducted from the total damages claimed. This includes amounts owed for work not performed or work not performed in substantial compliance with the terms of the contract. The total amount of damages (after deduction of amount owed by contractor) may not exceed the contracted amount or include consequential or similar damages, exemplary damages, any damages based on an unjust enrichment theory, attorney's fees or home office overhead.

§141.202. Agency Counterclaim.

(a) The Commission may file a counterclaim of breach of contract.

(b) Written notice of counterclaim must be delivered to the authorized representative of the contractor who signed the notice of claim of breach of contract.

(c) The notice must be delivered by hand, certified mail return receipt requested, or other verifiable delivery service.

(d) The notice must specifically describe:

(1) the nature of the counterclaim;

(2) the damages or offsets, including the amount and the method used to calculate them; and

(3) the legal theory supporting the counterclaim.

(e) The notice of counterclaim must be delivered to the contractor no later than 90 calendar days after receipt of notice of the claim.

§141.203. Timetable for Negotiations and Contested Case Hearings.

(a) The Commission's executive director must examine the contractor's claim and the Commission's counterclaim, if any, and initiate negotiations.

(b) Except as provided in subsection (c) of this section, negotiations shall begin no more than 60 calendar days following the latest of:

(1) the date of termination of the contract;

(2) the completion date in the original contract; or

(3) the date the notice of claim of breach of contract is received by the Commission.

(c) The Commission may delay the negotiations until the 181st calendar day after the date of the event giving rise to the claim of breach of contract. The Commission shall give the contractor written notice of the delay and notify the contractor when it is ready to begin negotiations.

(d) The parties must complete the negotiations as a prerequisite to a contested case hearing no later than 270 days after the Commission receives the notice of claim of breach of contract. The negotiation

period may be extended through a written agreement signed by the authorized representatives of each party.

(e) The parties may agree to mediate the dispute at any time before the 270th day after the Commission receives the notice of claim of breach of contract, or before the expiration of any extension agreed to in writing by the parties.

(f) If negotiations fail to resolve the dispute, the case may be submitted to the State Office of Administrative Hearings (SOAH).

(1) The contractor may file a request for contested case hearing with the Commission if a complete settlement agreement has not been reached 270 calendar days after the date the claim is delivered to the Commission, or after the expiration of any extension agreed to in writing by the parties.

(2) The parties may agree to submit the case to SOAH before the 270th day if they have reached a partial settlement or if an impasse has been reached in the negotiations and proceeding to a contested case hearing would serve the interests of justice.

(3) The parties may continue to negotiate or mediate after a request for contested case hearing is referred to the SOAH.

§141.204. Conduct of Negotiations.

(a) Any limitations on the settlement authority of the representatives participating in the negotiations must be disclosed by the parties as soon as possible. To the extent possible, the parties shall select negotiators who are knowledgeable about the dispute and who are in a position to reach agreement or can credibly recommend approval of an agreement.

(b) Negotiation may be conducted by any method, technique, or procedure authorized under the contract or agreed upon by the parties. The contractor and the Commission may conduct negotiations with the assistance of one or more neutral third parties.

(c) The parties may choose to mediate the dispute according to §141.205 of this title (relating to Mediation).

(d) To facilitate meaningful negotiation, the parties must exchange relevant documentation that supports their claims, defenses, counterclaims or positions.

(e) Any settlement reached during the negotiation must be put in writing and signed by representatives of the contractor and the Commission. The agreement must describe any procedures that must be followed to secure final approval.

(f) The final settlement must be documented in writing and signed by representatives of the contractor and the Commission with authority to bind the respective party. If the settlement does not resolve all issues raised by the claim and counterclaim, the agreement must specifically identify the issues that are not resolved.

(g) Unless the contractor and the Commission agree otherwise, each party shall be responsible for its own costs.

§141.205. Mediation.

(a) The contractor and the Commission may agree to mediate a claim through an impartial third party. Mediation is a forum in which an impartial person facilitates communication between parties to promote reconciliation, settlement, or understanding, but does not impose his own judgment on the issues.

(b) The mediation shall be governed by the provisions of the Governmental Dispute Resolution Act, TEX. GOV'T CODE ANN. ch. 2009 (Vernon 2003 & Supp. 2004).

(c) The Commission and the contractor shall select an impartial third party that is acceptable to both. The impartial third party must:

(1) possess the qualifications required under TEX. CIV. PRAC. & REM. CODE ANN. §154.052 (Vernon Supp. 2004);

(2) be subject to the standards and duties prescribed by TEX. CIV. PRAC. & REM. CODE ANN. §154.053 (Vernon 1997); and

(3) have the qualified immunity prescribed by TEX. CIV. PRAC. & REM. CODE ANN. §154.055 (Vernon 1997), if applicable.

(d) A mediation conducted under this section is confidential in accordance with TEX. GOV'T CODE ANN. §2009.054 (Vernon 2000).

(e) A final settlement agreement signed by the Commission under this section is subject to or excepted from required disclosure in accordance with TEX. GOV'T CODE ANN. ch. 552 (Vernon 2000 & Supp. 2003).

(f) Unless the contractor and the Commission agree otherwise, the costs of the mediator shall be divided equally between the parties and each party shall be responsible for its own costs.

(g) Any limitations on the settlement authority of the representatives participating in the negotiations must be disclosed by the parties before mediation begins.

(h) Any settlement reached during the mediation must be put in writing and signed by representatives of the contractor and the Commission. The agreement must describe any procedures that must be followed to secure final approval.

(i) The final settlement must be documented in writing and signed by representatives of the contractor and the Commission with authority to bind the respective party. If the settlement does not resolve all issues raised by the claim and counterclaim, the agreement must specifically identify the issues that are not resolved.

(j) If mediation does not resolve the claim to the satisfaction of the contractor, the contractor may file a request that the claim be referred to SOAH pursuant to TEX. GOV'T CODE ANN. ch. 2260 (Vernon 2000 & Supp. 2004). The request for referral must be filed according to the timetable described in §141.203 of this title (relating to Timetables for Negotiations and Contested Case Hearings).

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SUBCHAPTER C. PROCUREMENT

40 TAC §141.301, §141.302

The rules are adopted pursuant to the TEX. HEALTH & SAFETY CODE §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions, including rules

that prescribe the policies and procedures it follows in administering any Commission program and §461.0141 which provides the Commission with authority to adopt rules regarding purchase of services. The rules are also adopted under TEX. HEALTH & SAFETY CODE §464.009, which provides TCADA with the authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Health and Safety Code.

§141.301. Procurement.

(a) The Commission shall procure all goods and services in compliance with 1 TAC ch. 391 (2003).

(1) Procurements will be classified as either formal or informal, based on the estimated dollar value of the transaction. Dollar thresholds will be established in Commission policies and procedures, and the methodology will be reviewed annually.

(2) The Commission may use a waiver process as defined in 1 TAC ch. 391 (2003) for procurements below \$100,000. The waiver process may be used in the presence of unique circumstances related to that procurement action. All waivers will be approved by the executive director.

(3) Procurement of prevention, intervention, treatment and related support services shall be conducted as described in ch. 144 of this title (relating to Contract Administrative Requirements).

(b) The Commission requires compliance with the Historically Underutilized Businesses rules published by the Texas Building and Procurement Commission in 1 TAC ch. 111 (2003).

(c) Procurement personnel, vendors, contractors, and suppliers will adhere to standards of conduct established in Commission policies and procedures. These standards shall be at least as restrictive as standards of conduct for State officers and employees under applicable State and Federal law.

§141.302. Procurement Protests.

(a) An offeror may request an informal review of a tentative purchase award if:

(1) the offeror was not selected in a competitive procurement;

(2) the procurement was a sole source or emergency procurement; or

(3) the procurement was made under an executive director waiver.

(b) The protest must be limited to issues relating to the offeror's qualifications, the suitability of the goods or services offered by the offeror, or alleged irregularities in the procurement process.

(c) A procurement review request must be submitted in writing and received by the Commission no later than 30 calendar days after the date of the award, except for protests alleging irregularities involving standards of conduct on the part of Commission employees or selected vendors, which must be received by the Commission no later than 90 calendar days after the date of the award.

(d) The protest process shall be carried out in accordance with Commission policies and procedures, which include documentation standards.

(e) A procurement protest shall not be conducted as a contested case under the Administrative Procedure Act, TEX. GOV'T CODE ANN. ch. 2001 (Vernon 2000 & Supp. 2004).

(f) The Commission shall not award a contract for a protested procurement until the Commission has provided the protesting offeror with a written response. The Commission may waive this requirement for exigent circumstances or when an award required by State or Federal law must be completed by a particular date.

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SUBCHAPTER D. MEASURING THE EFFECTIVENESS OF THE STATE'S SUBSTANCE ABUSE PREVENTION SERVICES

40 TAC §141.401

The rules are adopted pursuant to the TEX. HEALTH & SAFETY CODE §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions, including rules that prescribe the policies and procedures it follows in administering any Commission program and §461.0141 which provides the Commission with authority to adopt rules regarding purchase of services. The rules are also adopted under TEX. HEALTH & SAFETY CODE §464.009, which provides TCADA with the authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Health and Safety Code.

§141.401. Interagency Agreement.

(a) Texas Commission on Alcohol and Drug Abuse, Texas Juvenile Probation Commission, Texas Youth Commission and Texas Department of Protective and Regulatory Services have agreed on the following criteria as measures of a substance abuse prevention program's effectiveness. According to Tex. H.B. 3126, 76th Leg. R.S. (1999), all funded substance abuse prevention programs shall:

(1) target problems that are specific to a given community or school.

(A) The provider shall determine what population(s) the program is designed to serve: universal, selective or indicated.

(i) Universal programs reach the general population (such as all students in a school).

(ii) Selective programs target a subset of the general population which is at high risk for substance abuse (such as children of drug users).

(iii) Indicated programs are designed for those who may already be experimenting with drugs or who exhibit other problem-related behaviors.

(B) The program shall identify and describe the primary and secondary target populations including specific information about:

(i) age, gender, and ethnicity;

(ii) risk and protective factors;

(iii) patterns of substance use;

(iv) social and cultural characteristics;

(v) knowledge, beliefs, values, and attitudes; and,

(vi) needs.

(C) The program shall identify long-range goals which:

(i) address identified risks, needs and/or problems of the primary and secondary target populations;

(ii) are designed to enhance protective factors;

(iii) clearly describe behavioral and/or societal changes to be achieved; and

(iv) are realistic in relation to available resources.

(D) The program shall establish objectives for each contract period that are linked to the goals. Objectives must be realistic, outcome oriented, measurable and time-specific.

(2) provide social services to children who have a family member with a drug addiction.

(A) The program shall identify needs that cannot be met by the program and help the participant access appropriate support systems and community resources. The program shall maintain a current list of referral resources, including other services provided by the organization.

(B) The program shall provide information, referrals and follow-up for participant and/or family needs that cannot be met by the program.

(3) use strategies that are appropriate for children and adolescents of different ages. The program design, content, communications and materials shall:

(A) be available in the primary language of the target population;

(B) be appropriate to the literacy level, gender, race, ethnicity, sexual orientation, age and developmental level of the target population; and

(C) recognize the cultural identification (context) of the family unit.

(4) Provide continuity in services and intervention strategies for all grade levels as stipulated in any contracts the program enters into with the agencies in this interagency agreement.

(A) The substance abuse prevention program shall be designed to build on and support other related prevention and intervention efforts in the community. The program shall secure and maintain the support of key decision makers and leaders and shall establish formal linkages and coordinate with other community resources.

(B) Each substance abuse prevention program that provides activities within this strategy shall work with other service providers, organizations, individuals and families to promote substance abuse services and improve the community's ability to prevent substance abuse and related problems.

(C) The program must use existing community services and resources effectively to enhance the substance abuse prevention program.

(D) The program must establish formal linkages with other service providers to build a continuum of substance abuse services in the community. The program shall document active participation in collaborations to support community resource development.

(E) The program shall provide information, referrals and follow-up for participant and/or family needs that cannot be met by the program.

(b) In addition, according to Tex. H.B. 3126, 76th Leg. R.S. (1999), each agency shall require the substance abuse prevention program to submit an annual report that describes the program's effectiveness in meeting established criteria.

(1) The program shall perform self-evaluation to verify, document and quantify program activities and effectiveness.

(2) The program shall submit a written evaluation report using the format specified by the funding agency at the end of each contract period.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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SUBCHAPTER E. MISCELLANEOUS PROVISIONS

40 TAC §§141.501 - 141.503

The rules are adopted pursuant to the TEX. HEALTH & SAFETY CODE §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions, including rules that prescribe the policies and procedures it follows in administering any Commission program and §461.0141 which provides the Commission with authority to adopt rules regarding purchase of services. The rules are also adopted under TEX. HEALTH & SAFETY CODE §464.009, which provides TCADA with the authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Health and Safety Code.

§141.501. *Public Comment and Requests.*

At its public meetings, the Commission may receive public comment from any person on any issue which is not otherwise provided for by rule or procedure. The Commission may limit public comment to five minutes per person. The Commission shall maintain a list of visitors attending public meetings.

§141.502. *Approval Authority.*

(a) The executive director and the executive director's designees shall have authority to enter into contracts or approve vouchers for payment from funds appropriated to the Commission.

(b) The Commission members shall approve budget requests to be submitted to the legislature and shall approve the agency's budget of appropriated funds and funds from other sources.

§141.503. *Training and Education.*

Commission policy establishes eligibility requirements and employee obligations for training and education supported by the agency.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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CHAPTER 143. FUNDING

40 TAC §§143.1 - 143.3, 143.11 - 143.15, 143.17, 143.21, 143.22

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 143, §§143.1 - 143.3, 143.11 - 143.15, 143.17, 143.21 and 143.22, concerning Funding, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7221).

The repeal of Chapter 143 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions, including rules that prescribe the policies and procedures followed by the Commission when funding services and §461.0141 which provides the Commission with the authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, §464.009, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The code affected by the repeal is the Texas Health and Safety Code, Chapter 461.

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CHAPTER 144. CONTRACT REQUIREMENTS

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 144, §§144.1, 144.11, 144.21, 144.101, 144.103 - 144.109, 144.121, 144.123, 144.124, 144.131 - 144.134, 144.141, 144.142, 144.145, 144.201, 144.204, 144.211 - 144.216, 144.311, 144.313, 144.321 - 144.327, 144.401, 144.411 - 144.418, 144.441 - 144.447, 144.451 - 144.456, 144.458, 144.460, 144.462, 144.501, 144.511, 144.521 - 144.523, 144.525, 144.526, 144.532, 144.541 - 144.543, 144.545, and 144.551 - 144.553, concerning Contract Requirements, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7222).

The repeal of Chapter 144 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

SUBCHAPTER A. GENERAL PROVISIONS

40 TAC §§144.1, 144.11, 144.21

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, §464.009, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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SUBCHAPTER B. CONTRACT ADMINISTRATION

40 TAC §§144.101, 144.103 - 144.109, 144.121, 144.123, 144.124, 144.131 - 144.134, 144.141, 144.142, 144.145

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, Chapter 464, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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SUBCHAPTER C. PROGRAM OVERSIGHT

40 TAC §§144.201, 144.204, 144.211 - 144.216

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, Chapter 464, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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SUBCHAPTER D. ORGANIZATIONAL

40 TAC §§144.311, 144.313, 144.321 - 144.327

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, Chapter 464, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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SUBCHAPTER E. PREVENTION AND INTERVENTION

40 TAC §§144.401, 144.411 - 144.418, 144.441 - 144.447, 144.451 - 144.456, 144.458, 144.460, 144.462

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, Chapter 464, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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SUBCHAPTER F. TREATMENT

40 TAC §§144.501, 144.511, 144.521 - 144.523, 144.525, 144.526, 144.532, 144.541 - 144.543, 144.545, 144.551 - 144.553

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The repeal is also adopted under Texas Health and Safety Code, Chapter 464, which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the repeal are Chapters 461 and 464 of the Texas Health and Safety Code.

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CHAPTER 144. CONTRACT ADMINISTRATIVE REQUIREMENTS

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts new Chapter 144, §§144.101 - 144.103, 144.201 - 144.211, 144.301 - 144.306, 144.402 - 144.410, 144.419, 144.420, and 144.502 - 144.507, concerning Contract Administrative Requirements, with changes to the text that was published in the September 5, 2003, issue of the *Texas Register* (28 TexReg 7655).

The new Chapter 144 has been revised to include the funding rules (formerly Chapter 143). The new Chapter 144 also contains the requirements and provisions for funded organizations that enter into a substance abuse services contract with the Commission. Provisions relating to program standards of care and requirements were moved from the existing Chapter 144 into either the proposed new Chapter 147--Contract Program Requirements, or Chapter 148--Standard of Care.

Other revisions to Chapter 144 include general clarification of current requirements and review for conformity with State and Federal law; eliminating language regarding sub-regional allocation of funds; eliminating the requirement for an annual service procurement plan; and giving the executive director the authority to approve selection criteria for requests for proposals. Additional changes include adding the requirement for unit rate providers to submit a cost report as part of the fiscal year end close-out; adding a section on de-obligation/re-obligation where the Commission may reduce or increase contracted funding in accordance with a fund utilization policy; and adding a provision

that contractors may not assign or transfer their interest in the contract to another entity without approval.

Changes have been made to Chapter 144 as proposed. The Commission has deleted the requirement for contractors to purchase bonds for the storage and protection of records and data, and revised §144.502 to delete references to "a plan of corrective action" as this does not apply to all on-site visits/reviews, and clarified that the requirement for excess revenue to be refunded to the Commission applies to cost reimbursement programs only. Language referring to the maximum hours allowed for billing outpatient treatment services was eliminated. In addition to the changes discussed below, the Commission makes other grammatical and non-substantive changes for the purpose of clarifying its intent.

The public comment period began on September 5, 2003, with the publication of the proposed rules in the *Texas Register* and on the Commission's web site, and ended October 22, 2003. Public meetings to discuss the rules were held during the comment period in Austin, Dallas and Houston. The Commission received the majority of comments in writing by e-mail, fax and U.S. mail. Commission staff summarized the comments received and published draft responses for review on the Commission's web site in advance of its November 12, 2003, open meeting. The draft included a number of changes in response to the concerns expressed. As directed by the Commissioners at the November 12 meeting, the rules were revised further and published along with a draft final order on the Commission's web site in advance of the December 9, 2003, open meeting. Chapter 144 was approved for adoption during that meeting.

The Commission received comments on the proposed rules from Amarillo Council on Alcoholism and Drug Abuse (Amarillo Council); Association for the Advancement of Mexican-Americans, Inc.; The Association of Substance Abuse Programs (ASAP); Austin Travis County MHMR; Heart of Texas Council on Alcohol and Drug Abuse; Rainbow Days, Inc.; Riverside General Hospital; Serenity Foundation of Texas; Serving Children and Adolescents in Need, Inc.; Texas Department of Criminal Justice (TDCJ); and various individual commenters. The comments received and the Commission's responses appear below in rule number order.

General Comments on Chapter 144.

Riverside General Hospital has no recommendations but comments that the standards in Chapter 144 are clearly defined and promote ethical practices throughout the service delivery system. The Commission agrees with the comment.

ASAP and Serenity Foundation of Texas suggest adding a section to Chapter 144 on prevention training services. This section of the current rules is §144.454. Commenters suggest that the section is still needed since the Commission still funds these programs. With increasing focus on best practices, evidence based programs and cost efficiencies, statewide prevention training and technical assistance may become a growing need. Commenters believe that by offering high-quality prevention models and training to the state at large, expansion of best practices is facilitated and encouraged across the state. The Commission declines to reinstate a section on prevention training services in the proposed rules, but notes that failure to adopt a specific rules section regarding prevention training services does not indicate that these services will not be purchased in the future.

§144.102. Applicability of Chapter.

The Texas Department of Criminal Justice points out the proposed rule no longer includes, "When a statute that governs state agencies is in conflict with commission rules, the statute shall apply." Without this current language, the proposed rule would not reinforce the provision in TEX. GOV'T CODE ANN. §509.003 (Vernon 1998) that substance abuse programs operating under Community Justice Assistance Division standards do not have to be licensed by another state agency. TDCJ suggests that this language be added back to the proposed rule. The Commission has revised §148.401(a)(10) to address this concern.

§144.202. Allocation of Funds.

The Heart of Texas Council on Alcohol & Drug Abuse is opposed to eliminating language in §144.202 regarding subregional allocation of funds, believing it would weaken the effort to ensure that all Texans have reasonable access to substance abuse services. However, the council believes it is feasible for residential treatment centers to effectively serve clients who reside in other regions or subregions. The council questions how services to all Texans will be assured if sub-regional allocation is removed from the funding process.

The Commission responds that for planning and funding purposes, regional allocation aligns with the Commission's state appropriations and authority for spending. A subregional allocation of funds often interferes with the Commission's ability to provide and support necessary access to services. From a funding perspective, subregional allocation could impose barriers to timely reallocation of funds. From a planning aspect, such an allocation could impose barriers to moving funds to the areas of greatest need. Since residential clients may be served anywhere in the state, and the Commission does not have a mandated catchment area, the Commission believes the rule change strengthens its ability to provide reasonable access to treatment.

§144.209(g). Funding Decisions.

Amarillo Council, ASAP, Serenity Foundation of Texas, and Rainbow Days, Inc. supports renewal of existing competitive awards if it is determined that the best value can be achieved without further competition. The commenter states that if currently funded programs are performing, it believes that renewal will provide the Commission with an opportunity to save time and effort, and it will build stability and consistency into the service delivery system. Renewal will also provide the opportunity for the Commission to continue to fund performing programs without necessarily going through time and cost of a competitive bid process if circumstances warrant. The Commission agrees with the comments regarding §144.209(g).

§144.302. Organizational Structure.

An individual commenter states that the Commission should develop a rule in which the Commission would establish an evaluation criterion to be used for the annual performance reviews of the executive director. The commenter believes the executive director should not be able to write his own job description, evaluation questions, or performance standards and should not be able to pick board members. Additionally, the commenter believes that the board officers and members should be more aware of the activities that are being provided by their organization and know the expectations of their funding sources. It should be a requirement that employees complete a confidential evaluation upon leaving employment and annually for current employees concerning administration and council activities.

The Commission responds that it will not dictate an evaluation criteria/performance evaluation form for executive directors. Section 144.302(g), and (h)(1) - (5), state that the board shall appoint a chief executive officer (CEO) who will have documented education and experience to effectively manage the organization. The rule also lists capabilities that the CEO should have to ensure delivery of services to clients. As stated in §144.302(a), the governing body is legally responsible for the integrity of the fiscal and programmatic management of the organization. The Commission will not dictate the makeup of the board. Section 144.302(e) and (f) list requirements that deal with the boards' responsibility to provide information on duties of board members and ensure that members are sensitive to the needs of different cultures. The Commission will not require the provider's past or present employees to submit an annual evaluation of the organization. Section 148.214 lists provisions concerning unethical conduct or practice on the part of a person or contractor. Section 148.217 lists provisions against committing an illegal, unprofessional or unethical act and prohibits retaliation against those who report violations of the rules and also contains provisions concerning reporting of allegations involving the CEO. The Commission believes these provisions provide adequate and appropriate guidance as written and that they appropriately reflect that the Commission is not responsible for the day to day operations of providers.

§144.305(d)(2). Personnel Requirements and Documentation.

Austin Travis County MHMR suggests the language "outreach, screening and referral (OSR)" and "outreach, screening, assessment, and referral (OSAR)" is used interchangeably throughout the proposed rules, e.g., rules §144.305(d)(2) and §147.402. They recommend that one or the other be used consistently throughout the rules. The Commission responds that the word "assessment" has been added when referring to OSAR programs in §144.305(d)(2). The Commission has revised the rule to ensure that consistent language is used throughout the rules to refer to OSR programs.

§144.420. Contract Closeout.

The Association for the Advancement of Mexican Americans, Inc. and Serving Children and Adolescents in Need, Inc. ask what would submitting a cost report as part of a unit rate contractor's fiscal year end close-out mean and whether the report would be submitted by particular treatment service levels. They ask about due dates and the period that cost reports would cover, indicating that contractors of TDPRS-Child Protective Services have a four month period to submit a cost report. It appears that the use of a cost report is to provide the Commission with a tool to adjust unit rates. They question whether the use of a Financial Status Report (FSR) is more practical.

The Commission responds that rate setting entities such as the Commission are required to periodically review the cost of providing services and the rates paid for such services. The usual and customary means for obtaining such information about the cost of service delivery is an in-depth cost report that captures the cost to provide the service inclusive of revenue received from all sources. It is the Commission's intention to require such a cost report as a contract closeout report rather than ask service contractors to report year end information twice. In addition, the current closeout report documentation was developed when the Commission did cost reimbursement contracting only. While the current report validates the amount of contract funds drawn down and expended, it does not provide full cost information for rate review purposes. The Commission has developed a

cost report specific to substance abuse treatment services with the intention of using FY 2003 as an initial year to assess the instrument with feedback from treatment contractors. However, in the forthcoming consolidated environment, rate setting and associated cost reporting will be handled at the Health and Human Service Commission level. The cost information for the periodic report will be collected on a contractor's treatment programs as a whole and not individual programs or levels. The addition of a cost report will not affect the due date for the closeouts. Closeouts for Commission funded contracts will continue to be due 60 days following the end of the contract, unless otherwise notified of an extension. The periodic requirement of reporting cost data is not anticipated to affect the end of year contract closeout due dates. The Commission does not believe the use of FSRs to obtain cost report information is a better method. FSRs are currently required for cost-reimbursement programs and are required on a monthly basis. The Commission does not want to place the burden of additional routine monthly reporting requirements on the unit rate contractors.

§144.502(b). On-Site Reviews.

Amarillo Council, ASAP, Serenity Foundation of Texas, and Rainbow Days, Inc. suggest that the submission of a corrective action plan be changed from 14 calendar days after the postmark to 21 calendar days after the postmark. They believe this would provide more flexibility and ensure adequate preparation time was given to the responses. Contractors often experience that going by the postmark doesn't fairly represent when the contractor actually received the document in the mail and that postmarks are unreliable now that postal machines are readily used by businesses. A change to 21 days would provide more flexibility to ensure adequate preparation time is given for responses.

The Commission responds that that 14 calendar days after the postmark date of the draft report is adequate time for the contractor to submit specific documents and/or evidence of corrections as requested. At exit conferences, the contractors are provided with findings and are able to immediately start working on their responses. The Commission revises §144.502 to delete references to "a plan of corrective action" as this does not apply to all on-site visits/reviews.

§144.507(c). Audit Report Desk Reviews.

Amarillo Council, Serenity Foundation of Texas, and ASAP state that the requirement for excess revenue identified during the desk review process to be refunded to the Commission within the specified timeframe applies to cost reimbursement programs only. The requirement does not apply to unit rate programs and this needs to be specified in the rule. The Commission agrees and has revised §144.507(c) accordingly.

SUBCHAPTER A. GENERAL PROVISIONS

40 TAC §§144.101 - 144.103

The new rules are adopted under the under Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The new rules are also adopted under Texas Health and Safety Code, §464.009 which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Texas Health and Safety Code.

§144.101. *Definitions.*

The words and terms used in this chapter shall have meanings set forth in 40 TAC ch. 141 of this title (relating to General Provisions), unless the context clearly indicates otherwise.

§144.102. *Applicability of Chapter.*

This chapter applies to all substance abuse programs funded by the Commission.

§144.103. *Waivers.*

The Commission's executive director may grant a temporary waiver from a requirement in this chapter to a contractor or a group of contractors. All waivers must be requested in writing. A waiver shall not extend beyond the contract period during which it is granted. To be eligible for a waiver, the contractor must show that an alternative method is used to meet the intent of the rule and the services are not significantly affected. The executive director will set forth in writing the reason for granting or denying the waiver.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

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Thomas F. Best

General Counsel

Texas Commission on Alcohol and Drug Abuse

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For further information, please call: (512) 349-6607



SUBCHAPTER B. FUNDING

40 TAC §§144.201 - 144.211

The new rules are adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The new rules are also adopted under Texas Health and Safety Code, §464.009 which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Texas Health and Safety Code.

§144.201. *Applicability of Subchapter.*

The rules in this subchapter apply to all funding applicants that have not been identified through an executive order as exempt from the competitive process as delineated in §144.211 of this subchapter (relating to Other Funding Processes). The executive order will identify the reason for the exemption.

§144.202. *Allocation of Funds.*

(a) Funds available for regional services will be allocated for each of the 11 Health and Human Services (HHS) regions through an approved statewide funding methodology.

(b) The Commission will establish terms and conditions needed to fulfill State and Federal funding mandates.

(c) The Commission will develop goals and identify services to be purchased based on its statewide service delivery plan as well as input from other interested parties.

§144.203. *Competitive Procurement of Client Services.*

(a) The Commission will fund chemical dependency services through competitive and noncompetitive procedures in accordance with TEX. HEALTH & SAFETY CODE ANN. §461.0141 (Vernon 2001).

(b) Competitive procurement methods used by the Commission will include the request for proposal (RFP) and alternative solicitation processes.

§144.204. *Selection Criteria for Request for Proposal.*

(a) The Commission will develop selection criteria for each request for proposal that reflect the identified goals and applicable State and Federal mandates. Selection criteria are designed to select applications that provide the best overall value to the State and provide the best outcome for service recipients.

(b) Selection criteria are listed in the request for proposal and will be approved by the executive director.

(c) The selection criteria will include:

(1) program quality;

(2) the cost of the proposed service;

(3) the scoring system(s) to be used, the weight assigned to each factor, and the minimum score required for consideration for funding; and

(4) additional factors in determining best value as specified in 1 TAC §391.121 (2003), including:

(A) financial ability to perform services;

(B) total long-term cost to the agency of purchasing services from the applicant;

(C) regional service needs and priorities;

(D) access for underserved areas and populations;

(E) ability to fit within a regional continuum of services;

(F) past performance, outcomes, and compliance; and

(G) results of on-site reviews.

§144.205. *Notice of Funding.*

The Commission will post a notice on the Commission's web site and on the State's electronic business daily that a request for proposal has been issued.

§144.206. *Request for Proposal (RFP).*

(a) The request for proposal will include:

(1) goals describing the purpose of the solicitation;

(2) a clear and accurate description of the services to be purchased;

(3) all requirements that must be met for an application to be considered (eligibility criteria);

(4) an estimate of the funds available;

(5) applicable priorities and restrictions;

(6) application forms, formats, instructions, procedures, and timeframes;

(7) the selection criteria and the process used to evaluate proposals and select award recipients; and

(8) the availability of technical assistance.

(b) Information requested from the applicant may include, but is not limited to:

- (1) identifying information;
- (2) documentation of legal basis for operation;
- (3) ownership or control information;
- (4) information on business transactions and relationships;
- (5) information on financial status; and
- (6) information on persons convicted of crimes.

(c) An applicant shall also disclose to the Commission in writing any pending or threatened litigation that might prevent the applicant from meeting contract requirements, if funded. This includes but is not limited to:

- (1) an action, suit, or proceeding before any court or governmental body, including environmental and civil rights matters; and
- (2) employee labor disturbances.

§144.207. Application.

(a) An organization shall apply for funding using forms, formats, instructions, timeframes, and procedures specified by the Commission in the RFP and shall provide all requested information.

(b) The application shall be signed by the organization's authorized official. If funding for a coalition is requested, the application shall be signed by an authorized official of the organization acting as the fiscal agent of the coalition.

(c) Applications shall be submitted by mail or in person. Unless specifically allowed in the RFP, the Commission does not accept applications by facsimile or electronic transmission.

(d) Applications shall be received at the Commission by the date and time stated in the request for proposal. Late applications will not be accepted.

§144.208. Application Criteria.

(a) An application shall not be considered for competitive funding unless the applicant meets the following criteria on the application due date and continues to meet them throughout the selection and funding process.

(1) The applicant shall be established as a legal entity under State statutes and regulations.

(2) The applicant shall be in compliance with any Commission agreed order.

(3) The applicant shall be registered to do business in Texas and shall have a Texas address. A post office box address may be used when the application is submitted, but the applicant must be able to conduct business out of a physical location in Texas before funds will be released.

(4) Staff members, including the executive director, of a public or nonprofit entity shall not serve on their employer's governing board.

(5) The applicant shall be in good standing with any State or Federal agency that has a contracting relationship with the applicant. If a State or Federal agency has suspended or terminated an applicant's contract for deficiencies in performance of the contract, that applicant is not eligible to apply through a request for proposal unless all issues have been satisfactorily resolved as demonstrated by written documentation from the State or Federal agency. Additionally, an applicant is

not eligible if it is debarred from participation in any Federal assistance program.

(6) Applicants that have previously been funded by the Commission shall be in compliance with the following requirements:

(A) If the applicant has been suspended or terminated by the Commission at any time in the past, all issues shall be satisfactorily resolved (demonstrated by written documentation from the Commission).

(B) If the applicant owes a refund to the Commission, the applicant shall be on schedule with the terms of the repayment agreement or shall have satisfactorily discharged the financial obligation.

(C) The applicant shall have submitted an annual audit as required by the grant agreement or contract and either corrected all deficiencies or submitted and maintained compliance with a corrective action plan that the Commission has accepted.

(b) The Commission may establish additional application criteria in a request for proposal or other form of solicitation.

(c) Applicants shall continue to meet application criteria after funds are awarded or be subject to sanctions.

(d) Treatment applicants must be appropriately licensed and in good standing on the first effective service day proposed.

(e) The Commission may deny funding to an applicant if any person who has an ownership or controlling interest in the applicant organization, or who is an agent or managing employee of the applicant, has been convicted of a criminal offense related to involvement in any program established under Medicare, Medicaid, or the Title XX block grant.

(f) The Commission may refuse to fund an applicant who cannot demonstrate that the location where services will be provided is in compliance with all applicable local and State zoning, building, health, fire, and safety standards.

§144.209. Funding Decisions.

(a) Funding decisions are made in compliance with criteria established in the request for proposal.

(b) The Commission may conduct a key control systems review on an applicant's organization to verify that the organization has the capacity to deliver the services and achieve the outcomes specified in the RFP. The review also determines that adequate financial, managerial and operational systems are in place to safeguard the use of State and Federal funds.

(c) The Commission may negotiate with selected applicants to determine the terms of the contract.

(d) The Commission notifies successful and unsuccessful applicants in writing of the funding decision.

(e) Applicants shall not make public announcements about receipt of Commission funds until they have received written notification from the Commission.

(f) If the Commission does not receive a fundable application for a desired service, it may choose an alternative process to procure the service.

(g) The Commission may renew a competitive award if it determines that the best value will be achieved without further competition. Renewal of an award is not automatic. The Commission may renew an award when:

- (1) the contractor maintains required performance standards;
- (2) the Commission finds a continuing need for the services (relative to other services);
- (3) the contractor continues to meet application criteria; and
- (4) funds are available to continue the award.

§144.210. Alternative Solicitation.

(a) The Commission may use the alternative solicitation process to:

- (1) purchase additional services if service needs and funds remain after a competitive request for proposal; and
- (2) distribute funds that become available and must be awarded during a contract period.

(b) Generally, available funds are regionally allocated according to the statewide funding methodology.

(c) The Commission shall identify the goals and services to be purchased.

(d) The Commission shall design selection criteria are designed to select applications that provide the best overall value to the State.

(1) Criteria for selection include program quality, cost, and other factors relevant for determining best value.

(2) Selection criteria are approved by the Commission's executive director.

(e) Notice of available funds for an alternative solicitation is posted on the Commission's web site and the State's electronic business daily. The posted solicitation on the web site includes:

- (1) the services to be purchased;
- (2) the geographic area to be served;
- (3) funding availability;
- (4) method(s) of payment;
- (5) contract period;
- (6) any limitations on eligibility to submit an application; and
- (7) requirements and deadline for submitting an application.

§144.211. Other Funding Processes.

(a) The Commission may solicit a proposal from only one source if it is not feasible to use competitive procedures or State law does not require competition.

(b) One of the following must apply:

- (1) A competitive process failed to elicit acceptable bids.
- (2) The agency awarding or appropriating the funds to the Commission either authorized the noncompetitive negotiation or approved the entity to receive funds.
- (3) Because of an emergency, it is necessary to proceed without formal advertising to avoid delay.
- (4) The material or service to be purchased is available from only one source.
- (5) State law does not require competition.

(c) If the available funds exceed \$25,000, a notice that services will be purchased is published on the Commission's web site and on the State's electronic business daily.

(d) After a noncompetitive award is made, the Commission reserves the right to use a competitive process in subsequent periods.

(e) The Commission may reobligate funds to another provider providing similar services in the same geographic area without a competitive solicitation should the Commission terminate a contract due to non-performance or deobligate funds as described in §144.419 of this chapter (relating to Deobligation/Reobligation).

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

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 Thomas F. Best
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 Texas Commission on Alcohol and Drug Abuse
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SUBCHAPTER C. CONTRACT ORGANIZATION

40 TAC §§144.301 - 144.306

The new rules are adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The new rules are also adopted under Texas Health and Safety Code, §464.009 which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Texas Health and Safety Code.

§144.301. General Requirements.

Contractors shall establish and maintain effective internal programmatic and financial controls to ensure:

- (1) Commission-funded programs are operated efficiently and effectively;
- (2) the contractor maintains compliance with other funding and regulatory agencies;
- (3) appropriate controls are in place to safeguard assets;
- (4) Commission funds are properly spent and accounted for;
- (5) clients/participants receive appropriate services; and
- (6) services are adequately documented.

§144.302. Organizational Structure.

(a) All entities shall have a governing body that is legally responsible for the integrity of the fiscal and programmatic management of the organization.

(b) The governing body shall be a distinct business entity with legal authority to operate in the State of Texas.

(c) Staff members, including the chief executive officer, of a public or nonprofit entity shall not serve on their employer's governing board.

(d) The governing body shall meet at least quarterly and maintain minutes that include:

- (1) date, time, and place of the meeting;
- (2) names of members present and absent; and
- (3) summary of discussion and action taken.

(e) The governing body shall provide all members with information and training on the responsibilities and liabilities of the governing body and its individual members.

(f) The governing body shall ensure that all members are familiar with the contractor's target population(s) and sensitive to the needs of the different cultures represented.

(g) The governing body shall appoint a chief executive officer to manage the day-to-day operations of the organization and ensure that the organization has the programmatic, managerial, and financial capability to ensure proper planning, management, and delivery of funded services.

(h) The chief executive officer shall:

- (1) have documented education and/or experience in financial, administrative and personnel management, and other areas needed to manage the organization effectively;
- (2) ensure compliance with applicable laws and rules;
- (3) ensure that all staff are competent and trained;
- (4) establish mechanisms to ensure quality of services; and
- (5) maintain adequate financial records according to generally accepted accounting principles.

(i) The contractor shall maintain a chart of the organization's structure and documentation of its staffing pattern. Documentation shall be sufficient to identify all staff positions, the individuals filling those positions, and current vacancies. Contractor shall review and update the information (if necessary) at least annually.

§144.303. Policies and Procedures.

(a) Contractors shall maintain a current manual that includes all policies and procedures required by the Commission.

(1) Policies shall be approved by the board, reviewed periodically, and revised as needed.

(2) Procedures shall be approved by the chief executive officer, reviewed periodically, and revised as needed.

(3) The policy and procedures manual shall be current, consistent with current Commission rules, individualized to the program, well organized, and easily accessible to all staff at all times.

(4) Contractors shall require each employee to read the policies and procedures applicable to the position and maintain documentation signed by the employee that the policies and procedures have been read and understood.

(b) The policy and procedure manual must include the following policies and procedures, as applicable.

(1) Contractors shall implement fiscal policies, and internal controls and procedures in the following areas:

- (A) revenue/accounts receivable;
- (B) billing/payment requests;
- (C) cost allocation;
- (D) payroll;
- (E) expenditures/account payable;
- (F) procurement of goods and services;
- (G) match and program income and expenditures;
- (H) fixed assets inventory and records;
- (I) petty cash;
- (J) cellular phone use;
- (K) travel;
- (L) subcontractor fiscal compliance monitoring (if applicable); and
- (M) financial reporting.

(2) Contractors shall adopt and implement TCADA Workplace and Education Guidelines for HIV and Other Communicable Diseases in order to meet requirements as specified by the Americans with Disabilities Act, TEX. HEALTH & SAFETY CODE ANN. ch. 85 (Vernon 2001), and standard precautions for infection control as outlined by The Centers for Disease Control and Prevention.

(3) Contractors shall implement written policies and procedures to protect client/participant records and client/participant-identifying information from unauthorized disclosure in accordance with the Federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. pt. 2 and the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

(4) Contractors shall implement and enforce a written policy prohibiting discrimination against an individual or group based on race, religion, ethnicity, country of origin, age, disability (including mental illness), sexual orientation, or gender.

(5) Contractors shall implement a written policy and procedures for handling complaints.

(6) Contractors shall implement procedures for reviewing employee backgrounds.

(7) Contractors shall implement a policy on standards of conduct.

(8) Prevention and intervention programs shall implement a tobacco policy as required by TCADA.

(9) Contractors shall maintain documentation of formal agreements and contracts to address identified deficiencies in access to program services for people with disabilities.

(10) Within ten days of a policy or procedure change, contractors shall inform staff about any changes to the policy and procedure manual that are relevant to their job duties and document the notification. If training is needed, it shall be provided and documented within 60 days.

§144.304. Organizational and Personnel Changes.

The contractor shall notify the Commission in writing within ten business days of:

- (1) changes in the contractor's legal name, address, telephone number, official e-mail address, or legal status; and
- (2) changes in the following personnel:

- (A) certifying representative;
- (B) board chair;
- (C) chief executive officer;
- (D) chief financial officer;
- (E) security administrator and backup for the Behavioral Health Integrated Provider System; and
- (F) project director/program director.

§144.305. *Personnel Requirements and Documentation.*

- (a) Contractors shall keep complete, current documentation.
 - (1) All required documents shall be factual and accurate.
 - (2) Authentication shall include signature, credentials when applicable, and date. If the document relates to past activity, the date of the activity shall also be recorded.
 - (3) Documentation shall be permanent and legible.
 - (4) When it is necessary to correct a required document, the error shall be marked through with a single line, dated, and initialed by the writer.

(b) Contractors shall maintain current personnel documentation on each employee. Health-related information shall be stored separately with restricted access as appropriate under TEX. GOV'T CODE ANN. §552.102 (Vernon 2000). Training records may be stored separately from the main personnel file, but shall be easily accessible upon request. Required documentation includes, as applicable:

- (1) a copy of the current job description signed by the employee;
- (2) application or resume with documentation of required qualifications and verification of required credentials;
- (3) verification of work experience;
- (4) annual performance evaluations;
- (5) personnel data that includes date hired, rate of pay, and documentation of all pay increases and bonuses;
- (6) documentation of appropriate screening and/or background checks;
- (7) signed documentation of initial and other required training; and
- (8) records of any disciplinary actions.

(c) Contractors shall have an adequate number of qualified staff to comply with Commission rules, provide the services described in the program description, and protect the health, safety, and welfare of clients/participants.

(d) Every program shall have an employee designated to serve as director. The individual must have appropriate education and training and at least two years of experience providing related services.

(1) The director of a prevention program must have at least two years of experience in substance abuse prevention, and the director of an intervention program must have at least two years experience in intervention. At least one year of experience must be specific to the program's target population.

(2) Prevention and intervention programs shall employ program directors designated as Certified Prevention Specialist (CPS), or program directors who have completed 40 hours of prevention

specialist training as outlined below. Program directors for HIV early intervention (HEI), HIV outreach services (HIV) and outreach screening, assessment and referral (OSAR) programs are exempt from the CPS and 40 hour training requirement. The 40 hours of training must include:

- (A) history of prevention as a discipline;
- (B) facts about drugs and drug terminology;
- (C) prevention theory including risk/protective factors and resiliency;
- (D) currently recognized prevention strategies and principles;
- (E) role of media and environmental prevention approaches;
- (F) promising, effective and/or model programs as designated by CSAP;
- (G) cultural content and ethics of prevention; and
- (H) assessment and evaluation as prevention tools.

(e) The program shall hire applicants who meet the minimum qualifications listed in the job description.

§144.306. *Commission Logo and Slogan.*

The contractor may not use the Commission's logo and slogan in publications, electronic media, or video material unless the Commission has given written permission.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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SUBCHAPTER D. CONTRACT ADMINISTRATION

40 TAC §§144.402 - 144.410, 144.419, 144.420

The new rules are adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The new rules are also adopted under Texas Health and Safety Code, §464.009 which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Texas Health and Safety Code.

§144.402. *Application of Federal and State Regulations.*

(a) All contractors shall comply with the provisions of the Uniform Grant Management Standards (UGMS). Expenditures of Commission funds, including required cash match, shall be reasonable, necessary, allocable, and allowable, and must receive required prior approval as stated in UGMS. All contractors shall also comply with Federal cost principles and administrative requirements as appropriate for the organization. When there is a conflict between UGMS and the Federal regulations, the most restrictive shall apply. The Federal cost principles and administrative requirements are applicable as follows:

(1) State and local governments or Indian tribal governments shall comply with cost principles found in the OMB Circular A-87 and administrative requirements found in the OMB Circular A-102.

(2) Not-for-profit contractors shall comply with cost principles found in the OMB Circular A-122 and administrative requirements found in the OMB Circular A-110 (with changes incorporated as 45 C.F.R. §74).

(3) Educational organizations shall comply with cost principles found in OMB Circular A-21 and administrative requirements found in OMB Circular A-110; (with changes incorporated as 45 C.F.R. §74).

(4) Commercial organizations shall comply with cost principles found in 48 C.F.R. §31, and administrative requirements found in OMB Circular A-110 (with changes incorporated as 45 C.F.R. §74).

(5) Hospitals shall comply with cost principles found in 45 C.F.R. §74, and administrative requirements found in OMB Circular A-110.

(b) All references in the circulars to "Federal" or "Federally" shall be expanded to read "Federal or State" or "Federally or State", as applicable. References to "recipient" shall be expanded to read "recipient, contractor, subcontractor, subrecipient, or provider."

(c) The contractor shall also comply with requirements and restrictions found in the Substance Abuse Prevention and Treatment Federal Block Grant, found at 42 U.S.C. §300x.

§144.403. Matching Funds.

In accordance with TEX. HEALTH & SAFETY CODE ANN. §461.014 (Vernon 2001), all contractors shall contribute at least 5.0% of the total Commission-funded contract expenditures in matching funds or in-kind contributions in compliance with applicable OMB circulars from sources eligible to be used for matching purposes. If this requirement is satisfied with cash, then the costs incurred must be allowable and borne with eligible funds. Cash and in-kind match may not count towards satisfying the match requirement if they have or will be used towards satisfying a match requirement for another Federal or State contract.

§144.404. Program Income.

(a) Contractors shall separately record and report all program income directly generated through the portion of a program or activity funded by the Commission.

(b) The program may charge fees as noted on Federal Poverty Income Level Guidelines--TCADA Sliding Fee Scale for Commission-Funded Services or Activities Provided:

(1) an otherwise eligible applicant is not refused Commission-funded services for inability to pay; and

(2) with prior approval, the resulting income can be used as listed below according to applicable regulations:

(A) as matching funds to offset allowable costs of the funded program;

(B) to expand or increase funded program services/activities or further expand program objectives; or

(C) as a deduction to the program/contract amount if not expended or used as cash match.

(3) Contractor shall maintain documentation to support how the resulting income is expended.

§144.405. Indirect Cost.

(a) If a contractor does not elect to direct cost all administrative expenses, a contractor may request approval to charge administrative expenses as indirect costs. Two methods are available for charging shared administrative costs. The contractor may:

(1) submit documentation of a current or provisional indirect cost rate approved by the contractor's cognizant agency; or

(2) use an indirect cost rate not to exceed 10% as provided in the UGMS. If requesting this option, the contractor must provide supporting documentation that shows the direct salary and wage costs of providing the service (excluding overtime, shift premiums, and fringe benefits), as well as a list of indirect cost items that support the service.

(b) All contractors receiving funds from other sources must maintain a cost allocation plan showing how administrative costs are distributed among funding sources.

(c) The Commission reserves the right to require administrative expenses to be charged as direct costs.

(d) The contractor shall obtain approval to use the indirect rate for each contract.

§144.406. Expenditures Requiring Prior Approval.

For contractors on a cost reimbursement payment mechanism, prior written approval is required for certain costs charged to the Commission contract. Costs that are allowable only with prior written approval from the Commission include:

(1) equipment;

(2) minor remodeling;

(3) contractual services;

(4) any transfer among program budget line items for direct costs when cumulative transfers exceed or are expected to exceed 10% of the total approved program budget; and

(5) transfers that are requested between programs or between intensities of treatment services.

§144.407. Equipment and Supplies.

(a) Equipment includes all tangible personal property that costs \$5,000 or more per unit and has a useful life of more than one year. A set of components designed to function together shall be treated as a single unit.

(b) Supplies include all materials and other expendable property needed to carry out a contract with a unit cost of less than \$5,000.

(c) Controlled items have a unit cost of \$500 - \$4,999 and/or a high risk of theft. Examples include televisions, fax machines, video recorder/players, printers, software, and mobile telephones.

(d) The contractor shall conduct an annual physical inventory of all equipment and controlled items purchased with Commission funds. The physical inventory may be conducted at a point certain during the fiscal year, but no later than 60 days after the close of the fiscal year.

(1) The inventory shall conform to standards found in the UGMS or the applicable OMB circular.

(2) Inventory records shall be current, maintained at the program site, and reported as part of the annual contract closeout.

(e) Contractor shall request disposition instructions from the Commission before disposing of inventoried items purchased with Commission funds at any time during or after the contract term. Additionally, contractors shall not dispose of property purchased with Commission funds without prior written approval from the Commission.

§144.408. Minor Remodeling.

(a) Minor remodeling is work that is required to change the interior arrangements or other physical characteristics of an existing building. It does not include work that substantially increases the value of the building nor does it include replacement or repair and maintenance of existing systems or structures.

(b) Contractor shall have written approval from the Commission before incurring any minor remodeling projects.

(c) Any remodeling project must meet the following conditions:

(1) The remodeling shall be essential to the Commission-funded program;

(2) The remodeled space shall be occupied or used by the program; and

(3) The building shall be owned or leased by the contractor; if the facility is leased, there shall be at least three years remaining in the lease period.

(d) If the program is funded only in part by the Commission, only a pro-rata share of the total minor remodeling costs may be charged to the Commission.

(e) Costs for minor remodeling shall not exceed an aggregate of \$25,000 per contractor per project.

(f) A written request for remodeling must include a narrative description of the proposed functional utilization of the space and the final cost estimate. The following documents must accompany the request, as applicable:

(1) a single line drawing of the existing space and proposed alterations;

(2) equipment requirements prepared by the persons who will use and be responsible for the working space;

(3) final working drawings and specifications;

(4) list of fixed equipment proposed for the facility; and

(5) the design analysis report describing the heating, ventilation, air conditioning, plumbing, and electrical systems.

§144.409. Subcontracting.

(a) The provisions in this section apply when a contractor subcontracts, assigns, or transfers any activity central to the purposes of the contract to a third party.

(1) The subcontractor shall be a corporation, partnership, sole proprietor, or other entity with legal authority to operate in the State of Texas.

(2) The subcontractor shall be in good standing with all applicable legal, regulatory and funding agencies. If the subcontractor

has been funded by the Commission, the organization shall not be suspended or delinquent on a repayment agreement, and shall not have had a contract terminated by the Commission for cause within the past three years. The Contractor shall require any potential subcontractor to disclose all legal, regulatory, or contractual actions initiated against it in the past three years, including pending actions and/or investigations.

(b) The contractor shall, in writing, require any subcontractor to comply with applicable laws and regulations and with the provisions and stipulations of the contractor's contract with the Commission.

(c) The relationship between the contractor and the subcontractor shall be formalized in a written agreement that is signed by the governing body or legally responsible party of both the contractor and the subcontractor.

(d) The contractor shall retain sufficient rights and controls to fulfill its contract responsibilities to the Commission. Subcontracting does not relieve the funded contractor of any responsibility to the Commission under the contract.

(e) The contractor shall monitor subcontractor compliance with provisions of the contract and applicable laws and regulations, and shall take appropriate steps to ensure corrective action when issues of non-compliance are identified. The monitoring activity must be documented and will be subject to review by the Commission.

(f) The contractor is responsible for paying subcontractors. When a contract ends, the contractor and each subcontractor shall settle all claims promptly, including those from employees, vendors, and other subcontractors.

(g) Subcontractors must also comply with all applicable State and Federal laws and regulations and Commission requirements contained in the Commission's rules. These specifically include the audit requirements of Office of Management and Budget (OMB) Circular A-133 if applicable, and all other Federal and State regulations required in §144.402 of this title (relating to Application of Federal and State Regulations).

(h) Subcontractors are subject to Commission oversight. The contractor shall, in writing, require the subcontractor to permit access as described in §144.501 of this chapter (relating to Commission Oversight).

§144.410. Assignments and Transfers.

(a) Contractor shall not assign or pay another entity to provide services without prior written approval by the Commission.

(b) Contractor shall not transfer its interest in the contract without the written consent of the Commission.

§144.419. Deobligation/Reobligation.

The Commission may exercise its authority to deobligate (reduce) or reobligate (increase) contracted program funding during the contract term. Changes in funding will be made in accordance with a fund utilization policy that is based on budgeted versus actual expenditure levels and performance rates as indicated in the contract and documented by the contractor's expenditure and performance reports.

§144.420. Contract Closeout.

(a) Submission of Documents. Contractors shall submit all financial, performance, and other closeout reports required under the contract within 60 days after the contract end date. Treatment contractors shall submit an annual cost report in a format designated by the Commission as part of their closeout packet. The Commission is not liable for any claims that are not resolved with the Commission within 90 days after the contract end date.

(b) **Equipment.** Contractors shall submit an inventory of property and controlled items purchased with Commission funds at closeout and request disposition instructions for property that is no longer needed.

(c) **Payment of Refunds.** Any funds paid to the contractor in excess of the amount the contractor is finally determined to be entitled under the terms of the contract constitute a debt to the Commission and will result in a refund. The contractor shall pay any refundable amount within the time period established by the Commission.

(d) **Disallowances and Adjustments.** The closeout of the contract does not affect:

(1) The Commission's right to disallow costs and recover funds on the basis of a later audit or other review.

(2) The contractor's obligation to return any funds due as a result of later refunds, corrections, or other transactions.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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General Counsel

Texas Commission on Alcohol and Drug Abuse

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SUBCHAPTER E. CONTRACT OVERSIGHT

40 TAC §§144.502 - 144.507

The new rules are adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and §461.0141 which provides the Commission authority to adopt rules regarding purchase of services. The new rules are also adopted under Texas Health and Safety Code, §464.009 which provides the Commission authority to adopt rules and standards for the licensure of chemical dependency treatment facilities.

The codes affected by the adoption of these rules are Chapters 461 and 464 of the Texas Health and Safety Code.

§144.502. *On-Site Reviews.*

(a) After an on-site review, the contractor will be notified in writing of any noncompliance with Federal and State statutes and regulations, Commission rules and contract requirements identified by the Commission in a draft report.

(b) The contractor shall respond to the draft report and the deficiencies and if necessary, submit documents and evidence of corrections to the Commission within 14 calendar days of the postmark date of the draft report.

(c) The Commission shall review the specific documents and evidence of corrections, including any modifications agreed upon prior to acceptance. The contractor's response shall become a part of the final report.

(d) The contractor shall correct deficiencies identified in the final report within the specified time frame.

§144.503. *Independent Audit Report.*

(a) Contractors that expend a total amount of Federal awards (from the Commission and other funding sources) of at least \$500,000 during their fiscal year must have a single or program specific audit in accordance with Office of Management and Budget Circular A-133, the requirements of the Single Audit Act Amendments of 1996, and other governance guiding the program.

(1) If the funds are expended under more than one Federal program, the contractor shall have a single audit.

(2) If the funds are expended under only one Federal program and the contractor is not subject to laws, regulations, or Federal contracts that require a financial statement audit, the contractor may elect to have a program-specific audit.

(b) When a contractor expends both State and Federal funds and is required to submit a single audit report, the schedule of Federal and State expenditures may be combined in one schedule in the report. However, the source and total amount of funds expended (Federal vs. State) must be clearly stated. Contractors that expend less than \$500,000 in Federal or State funds from all sources during their fiscal year shall submit a signed audit arrangements statement to the Commission after their fiscal year end certifying that the contractor is not required to submit a single or program-specific audit report.

(c) The Commission reserves the right to require an audit for a program regardless of the amount of expenditures.

§144.504. *Auditor Qualifications.*

(a) The audit shall be conducted by an independent certified public accountant (CPA).

(b) The selected auditor must meet the requirements of the Government Auditing Standards (GAS) and be licensed in the state in which the audit is performed at the time the audit is performed.

(c) Contractors who use outside CPA firms to perform book-keeping or accounting services shall not use the same CPA firm for audit services.

§144.505. *Independent Audit Report Requirements.*

(a) The audit report shall include the requirements found in:

- (1) OMB Circular A-133 Compliance Supplement;
- (2) Government Auditing Standards (GAS);
- (3) UGMS; and

(4) the Commission's contract(s), including any stipulations and amendments.

(b) In addition, the audit shall meet applicable requirements in §144.402 of this chapter (relating to Application of Federal and State Regulations).

§144.506. *Independent Audit Report Submission.*

(a) The contractor shall submit three copies of all required audit documentation to the Commission, including:

- (1) the audit report;
- (2) any separately issued management letters;

(3) management responses that include a corrective action plan for each deficiency noted in the independent financial audit report and management letter.

(A) Management responses shall express agreement or disagreement with the noted deficiencies. Disagreement shall include

additional support, evidence, or justification of the contractor's position.

(B) The corrective action plan shall include:

(i) the title(s) of the person(s) responsible for the corrective action;

(ii) the corrective action planned; and

(iii) the anticipated completion date.

(C) If the contractor believes corrective action is not required for a noted deficiency, the response shall include an explanation and specific reasons.

(D) The Commission shall review the corrective action plan.

(4) documentation of board approval or disapproval of the audit report.

(b) Audits shall be completed and submitted no later than nine months after the contractor's fiscal year end. Documentation of board approval may be submitted separately if the board is unable to review the audit report before the due date, but this documentation must be provided before the Commission's final acceptance of the audit.

§144.507. Audit Report Desk Reviews.

(a) After reviewing the audit, the Commission will send the contractor a resolution letter requesting a response to any administrative findings or deficiencies.

(1) The contractor shall respond to the Commission within 14 calendar days of the postmark date.

(2) If the response is not satisfactory, an additional 14 days will be given to provide a satisfactory response. If the issue is not resolved within that time period, sanctions may be invoked.

(b) When the review process indicates that no further action is needed, the Commission will mail an acceptance letter to the contractor.

(c) If excess revenue is identified during the desk review process, cost reimbursement contractors must refund the money within the specified time frame.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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Texas Commission on Alcohol and Drug Abuse

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CHAPTER 146. INTERAGENCY AGREEMENTS

40 TAC §146.21

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 146, §146.21, concerning Interagency Agreements, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7226).

The repeal of Chapter 146 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission with the authority to adopt rules governing its functions, including rules that prescribe the policies and procedures followed by the Commission in administering its programs.

The code affected by the repeal is Chapter 461 of the Texas Health and Safety Code.

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CHAPTER 150. COUNSELOR LICENSURE

40 TAC §§150.1, 150.11 - 150.14, 150.21 - 150.28, 150.31 - 150.34, 150.41 - 150.43, 150.51 - 150.56, 150.62

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 150, §§150.1, 150.11 - 150.14, 150.21 - 150.28, 150.31 - 150.34, 150.41 - 150.43, 150.51 - 150.56, and 150.62, concerning Counselor Licensure, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7266).

The repeal of Chapter 150 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

The repeal is adopted under the Texas Health and Safety Code, §461.012(a)(15) which provides the Commission authority to adopt rules governing its functions and Texas Occupations Code, §504.051, which provides the Commission authority to establish rules for the licensure of chemical dependency counselors.

The codes affected by the repeal are Chapter 461 of the Texas Health and Safety Code and Chapter 504 of the Texas Occupations Code.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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40 TAC §§150.101 - 150.126

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts new Chapter 150, §§150.101-150.126 concerning Counselor Licensure, with changes to the text that was published in the August 29, 2003, *Texas Register*, (28 TexReg 7266).

The new rules incorporate provisions of the scope of practice guidelines defined by the Center for Substance Abuse Treatment in Technical Assistance Publication 21: Addictions Counseling Competencies: The Knowledge, Skills, and Attitudes of Professional Practice. The new rules also incorporate provisions from Tex. S.B. 333, 78th Leg., R.S. (2003), which increase the minimum education level for the licensed chemical dependency counselor (LCDC) to an associate's degree. In addition, the new rules address practice standards for LCDCs who deliver private practice services via electronic means including the Internet; add a requirement that LCDCs list their credentials when signing a professional document; and add a requirement that clinical training institution (CTI) providers employ a full-time qualified credentialed counselor (QCC) as a CTI coordinator.

Changes have been made to §§150.101-150.126 as proposed. The designated number of educational hours for addressing issues independent of substance abuse/dependence are no longer limited to post licensure, but may be obtained at any time. In addition to the changes discussed below to §§150.101-150.126, the Commission makes other grammatical and non-substantive changes for the purpose of clarifying its intent.

The public comment period began on August 29, 2003, with the publication of the proposed rules in the *Texas Register* and on the Commission's website, and ended October 15, 2003. Public meetings to discuss the rules were held during the comment period in Austin, Dallas and Houston. The Commission received the majority of comments in writing by email, fax and U.S. mail. Commission staff summarized the comments received and published draft responses for review on the Commission's website in advance of its November 12, 2003, open meeting. The draft included a number of changes in response to the concerns expressed. As directed by the Commissioners at the November 12 meeting, the rules were revised further and published along with a draft final order on the Commission's website in advance of the December 9, 2003, open meeting. Chapter 150 was approved for adoption during that meeting.

The Commission received comments on the proposed rules from Alcohol and Drug Education Services; Bonham Veterans Administration Mental Health Clinic; The Association of Substance Abuse Programs (ASAP); CiviGenics; Hull, Henricks & MacRae law firm; San Antonio College; Sandstone Health Care, Inc. (Sandstone); Serenity Foundation of Texas; Texas Association of Addiction Professionals (TAAP); Texas Department of Criminal Justice (TDCJ); and various individual commenters. The specific comments received and the Commission's responses appear below in rule number order.

§150.101. License Required. San Antonio College comments that the Licensed Masters Social Worker (LMSW) designation has been changed to Licensed Clinical Social Worker (LCSW). The Commission responds that the LMSW designation was not changed to LCSW. The former LMSW-ACP (Advanced Clinical Practitioner) has been changed to LCSW.

San Antonio College further comments that faith based counselors are rendering services and are not necessarily qualified to do so. The commenter suggests that the Commission should prevent this practice. The Commission responds that state law provides an exemption from counselor licensure for counselors providing services at registered faith-based exempt organizations. As long as they are practicing within the scope of that exemption, the Commission does not have jurisdiction over their practice.

§150.102. Scope of Practice. Hull, Henricks & MacRae law firm comments that the training requirements set forth in the Commission's proposed scope of practice rule are beyond the Commission's statutory authority and thus, should not be adopted. Specifically, it comments that requiring additional training for licensed counselors to enable them to address family issues, co-occurring substance and mental health disorders, and physical or sexual abuse issues, is outside of the requirements set out by statute governing licensure. The Commission disagrees with the comment that the required training is outside of the Commission's authority. Pursuant to the Commission's regulatory authority over licensed counselors, as set forth in state law, the Commission may adopt and enforce rules to perform its duties required by this statute. Part of the Commission's statutory duty is to establish standards of conduct and ethics for persons licensed under the statute. As a result, the Commission has rules which set forth ethical standards governing the practice of chemical dependency counseling by LCDC's. It is a violation of these ethical standards to provide services that exceed an LCDC's professional competence. While the statute provides minimum requirements for obtaining a license, the Commission requires that additional training be obtained if an LCDC intends to provide counseling to a chemical dependency client regarding that client's associated family issues, co-occurring substance and mental health disorders, and physical or sexual abuse issues. Failing to obtain such training may cause harm to the recipient of services and is therefore a violation of the LCDC's ethical standards. The Commission has revised §150.102(b)(3) for clarity. The Commission has moved §150.102(b)(5) to §150.121.

§150.102(5). Scope of Practice. CiviGenics comments that counselors currently practicing substance abuse counseling with families, co-occurring mental health issues and physical/sexual abuse issues could be impeded by the rules proposed in §150.102(5) (new §150.121(d)(3)). The rule requires that LCDCs have 45 hours of education in the respective area of

practice and 2000 hours of post licensure supervision. The commenter requests that the Commission grandfather counselors currently practicing in these areas. The Commission responds that the requirement to obtain the 45 hours of education and 2000 hours of post licensure supervision should not create undue hardship for counselors. The Commission believes that if an LCDC is to provide services to clients whose needs exceed stand-alone substance abuse, yet are related to substance abuse counseling, such as family issues, the counselor should obtain adequate training and supervision prior to providing these services independently.

The commenter also states that the Commission should add a provision that would allow those LCDCs with a master's degree or those licensed for five years or more to only complete 24 hours of continuing education per year. He notes that the Commission allows LCDCs who are also LMSWs, LMFTs, LPCs, licensed physicians or licensed psychologists to only complete 24 hours of continuing education every two years. The Commission responds that the continuing education requirement is set in statute. All LCDCs must complete 60 continuing education hours every two years with the exception of those persons who are statutorily exempt.

§150.103. Commission Review. Hull, Henricks & MacRae law firm comments that the proposed rule regarding the Commission's review of LCDCs and registered interns practice constitutes a warrantless search in violation of the Fourth Amendment of the U.S. Constitution and is in excess of the Commission's rule making authority. The commenter states that without specific statutory authority and required limitations on that authority as set forth in current U.S. Supreme Court decisions, the Commission cannot require by rule that LCDC or intern permit the Commission to conduct a search of the premises within which counseling is performed. The Commission responds by revising the new rule to delete the provision that requires that an LCDC or intern permit an on-site inspection. However, the provision will permit the collection of documents and evidence that must be produced by the LCDC or intern to allow the Commission to investigate alleged violations of its rules or the law.

§150.107. Standards for 270 Educational Hours. San Antonio College comments that when the associate's degree requirement goes in to effect, the Commission should not accept coursework from college continuing education programs or proprietary schools for the required coursework, i.e., the 135 alcohol and drug specific and the 135 related hours. The Commission responds that when the associate's degree requirement goes in to effect, the Commission will continue to accept classes from college continuing education programs and proprietary schools for those who have an associate's degree, but did not obtain the required courses. The Commission believes to require credit courses for those who have completed their approved associate's degree can cause a hardship and limit options to the students. This would unnecessarily limit access to the field.

San Antonio College also comments that the Commission should require that students receive a grade of C or above. The Commission disagrees. Because there are other ways a student may receive credit for a course without a grade, for example, pass/fail, the Commission believes it should consider all relevant courses for which the college officially awarded credit to the student on the transcript.

Lastly, San Antonio College comments that applicants with advanced degrees that are not in the human behavior/development

and service delivery fields should be required to take the required coursework for credit as described in §150.107 as opposed to taking college continuing education courses or courses at proprietary schools. The Commission responds that if a person's advanced degree is not in the human behavior/development and service delivery field, currently the person may obtain the required educational hours and practicum hours through a proprietary school or college continuing education program. However, once the associate's degree requirement goes in to effect, the individual will be required to get the approved degree. The Commission will not substitute an unrelated bachelor's or master's degree for the appropriate associate's degree.

§150.109. Education and Experience Exemptions/Waivers. Alcohol and Drug Education Services comments that the Commission should also require those with bachelor's and master's degrees to have specialized training because those without the specialized training are not knowledgeable in this field. The Commission responds that statute requires the Commission to waive the educational requirement and certain experience requirements for those with a bachelor's degree or higher in certain specified areas. However, no one is exempt from taking the LCDC examination, and the Commission believes, if an individual passes both the written and oral exams, they have demonstrated that they possess adequate and appropriate knowledge of this field.

§150.110. Requirements for Licensure. Bonham Veterans Administration Mental Health Clinic comments that the 4000 hours of supervised work experience should be reduced to 3000 hours or less. The Commission responds that the requirement to obtain 4000 hours of supervised work experience for the LCDC is statutory.

Alcohol and Drug Education Services commented that TCADA should increase the education level of the LCDC license to an associate's degree. The Commission responds that the education level for the LCDC was increased to an associate's degree as a result of Tex. S.B. 333, 78th Leg., R.S. (2003).

An individual comments that TCADA should require the associate's degree to be in the social sciences to ensure that the individual takes courses related human services. The Commission believes that the rule ensures that the individual will take courses in the human services field. The rule requires individuals to study human behavior/development and service delivery. Also, the individual is required to take 270 substance abuse specific/related educational hours, as part of the degree, and to complete a practicum. At a minimum, this requires that the student take seven human service courses.

§150.111. Standards for Supervised Work Experience. San Antonio College comments that the Commission should allow students to earn supervised work experience hours during college internships without requiring the college to find sites that are registered with the Commission as a CTI. The Commission responds that because standards of supervision may vary from school to school, the Commission will not grant the authority to colleges to provide supervised work experience hours without assurances that certain standards will be followed. Therefore, the Commission will allow colleges to register as CTIs to ensure consistency in supervision. Approval as a registered CTI would allow the college to use training sites that are not registered with the Commission.

§150.113. *Issuing Licenses.* An individual requests that she be allowed to put her maiden name or an alias on her license to protect her from potential harm from her clients. She also does not want to display her license so that clients will not be able to know her true identity. She states that the fingerprint requirement to renew the license poses a risk to LCDCs, because the Commission will be able to obtain the licensee's real name and place it on the license. She believes that for clients to know her true identity places her safety in jeopardy because she works with the sex offender population. The Commission responds that it has a statutory responsibility to regulate counselors and to protect clients, including those in the criminal justice system. The Commission requires the true identity of the licensee to perform its regulatory functions. Clients have the right to know the identity of the person providing services to them and the right to file a complaint to the regulatory authority if necessary. The fingerprinting requirement is statutory. An LCDC has a duty to provide accurate information to the Commission. To clarify this rule, the Commission has amended it to require notification to the Commission when an LCDC changes his or her name.

§150.120. *Counseling Through Electronic Means.* Alcohol and Drug Education Services comments that the Commission should prohibit the counselor from providing services via the Internet. The Commission responds that State law permits services to be delivered via Internet counseling and requires that the Commission set standards and regulate those who do provide such services.

§150.121. *Ethical Standards.* San Antonio College comments that the Commission should include both over-the-counter and prescription drugs within the ethical standard prohibiting counselors from providing services under the influence. The Commission responds that it is up to the counselor and his/her employer to ensure that the counselor is not impaired when providing services, whether the impairment is caused by alcohol or other chemicals, including the abuse of legally prescribed or illegally obtained medication or abuse of over-the-counter medications. Section 150.121(e) prohibits the provision of service while impaired, intoxicated, or under the influence of chemicals, which includes abuse of medications.

Alcohol and Drug Educational Services comments that LCDCs should be required to sign their credentials after their name. The Commission concurs with requiring an LCDC to list their credentials after signing their name. This requirement is found in §150.121(f)(3) of the rules.

An individual comments that the Commission should eliminate the "two year rule" that prohibits a counselor from establishing a relationship with a client and increase this time period to a lifetime. The commenter believes this rule compromises the ethics of the field by giving a "mixed message" to the counselor. The Commission responds that it does not believe the rule gives a conflicting message regarding counselor behavior. The Commission clearly states that the counselor will have no relationship of any kind with the client for two years after the service is completed. The Commission does not believe that the two year rule should be increased to lifetime for two reasons. First, two years is a reasonable limitation in that it reduces the likelihood that a client may be taken advantage of after being involved in a therapeutic relationship. Second, the substance abuse field is unique in that many of those who recover may later seek to become counselors themselves. As a result, former clients may

work with counselors or facilities that once treated them. Imposing a lifetime restriction would unnecessarily keep qualified individuals out of the treatment field.

§150.123. *Clinical Training Institution (CTI) Registration.* Riverside General Hospital comments that the Commission should not require CTIs to employ a QCC as the CTI coordinator. The commenter believes that the current system is effective, cost efficient and complies with the Knowledge Skills and Abilities (KSAs) of counseling as defined by CSAT. The Commission responds that numerous agencies do not have a QCC to provide supervision to their interns. This failure compromises the integrity of the CTI program and places clients at risk. The CTI rules have always required that the CTI coordinator be a QCC, but have never specified that the QCC would have to be an employee of the entity. By requiring the agency to employ a QCC, the Commission ensures better accountability on the part of CTI for the supervision of interns.

§150.124(a)-(k). *Clinical Training Institution (CTI) Standards.* Sandstone Healthcare, Inc. comments that to require the CTI to appoint a QCC as a CTI training coordinator to oversee the training activities and to ensure compliance with the rules would cost approximately \$30,000. It alleges that there is no benefit to having the CTI training coordinator be a QCC and that administrative staff should be allowed to conduct these supervision activities. The Commission responds that this requirement has existed since January 2000. Section 150.123(a)(3) of the new rules require that the CTI employ a QCC. The QCC could be an independent contractor or a regular employee. Employing a QCC as a CTI coordinator, increases accountability for the supervision of interns. It would be inappropriate for non-clinical administrative staff to provide clinical supervision activities to counselor interns. Staff who are not QCCs do not possess the skills and knowledge to perform the supervision task required by these rules.

§150.125. *Direct Supervision of Interns.* San Antonio College comments that it is not clear where the definition of a Qualified Credentialed Counselor (QCC) is located. The Commission responds that the definition of QCC is located in 40 TAC §141.101(98).

San Antonio College further comments that the Commission should require practicum students to sign practicum student (PS) after their name to differentiate between the practicum student and the counselor intern (CI). The Commission responds that the TEX. OCC. CODE ANN. ch. 504.002(b)(2) states that a person may provide services if they are pursuing "a course of study in counseling from a regionally accredited institution of higher education or training institution if the person is designated as a counselor intern..." Therefore, a person can be an intern with a college or an intern with the Commission. The Commission does not believe there is a need to differentiate between PS and CI in the client file. In each case, the person is an intern and is subject to supervision.

This new chapter is adopted pursuant to TEX. OCC. CODE ANN. §504.051, which provides the Commission authority to adopt rules governing the licensure of chemical dependency counselors and TEX. HEALTH & SAFETY CODE ANN. §461.012(a)(15), which provides the Commission authority to adopt rules governing its functions.

The codes affected by the adoption of these rules are Chapter 461 of the Texas Health and Safety Code and Chapter 504 of the Texas Occupations Code.

§150.101. *License Required.*

(a) An individual identified to the public as a chemical dependency counselor must be licensed or exempt under this chapter. Except as provided by this section, individuals who are not licensed chemical dependency counselors (LCDCs) shall not:

(1) offer or provide chemical dependency counseling services other than education;

(2) represent themselves as chemical dependency counselors; or

(3) use any name, title, or designation that implies licensure as a chemical dependency counselor.

(b) The following people are exempt from this chapter when they are acting within the scope of their authorized duties:

(1) counselors employed by Federal institutions;

(2) school counselors certified by the Texas Education Agency;

(3) licensed physicians, licensed psychologists, licensed professional counselors (LPC), licensed marriage and family therapists (LMFT), and licensed master social workers (LMSW);

(4) religious leaders of congregations providing pastoral counseling within the scope of their congregational duties and people who are working for or providing counseling with a program exempted under TEX. HEALTH & SAFETY CODE ANN. §§ 464.051-.061 (Vernon 2001 & Supp. 2004);

(5) students who are participating in a practicum as part of a supervised course of clinical training at a regionally accredited institution of higher education or a proprietary school; and

(6) counselor interns who are registered with the Commission and working under the auspices of a registered clinical training institution.

(c) Residents of other states are exempt if they:

(1) are legally authorized to provide chemical dependency counseling in those states; and

(2) do not offer or provide chemical dependency counseling in Texas for more than 30 days in any 12-month period.

(d) A person who qualifies for an exemption but chooses to get a license from the Commission is subject to the same rules and disciplinary actions as other licensees.

§150.102. *Scope of Practice.*

(a) A licensed chemical dependency counselor (LCDC) is licensed to provide chemical dependency counseling services involving the application of the principles, methods, and procedures of the chemical dependency profession as defined by the profession's ethical standards and the Knowledge, Skills, and Abilities (KSAs) as defined in 40 TAC ch. 141 of this title (relating to General Provisions). The license does not qualify an individual to provide services outside this scope of practice.

(b) The scope of practice for a chemical dependency counselor includes services that address substance abuse/dependence and/or its impact on the service recipient subject to the following:

(1) the counselor is prohibited from using techniques that exceed his or her professional competence;

(2) the service recipient may only be the user, family member or any other person involved in a significant relationship with an active user;

(3) LCDCs may diagnose substance disorders, but anything other than a mental health diagnostic impression must be determined by a qualified professional; and

(4) LCDCs are not qualified to treat individuals with a mental health disorder or provide family counseling to individuals whose presenting problems do not include chemical dependency.

§150.103. *Commission Review.*

Pursuant to a Commission inquiry regarding an alleged violation of the its rules or the law, a person licensed, registered, or approved under this chapter shall produce records, documents and other evidence related to the license, registration, or approval to the Commission, upon request, unless otherwise prohibited by law. A person licensed, registered or approved under this chapter, shall not interfere with the Commission's access to clients, witnesses or other parties.

§150.104. *Fees.*

(a) The schedule for fees is:

(1) initial application fee--\$25;

(2) initial licensure fee--\$75;

(3) renewal fees:

(A) renewal application fee--\$25;

(B) license renewal fee--\$75;

(C) late renewal penalty fee (up to 90 days after the license expiration date)--\$37.50;

(D) late renewal penalty fee (between 91 days and one year after the license expiration date)--\$75;

(4) background investigation fee--\$40;

(5) inactive status fee--\$50;

(6) certificate replacement or duplication fee--\$25.

(b) The Commission charges a \$25 fee for a printed list of licensed counselors or a set of mailing labels.

(c) The Commission may contract with an outside organization to administer the licensure examination, and the fee charged by the contract organization is subject to change. The current fee shall be printed in the registration form. Examination fees shall be paid directly to the contract organization administering the examination.

(d) Licensure fees paid to the Commission are not refundable.

(e) Fees shall be paid in full with a cashier's check, commercial check, or money order. If online application is available, the fee may be paid with a credit card and is subject to a surcharge by the online vendor.

§150.105. *Licensure Application Standards and Registration.*

(a) Every person seeking licensure shall register with the Commission by submitting the following items in a form acceptable to the Commission:

(1) the application fee and the background investigation fee;

(2) the Commission's current application form which has been completed, signed, dated, and notarized;

(3) a recent full-face wallet-sized photograph of the applicant;

(4) two sets of fingerprints completed according to Commission instructions with cards issued by the Commission; and

(5) documentation that the applicant has successfully completed intern registration requirements in §150.106 of this title (relating to Requirements for Counselor Intern Registration).

(b) An applicant shall:

- (1) read the Commission rules (40 TAC ch. 150 (2004));
- (2) follow all laws and rules, including the ethical standards;
- (3) allow the Commission to seek any additional information or references necessary; and
- (4) notify the Commission in writing within 30 days of a change in address.

(c) Application materials become the property of the Commission.

(d) An application packet will not be accepted unless it is complete.

(1) Incomplete documents will be returned to the sender. The Commission will hold the remaining documents, but will not accept the application until all outstanding documents have been completed and approved.

(2) The application and background fee is not refundable and will not be returned. When resubmitting documents that were returned to the sender as incomplete, a second application fee is not required.

(e) A document may be considered incomplete if it does not conform to the following standards.

(1) All documents must be complete, signed, and dated. Signatures shall include credentials. If the documentation relates to past activity, the date of the activity shall also be recorded.

(2) Documentation shall be permanent and legible.

(3) When it is necessary to correct a document, the error shall be marked through with a single line, dated, and initialed by the writer. Correction fluid shall not be used.

(f) An applicant must receive written notice of registration from the Commission before accumulating any supervised work experience or taking the examination or providing chemical dependency services.

(g) Within 45 days of receipt of the application, the Commission shall notify the applicant that the application is complete or specify the additional information required.

(h) By signing the application, the applicant accepts responsibility for remaining knowledgeable of licensure rules, including revisions.

(1) Current rules are published in the Texas Administrative Code and posted on the Secretary of State's web site and the Commission's web site.

(2) Proposed rule changes are published in the Texas Register and posted on the Secretary of State's web site and the Commission's web site.

§150.106. *Requirements for Counselor Intern Registration.*

To be eligible for a counselor intern registration under this chapter, a person must:

- (1) be at least 18 years of age;
- (2) have a high school diploma or its equivalent;

(3) successfully complete 270 classroom hours of chemical dependency curricula as described in §150.107 of this title (relating to Standards for 270 Educational Hours) or meet the educational waiver contained in §150.109 of this title (relating to Education and Experience Exemptions/Waivers);

(4) complete 300 hours of approved supervised field work practicum as described in §150.108 of this title (relating to Practicum Standards) or meet the educational waiver contained in §150.109 of this title (relating to Education and Experience Exemptions/Waivers);

(5) pass the criminal history standards described in §150.115 of this title (relating to Criminal History Standards);

(6) sign a written agreement to abide by the ethical standards contained in §150.121 of this title (relating to Ethical Standards); and

(7) be worthy of the public trust and confidence as determined by the Commission.

§150.107. *Standards for 270 Educational Hours.*

(a) At least 135 (nine semester hours) of the education hours must be specific to substance use disorders and their treatment. The remaining 135 hours may be specific or related to chemical dependency counseling. Related education hours may include courses in psychology, upper division sociology, counseling, mental health, behavioral science, psychiatric nursing, ethics, and rehabilitation counseling.

(b) The education shall be provided by a proprietary school, or an accredited institution of higher education.

(c) Continuing education and extended learning courses offered by institutions of higher education are not acceptable unless the curriculum follows the Workforce Education Curriculum Manual and meets the standards equivalent to a credit course.

(d) Educational hours obtained at a proprietary school must follow the curriculum for Transdisciplinary Foundations for Addictions Professional outlined in the KSAs:

- (1) Understanding Addiction;
- (2) Treatment Knowledge;
- (3) Application to Practice; and
- (4) Professional Readiness.

(e) The Commission shall not accept hours unless documented with a passing grade on an official transcript from the school. The applicant shall submit additional information requested by the Commission if needed to verify the content of a course.

§150.108. *Practicum Standards.*

(a) The practicum shall be completed under the administration of a proprietary school or an accredited institution of higher education.

(b) The applicant must complete the practicum under the administration of a single school.

(c) The Commission shall not accept a practicum without an official transcript from the school and a letter from the school's educational coordinator or chair verifying that the practicum was completed in the field of substance abuse.

(d) Practicum hours may be paid or voluntary.

(e) The practicum shall be delivered according to a written training curriculum that provides the student with an orientation to treatment services and exposure to treatment activities in each of the KSA dimensions. The practicum must include the intern observing

treatment delivery and the intern providing services under direct observation. The practicum shall include at least 20 hours of experience in each of the KSA dimensions.

(f) All training shall be provided by qualified credentialed counselors (QCCs).

§150.109. Education and Experience Exemptions/Waivers.

(a) Applicants holding a degree in chemical dependency counseling, sociology, psychology, or any other degree approved by the Commission are exempt from the 270 hours of education and the 300 hour practicum. The applicant must submit an official college transcript with the official seal of the college and the signature of the registrar. Degree programs approved by the Commission include baccalaureate, masters, or doctoral degrees with a course of study in human behavior/development and service delivery.

(b) The Commission may waive the 4,000 hours of supervised work experience for individuals who hold a masters or doctoral degree in social work or a masters or doctoral degree in a counseling-related field with 48 semester hours of graduate-level courses. Counseling related degrees shall be reviewed on a case-by-case basis. The applicant shall submit an official college transcript with the official seal of the college and the signature of the registrar, and any other related documentation requested by the Commission.

§150.110. Requirements for Licensure.

To be eligible for a license under this chapter, a person must:

(1) complete the application related to §150.105 of this title (relating to Licensure Application Standards and Registration);

(2) meet the requirements to be a counselor intern in §150.106 of this title (relating to Requirements for Counselor Intern Requirements);

(3) hold an associate degree or more advanced degree with a course of study in human behavior/development and service delivery, with the exception of:

(A) those applicants who meet the requirements for intern registration and submit an application to the Commission by September 1, 2004, and

(B) those counselors who are renewing a continuous license.

(4) complete 4,000 hours of approved supervised experience working with chemically dependent persons as described in §150.111 of this title (relating to Standards for Supervised Work Experience);

(5) pass the written chemical dependency counselor examination approved by the Commission;

(6) submit an acceptable written case presentation to the test administrator;

(7) pass an oral chemical dependency counselor examination approved by the Commission; and

(8) submit two letters of recommendation from LCDCs.

§150.111. Standards for Supervised Work Experience.

(a) An applicant must be registered with the Commission as described in §§150.105 and 150.106 of this title (relating to Licensure Application Standards and Registration and Requirements for Counselor Intern Registration) before accumulating supervised work experience.

(b) All supervised work experience obtained in Texas must be completed at a registered clinical training institution (CTI).

(c) Work experience must be documented on the Commission's supervised work experience documentation form and signed by the agency's CTI coordinator.

(1) All hours included in the documented supervised work experience must be performed within the KSA dimensions.

(2) The supervised work experience form must be accompanied by the intern's job description reflecting duties in the KSA dimensions.

(d) Out-of-state work experience will be accepted only if the following conditions are met.

(1) The applicant is either certified or licensed or in the process of seeking licensure or certification in the other state.

(2) The standards for clinical supervision of work experience must meet or exceed Texas standards and be outlined in the governing agency's rules or standards. A copy of the governing rules or standards must be submitted with the other required documentation of supervised work experience.

(3) The supervised work experience must be documented on the Commission's supervised work experience form or a comparable form used by the governing agency of the other state.

(e) Supervised work experience may be paid or voluntary.

(f) An intern must complete all supervised work experience, pass the written and oral examination and complete an approved associate degree within five years from the date of registration.

(g) A person who has completed the 4,000 hours of supervised work experience and is currently eligible to take or retake the examination is a graduate intern and may continue to provide chemical dependency services under the auspices of a registered clinical training institution during the five-year registration period.

(h) It is the applicant's responsibility to verify that the training institution is registered with the Commission. The Commission shall not accept hours from an unregistered provider. A list of registered CTIs is available on the Commission's web site.

§150.112. Examination.

(a) To be eligible for examination, an applicant shall:

(1) be registered with the Commission as an intern;

(2) submit an acceptable case study to the test administrator; and

(3) pay the examination fee to the test administrator.

(b) All required documentation and fees must be submitted to the test administrator by the specified deadlines. It is the applicant's responsibility to obtain testing information.

(c) An applicant may only take the examination four times, and all testing must be completed within five years from the date of registration. An applicant must take the written and oral portions of the examination together unless the applicant has already passed one part of the examination.

(d) If an applicant does not pass both parts of the examination within five years of the date of registration, does not complete the approved associate degree and/or does not complete the required 4,000 hours of supervised work experience, the Commission shall deny the application.

(1) A person whose license application has been denied is no longer an intern or a graduate and cannot provide chemical dependency counseling services under the auspices of a clinical training institution.

(2) A person whose application has been denied under this section may reapply for licensure only after completing 24 semester hours of course work pre-approved by the Commission at an institution of higher education. The new application shall not be considered complete without an official college transcript documenting the required coursework.

(3) If the Commission accepts the new application, the person must complete the remaining requirements for licensure and may take only the failed portion(s) of the examination an additional three times. Transition standards will not apply. The additional tests must be completed within three years of the new date of registration. During this period, the applicant may provide chemical dependency counseling services as an intern under the auspices of a registered clinical training institution.

§150.113. *Issuing Licenses.*

(a) When the applicant has met all requirements for licensure and paid the licensure fee, the Commission will issue a license within 45 days.

(b) LCDCs shall keep current versions of the certificate of licensure and the Commission's public complaint notice prominently displayed in their place of business.

(c) A licensee shall not duplicate the licensure certificate to obtain a second copy of the license. A licensee can obtain an official duplicate certificate from the Commission by submitting a written request and the fee specified in §150.104 of this title (relating to Fees).

(d) The Commission will replace a lost or damaged certificate if the licensee provides:

- (1) the remnants of the original license (if damaged);
- (2) the original license and copy of legal documents (for a name change);
- (3) the original license (for printing error); or
- (4) a notarized statement if the license has been lost, stolen, or destroyed.

(e) A license replaced because of a printing error or mail damage will be replaced without cost, but all other license replacements require a fee, as specified in §150.104 of this title (relating to Fees). The fee shall be paid in advance with a money order, commercial check, or cashier's check.

(f) LCDCs shall notify the Commission in writing within 30 days of a change in name or address.

(g) The licensee shall return the license if it is suspended or revoked.

(h) The licensee shall remain knowledgeable of the current rules in this chapter, including rule changes.

§150.114. *Licensure through Reciprocity.*

(a) A person seeking application through reciprocity shall submit:

- (1) a copy of the reciprocal license or certification;
- (2) the Commission's current reciprocity application which has been completed, signed, dated, and notarized;

(3) two sets of fingerprints on cards issued by the Commission;

(4) a recent full-face wallet-sized photograph of the applicant;

(5) two letters of recommendation; and

(6) the application fee and the background investigation fee.

(b) The applicant shall meet the criminal history standards described in §150.115 of this title (relating to Criminal History Standards).

(c) The Commission may issue a license based on reciprocity if the individual is currently licensed or certified by another state as a chemical dependency counselor.

(d) The Commission shall not issue a license based on reciprocity unless it finds that the licensing or certification standards of the state of origin are at least substantially equivalent to the requirements for licensure of this chapter.

(e) An applicant who does not qualify for reciprocity may apply for licensure through examination and is subject to the same standards as other applicants.

§150.115. *Criminal History Standards.*

(a) The Commission reviews the criminal history of every applicant for licensure. Reviews are conducted when:

(1) an applicant registers with the Commission as an intern;

(2) a LCDC applies for license renewal; and

(3) the Commission receives information that a counselor or intern has been charged, indicted, placed on deferred adjudication, community supervision, or probation, or convicted of an offense described in subsection (d) of this section.

(b) An applicant shall disclose and provide complete information about all misdemeanor and felony charges, indictments, deferred adjudications, episodes of community supervision or probation, and convictions. Failure to make full and accurate disclosure will be grounds for immediate application denial, disciplinary action, or license revocation.

(c) The Commission obtains criminal history information from the Texas Department of Public Safety, including information from the Federal Bureau of Investigations (FBI).

(d) The Commission determines whether an offense is directly related to the duties and responsibilities of a LCDC. The Commission has identified the following related offenses and categorized them according to the seriousness of the offense. If an offense is not listed in one of these categories and the Commission determines that it is directly related to chemical dependency counseling, the Commission shall determine the appropriate category.

(1) Category X includes:

(A) capital offenses;

(B) sexual offenses involving a child victim;

(C) felony sexual offenses involving an adult victim who is a client (single count);

(D) multiple counts of felony sexual offenses involving any adult victim; and

(E) homicide 1st degree.

(2) Category I includes:

- (A) kidnapping;
- (B) arson;
- (C) homicide lesser degrees;
- (D) felony sexual offenses involving an adult victim who is not a client (single count); and
- (E) attempting to commit crimes in Category I or X.

(3) Category II includes felony offenses that result in actual or potential harm to others and/or animals not listed separately in this section.

(4) Category III includes:

- (A) class A misdemeanor alcohol and drug offenses;
- (B) class A misdemeanor offenses resulting in actual or potential harm to others or animals;
- (C) felony alcohol and drug offenses; and
- (D) other felony offenses that do not result in actual or potential harm to others and/or animals.

(5) Category IV includes:

- (A) class B misdemeanor alcohol and drug offenses; and
- (B) class B misdemeanor offenses resulting in actual or potential harm to others or animals.

(e) The Commission shall deny the initial or renewal license application of a person who has been convicted or placed on community supervision in any jurisdiction for a:

- (1) category X offense during the person's lifetime;
- (2) category I offense during the 15 years preceding the date of application;
- (3) category II offense during the ten years preceding the date of application;
- (4) category III offense during the seven years preceding the date of application; or
- (5) category IV offense during the five years preceding the date of application.

(f) The Commission shall deny the intern registration application of a person who has been convicted or placed on community supervision in any jurisdiction for a:

- (1) category X offense during the person's lifetime;
- (2) category I offense during the ten years preceding the date of application;
- (3) category II offense during the five years preceding the date of application;
- (4) category III offense during the two years preceding the date of application; or
- (5) category IV offense during the year preceding the date of application.

(g) The Commission shall defer action on the application of a person who has been charged, indicted, or placed on deferred adjudication, community supervision, or probation for an offense described in subsection (d) of this section. The person may reapply when:

- (1) the charges are dropped or the person is found not guilty; or

(2) the timeframes established in subsection (d) of this section have been met.

(h) The Commission shall suspend a counselor's license or an intern's registration if the Commission receives notice from the Texas Department of Public Safety or another law enforcement agency that the individual has been charged, indicted, placed on deferred adjudication, community supervision, or probation, or convicted of an offense described in subsection (d) of this section.

(1) The Commission shall send notice stating the grounds for summary suspension by certified mail to the license holder at the address listed in the Commission's records. The suspension is effective five days after the date of mailing.

(2) The Commission shall restore the person's license upon receipt of official documentation that the charges have been dismissed or the person has been found not guilty.

(i) A person whose license has been denied or suspended under this section may only appeal the action if:

- (1) the person was convicted or placed on community supervision; and
- (2) the appeal is based on the grounds that the timeframes defined in subsection (d) of this section have been met.

§150.116. License Expiration and Renewal.

(a) A license issued under this chapter is valid for two years, or until the expiration date printed on the license. The licensee is responsible for renewing the license in a timely manner. The Commission shall send the licensee a renewal notice, but failure to receive notice from the Commission does not waive or extend renewal deadlines.

(b) To renew a license, the counselor shall:

- (1) send a complete renewal application to the Commission;
- (2) pay the renewal application fee, the license fee, and the background investigation fee;
- (3) submit two sets of fingerprints completed according to Commission instructions with cards issued by the Commission (if the counselor has not previously submitted fingerprint cards for initial licensure through examination or licensure renewal);
- (4) meet the criminal history standards described in §150.115 of this title (relating to Criminal History Standards); and
- (5) complete all required continuing education as described in section §150.117 of this title (relating to Continuing Education Standards).

(c) A LCDC who is also licensed as an LMSW, LMFT, LPC, physician, or psychologist in the State of Texas shall complete at least 24 hours of continuing education during each two-year licensure period. The 24 hours of education must include the specific courses required in subsection (f) and, if applicable, in subsection (g). The individual must submit a copy of the active non-LCDC licensure certificate to be eligible for this provision.

(d) A LCDC who does not meet the criteria in subsection (c) of this section must complete at least 60 hours of continuing education.

(e) Continuing education hours must include at least three hours of ethics training and at least six hours of training (total) in HIV, Hepatitis C, and sexually transmitted diseases.

(f) If an individual's job duties include clinical supervision, required hours of continuing education must include three hours of clinical supervision training.

(g) Renewal fees are due on or before the expiration date. A licensee who submits a late renewal application shall pay a penalty fee in addition to the renewal application and licensure fees, as provided in §150.104 of this title (relating to Fees).

(h) A license cannot be renewed more than one year after the date of expiration. To obtain a new license, the person shall comply with the requirements and procedures for obtaining an initial license. Everyone who applies for a new license under this subsection must pass the written and oral examinations, with one exception. If the person was licensed in Texas, moved to another state, and is currently licensed and has been in practice in the other state for the two years preceding application, the person may renew an expired license without reexamination. The person must pay a fee that is equal to two times the required renewal fee.

(i) A person whose license has expired cannot offer or provide chemical dependency counseling services as defined by the KSAs, represent himself or herself as an LCDC, or act in the capacity of a QCC.

(j) A licensee who teaches a qualifying continuing education course shall receive the same number of hours as students attending the course. Only one set of hours can be accrued for a single curriculum and no more than 30 hours of CE credit will be granted for courses taught by the applicant.

§150.117. Continuing Education Standards.

(a) The Commission will accept continuing education (CE) hours that meet the criteria in this section. Hours that do not meet these criteria may be evaluated on a case-by-case basis.

(b) Subject to Commission review, the Commission will accept continuing education credits from:

(1) recognized State boards, including, but not limited to the Texas State Boards of Social Work and Professional Counselor Examiners;

(2) the National Association of Alcohol and Drug Abuse Counselors; and

(3) the Texas Certification Board for Addiction Professionals.

(c) All continuing education hours must be specific to substance use disorders and their treatment or related to chemical dependency counseling as defined by the KSA dimensions. Related education hours may include courses in psychology, sociology, counseling, mental health, behavioral science, psychiatric nursing, ethics, and rehabilitation counseling.

(d) For counselors who live out of state, the Commission will also accept continuing education hours approved by other state and Federal agencies.

(e) Continuing education certificates must contain:

- (1) applicant's name and license number;
- (2) date CE hours were completed;
- (3) number of CE hours assigned to each course;
- (4) CE course title;
- (5) educational provider number, if applicable;
- (6) sponsoring agency name; and
- (7) signature of instructor or coordinator.

(f) The Commission will also accept education hours from an accredited college or university.

(1) College transcripts must contain the official seal of the college and the signature of the registrar.

(2) One hour of college credit is equivalent to 15 CE hours.

(g) Independent study or distance learning courses must be guided and monitored by the instructor and include an evaluation of performance and/or participation verification. In addition, the course must be structured so that students have access to faculty or instructors for questions and assistance in the completion of such course work.

(h) If a counselor earns more than the required number of hours during a two-year licensure period, up to one third of the required hours may be carried forward into the following licensure period.

§150.118. Inactive Status.

(a) A licensee may request to have his or her license placed on inactive status by submitting a written request and paying the inactive fee before the license expires. Inactive status shall not be granted unless the license is current and in good standing, with no pending investigations or disciplinary actions.

(b) A person on inactive status cannot perform activities outlined in the KSA dimensions, represent himself or herself as an LCDC, or act in the capacity of a QCC. A person is subject to investigation and action during the period of inactive status.

(c) Inactive status shall not exceed two years.

(d) To return to active status, the person shall submit a written request to reactivate the license, a completed renewal application form, the renewal application fee and the license renewal fee, and documentation of 30 hours of continuing education within the inactive status period.

(e) An inactive license will automatically expire at the end of the two-year period.

§150.119. Documentation.

(a) The rules in this section apply only to counseling records of a counselor's private practice.

(b) The counselor shall establish and maintain a record for every client at the time of initial service delivery. The client record shall include:

- (1) client identifying information;
- (2) assessment results, including a statement of the client's problems and/or diagnosis;
- (3) plan of care;
- (4) documentation of all services provided, including date, duration, and method of delivery; and
- (5) a description of the client's status at the time services are discontinued.

(c) The counselor shall maintain a record of all charges billed and all payments received.

(d) All entries shall be permanent, legible, accurate, and completed in a timely manner.

(e) All documents and entries shall be dated and authenticated. Authentication of electronic records shall be by a digital authentication key.

(f) When it is necessary to correct a record, the error shall be marked through with a single line, dated, and initialed by the counselor.

(g) The counselor shall protect all client records and other client-identifying information from destruction, loss, tampering, and unauthorized access, use or disclosure. Electronic client information shall be protected to the same degree as paper records and shall have a reliable backup system.

(h) The counselor shall not deny clients access to the content of their records except as provided by TEX. HEALTH & SAFETY CODE ANN. §611.0045 (Vernon 2001 & Supp. 2004).

(i) Client records shall be kept for at least six years. Records of adolescent clients shall be kept for at least five years after the client turns 18.

§150.120. *Counseling Through Electronic Means.*

(a) The rules in this section apply only to a counselor in private practice using the Internet or counseling by telephone.

(b) The counselor must reside in and perform the services from Texas.

(c) The Commission maintains its authority to regulate the counselor regardless of the location of the client.

(d) The counselor is subject to the statutes of other states and countries where the client may reside or receives services by electronic means. Such statutes may limit the counselor's practice.

(e) The counselor's provision of services by electronic medium must comply with 42 C.F.R. pt. 2 and the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

(f) The counselor must be able to verify the identification of the client and ensure the client's appropriate age.

(g) If a counselor uses the Internet as the electronic means by which counseling is provided or transfers data through the Internet, the counselor must comply with the following:

(1) data may only be transferred using at least a 128-encryption;

(2) e-mail communication is restricted relating to client information and documentation; and

(3) the counselor must provide technical backup for system problems by providing a phone number to the client to call for technical support and a contingency plan for the client when a technical problem occurs.

(h) The counselor must provide services using audio and video in real time.

(i) The counselor must provide a description of all services offered to the client in writing and describe who is appropriate for the services. The description must include:

(1) a grievance procedure and provide a link to the Commission for filing a complaint when using the Internet and the toll-free number for the Commission when counseling by telephone;

(2) the counselor's credentials, education level, and training;

(3) a link to the licensure verification page when using the Internet and the toll-free number for the Commission when counseling by telephone;

(4) the difference between electronic counseling and traditional counseling; and

(5) the potential risk regarding clinical issues, security and confidentiality.

(j) Services may only be offered by licensed counselors. Counselor interns may not provide counseling by electronic medium.

(k) The counselor must provide an emergency contact person and phone number and emergency procedures to the client in writing.

§150.121. *Ethical Standards.*

(a) All applicants and LCDCs shall comply with these ethical standards.

(b) The LCDC shall not discriminate against any client or other person on the basis of gender, race, religion, age, national origin, disability, sexual orientation, or economic condition.

(c) The LCDC shall maintain objectivity, integrity, and the highest standards in providing services to the client.

(d) The LCDC shall:

(1) promptly report to the Commission any suspected, alleged, or substantiated incidents of abuse, neglect, or exploitation committed by self or other LCDCs or registered counselor interns;

(2) promptly report to the Commission violations of TEX. OCC. CODE ANN. ch. 504 (Vernon 2004), or rules adopted under the statute, including violations of this section by self or others, unless making such a report would violate Federal confidentiality regulations found in 42 C.F.R. pt. 2;

(3) recognize the limitations of his or her ability and shall not offer services outside the counselor's scope of practice or use techniques that exceed his or her professional competence. In the course of treating the substance abuse/dependence issues of a client, the LCDC may independently address family issues, co-occurring mental health issues and physical and sexual abuse issues of a client if the counselor demonstrates:

(A) 45 hours of education in each area, and

(B) 2,000 hours of clinically supervised post licensure work experience by a qualified professional; and

(4) try to prevent the practice of chemical dependency counseling by unqualified or unauthorized persons.

(e) The LCDC shall not engage in the practice of chemical dependency counseling if impaired by, intoxicated by, or under the influence of chemicals, including alcohol.

(f) The LCDC shall uphold the law and refrain from unprofessional conduct. In so doing, the LCDC shall:

(1) comply with all applicable laws and regulations;

(2) not make any claim, directly or by implication, that the counselor possesses professional qualifications or affiliations that the counselor does not possess;

(3) include their current credentials when signing all professional documents;

(4) not mislead or deceive the public or any person; and

(5) refrain from any act which might tend to discredit the profession.

(g) The LCDC shall:

(1) report information fairly, professionally, and accurately to clients, other professionals, the Commission, and the general public;

(2) maintain appropriate documentation of services provided; and

(3) provide responsible and objective training and supervision to interns and subordinates under the counselor's supervision. This includes properly documenting supervision and work experience and providing supervisory documentation needed for licensure.

(h) In any publication, the LCDC shall give written credit to all persons or works which have contributed to or directly influenced the publication.

(i) The LCDC shall respect a client's dignity, and shall not engage in any action that may injure the welfare of any client or person to whom the counselor is providing services. The LCDC shall:

(1) make every effort to provide access to treatment, including advising clients about resources and services, taking into account the financial constraints of the client;

(2) remain loyal and professionally responsible to the client at all times, disclose the counselor's ethical code of standards, and inform the client of the counselor's loyalties and responsibilities;

(3) not engage in any activity which could be considered a professional conflict, and shall immediately remove himself or herself from such a conflict if one occurs;

(4) terminate any professional relationship or counseling services which are not beneficial, or is in any way detrimental to the client;

(5) always act in the best interest of the client;

(6) not abuse, neglect, or exploit a client;

(7) not have sexual contact with or enter into a personal or business relationship with a client (including any client receiving services from the counselor's employer) for at least two years after the client's services end;

(8) not request a client to divulge confidential information that is not necessary and appropriate for the services being provided; and

(9) not offer or provide chemical dependency counseling or related services in settings or locations which are inappropriate, harmful to the client or others, or which would tend to discredit the profession of chemical dependency counseling.

(j) The LCDC shall protect the privacy of all clients and shall not disclose confidential information without express written consent, except as permitted by law. The LCDC shall remain knowledgeable of and obey all State and Federal laws and regulations relating to confidentiality of chemical dependency treatment records, and shall:

(1) inform the client, and obtain the client's consent, before tape-recording the client, allowing another person to observe or monitor the client;

(2) ensure the security of client records;

(3) not discuss or divulge information obtained in clinical or consulting relationships except in appropriate settings and for professional purposes which clearly relate to the case;

(4) avoid invasion of the privacy of the client;

(5) provide the client his/her rights regarding confidentiality, in writing, as part of informing the client in any areas likely to affect the client's confidentiality; and

(6) ensure the data requested from other parties is limited to information that is necessary and appropriate to the services being provided and is accessible only to appropriate parties.

(k) The LCDC shall inform the client about all relevant and important aspects of the professional relationship between the client and the counselor, and shall:

(1) in the case of clients who are not their own consenters, inform the client's parent(s) or legal guardian(s) of circumstances which might influence the professional relationship;

(2) not enter into a professional relationship with members of the counselor's family, close friends or associates, or others whose welfare might be jeopardized in any way by such relationship;

(3) not establish a personal relationship with any client (including any individual receiving services from the counselor's employer) for at least two years after the client's services end;

(4) neither engage in any type or form of sexual behavior with a client (including any individual receiving services from the counselor's employer) for at least two years after the client's services end nor accept as a client anyone with whom they have engaged in sexual behavior; and

(5) not exploit relationships with clients for personal gain.

(l) The LCDC shall treat other professionals with respect, courtesy, and fairness, and shall:

(1) refrain from providing or offering professional services to a client who is receiving chemical dependency treatment from another professional, except with the knowledge of the other professional and the consent of the client, until treatment with the other professional ends;

(2) cooperate with the Commission, professional peer review groups or programs, and professional ethics committees or associations, and promptly supply all requested or relevant information unless prohibited by law; and

(3) ensure that his/her actions in no way exploit relationships with supervisees, employees, students, research participants or volunteers.

(m) Prior to treatment, the LCDC shall inform the client of the counselor's fee schedule and establish financial arrangements with a client. The counselor shall not:

(1) charge exorbitant or unreasonable fees for any treatment service;

(2) pay or receive any Commission, consideration, or benefit of any kind related to the referral of a client for treatment;

(3) use the client relationship for the purpose of personal gain, or profit, except for the normal, usual charge for treatment provided; or

(4) accept a private professional fee or any gift or gratuity from a client if the client's treatment is paid for by another funding source, or if the client is receiving treatment from a facility where the counselor provides services (unless all parties agree to the arrangement in writing).

§150.122. Actions Against a License.

(a) Actions against a license include:

(1) refusal to issue or renew a license;

(2) suspension or revocation of a license;

(3) placing a counselor on probation if the counselor's license has been suspended; and

(4) reprimand of a license holder.

(b) The Commission shall take action against a license for:

(1) violating or assisting another to violate the statute or these rules;

(2) circumventing or attempting to circumvent the statute or these rules;

(3) participating, directly or indirectly, in a plan to evade the statute or these rules;

(4) engaging in false, misleading, or deceptive conduct as defined by TEX. BUS. & COM. CODE ANN. §17.46 (Vernon 2002 & Supp. 2004);

(5) engaging in conduct that discredits or tends to discredit the profession of chemical dependency counseling;

(6) revealing or causing to be revealed, directly or indirectly, a confidential communication made to the LCDC by a client or recipient of services, except as required by law;

(7) having a license to practice chemical dependency counseling in another jurisdiction refused, suspended, or revoked for a reason that the Commission finds would constitute a violation of this chapter;

(8) refusing to perform an act or service for which the person is licensed to perform under this chapter on the basis of the client's or recipient's sex, race, religion, age, national origin, or handicaps; or

(9) committing an act for which liability exists under TEX. CIV. PRAC. & REM. CODE ANN. ch. 81 (Vernon 1997 & Supp. 2004).

(c) The Commission will determine the length of the probation or suspension. The Commission may hold a hearing at any time and revoke the probation or suspension.

(d) The Commission may impose an administrative penalty against a licensee who violates TEX. OCC. CODE ANN. ch. 504 (Vernon 2004) or a rule or order adopted under the statute.

(e) Surrender or expiration of a license does not interrupt an investigation or disciplinary action. The individual is not eligible to regain the license until all outstanding investigations, disciplinary actions, or hearings are resolved.

(f) An individual whose license has been revoked is not eligible to apply for licensure until two years have passed since the date of revocation. During the period of revocation, the individual cannot become a counselor intern. The individual is not eligible to reapply for licensure unless he/she petitions the Commission and demonstrates that sufficient time has elapsed to allow the events leading to revocation to no longer serve as a basis for denial of application. The Commission may require certain conditions be met, before it grants an individual's petition for re-licensure.

(g) The Commission shall deny, suspend, and/or refuse to renew the license of a person based on criminal history as provided in §150.115 of this title (relating to Criminal History Standards).

(h) The Commission shall implement a final order to suspend the license of a counselor for failure to pay child support as provided by the TEX. FAM. CODE ANN. ch. 232 (Vernon 1996).

§150.123. Clinical Training Institution (CTI) Registration.

(a) To become a registered clinical training institution (CTI), an organization shall:

(1) provide activities in an array of the KSA dimensions, including assessment and counseling;

(2) serve a predominantly substance-abusing population;

(3) employ a full time QCC as the CTI coordinator;

(4) be in good standing with applicable licensing and regulatory agencies;

(5) agree to comply with applicable rules in this chapter; and

(6) submit a complete application.

(b) The program shall receive the registration letter and training program number before training begins. Approval allows the organization to provide clinical training at any of its programs or sites with relevant services.

(c) The approval is valid for two years. The CTI shall reapply every two years by submitting a completed application form. The Commission may mail a courtesy notice, but it is the program's responsibility to reapply at least 45 days before the expiration date.

(d) The CTI shall notify the Commission in writing within 30 days of the following changes:

(1) a change in the CTI coordinator;

(2) a change in the organization's name or mailing address; and

(3) closure of the training program.

(e) The Commission may withdraw approval if the CTI fails to comply with all applicable Commission rules.

§150.124. Clinical Training Institution (CTI) Standards.

(a) The training program shall appoint a single training coordinator who is a qualified credentialed counselor (QCC). The training coordinator shall oversee all training activities and ensure compliance with Commission requirements and rules.

(b) The Clinical Training Institution (CTI) shall establish admission criteria. No applicant shall be admitted without:

(1) documentation that the applicant is registered with the Commission; and

(2) a signed ethics agreement which is consistent with the LCDC ethical standards in §150.121 of this title (relating to Ethical Standards).

(c) The CTI shall establish the following level system to classify interns according to hours of supervised work experience:

(1) Level I: 0-1,000 hours of work experience;

(2) Level II: 1,001-2000 hours of work experience;

(3) Level III: 2,001-4,000 hours of work experience; and

(4) Graduate Status: over 4,000 hours of work experience.

(d) The CTI shall have an organizational structure that includes all intern levels. The CTI shall designate each intern's level in writing and provide the intern with a copy of the documentation.

(e) All interns must be under the direct supervision of a QCC as described in §150.125 of this title (related to Direct Supervision of Interns).

(f) The CTI shall provide each Level I, II, and III intern with reading assignments and training activities for the supervised work experience that includes material in each KSA dimension.

(g) The CTI shall use the Commission's KSA evaluation tool to structure the intern's 4,000 hours of supervised work experience.

(1) The clinical supervisor and the intern shall set weekly objectives based on areas targeted for improvement.

(2) The supervisor shall provide reading, computer, and/or video assignments that address areas needing improvement. The CTI shall allow the intern two hours per month to complete these assignments.

(3) The clinical supervisor shall monitor the intern's progress and provide verbal and written feedback during weekly supervision meetings.

(4) The intern shall complete a written KSA self-evaluation during the first 50 hours of work experience.

(5) The clinical supervisor and the intern shall complete and discuss a written KSA evaluation at the completion of each level of experience (after 1,000 hours, 2,000 hours, and 4,000 hours).

(h) The CTI shall not allow a Level I, II, or III intern to accrue more than 40 hours of work experience per week.

(i) A person who has completed the 4,000 hours of supervised work experience and is currently eligible to take or retake the examination is a graduate intern and may continue to provide chemical dependency counseling services at a registered clinical training institution during the five-year registration period.

(j) The CTI coordinator shall send the following documents directly to the Commission and provide the intern with copies within ten working days from the date the intern completes the required 4,000 hours or leaves the agency:

(1) the supervised work experience form signed by the CTI Coordinator; and

(2) a copy of the intern's job description showing job responsibilities within the KSAs.

(k) All activities counted towards the intern's supervised work experience shall be within the scope of chemical dependency counseling services as defined by the KSAs.

(l) The CTI shall not approve hours for which the intern fails to substantially complete related activities and supervision assignments. Any failure to complete assignments shall be documented on the weekly supervision form.

(m) The CTI shall give each student the Commission's student CTI assessment form with instructions to complete the assessment and mail it directly to the Commission's counselor licensure department.

(n) The CTI shall use all current forms mandated by the Commission.

(o) The CTI shall ensure that each clinical supervisor obtains three hours of continuing education in clinical supervision every two years.

(p) The CTI shall inform students of testing requirements and procedures, as well as testing schedules and information provided by the Commission.

(q) The CTI shall ensure that interns designate their status by using "intern" or "CI" when signing client record entries.

(r) The CTI shall maintain the following documentation for four years in the student files, to include:

- (1) letter of registration;
- (2) ethics agreement signed by the student;
- (3) copies of KSA evaluations;

(4) documentation of all supervision activities;

(5) documentation of intern levels and accumulated hours;

and

(6) copy of the supervised work experience form.

(s) The CTI shall give the student a copy of all information contained in the intern file when the intern completes the required supervised work experience and/or leaves the agency.

§150.125. Direct Supervision of Interns.

(a) Direct supervision is oversight and direction of a counselor intern provided by a QCC that complies with the provisions in this section.

(b) The QCC shall assume responsibility for the actions of the intern within the scope of the intern's clinical training.

(c) If the intern has less than 2,000 hours of supervised work experience, the supervisor must be on site when the intern is providing services. If the intern has at least 2,000 hours of documented supervised work experience, the supervisor may be on site or immediately accessible by telephone.

(d) During an intern's first 1,000 hours of supervised work experience (Level I), the CTI coordinator or QCC designee shall:

(1) be on duty at the program site where the intern is working;

(2) observe and document the intern performing assigned activities at least once every two weeks (or 80 hours);

(3) provide and document one hour of face-to-face individual or group supervision each week; and

(4) sign off on all clinical assessments, treatment plans, and discharge summaries completed by the intern.

(e) During an intern's second 1,000 hours of supervised work experience (Level II), the CTI coordinator or QCC designee shall:

(1) be on duty at the program site where the intern is working;

(2) observe and document the intern performing assigned activities at least once every month (160 hours);

(3) provide and document one hour of face-to-face individual or group supervision each week; and

(4) sign off on all clinical assessments, treatment plans, and discharge summaries completed by the intern.

(f) During an intern's last 2,000 hours of required supervised work experience (Level III), the CTI coordinator or QCC designee shall:

(1) be available by phone while the intern is working;

(2) observe and document the intern performing assigned activities as determined necessary by the CTI coordinator;

(3) provide and document one hour of face-to-face individual or group supervision each week; and

(4) sign off on all clinical assessments, treatment plans, and discharge summaries completed by the intern.

(g) After an intern achieves graduate status, the CTI coordinator or QCC designee shall:

(1) be available by phone while the graduate intern is working;

(2) provide and document one hour of face-to-face individual or group supervision each week; and

(3) sign off on all clinical assessments, treatment plans, and discharge summaries completed by the graduate intern.

(h) A supervisor's schedule must allow an average of two hours of supervision-related activity per week per intern.

§150.126. *Intern Violations.*

(a) The CTI shall investigate all allegations that an intern has violated the ethical standards described in §150.121 of this title (relating to Ethical Standards).

(b) If the allegation is substantiated, the CTI shall take appropriate action. Action may include denying some or all of the intern's supervised work experience hours.

(c) The CTI shall submit a written report to the Commission with 48 hours of substantiating that an intern has:

- (1) abused, neglected, or exploited a service recipient;
- (2) committed an ethical violation that results in actual or potential harm to a service recipient;
- (3) engaged in illegal activity;
- (4) falsified or destroyed documentation; or
- (5) established a close personal or business relationship with a client outside the counseling relationship.

(d) The CTI shall deny all supervised work experience hours for an intern with a substantiated ethical violation described in subsection (c) of this section.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308959
Thomas F. Best
General Counsel
Texas Commission on Alcohol and Drug Abuse
Effective date: February 1, 2004
Proposal publication date: August 29, 2003
For further information, please call: (512) 349-6607



CHAPTER 153. OFFENDER EDUCATION PROGRAMS

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts the repeal of Chapter 153, §§153.1 - 153.8, 153.32 - 153.36, 153.41 - 153.44, and 153.51 - 153.55, concerning Offender Education Programs, without changes to the proposal as published in the August 29, 2003, issue of the *Texas Register* (28 TexReg 7277).

The repeal of Chapter 153 is necessary because the Commission is adopting new rules. The new rules have been reorganized to provide a more functional and logical framework that is more closely aligned with the rules of other agencies operating under the Health and Human Services Commission.

There were no comments regarding the repeal of these sections.

SUBCHAPTER A. GENERAL PROVISIONS AND PROCEDURES

40 TAC §§153.1 - 153.8

The repeal is adopted pursuant to Texas Health and Safety Code Annotated, §461.012(a)(15), which provides the Commission authority to adopt rules governing its functions and Texas Transportation Code, §521.374, Texas Alcoholic Beverage Code §106.115, and Texas Code of Criminal Procedure, Article 42.12, which provide the Commission authority to establish rules governing offender education programs.

The codes affected by the repeal are Chapter 461 of the Texas Health and Safety Code and §521.374 of the Texas Transportation Code, §106.115 of the Texas Alcoholic Beverage Code, and the Texas Code of Criminal Procedure, Article 42.12.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

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Thomas F. Best
General Counsel
Texas Commission on Alcohol and Drug Abuse
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SUBCHAPTER B. PROGRAM STANDARDS

40 TAC §§153.32 - 153.36, 153.41 - 153.44, 153.51 - 153.55

The repeal is adopted pursuant to Texas Health and Safety Code Annotated, Chapter 461, which provides the Commission with the authority to adopt rules governing its functions and Texas Transportation Code, §521.374, Texas Alcoholic Beverage Code §106.115, and Texas Code of Criminal Procedure, Article 42.12, which provide the Commission authority to establish rules governing offender education programs.

The codes affected by the repeal are Chapter 461 of the Texas Health and Safety Code and §521.374 of the Texas Transportation Code, §106.115 of the Texas Alcoholic Beverage Code, and the Texas Code of Criminal Procedure, Article 42.12.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

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CHAPTER 153. OFFENDER EDUCATION PROGRAMS

40 TAC §§153.101 - 153.122

The Texas Commission on Alcohol and Drug Abuse (Commission) adopts new Chapter 153, §§153.101-153.122, concerning Offender Education Programs, with changes to the text that was published in the September 5, 2003, *Texas Register* (28 TexReg 7667).

The new rules increase the number of courses that must be taught during the annual reporting period/instructor certification period; increase courses to be scheduled quarterly; delete procedures for disciplinary hearings; and expand and strengthen disciplinary actions relating to Offender Education Programs.

The public comment period began on September 5, 2003, with the publication of the proposed rules in the *Texas Register* and on the Commission's website, and ended October 22, 2003. Public meetings to discuss the rules were held during the comment period in Austin, Dallas and Houston. The Commission received the majority of comments in writing by email, fax and U.S. mail. Commission staff summarized the comments received and published draft responses for review on the Commission's website in advance of its November 12, 2003, open meeting. The draft included a number of changes in response to the concerns expressed. As directed by the Commissioners at the November 12 meeting, the rules were revised further and published along with a draft final order on the Commission's website in advance of the December 9, 2003, open meeting. Chapter 153 was approved for adoption during that meeting.

The Commission received comments on the proposed rules from Alcohol and Drug Education Services; Hill Country Council on Alcohol and Drug Abuse; and the Texas Department of Criminal Justice, Community Justice Assistance Division (TDCJ-CJAD) and an interested individual. The specific comments received and the Commission's responses are as follows in rule number order:

§153.103. Fees. TDCJ-CJAD comments that they are against the fees charged for certification. The Commission responds that the proposed fees are reasonable. Additionally, the Commission responds that it is not proposing changes to the current fee schedule.

§153.115(e). Program Administration. and §153.122. Additional Requirements for DWI Intervention Programs. The Hill Country Council on Alcohol and Drug Abuse comments that requiring DWI Intervention Program instructors to teach two courses a year to maintain their certification would not be economically feasible. The Hill Country Council on Alcohol and Drug Abuse and an individual commented that they do not support the requirement for programs to schedule courses quarterly.

The Commission responds that it is not proposing to increase the number of courses an instructor or program must teach annually from one to two. The Commission is requiring programs to schedule their courses quarterly because too many complaints have been received from offenders about the lack of availability of courses within the timeframes imposed by the courts. Many programs only schedule courses when they have registered the maximum amount of participants allowed. By requiring programs to schedule classes quarterly, the Commission hopes to facilitate

and encourage enrollment and compliance with court mandated deadlines for course completion.

§153.115. Program Administration. and §153.117. Program Instructors. Alcohol and Drug Education Services in El Paso comments that the Commission should regulate the fees charged for offender education programs. The Commission should also hold administrators and instructors accountable for unethical personal actions as opposed to the provider being held liable as well as require mandatory ethics trainings for initial and renewal for instructors, administrators and providers of offender education programs. In addition, the Commission should require aftercare services for persons completing an offender education program.

The Commission responds that it does not have statutory authority to regulate the fees charged by certified and approved offender education program. While Commission rules require that the fees be reasonable, local competition may drive the rates charged and that the market forces will adequately protect consumers. The Commission believes that mandatory ethics training is not necessary because the proposed rules clearly describe the expectations for ethical behavior. The Commission does not have statutory authority to require aftercare services for persons completing an offender education program. Additionally, requiring such aftercare would not be appropriate in all cases. Also, the curriculum adequately addresses the availability of treatment for participants.

§153.116. Recordkeeping and Reporting. TDCJ-CJAD proposes that the state identification number (SID) or tracking incident number (TRN) be used as an identifier for participants rather than the criminal case cause number.

The Commission responds that the criminal case cause number has to be provided on the certificate of completion because the Texas Department of Public Safety cannot process the completion certificate without it.

§153.119. Additional Requirements for Drug Offender Education Programs. TDCJ-CJAD opposes raising the number of courses that instructors must teach annually in order to keep their certification.

The Commission responds that an instructor cannot keep their education delivery skills current by teaching only one drug offender education program every two years. The increase requires only four courses during a two year period and the Commission believes this is a reasonable minimum that serves to ensure effective service delivery.

In adopting §§153.101-153.122, the Commission makes minor grammatical and other non-substantive changes for the purpose of clarifying its intent.

This new chapter is adopted pursuant to TEX. HEALTH & SAFETY CODE ANN. ch. 461.012(a)(15), which provides the Commission authority to adopt rules governing the Commission's functions, and TEX. TRANSP. CODE §521.374, TEX. ALCO. BEV. CODE §106.115, and TEX. CODE OF CRIM. PROC. art. 42.12.

The codes affected by the adoption of these rules are Chapter 461 of the Texas Health and Safety Code and §521.374 of the Texas Transportation Code, §106.115 of the Texas Alcoholic Beverage Code, and Texas Code of Criminal Procedure art. 42.12.

§153.101. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly states otherwise.

(1) Alcohol Education Program for Minors--The educational program for minors approved by the Texas Commission on Alcohol and Drug Abuse (Commission) and authorized by TEX. ALCO. BEV. CODE ANN. §106.115 (Vernon Supp. 2004). The program is designed to:

(A) present information to participants on the effects of alcohol upon behavior and upon the lives of persons who use alcohol;

(B) help participants identify their own drinking patterns or problems;

(C) educate participants about the laws relating to possession, consumption, and purchase of alcoholic beverages and laws relating to minors driving under the influence of alcohol; and

(D) assist participants in developing a plan to reduce the probability of involvement in future alcohol-related illegal behavior or detrimental activity.

(2) Approval Period--That period of time beginning with the date approval (of a drug offender education program, alcohol education program for minors, or DWI intervention program) was granted and ending August 31 of every odd-numbered year.

(3) Branch Office/Site--An additional site which is located in the same county as a certified offender education program headquarters or in an adjacent county where the offender education program operates a program.

(4) Certificates of Course Completion--Uniform certificates of completion issued by the Texas Commission on Alcohol and Drug Abuse which are serially numbered and provided to approved/certified offender education programs for dissemination to offender education program participants.

(5) Certification Period--That period of time beginning with the date certification (of a DWI education program) was granted and ending August 31 of every even-numbered year.

(6) Class Records--Offender education participants' personal data forms, pre- and post-tests, self-assessments, screening instrument(s), homework assignments, action plans, and any other written material required or used in the offender education class instruction.

(7) Class Roster--A form used to record data on all offender education participants enrolled and in attendance at the first class session and to record data on those participants throughout the course.

(8) Class Size--The number of offender education participants officially enrolled and in attendance at each class session.

(9) Commission--Texas Commission on Alcohol and Drug Abuse and its divisions, departments, and employees.

(10) Continuing Education Hours--At least 50 minutes of participation in an organized, systematic learning experience which deals with and is designed for the acquisition of knowledge, skills, and information on drug-related topics.

(11) Drug Offender--A person convicted of:

(A) a misdemeanor or felony offense under 21 U.S.C. §321 (Controlled Substances Act);

(B) a drug offense as assigned by 23 U.S.C. §159(c);

(C) an offense under the TEX. PEN. CODE ANN. §§49.04-49.09 (Vernon 2003 & Supp. 2004), committed as a result

of the introduction into the body of any substance the possession of which is prohibited under the Controlled Substances Act; or

(D) a felony under the TEX. HEALTH & SAFETY CODE ANN. ch. 481 (Vernon 2001 & Supp. 2004) that is not a drug offense.

(12) Drug Offender Education Program--The educational program for convicted drug offenders approved by the Commission as set forth in this chapter, and authorized under TEX. TRANSP. CODE ANN. §521.374 (Vernon 1999). The program is designed to:

(A) educate participants on the dangers of drug use/abuse and associated illegal activities;

(B) provide information on the effects of drug use/abuse and related illegal activities on personal, family, social, economic and community life;

(C) assist participants in evaluating their own abusive patterns connected with their use of drugs or associated illegal activities; and

(D) assist participants in developing a plan for positive lifestyle changes to reduce chances of being involved in future drug use/abuse and related illegal behaviors.

(13) DWI--The offense of driving while intoxicated as defined in the TEX. PEN. CODE ANN. ch. 49 (Vernon 2003 & Supp. 2004).

(14) DWI Certification Committee--A standing committee comprised of at least one representative of each of the four approving agencies: the Commission; the Department of Public Safety (DPS); the Texas Department of Transportation (TxDOT); and the Texas Department of Criminal Justice (TDCJ), Community Justice Assistance Division (CJAD). The committee's purposes are to approve or disapprove applications for program certification/recertification and waiver requests promulgated by TEX. CODE OF CRIM. PROC. art. 42.12 §13(h) (Vernon Supp. 2004), and to serve as a resource for recommendations on rule changes to the governing board of the Commission.

(15) DWI Education Program--The educational program for individuals convicted of DWI approved by the Commission pursuant to Chapter 153 of this title (relating to Offender Education Programs) and authorized under TEX. CODE OF CRIM. PROC. art. 42.12 §13(h) (Vernon Supp. 2004). The program is designed to:

(A) present information on the effects of alcohol and other drugs on driving skills;

(B) help participants identify their own individual drinking or drugged driving patterns; and

(C) assist participants in developing a plan to reduce the probability that they will be involved in future DWI behavior.

(16) DWI Intervention Program--The educational program for DWI repeat offenders which has been approved by the Commission pursuant to Chapter 153 of this title (relating to Offender Education Programs) and authorized under TEX. CODE OF CRIM. PROC. art. 42.12 §13(j) (Vernon Supp. 2004). The program is designed to:

(A) educate participants about chemical dependency and the problems associated with chemical dependency;

(B) provide intensive instruction about specific actions participants can take to prevent future DWI offenses; and

(C) instruct participants about methods and ways to make necessary lifestyle changes in order to prevent alcohol/drug-related problems in other areas of the participants' lives.

(17) Minor--A person under the age of 21 years.

(18) Offender Education Program--An alcohol education program for minors, drug offender education program, DWI education program, or DWI intervention program approved by the Commission under Chapter 153 of this title (relating to Offender Education Programs).

(19) Participant--An individual that attends a Commission approved offender education program.

(20) Program Headquarters--The primary administrative center of the approved program identified as the business address in the application.

(21) Reporting Period--That period of time beginning with the date program approval was granted and ending August 31 of each year.

(22) Screening Instrument--A written device approved by the Commission and administered to each program participant for the purpose of:

(A) identifying indicators of a potential substance abuse problem; and

(B) making recommendations for further evaluation, where indicated.

§153.102. Scope of Rules.

Any entity or individual seeking to operate an approved offender education program must obtain written approval by the Commission and comply with this chapter.

§153.103. Fees.

(a) Fees will be assessed by the Commission in accordance with the fee schedule set forth below.

(b) The schedules of fees shall be as follows:

(1) initial application fee--\$300;

(2) application renewal fee--\$225;

(3) participant certificates of completion--\$100/batch (in batches of 100 at \$1.00 per certificate);

(4) program approval certificate duplication or replacement fee--\$5.00.

(c) Fees paid to the Commission by applicants are not refundable.

(d) Payment must be in the form of cashier's check, money order, commercial check, or agency voucher.

§153.104. Application and Approval/Certification.

(a) The program seeking approval (applicable to drug offender education programs, alcohol education program for minors, and DWI intervention programs) or certification (applicable to DWI education programs) shall submit the application fee and the application form prescribed by the Commission.

(b) If drug offender education program, alcohol education program for minors or DWI intervention program has met all requirements set forth in the rules, the Commission may issue a certificate. A certificate for a DWI education program will not be issued until the DWI certification committee approves the application.

(c) An alcohol education program for minors, and DWI intervention program's certificate of approval becomes effective on the first day of the month following the month the application was processed and expires on August 31 of every odd-numbered year. A DWI education certificate becomes effective on the first day of the following

month after certification and expires on August 31 of every even-numbered year.

(d) A certificate shall be prominently displayed at each location where services are provided.

(e) The program shall obtain a duplicate certificate from the Commission for each branch site. Branch sites shall be located in the same county as the program headquarters or in an adjacent county. Each branch office or program site must have a local address and telephone number for participants to register and obtain information.

(f) The organization must submit a separate application and application fee to operate the program at a site that is not located in the same county as the program headquarters or in an adjacent county. The new application shall designate a program headquarters and may establish branch sites.

§153.105. Expiration and Renewal.

(a) At least 30 days before the certificate's expiration date, a program seeking renewal shall submit the application fee and the application form prescribed by the Commission.

(b) Applicants for renewal must demonstrate continued compliance with applicable requirements.

(c) When a drug offender education program, alcohol education program for minors, or DWI intervention program has met all renewal requirements, the Commission may issue a certificate. A certificate for a DWI education program will not be issued until the DWI certification committee approves the renewal application.

(d) Renewal of a drug offender education program, alcohol education program for minors, or DWI intervention program becomes effective on September 1st of the year of renewal, and expires on the 31st day of August of every odd numbered year. Renewal of a DWI education program becomes effective on September 1st of the year of renewal and expires on the 31st day of August of every even-numbered year.

(e) Programs which fail to obtain renewal before the expiration date must submit a new application as required in §153.104 of this title (relating to Application and Approval/Certification).

§153.106. Exceptions.

(a) In programs where specific standards cannot be complied with because of alleged difficulty or hardship, exceptions to specific provisions of the standards may be made where clearly justified if the intent of the certification standard is met and the effective and efficient operation of the program is not seriously affected.

(b) To request an exception, the program shall submit a written request to the Commission stating:

(1) the name, address, and phone number of the program;

(2) the section or number of standard or item which will be affected; and

(3) action that staff or program will provide to replace or offset the particular exception request.

(c) Approval or disapproval of a request for exception for a DWI education program will be determined by the DWI certification committee. Decisions on all other requests for exceptions will be made by the Commission.

(d) The Commission will send the program written notice of the decision.

(e) All exceptions granted will expire at the end of the program's approval/certification period.

§153.107. Disciplinary Action.

(a) The Commission shall take action against a program if an applicant, owner, administrator, or staff member of the program:

- (1) has a documented history of abuse or neglect;
 - (2) violates any provision of this Chapter, or any other applicable statute, or a Commission rule; or
 - (3) owes money to the Commission for offender education resource materials.
- (b) Action taken may include:
- (1) suspending or revoking an approval or certification;
 - (2) refusing to renew an approval or certification;
 - (3) placing a program on probation when the program's certification has been suspended;
 - (4) imposing an administrative penalty as outlined in §153.108 of this title (relating to Administrative Penalties for Offender Education Programs); and
 - (5) issuance of a reprimand.

(c) The Commission will determine the length of probation or suspension.

(d) Surrender or expiration of an approval or certification does not interrupt an investigation or action taken against a program. The program is not eligible to regain the approval or certification until all outstanding investigations or disciplinary proceedings are resolved.

(e) A program whose approval or certification has been revoked is not eligible to reapply for approval or certification.

(f) An instructor whose certification has been revoked is not eligible to instruct in any offender education from the date of revocation.

(g) When the Commission has substantiated information indicating that a violation has been committed, the Commission may issue a notice of intent to take disciplinary action. The notice shall state the alleged violation(s) and the action to be taken.

§153.108. Administrative Penalties for Offender Education Programs.

(a) Violations are categorized according to the seriousness of the violation and the actual or potential harm to the health, safety, and welfare of the public. The Commission has established guidelines for assigning penalties. These guidelines show how various offenses are categorized, but do not limit the Commission's authority to categorize any particular offense that is not already included in the guidelines or to modify those offenses already categorized. The penalty matrix is available for review on the Commission's web site (www.tcada.state.tx.us) and at the Commission's administrative offices at 9001 North IH 35, Suite 105, Austin, Texas, 78753-5233.

(b) Administrative penalties are not assessed for the most serious violations. Instead, the Commission will seek to deny, refuse to renew, revoke or suspend the certification.

(c) The base administrative penalty for a first time offense is \$500, \$200, or \$40 dollars depending on the severity of the violation.

(1) The base administrative penalty is doubled for a second-time violation and tripled for a third-time violation. If the same violation is identified four times, the Commission may seek to revoke or suspend the program certification or assess an administrative penalty of four times the base amount.

(2) If the total dollar value of administrative penalties assessed during a single on site compliance visit or investigation is over

\$2,000 for a program, the Commission may seek to revoke or suspend the certification instead of imposing an administrative penalty.

(d) When administrative penalties are recommended, the executive director or designee shall report staff findings and recommendations to the board, including the amount of the recommended penalty.

§153.109. Program Content and Materials.

(a) Approved offender education programs shall use the uniform curricula and screening instruments approved by the Commission.

(b) The following curricula are approved:

- (1) The Texas Drug Offender Education Program Administrator/Instructor Manual;
- (2) The Alcohol Education Program for Minors Instructor Manual;
- (3) The Texas DWI Education Program Administrator/Instructor Manual; and
- (4) The Texas DWI Intervention Program Manual.

(c) The curricula are available for review free of charge, at the Commission's administrative offices located at 9001 North IH 35, Suite 105, Austin, Texas 78753-5233.

(d) Any supplemental electronic media used in the program must have prior approval from the Commission according to the following criteria:

- (1) the program uses the required electronic media in the appropriate modules;
- (2) the program exceeds the minimum sessions/hours of instruction per course; and
- (3) the content of the electronic medium relates directly to the objectives of the curriculum module in which it is used.

§153.110. Uniform Certificates of Course Completion.

(a) All approved offender education programs must purchase serially numbered uniform certificates of course completion from the Commission.

(b) All approved offender education programs shall maintain an ascending numerical accounting record of all issued and unissued certificates.

(c) An original certificate shall be issued to each participant who successfully completes the course. Drug offender education programs and alcohol education programs for minors shall retain one copy. DWI education programs and DWI intervention programs shall forward the program's copy to the DPS.

(d) Each program shall develop procedures for issuing duplicate certificates. The procedures shall ensure that the duplicate certificate is clearly identified as being a duplicate of a previously issued certificate and includes the control number of the previously issued certificate. The program shall indicate at the bottom of the class roster on which the participant's original control number was recorded that a duplicate certificate was issued and shall show the new control number for the duplicate certificate.

§153.111. Confidentiality.

Offender education programs shall abide by all applicable Federal and State laws requiring confidentiality of patient/client records including, without limitation, 42 U.S.C. §§290dd(3) and 290ee(3); 42 C.F.R. pt. 2 and Tex. Health & Safety Code Ann. ch. 611 (Vernon 2003 & Supp. 2004).

§153.112. Discrimination Prohibited.

Offender education programs shall be conducted without regard to the gender, race, religion, age, national origin, or disability of the person.

§153.113. Participant Complaints.

(a) Programs shall establish procedures to resolve participant complaints.

(b) Programs shall prominently display at each site where coursework is conducted a sign containing the name, mailing address, and telephone number of the Commission and a statement notifying all persons that any complaints against the program may be directed to the Commission.

(c) Upon verbal or written request, an approved program or any person associated with the program shall promptly provide complete and concise information about complaint procedures, including procedures for complaining directly to the Commission.

§153.114. Classroom Facilities and Equipment.

(a) All sessions shall be conducted in appropriate classroom facilities and settings which are in compliance with 42 U.S.C. §12101 (Americans with Disabilities Act). The classrooms and setting shall be conducive to study and have:

- (1) a sufficient number of tables or desks;
- (2) adequate seating;
- (3) sufficient lighting; and
- (4) appropriate acoustics and climate control.

(b) Programs shall not conduct class sessions at a personal residence.

(c) Classroom facilities should be easily accessible to all class participants.

(d) Audiovisual equipment shall be in good working order and in good condition for use in class instruction.

(e) Television monitors must be at least 25 inches in diameter and video tapes must be of high quality.

(f) Transparencies and videos must be displayed in a manner which produces a clear image and allows all participants to have an unobstructed view.

§153.115. Program Administration.

(a) Each approved offender education program shall designate a program administrator who shall be responsible for and insure the proper operation of the program in compliance with this chapter.

(b) Program administrators shall meet all of the requirements of program instructors.

(c) The program shall set definite and reasonable course fees. Course fees should be utilized to maintain and enhance the program's operations.

(d) Program administrators shall maintain written class schedules which include the dates, times, and locations where classes will be held, and the fees charged by the program.

(e) Courses shall be scheduled at least quarterly.

§153.116. Recordkeeping and Reporting.

(a) The program administrator shall be responsible for collecting and maintaining all required data on each class participant.

(1) All programs shall collect the following information:

- (A) name;
- (B) street address, city, and zip code;

- (C) date of birth;
- (D) sex;
- (E) driver's license number (if any);
- (F) grade in school or educational level achieved;
- (G) present employment;
- (H) date of enrollment;
- (I) date of course completion;
- (J) attendance record;
- (K) certificate of completion number; and
- (L) criminal case cause number.

(2) Drug offender education programs and DWI education programs shall also collect the following information:

- (A) individual pre-and post-test scores;
- (B) pre- and post-test class averages;
- (C) percent of knowledge increase;
- (D) screening instrument utilized;
- (E) screening instrument indicator codes/scores; and
- (F) referral recommendations.

(3) DWI intervention programs shall also collect:

- (A) blood alcohol level at time of arrest (if known);
- (B) number of prior alcohol/drug-related arrests;
- (C) documentation that the agreement form, Alcoholics Anonymous (AA) attendance, family/significant other attendance, individual sessions, and exit interview requirements were completed as outlined in the Texas DWI Intervention Program Manual;
- (D) screening instrument utilized;
- (E) screening instrument indicator codes/scores; and
- (F) referral recommendations.

(4) Alcohol education program for minors shall also collect:

- (A) the name of the referring judge;
- (B) individual pre- and post-test scores;
- (C) pre- and post-test class averages; and
- (D) percent of knowledge increase.

(b) Class rosters and copies of the issued certificates of completion shall be retained by the program administrator for at least three years from the date of course completion. All other records shall be retained for a period of one year from the date of course completion.

(c) The following items shall be submitted to the Commission by September 15 of each year:

- (1) total number of participants entering the course;
- (2) total number of participants successfully completing the course;
- (3) total number of courses held annually;
- (4) names of all certified instructors employed by the program and number of courses each conducted during the annual reporting period;

(5) driver's license numbers of all participants, or, in the absence of a driver's license number, the date of birth of each participant completing the course;

(6) average percent of knowledge increase from pre-test to post-test for all courses conducted during the reporting period (not required for DWI intervention programs); and

(7) percent of total participants indicating significant substance abuse problem as defined in the required screening procedure (not required for alcohol education program for minors).

(d) The program administrator shall notify the Commission within 30 days of any change in address, telephone number, or change of program administrator or instructor(s).

§153.117. Program Instructors.

(a) All program instructors must:

(1) be certified instructors who have successfully completed the applicable administrator/instructor offender education training program approved by the Commission;

(2) possess good communication skills and have demonstrated instructional ability;

(3) have the ability to use a variety of teaching strategies; and

(4) keep the Commission informed of their current mailing address and phone number at all times.

(b) If an instructor's certification lapses the instructor must repeat and successfully complete the applicable initial administrator/instructor training program.

(c) Instructors and administrators shall treat participants with respect, courtesy, and fairness.

(d) Instructors and administrators shall not exploit participants for personal gain or engage in any action that may harm the welfare of a participant.

(e) Instructors and administrators shall not commit an illegal, unprofessional or unethical act.

§153.118. General Program Operation Requirements.

(a) All approved offender education programs shall use the applicable curriculum approved in §153.109 of this title (relating to Program Content and Materials), including all required videos, transparencies, participant workbooks, booklets, and other resources or written materials. The curriculum must be presented in the prescribed manner and sequence.

(b) All classes shall be taught by certified program instructors.

(c) Participants shall attend all class sessions in the proper sequence.

(d) The program shall make provisions for persons unable to read and/or speak English. All classes in a single course shall be taught in the same language.

(e) The program shall screen and evaluate each participant. The screening instrument shall be administered by program administrators and instructors or under their direct supervision of program personnel.

(f) A listing or roster of available chemical dependency counseling and treatment resources in the area shall be made available to each participant whose screening results identify indicators of a potential substance abuse problem requiring further evaluation.

(g) All required registration, initial data collection, and screening procedures shall be completed before the first class session.

(h) At the end of the course, the program shall administer a participant course evaluation.

(i) An exit interview shall be conducted with each participant as outlined in the applicable manual.

(j) The program shall provide a Commission-issued certificate of completion to all participants successfully completing the course as specified in §153.110 of this title (relating to Uniform Certificates of Course Completion).

§153.119. Additional Requirements for Drug Offender Education Programs.

(a) Each instructor must teach a minimum of four complete courses and successfully complete 20 hours of continuing education provided by the Commission or a Commission-approved provider during the instructor's certification period.

(b) The program shall:

(1) provide a minimum of five class sessions of instruction per course;

(2) conduct class sessions which are not longer than three hours in length, and not shorter than two hours in length;

(3) conduct no more than one class session per day;

(4) conduct the program a minimum of two times during each reporting period; and

(5) conduct classes no larger than 30 participants and with no fewer than three participants.

(c) The program shall administer and evaluate pre-and post-test instruments for each participant.

§153.120. Additional Requirements for Alcohol Education Program for Minors.

(a) Instructors shall conduct a minimum of two complete courses during the annual reporting period.

(b) The program shall:

(1) conduct the course a minimum of two times during each reporting period;

(2) provide a minimum of six hours of class instruction per course;

(3) conduct class sessions which are not longer than three hours in length;

(4) conduct no more than one class session per day; and

(5) conduct classes no larger than 25 participants and with no fewer than three participants (not including parents and guardians).

(c) The program shall administer and evaluate pre-and post-test instruments for each participant.

§153.121. Additional Requirements for DWI Education Programs.

(a) Each instructor must teach a minimum of four complete courses (48 hours) and successfully complete the Texas DWI Education Inservice Training Program approved by the Commission during the instructor's certification period.

(b) The program shall:

(1) conduct the program a minimum of two times during each reporting period;

- (2) provide a minimum of 12 hours of instruction per course;
- (3) provide no more than four hours of instruction in any one day; and
- (4) conduct classes no larger than 30 participants and with no fewer than three participants.

(c) The program shall administer and evaluate pre-and post-test instruments for each participant.

(d) Within ten working days after completion of the course and/or exit interview, the instructor shall forward the following information to the appropriate community supervision and corrections department and/or other referral resource(s):

- (1) recommendation resulting from administration of the screening instrument; and
- (2) notice of completion of the program.

(e) The instructor shall forward the program's copy of each participant's certificate of completion to the DPS and notify the appropriate community supervision and corrections department within ten working days after completion of the course.

§153.122. Additional Requirements for DWI Intervention Programs.

(a) Instructors shall:

(1) be a counselor intern, licensed chemical dependency counselor, licensed social worker, licensed professional counselor, or psychologist, or possess a bachelor's degree in the field of sociology, psychology, rehabilitation counseling, or a closely related field approved by the Commission; and

(2) have a minimum of two years of documented experience providing intervention counseling or treatment counseling to persons with substance abuse problems.

(b) Each instructor shall conduct a minimum of one complete course during the annual reporting period. Team teaching can be counted towards the fulfillment of this requirement.

(c) The program shall:

(1) conduct the course a minimum of one time during each reporting period;

(2) provide a minimum of 30 hours of class instruction per course;

(3) conduct class sessions which are not longer than three hours in length and not shorter than two hours in length;

(4) conduct no more than one class session per day;

(5) conduct no more than two class sessions per week;

(6) conduct classes no larger than 15 participants and with no fewer than three participants;

(7) provide make-up class sessions for excused absences; and

(8) conduct a minimum of two individual sessions with each participant.

(d) The instructor shall forward the program's copy of each participant's certificate of course completion to the DPS and notify the appropriate community supervision and corrections department within ten working days after completion of the course.

This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Filed with the Office of the Secretary of State on December 31, 2003.

TRD-200308962

Thomas F. Best

General Counsel

Texas Commission on Alcohol and Drug Abuse

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For further information, please call: (512) 349-6607



REVIEW OF AGENCY RULES

This section contains notices of state agency rules review as directed by the Texas Government Code, §2001.039. Included here are (1) notices of *plan to review*; (2)

notices of *intention to review*, which invite public comment to specified rules; and (3) notices of *readoption*, which summarize public comment to specified rules. The complete text of an agency's *plan to review* is available after it is filed with the Secretary of State on the Secretary of State's web site (<http://www.sos.state.tx.us/texreg>). The complete text of an agency's rule being reviewed and considered for *readoption* is available in the *Texas Administrative Code* on the web site (<http://www.sos.state.tx.us/tac>).

For questions about the content and subject matter of rules, please contact the state agency that is reviewing the rules. Questions about the web site and printed copies of these notices may be directed to the *Texas Register* office.

Proposed Rule Review

Texas Commission on Environmental Quality

Title 30, Part 1

The Texas Commission on Environmental Quality (commission) files this notice of intention to review and proposes the readoption of Chapter 294, Groundwater Management Areas. A separate rulemaking has been proposed to repeal Subchapter A, Carrizo-Wilcox Aquifer; Subchapter B, Antlers Sand Aquifer; and Subchapter F, East Texas Groundwater Management Area of this chapter, and to change the name of the chapter to Priority Groundwater Management Areas. This proposal was published in the November 21, 2003 issue of the *Texas Register* (28 TexReg 10423).

This review of Chapter 294 is proposed in accordance with the requirements of Texas Government Code, §2001.039, which requires state agencies to review and consider for readoption each of their rules every four years. The review must include an assessment of whether the reasons for the rules continue to exist.

CHAPTER SUMMARY

Chapter 294 provides for the designation of certain groundwater management areas and the procedures for the designation of priority groundwater management areas (PGMAs), including recommendations for the creation of groundwater conservation districts. The chapter provides the designations and delineations of priority groundwater management areas designated by commission rule prior to September 1, 2001, after which designations were made by commission order.

Subchapter A, Carrizo-Wilcox Aquifer, contains §294.1, Definitions; §294.2, Designation of Management Area 3 of the Carrizo-Wilcox Aquifer; §294.3, Designation of Management Area 4 of the Carrizo-Wilcox Aquifer; and §294.4, Description of Boundaries.

Subchapter B, Antlers Sand Aquifer, contains §294.10, Definitions; §294.11, Designation of Union Hill Underground Water Management Area of the Antlers Sand Aquifer; and §294.12, Description of Boundaries.

Subchapter D, Priority Groundwater Management Areas, provides for the designations and boundaries of three priority groundwater management areas and contains §294.30, Purpose and Applicability; §294.31, Designation of Briscoe, Hale and Swisher County Priority Groundwater Management Area; §294.32, Designation of Dallam County Priority Groundwater Management Area; and §294.35, Designation of Reagan, Upton, and Midland County Priority Groundwater Management Area.

Subchapter E, Designation of Priority Groundwater Management Areas, provides for the identification, stakeholder notice, coordination

with participating agencies, and executive director report for priority groundwater management area studies. The subchapter provides procedures including notice and hearing for commission actions to consider designation of priority groundwater management areas. The subchapter contains §294.39, Purpose; §294.40, Definitions; §294.41, Priority Groundwater Management Area Identification, Study, and Executive Director's Report Concerning Designation; §294.42, Commission Action Concerning PGMA Designation; §294.43, Actions Required After PGMA Designation; and §294.44, Adding a PGMA to an Existing Groundwater Conservation District.

Subchapter F, East Texas Groundwater Management Area, contains §294.60, Purpose and Scope; §294.61, Definitions; §294.62, Designation of East Texas Groundwater Management Area (ETGMA); and §294.63, Boundaries.

PRELIMINARY ASSESSMENT OF WHETHER THE REASONS FOR THE RULES CONTINUE TO EXIST

The commission conducted a preliminary review and determined that the reasons for Subchapters D and E in Chapter 294 continue to exist. The rules are needed to implement the requirements of Texas Water Code, Chapter 35, in order to identify, study, and designate priority groundwater management areas in areas experiencing or likely to experience critical groundwater problems in the next 25 years. The name of the chapter should be changed to Priority Groundwater Management Areas to better describe the purpose of the rules.

The reasons for Subchapters A, B, and F no longer exist, and these subchapters should be repealed. Senate Bill 2, §2.22, 77th Legislature, 2001, transferred the authority to designate groundwater management areas from the commission to the Texas Water Development Board. These groundwater management areas are no longer valid and should be repealed to avoid confusion with the Texas Water Development Board groundwater management area designations.

PUBLIC COMMENT

This proposal is limited to the review in accordance with the requirements of Texas Government Code, §2001.039. The commission invites public comment on this preliminary review of the rules in Chapter 294. Comments may be submitted to Joyce Spencer, Office of Environmental Policy, Analysis, and Assessment, MC 205, P.O. Box 13087, Austin, Texas 78711-3087 or faxed to (512) 239-4808. All comments should reference Rule Project Number 2003-059-294-WT. Comments must be received by 5:00 p.m., February 17, 2004. For further information or questions concerning this proposal, please contact Clifton Wise, Policy and Regulations Division, at (512) 239-2263.

TRD-200400060

◆ ◆ ◆
Adopted Rule Review

Texas Lottery Commission

Title 16, Part 9

The Texas Lottery Commission has completed its rule review of Title 16, Chapter 401, concerning Administration of the State Lottery Act in accordance with Texas Government Code, §2001.039, which requires each state agency to review and consider its rules for re-adoption every four years. The review must include an assessment of whether the reasons for initially adopting the rules continue to exist. The proposed notice of intention to review 16 TAC Chapter 401 was published in the August 15, 2003, issue of the *Texas Register* (28 TexReg 6555). No comments were received regarding the review of this Chapter.

Upon review of the rules contained within 16 TAC Chapter 401, the agency's reasons for adopting the following rules continue to exist.

Subchapter A. Procurement.

- §401.101. Lottery Procurement Procedures
- §401.102. Protests of the Terms of a Formal Competitive Solicitation
- §401.103. Protests of Contract Award
- §401.104. Contract Monitoring Roles and Responsibilities

Subchapter B. Licensing of Sales Agents.

- §401.152. Application for License
- §401.153. Qualifications for License
- §401.155. Expiration of License
- §401.156. Renewal of License
- §401.157. Provisional License
- §401.158. Suspension or Revocation of License
- §401.159. Summary Suspension of License
- §401.160. Standard Penalty Chart

Subchapter C. Practice and Procedure.

- §401.201. Intent and Scope of Rules
- §401.202. Construction of Rules
- §401.203. Contested Cases
- §401.205. Initiation of a Hearing
- §401.206. Extensions of Time
- §401.207. Content of Request for Hearing
- §401.208. Preliminary Conference
- §401.209. Motion To Dismiss; Request for Extended Hearing
- §401.219. Texas Lottery Commission, Executive Director, or Lottery Operations Director Decision
- §401.220. Motion for Rehearing
- §401.221. Computation of Time
- §401.222. Service

- §401.225. Dismissal of Case
- §401.226. Burden of Proof
- §401.227. Definitions
- §401.228. Oral Argument before the Commission
- §401.229. Default Hearings
- Subchapter D. Lottery Game Rules.
- §401.301. General Definition
- §401.302. Instant Game Rules
- §401.303. Grand Prize Drawing Rule
- §401.304. On-Line Game Rules (General)
- §401.305. "Lotto Texas" On-Line Game Rule
- §401.306. Video Lottery Games
- §401.307. "Pick 3" On-Line Game Rule
- §401.308. "Cash Five" On-line Game
- §401.309. Assignability of Prizes
- §401.310. Payment of Prize Payments Upon Death of Prize Winner
- §401.312. "Texas Two Step" On-line Game
- §401.313. Promotional Drawings
- §401.314. Retailer Bonus Programs
- §401.315. "Mega Millions" On-Line Game Rule
- Subchapter E. Retailer Rules.
- §401.351. Proceeds from Ticket Sales
- §401.352. Settlement Procedures
- §401.353. Retailer Settlements, Financial Obligations, and Commissions
- §401.355. Restricted Sales
- §401.357. Texas Lottery as Retailer
- §401.360. Payment of Prizes
- §401.361. Required Purchases of Lottery Tickets
- §401.362. Retailer's Financial Responsibility for Lottery Tickets Received, for Winning Lottery Tickets Paid and for Lottery-Related Property
- §401.363. Retailer Record
- §401.364. Training
- §401.366. Compliance with All Applicable Laws
- §401.368. Instant Ticket Vending Machines
- Subchapter F. ADA Requirements.
- §401.401. Definitions
- §401.402. General Requirements
- §401.403. Readily Achievable Barrier Removal
- §401.404. Priority of ADA Compliance by Lottery Licensees
- §401.405. Alternatives to Barrier Removal
- §401.406. Future Alterations to a Lottery Licensed Facility
- §401.407. Complaints Relating to Non-accessibility

§401.408. Requests for Hearings

Subchapter G. Lottery Security.

§401.501. Lottery Security

The rules set out in Subchapter A establish the framework for procurements related to goods and/or services in connection with the operation of the lottery. The rules set out in Subchapter B relate to the regulatory framework for the licensing of sales agents. The rules set out in Subchapter C relate to the practice and procedure for resolution of disputes with an applicant or licensee. The specific rules pertaining to practice and procedure during a pending contested case proceeding are not being readopted since the rules either conflict with or are superseded by the practice and procedure rules of the State Office of Administrative Hearings (SOAH). Pursuant to statute, the SOAH rules control in the event of a conflict with an agency's rules. Therefore, there is no need to promulgate rules of the same subject matter. The rules readopted as part of Subchapter C are rules that set out the practice and procedure prior or subsequent to SOAH proceedings. The rules contained in Subchapter D are the lottery game rules and set out how the games are

played. The rules contained in Subchapter E set out the framework for the retailers' financial obligations and responsibilities. The rules contained in Subchapter F are the framework for compliance by retailers with the Americans with Disabilities Act insofar as access to lottery games is concerned. The rule contained in Subchapter F is required by statute and requires the Security Division to establish a security plan for the lottery.

Therefore, the Texas Lottery Commission readopts, without changes at this time, the rules set out herein and contained within 16 TAC Chapter 401.

TRD-200400066
Kimberly L. Kiplin
General Counsel
Texas Lottery Commission
Filed: January 7, 2004



*T*ABLES & *G*RAPHICS

Graphic images included in rules are published separately in this tables and graphics section. Graphic images are arranged in this section in the following order: Title Number, Part Number, Chapter Number and Section Number.

Graphic images are indicated in the text of the emergency, proposed, and adopted rules by the following tag: the word “Figure” followed by the TAC citation, rule number, and the appropriate subsection, paragraph, subparagraph, and so on.

Figure: 34 TAC §71.31(c)
Employees Retirement System of Texas
Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 1

Age	Current Employee Class Service										
	0	1	2	3	4	5	6	7	8	9	10
16	0.720%										
17	0.732%	0.764%									
18	0.743%	0.776%	0.811%								
19	0.754%	0.788%	0.823%	0.859%							
20	0.766%	0.801%	0.836%	0.873%	0.911%						
21	0.777%	0.813%	0.849%	0.887%	0.925%	0.965%					
22	0.789%	0.825%	0.862%	0.901%	0.940%	0.980%	1.021%				
23	0.800%	0.837%	0.875%	0.915%	0.955%	0.996%	1.038%	1.081%			
24	0.812%	0.850%	0.889%	0.929%	0.969%	1.011%	1.054%	1.099%	1.144%		
25	0.824%	0.862%	0.902%	0.943%	0.984%	1.027%	1.071%	1.116%	1.162%	1.210%	
26	0.835%	0.875%	0.915%	0.957%	1.000%	1.043%	1.088%	1.134%	1.181%	1.230%	1.279%
27	0.847%	0.887%	0.929%	0.971%	1.015%	1.059%	1.105%	1.152%	1.200%	1.250%	1.300%
28	0.859%	0.900%	0.942%	0.986%	1.030%	1.076%	1.122%	1.170%	1.220%	1.270%	1.322%
29	0.871%	0.913%	0.956%	1.000%	1.046%	1.092%	1.140%	1.189%	1.239%	1.290%	1.343%
30	0.883%	0.926%	0.970%	1.015%	1.061%	1.109%	1.157%	1.207%	1.258%	1.311%	1.365%
31	0.895%	0.938%	0.983%	1.029%	1.077%	1.125%	1.175%	1.226%	1.278%	1.332%	1.387%
32	0.906%	0.951%	0.997%	1.044%	1.092%	1.142%	1.192%	1.245%	1.298%	1.353%	1.409%
33	0.918%	0.964%	1.011%	1.059%	1.108%	1.158%	1.210%	1.263%	1.318%	1.374%	1.431%
34	0.930%	0.977%	1.024%	1.074%	1.124%	1.175%	1.228%	1.282%	1.338%	1.395%	1.454%
35	0.942%	0.989%	1.038%	1.088%	1.140%	1.192%	1.246%	1.302%	1.358%	1.416%	1.476%
36	0.954%	1.002%	1.052%	1.103%	1.155%	1.209%	1.264%	1.321%	1.379%	1.438%	1.499%
37	0.965%	1.015%	1.066%	1.118%	1.171%	1.226%	1.282%	1.340%	1.399%	1.460%	1.522%
38	0.977%	1.028%	1.079%	1.133%	1.187%	1.243%	1.301%	1.360%	1.420%	1.482%	1.545%
39	0.989%	1.040%	1.093%	1.147%	1.203%	1.260%	1.319%	1.379%	1.441%	1.504%	1.569%
40	1.000%	1.053%	1.107%	1.162%	1.219%	1.277%	1.337%	1.399%	1.462%	1.526%	1.592%
41	0.999%	1.065%	1.120%	1.177%	1.235%	1.294%	1.355%	1.418%	1.482%	1.548%	1.616%
42	1.010%	1.051%	1.134%	1.191%	1.250%	1.311%	1.374%	1.438%	1.503%	1.571%	1.640%
43	1.049%	1.049%	1.105%	1.206%	1.266%	1.328%	1.392%	1.457%	1.524%	1.593%	1.663%
44	1.090%	1.090%	1.090%	1.162%	1.282%	1.345%	1.410%	1.477%	1.545%	1.615%	1.687%
45	1.132%	1.132%	1.132%	1.132%	1.222%	1.362%	1.428%	1.496%	1.566%	1.638%	1.711%
46	1.175%	1.175%	1.175%	1.175%	1.175%	1.285%	1.446%	1.516%	1.587%	1.660%	1.735%
47	1.220%	1.220%	1.220%	1.220%	1.220%	1.220%	1.351%	1.535%	1.608%	1.682%	1.759%
48	1.267%	1.267%	1.267%	1.267%	1.267%	1.267%	1.267%	1.419%	1.628%	1.705%	1.783%
49	1.316%	1.316%	1.316%	1.316%	1.316%	1.316%	1.316%	1.316%	1.492%	1.727%	1.807%
50	1.367%	1.367%	1.367%	1.367%	1.367%	1.367%	1.367%	1.367%	1.367%	1.567%	1.830%
51	1.419%	1.419%	1.419%	1.419%	1.419%	1.419%	1.419%	1.419%	1.419%	1.419%	1.646%
52	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%	1.474%
53	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%	1.530%
54	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%	1.589%
55	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%	1.650%
56	1.759%	1.714%	1.714%	1.714%	1.714%	1.714%	1.714%	1.714%	1.714%	1.714%	1.714%
57	1.824%	1.874%	1.780%	1.780%	1.780%	1.780%	1.780%	1.780%	1.780%	1.780%	1.780%
58	1.796%	1.989%	1.995%	1.848%	1.848%	1.848%	1.848%	1.848%	1.848%	1.848%	1.848%
59	1.766%	1.959%	2.164%	2.123%	1.919%	1.919%	1.919%	1.919%	1.919%	1.919%	1.919%
60	1.736%	1.928%	2.133%	2.349%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%
61	1.705%	1.897%	2.101%	2.317%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%
62	1.673%	1.864%	2.067%	2.283%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%
63	1.641%	1.830%	2.032%	2.248%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%
64	1.608%	1.796%	1.997%	2.211%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%
65	1.574%	1.762%	1.961%	2.174%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%
66	1.540%	1.726%	1.925%	2.136%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%
67	1.504%	1.690%	1.888%	2.098%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%
68	1.467%	1.653%	1.850%	2.059%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%
69	1.429%	1.614%	1.811%	2.020%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%
70	1.389%	1.574%	1.770%	1.979%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%
71	1.328%	1.532%	1.728%	1.936%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%
72	1.289%	1.446%	1.684%	1.892%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%
73	1.292%	1.383%	1.571%	1.846%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%
74	1.295%	1.387%	1.483%	1.704%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%
75	1.297%	1.391%	1.488%	1.467%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 1

Current Employee Class Service

Age	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	1.352%										
28	1.375%	1.429%									
29	1.397%	1.453%	1.509%								
30	1.420%	1.476%	1.535%	1.594%							
31	1.443%	1.501%	1.560%	1.621%	1.683%						
32	1.466%	1.525%	1.586%	1.648%	1.711%	1.776%					
33	1.490%	1.550%	1.612%	1.675%	1.740%	1.806%	1.874%				
34	1.514%	1.575%	1.638%	1.703%	1.769%	1.837%	1.906%	1.977%			
35	1.537%	1.600%	1.665%	1.730%	1.798%	1.867%	1.938%	2.011%	2.085%		
36	1.562%	1.626%	1.691%	1.759%	1.828%	1.898%	1.971%	2.045%	2.121%	2.199%	
37	1.586%	1.651%	1.718%	1.787%	1.857%	1.930%	2.004%	2.079%	2.157%	2.237%	2.318%
38	1.610%	1.677%	1.746%	1.816%	1.888%	1.961%	2.037%	2.114%	2.193%	2.275%	2.358%
39	1.635%	1.703%	1.773%	1.845%	1.918%	1.993%	2.070%	2.149%	2.230%	2.313%	2.398%
40	1.660%	1.730%	1.801%	1.874%	1.949%	2.026%	2.104%	2.185%	2.268%	2.352%	2.439%
41	1.685%	1.756%	1.829%	1.903%	1.980%	2.058%	2.139%	2.221%	2.305%	2.392%	2.480%
42	1.710%	1.783%	1.857%	1.933%	2.011%	2.091%	2.173%	2.257%	2.344%	2.432%	2.522%
43	1.736%	1.810%	1.886%	1.963%	2.043%	2.125%	2.208%	2.294%	2.382%	2.472%	2.565%
44	1.761%	1.837%	1.914%	1.993%	2.075%	2.158%	2.244%	2.331%	2.421%	2.513%	2.607%
45	1.787%	1.864%	1.943%	2.024%	2.107%	2.192%	2.279%	2.369%	2.460%	2.554%	2.650%
46	1.812%	1.891%	1.972%	2.055%	2.139%	2.226%	2.315%	2.406%	2.500%	2.596%	2.694%
47	1.837%	1.918%	2.001%	2.085%	2.172%	2.261%	2.352%	2.445%	2.540%	2.638%	2.738%
48	1.863%	1.945%	2.030%	2.116%	2.205%	2.295%	2.388%	2.483%	2.581%	2.680%	2.783%
49	1.888%	1.972%	2.059%	2.147%	2.238%	2.330%	2.425%	2.522%	2.622%	2.723%	2.828%
50	1.914%	2.000%	2.087%	2.178%	2.270%	2.365%	2.462%	2.561%	2.663%	2.767%	2.873%
51	1.939%	2.027%	2.116%	2.209%	2.303%	2.400%	2.499%	2.601%	2.704%	2.811%	2.919%
52	1.729%	2.054%	2.145%	2.239%	2.336%	2.435%	2.536%	2.640%	2.746%	2.855%	2.966%
53	1.530%	1.816%	2.175%	2.270%	2.369%	2.470%	2.573%	2.679%	2.788%	2.899%	3.013%
54	1.589%	1.589%	1.907%	2.301%	2.402%	2.505%	2.610%	2.719%	2.830%	2.943%	3.060%
55	1.650%	1.650%	1.650%	2.003%	2.435%	2.540%	2.648%	2.758%	2.872%	2.988%	3.107%
56	1.714%	1.714%	1.714%	1.714%	2.103%	2.575%	2.685%	2.798%	2.914%	3.032%	3.154%
57	1.780%	1.780%	1.780%	1.780%	1.780%	2.207%	2.722%	2.837%	2.956%	3.077%	2.598%
58	1.848%	1.848%	1.848%	1.848%	1.848%	1.848%	2.317%	2.877%	2.998%	2.544%	2.000%
59	1.919%	1.919%	1.919%	1.919%	1.919%	1.919%	1.919%	2.431%	2.489%	1.971%	1.971%
60	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%
61	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%
62	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%
63	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%
64	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%
65	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%
66	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%
67	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%
68	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%
69	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%
70	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%
71	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%
72	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%
73	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%
74	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%
75	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 1

Age	Current Employee Class Service											
	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>
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38	2.443%											
39	2.485%	2.575%										
40	2.528%	2.619%	2.712%									
41	2.571%	2.664%	2.759%	2.857%								
42	2.615%	2.710%	2.807%	2.907%	3.009%							
43	2.659%	2.756%	2.855%	2.957%	3.061%	3.168%						
44	2.704%	2.803%	2.904%	3.008%	3.114%	3.223%	3.335%					
45	2.749%	2.850%	2.954%	3.059%	3.168%	3.279%	3.393%	3.510%				
46	2.795%	2.898%	3.004%	3.112%	3.222%	3.336%	3.452%	3.571%	3.693%			
47	2.841%	2.946%	3.054%	3.165%	3.278%	3.394%	3.512%	3.634%	3.758%	3.048%		
48	2.888%	2.995%	3.105%	3.218%	3.334%	3.452%	3.573%	3.697%	3.009%	2.229%	2.229%	
49	2.935%	3.044%	3.157%	3.272%	3.390%	3.511%	3.635%	2.969%	2.211%	2.211%	2.211%	2.211%
50	2.982%	3.094%	3.209%	3.327%	3.447%	3.571%	2.928%	2.192%	2.192%	2.192%	2.192%	2.192%
51	3.031%	3.145%	3.262%	3.382%	3.505%	2.885%	2.172%	2.172%	2.172%	2.172%	2.172%	2.172%
52	3.080%	3.196%	3.316%	3.438%	2.841%	2.151%	2.151%	2.151%	2.151%	2.151%	2.151%	2.151%
53	3.129%	3.248%	3.370%	2.795%	2.129%	2.129%	2.129%	2.129%	2.129%	2.129%	2.129%	2.129%
54	3.178%	3.300%	2.748%	2.106%	2.106%	2.106%	2.106%	2.106%	2.106%	2.106%	2.106%	2.106%
55	3.228%	2.700%	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%
56	2.650%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%
57	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%
58	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%
59	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%
60	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%
61	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%
62	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%
63	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%
64	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%
65	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%
66	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%
67	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%
68	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%
69	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%
70	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%
71	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%
72	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%
73	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%
74	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%
75	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 1

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
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50	2.192%											
51	2.172%	2.172%										
52	2.151%	2.151%	2.151%									
53	2.129%	2.129%	2.129%	2.129%								
54	2.106%	2.106%	2.106%	2.106%	2.106%							
55	2.081%	2.081%	2.081%	2.081%	2.081%	2.081%						
56	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%	2.055%					
57	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%	2.028%				
58	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	0.957%			
59	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	1.971%	0.943%	0.000%		
60	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	1.940%	0.928%	0.000%	0.000%	
61	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	1.909%	0.913%	0.000%	0.000%	0.000%
62	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	1.876%	0.897%	0.000%	0.000%	0.000%
63	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	1.843%	0.881%	0.000%	0.000%	0.000%
64	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	1.809%	0.865%	0.000%	0.000%	0.000%
65	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	1.774%	0.848%	0.000%	0.000%	0.000%
66	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	1.738%	0.831%	0.000%	0.000%	0.000%
67	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	1.702%	0.814%	0.000%	0.000%	0.000%
68	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	1.664%	0.796%	0.000%	0.000%	0.000%
69	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	1.626%	0.778%	0.000%	0.000%	0.000%
70	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	1.586%	0.758%	0.000%	0.000%	0.000%
71	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	1.545%	0.739%	0.000%	0.000%	0.000%
72	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	1.502%	0.719%	0.000%	0.000%	0.000%
73	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	1.459%	0.698%	0.000%	0.000%	0.000%
74	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	1.415%	0.677%	0.000%	0.000%	0.000%
75	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	1.370%	0.655%	0.000%	0.000%	0.000%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.30%**

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 2

Age	Current Employee Class Service										
	0	1	2	3	4	5	6	7	8	9	10
16	1.441%										
17	1.463%	1.529%									
18	1.486%	1.553%	1.621%								
19	1.508%	1.577%	1.647%	1.719%							
20	1.531%	1.601%	1.673%	1.746%	1.821%						
21	1.554%	1.625%	1.699%	1.774%	1.850%	1.929%					
22	1.577%	1.650%	1.725%	1.801%	1.880%	1.960%	2.043%				
23	1.600%	1.675%	1.751%	1.829%	1.909%	1.991%	2.076%	2.162%			
24	1.624%	1.700%	1.777%	1.857%	1.939%	2.023%	2.109%	2.197%	2.288%		
25	1.647%	1.725%	1.804%	1.885%	1.969%	2.055%	2.143%	2.233%	2.325%	2.420%	
26	1.671%	1.750%	1.831%	1.914%	1.999%	2.087%	2.176%	2.268%	2.363%	2.459%	2.558%
27	1.694%	1.775%	1.858%	1.943%	2.030%	2.119%	2.210%	2.304%	2.401%	2.499%	2.601%
28	1.718%	1.800%	1.885%	1.971%	2.060%	2.151%	2.245%	2.341%	2.439%	2.540%	2.643%
29	1.742%	1.826%	1.912%	2.000%	2.091%	2.184%	2.280%	2.377%	2.478%	2.581%	2.686%
30	1.765%	1.851%	1.939%	2.029%	2.122%	2.217%	2.314%	2.414%	2.517%	2.622%	2.729%
31	1.789%	1.877%	1.967%	2.059%	2.153%	2.250%	2.350%	2.452%	2.556%	2.663%	2.773%
32	1.813%	1.902%	1.994%	2.088%	2.184%	2.283%	2.385%	2.489%	2.596%	2.705%	2.818%
33	1.837%	1.928%	2.021%	2.117%	2.216%	2.317%	2.421%	2.527%	2.636%	2.748%	2.862%
34	1.860%	1.953%	2.049%	2.147%	2.248%	2.351%	2.456%	2.565%	2.676%	2.790%	2.907%
35	1.884%	1.979%	2.076%	2.177%	2.279%	2.384%	2.492%	2.603%	2.717%	2.833%	2.952%
36	1.907%	2.004%	2.104%	2.206%	2.311%	2.418%	2.529%	2.642%	2.757%	2.876%	2.998%
37	1.931%	2.030%	2.131%	2.236%	2.343%	2.452%	2.565%	2.680%	2.799%	2.920%	3.044%
38	1.954%	2.055%	2.159%	2.265%	2.374%	2.486%	2.601%	2.719%	2.840%	2.964%	3.091%
39	1.978%	2.080%	2.186%	2.295%	2.406%	2.521%	2.638%	2.758%	2.881%	3.008%	3.137%
40	2.001%	2.106%	2.213%	2.324%	2.438%	2.554%	2.674%	2.797%	2.923%	3.052%	3.184%
41	1.998%	2.131%	2.240%	2.353%	2.469%	2.588%	2.711%	2.836%	2.965%	3.097%	3.232%
42	2.021%	2.102%	2.268%	2.383%	2.501%	2.622%	2.747%	2.875%	3.007%	3.141%	3.279%
43	2.099%	2.099%	2.211%	2.412%	2.532%	2.656%	2.783%	2.914%	3.048%	3.186%	3.327%
44	2.179%	2.179%	2.179%	2.325%	2.564%	2.690%	2.820%	2.953%	3.090%	3.231%	3.375%
45	2.263%	2.263%	2.263%	2.263%	2.444%	2.724%	2.856%	2.992%	3.132%	3.275%	3.422%
46	2.350%	2.350%	2.350%	2.350%	2.350%	2.570%	2.892%	3.031%	3.173%	3.320%	3.470%
47	2.441%	2.441%	2.441%	2.441%	2.441%	2.441%	2.701%	3.070%	3.215%	3.364%	3.518%
48	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.839%	3.257%	3.409%	3.565%
49	2.632%	2.632%	2.632%	2.632%	2.632%	2.632%	2.632%	2.632%	2.983%	3.454%	3.613%
50	2.733%	2.733%	2.733%	2.733%	2.733%	2.733%	2.733%	2.733%	2.733%	3.134%	3.661%
51	2.838%	2.838%	2.838%	2.838%	2.838%	2.838%	2.838%	2.838%	2.838%	2.838%	3.293%
52	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%	2.947%
53	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%	3.061%
54	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%	3.179%
55	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%	3.301%
56	3.518%	3.428%	3.428%	3.428%	3.428%	3.428%	3.428%	3.428%	3.428%	3.428%	3.428%
57	3.648%	3.748%	3.560%	3.560%	3.560%	3.560%	3.560%	3.560%	3.560%	3.560%	3.560%
58	3.591%	3.978%	3.990%	3.696%	3.696%	3.696%	3.696%	3.696%	3.696%	3.696%	3.696%
59	3.533%	3.919%	4.328%	4.245%	3.839%	3.839%	3.839%	3.839%	3.839%	3.839%	3.839%
60	3.472%	3.857%	4.266%	4.699%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%
61	3.410%	3.793%	4.201%	4.634%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%
62	3.346%	3.728%	4.134%	4.566%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%
63	3.282%	3.661%	4.065%	4.495%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%
64	3.216%	3.592%	3.994%	4.422%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%
65	3.149%	3.523%	3.922%	4.348%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%
66	3.079%	3.453%	3.849%	4.272%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%
67	3.008%	3.381%	3.776%	4.196%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%
68	2.934%	3.306%	3.701%	4.119%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%
69	2.857%	3.228%	3.623%	4.040%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%
70	2.779%	3.147%	3.541%	3.959%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%
71	2.656%	3.065%	3.456%	3.873%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%
72	2.577%	2.892%	3.369%	3.783%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%
73	2.584%	2.766%	3.143%	3.691%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%
74	2.590%	2.775%	2.967%	3.408%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%
75	2.594%	2.782%	2.976%	2.933%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 2

Current Employee Class Service											
Age	11	12	13	14	15	16	17	18	19	20	21
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	2.704%										
28	2.749%	2.858%									
29	2.794%	2.905%	3.019%								
30	2.840%	2.953%	3.069%	3.188%							
31	2.886%	3.002%	3.120%	3.241%	3.366%						
32	2.933%	3.051%	3.171%	3.295%	3.422%	3.552%					
33	2.980%	3.100%	3.223%	3.350%	3.479%	3.612%	3.749%				
34	3.027%	3.150%	3.276%	3.405%	3.537%	3.673%	3.812%	3.955%			
35	3.075%	3.200%	3.329%	3.461%	3.596%	3.734%	3.876%	4.022%	4.171%		
36	3.123%	3.251%	3.383%	3.517%	3.655%	3.797%	3.941%	4.090%	4.242%	4.398%	
37	3.172%	3.303%	3.437%	3.574%	3.715%	3.859%	4.007%	4.159%	4.314%	4.473%	4.636%
38	3.221%	3.354%	3.491%	3.632%	3.775%	3.923%	4.074%	4.228%	4.387%	4.549%	4.716%
39	3.270%	3.406%	3.546%	3.689%	3.836%	3.987%	4.141%	4.299%	4.461%	4.627%	4.796%
40	3.320%	3.459%	3.602%	3.748%	3.898%	4.051%	4.209%	4.370%	4.535%	4.705%	4.878%
41	3.370%	3.512%	3.658%	3.807%	3.960%	4.117%	4.277%	4.442%	4.611%	4.784%	4.961%
42	3.421%	3.566%	3.714%	3.866%	4.022%	4.182%	4.347%	4.515%	4.687%	4.864%	5.045%
43	3.471%	3.619%	3.771%	3.926%	4.086%	4.249%	4.416%	4.588%	4.764%	4.944%	5.129%
44	3.522%	3.673%	3.828%	3.987%	4.150%	4.316%	4.487%	4.662%	4.842%	5.026%	5.215%
45	3.573%	3.728%	3.886%	4.048%	4.214%	4.384%	4.558%	4.737%	4.920%	5.108%	5.301%
46	3.624%	3.782%	3.944%	4.109%	4.279%	4.452%	4.630%	4.813%	5.000%	5.191%	5.388%
47	3.675%	3.836%	4.002%	4.171%	4.344%	4.521%	4.703%	4.889%	5.080%	5.276%	5.476%
48	3.726%	3.890%	4.059%	4.232%	4.409%	4.591%	4.776%	4.966%	5.161%	5.361%	5.565%
49	3.777%	3.945%	4.117%	4.294%	4.475%	4.660%	4.850%	5.044%	5.243%	5.447%	5.655%
50	3.828%	3.999%	4.175%	4.356%	4.540%	4.730%	4.924%	5.123%	5.326%	5.534%	5.747%
51	3.879%	4.053%	4.233%	4.417%	4.606%	4.800%	4.998%	5.201%	5.409%	5.621%	5.839%
52	3.459%	4.108%	4.291%	4.479%	4.672%	4.870%	5.072%	5.280%	5.492%	5.709%	5.932%
53	3.061%	3.632%	4.349%	4.541%	4.737%	4.939%	5.147%	5.359%	5.576%	5.798%	6.025%
54	3.179%	3.179%	3.815%	4.603%	4.803%	5.009%	5.221%	5.438%	5.659%	5.887%	6.119%
55	3.301%	3.301%	3.301%	4.005%	4.869%	5.080%	5.295%	5.516%	5.743%	5.975%	6.213%
56	3.428%	3.428%	3.428%	3.428%	4.205%	5.150%	5.370%	5.595%	5.827%	6.065%	6.307%
57	3.560%	3.560%	3.560%	3.560%	3.560%	4.414%	5.445%	5.675%	5.911%	6.153%	5.196%
58	3.696%	3.696%	3.696%	3.696%	3.696%	3.696%	4.633%	5.755%	5.995%	5.089%	4.000%
59	3.839%	3.839%	3.839%	3.839%	3.839%	3.839%	3.839%	4.863%	4.978%	3.942%	3.942%
60	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%
61	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%
62	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%
63	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%
64	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%
65	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%
66	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%
67	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%
68	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%
69	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%
70	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%
71	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%
72	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%
73	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%
74	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%
75	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 2

Age	Current Employee Class Service											
	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>
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38	4.886%											
39	4.971%	5.149%										
40	5.056%	5.238%	5.425%									
41	5.142%	5.328%	5.519%	5.714%								
42	5.230%	5.419%	5.614%	5.813%	6.017%							
43	5.318%	5.512%	5.710%	5.914%	6.122%	6.335%						
44	5.408%	5.606%	5.808%	6.016%	6.228%	6.446%	6.669%					
45	5.498%	5.700%	5.907%	6.119%	6.336%	6.558%	6.786%	7.019%				
46	5.590%	5.796%	6.007%	6.223%	6.445%	6.672%	6.904%	7.143%	7.386%			
47	5.682%	5.893%	6.108%	6.329%	6.556%	6.787%	7.024%	7.267%	7.516%	6.097%		
48	5.775%	5.990%	6.211%	6.436%	6.667%	6.904%	7.146%	7.394%	6.018%	4.457%	4.457%	
49	5.870%	6.089%	6.314%	6.544%	6.780%	7.022%	7.269%	5.938%	4.422%	4.422%	4.422%	4.422%
50	5.965%	6.189%	6.418%	6.654%	6.895%	7.141%	5.855%	4.384%	4.384%	4.384%	4.384%	4.384%
51	6.062%	6.290%	6.524%	6.764%	7.010%	5.770%	4.344%	4.344%	4.344%	4.344%	4.344%	4.344%
52	6.159%	6.392%	6.631%	6.876%	5.681%	4.303%	4.303%	4.303%	4.303%	4.303%	4.303%	4.303%
53	6.258%	6.496%	6.740%	5.590%	4.258%	4.258%	4.258%	4.258%	4.258%	4.258%	4.258%	4.258%
54	6.357%	6.600%	5.497%	4.212%	4.212%	4.212%	4.212%	4.212%	4.212%	4.212%	4.212%	4.212%
55	6.456%	5.401%	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%
56	5.300%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%
57	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%
58	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%
59	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%
60	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%
61	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%
62	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%
63	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%
64	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%
65	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%
66	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%
67	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%
68	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%
69	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%
70	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%
71	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%
72	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%
73	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%
74	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%
75	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 2

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
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50	4.384%											
51	4.344%	4.344%										
52	4.303%	4.303%	4.303%									
53	4.258%	4.258%	4.258%	4.258%								
54	4.212%	4.212%	4.212%	4.212%	4.212%							
55	4.163%	4.163%	4.163%	4.163%	4.163%	4.163%						
56	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%	4.111%					
57	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%	4.057%				
58	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	1.913%			
59	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	3.942%	1.885%	0.000%		
60	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	3.881%	1.856%	0.000%	0.000%	
61	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	3.818%	1.826%	0.000%	0.000%	0.000%
62	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	3.753%	1.795%	0.000%	0.000%	0.000%
63	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	3.686%	1.763%	0.000%	0.000%	0.000%
64	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	3.617%	1.730%	0.000%	0.000%	0.000%
65	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	3.548%	1.697%	0.000%	0.000%	0.000%
66	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	3.476%	1.663%	0.000%	0.000%	0.000%
67	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	3.403%	1.628%	0.000%	0.000%	0.000%
68	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	3.329%	1.592%	0.000%	0.000%	0.000%
69	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	3.251%	1.555%	0.000%	0.000%	0.000%
70	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	3.172%	1.517%	0.000%	0.000%	0.000%
71	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	3.089%	1.478%	0.000%	0.000%	0.000%
72	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	3.005%	1.437%	0.000%	0.000%	0.000%
73	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	2.918%	1.396%	0.000%	0.000%	0.000%
74	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	2.830%	1.354%	0.000%	0.000%	0.000%
75	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	2.740%	1.310%	0.000%	0.000%	0.000%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.30%**

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 3

Current Employee Class Service											
Age	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
16	2.161%										
17	2.195%	2.293%									
18	2.229%	2.329%	2.432%								
19	2.263%	2.365%	2.470%	2.578%							
20	2.297%	2.402%	2.509%	2.619%	2.732%						
21	2.331%	2.438%	2.548%	2.660%	2.776%	2.894%					
22	2.366%	2.475%	2.587%	2.702%	2.820%	2.940%	3.064%				
23	2.401%	2.512%	2.626%	2.744%	2.864%	2.987%	3.114%	3.243%			
24	2.436%	2.549%	2.666%	2.786%	2.908%	3.034%	3.163%	3.296%	3.432%		
25	2.471%	2.587%	2.706%	2.828%	2.953%	3.082%	3.214%	3.349%	3.487%	3.630%	
26	2.506%	2.625%	2.746%	2.871%	2.999%	3.130%	3.265%	3.402%	3.544%	3.689%	3.838%
27	2.541%	2.662%	2.787%	2.914%	3.044%	3.178%	3.316%	3.457%	3.601%	3.749%	3.901%
28	2.577%	2.700%	2.827%	2.957%	3.090%	3.227%	3.367%	3.511%	3.659%	3.810%	3.965%
29	2.613%	2.739%	2.868%	3.000%	3.137%	3.276%	3.419%	3.566%	3.717%	3.871%	4.029%
30	2.648%	2.777%	2.909%	3.044%	3.183%	3.326%	3.472%	3.622%	3.775%	3.933%	4.094%
31	2.684%	2.815%	2.950%	3.088%	3.230%	3.375%	3.524%	3.677%	3.834%	3.995%	4.160%
32	2.719%	2.853%	2.991%	3.132%	3.277%	3.425%	3.577%	3.734%	3.894%	4.058%	4.226%
33	2.755%	2.892%	3.032%	3.176%	3.324%	3.475%	3.631%	3.790%	3.954%	4.121%	4.293%
34	2.790%	2.930%	3.073%	3.221%	3.371%	3.526%	3.684%	3.847%	4.014%	4.185%	4.361%
35	2.826%	2.968%	3.115%	3.265%	3.419%	3.577%	3.739%	3.905%	4.075%	4.249%	4.429%
36	2.861%	3.007%	3.156%	3.309%	3.466%	3.628%	3.793%	3.962%	4.136%	4.314%	4.497%
37	2.896%	3.045%	3.197%	3.354%	3.514%	3.679%	3.847%	4.020%	4.198%	4.380%	4.566%
38	2.931%	3.083%	3.238%	3.398%	3.562%	3.730%	3.902%	4.079%	4.260%	4.446%	4.636%
39	2.966%	3.121%	3.279%	3.442%	3.609%	3.781%	3.957%	4.137%	4.322%	4.512%	4.706%
40	3.001%	3.158%	3.320%	3.486%	3.657%	3.832%	4.012%	4.196%	4.385%	4.578%	4.777%
41	2.997%	3.196%	3.361%	3.530%	3.704%	3.883%	4.066%	4.254%	4.447%	4.645%	4.848%
42	3.031%	3.153%	3.401%	3.574%	3.751%	3.933%	4.121%	4.313%	4.510%	4.712%	4.919%
43	3.148%	3.148%	3.316%	3.618%	3.798%	3.984%	4.175%	4.371%	4.573%	4.779%	4.990%
44	3.269%	3.269%	3.269%	3.487%	3.846%	4.035%	4.230%	4.430%	4.635%	4.846%	5.062%
45	3.395%	3.395%	3.395%	3.395%	3.666%	4.086%	4.284%	4.488%	4.698%	4.913%	5.133%
46	3.525%	3.525%	3.525%	3.525%	3.525%	3.855%	4.339%	4.547%	4.760%	4.980%	5.205%
47	3.661%	3.661%	3.661%	3.661%	3.661%	3.661%	4.052%	4.605%	4.823%	5.047%	5.276%
48	3.802%	3.802%	3.802%	3.802%	3.802%	3.802%	3.802%	4.258%	4.885%	5.114%	5.348%
49	3.948%	3.948%	3.948%	3.948%	3.948%	3.948%	3.948%	3.948%	4.475%	5.181%	5.420%
50	4.100%	4.100%	4.100%	4.100%	4.100%	4.100%	4.100%	4.100%	4.100%	4.701%	5.491%
51	4.257%	4.257%	4.257%	4.257%	4.257%	4.257%	4.257%	4.257%	4.257%	4.257%	4.939%
52	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%	4.421%
53	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%	4.591%
54	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%	4.768%
55	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%	4.951%
56	5.278%	5.142%	5.142%	5.142%	5.142%	5.142%	5.142%	5.142%	5.142%	5.142%	5.142%
57	5.472%	5.622%	5.339%	5.339%	5.339%	5.339%	5.339%	5.339%	5.339%	5.339%	5.339%
58	5.387%	5.967%	5.985%	5.545%	5.545%	5.545%	5.545%	5.545%	5.545%	5.545%	5.545%
59	5.299%	5.878%	6.491%	6.368%	5.758%	5.758%	5.758%	5.758%	5.758%	5.758%	5.758%
60	5.208%	5.785%	6.399%	7.048%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%
61	5.115%	5.690%	6.302%	6.951%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%
62	5.020%	5.592%	6.201%	6.849%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%
63	4.923%	5.491%	6.097%	6.743%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%
64	4.824%	5.389%	5.991%	6.634%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%
65	4.723%	5.285%	5.883%	6.522%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
66	4.619%	5.179%	5.774%	6.408%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%
67	4.512%	5.071%	5.664%	6.293%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%
68	4.400%	4.959%	5.551%	6.178%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%
69	4.286%	4.842%	5.434%	6.060%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%
70	4.168%	4.721%	5.311%	5.938%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%
71	3.984%	4.597%	5.184%	5.809%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%
72	3.866%	4.339%	5.053%	5.675%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%
73	3.876%	4.150%	4.714%	5.537%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%
74	3.884%	4.162%	4.450%	5.113%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%
75	3.891%	4.173%	4.464%	4.400%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.30%**

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 3

Current Employee Class Service

Age	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	4.056%										
28	4.124%	4.286%									
29	4.191%	4.358%	4.528%								
30	4.260%	4.429%	4.604%	4.782%							
31	4.329%	4.502%	4.680%	4.862%	5.049%						
32	4.399%	4.576%	4.757%	4.943%	5.133%	5.329%					
33	4.469%	4.650%	4.835%	5.025%	5.219%	5.419%	5.623%				
34	4.541%	4.725%	4.914%	5.108%	5.306%	5.510%	5.718%	5.932%			
35	4.612%	4.801%	4.994%	5.191%	5.394%	5.602%	5.814%	6.033%	6.256%		
36	4.685%	4.877%	5.074%	5.276%	5.483%	5.695%	5.912%	6.135%	6.363%	6.597%	
37	4.758%	4.954%	5.155%	5.361%	5.572%	5.789%	6.011%	6.238%	6.471%	6.710%	6.954%
38	4.831%	5.031%	5.237%	5.447%	5.663%	5.884%	6.111%	6.343%	6.580%	6.824%	7.074%
39	4.905%	5.110%	5.319%	5.534%	5.754%	5.980%	6.211%	6.448%	6.691%	6.940%	7.195%
40	4.980%	5.189%	5.402%	5.622%	5.847%	6.077%	6.313%	6.555%	6.803%	7.057%	7.317%
41	5.055%	5.268%	5.486%	5.710%	5.940%	6.175%	6.416%	6.663%	6.916%	7.176%	7.441%
42	5.131%	5.348%	5.571%	5.799%	6.034%	6.274%	6.520%	6.772%	7.031%	7.295%	7.567%
43	5.207%	5.429%	5.657%	5.890%	6.128%	6.374%	6.625%	6.882%	7.146%	7.417%	7.694%
44	5.283%	5.510%	5.743%	5.980%	6.224%	6.474%	6.731%	6.993%	7.263%	7.539%	7.822%
45	5.360%	5.591%	5.829%	6.072%	6.321%	6.576%	6.837%	7.106%	7.380%	7.663%	7.951%
46	5.436%	5.673%	5.915%	6.164%	6.418%	6.679%	6.946%	7.219%	7.500%	7.787%	8.082%
47	5.512%	5.754%	6.002%	6.256%	6.516%	6.782%	7.055%	7.334%	7.620%	7.914%	8.214%
48	5.589%	5.836%	6.089%	6.349%	6.614%	6.886%	7.165%	7.450%	7.742%	8.041%	8.348%
49	5.665%	5.917%	6.176%	6.441%	6.713%	6.990%	7.275%	7.566%	7.865%	8.170%	8.483%
50	5.741%	5.999%	6.262%	6.533%	6.811%	7.095%	7.386%	7.684%	7.989%	8.301%	8.620%
51	5.818%	6.080%	6.349%	6.626%	6.909%	7.200%	7.497%	7.802%	8.113%	8.432%	8.758%
52	5.188%	6.162%	6.436%	6.718%	7.008%	7.304%	7.608%	7.920%	8.238%	8.564%	8.898%
53	4.591%	5.449%	6.524%	6.811%	7.106%	7.409%	7.720%	8.038%	8.364%	8.697%	9.038%
54	4.768%	4.768%	5.722%	6.904%	7.205%	7.514%	7.831%	8.156%	8.489%	8.830%	9.179%
55	4.951%	4.951%	4.951%	6.008%	7.304%	7.619%	7.943%	8.275%	8.615%	8.963%	9.320%
56	5.142%	5.142%	5.142%	5.142%	6.308%	7.725%	8.055%	8.393%	8.741%	9.097%	9.461%
57	5.339%	5.339%	5.339%	5.339%	5.339%	6.621%	8.167%	8.512%	8.867%	9.230%	7.795%
58	5.545%	5.545%	5.545%	5.545%	5.545%	5.545%	6.950%	8.632%	8.993%	7.633%	6.001%
59	5.758%	5.758%	5.758%	5.758%	5.758%	5.758%	5.758%	7.294%	7.468%	5.913%	5.913%
60	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%
61	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%
62	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%
63	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%
64	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%
65	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
66	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%
67	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%
68	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%
69	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%
70	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%
71	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%
72	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%
73	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%
74	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%
75	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.30%**

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 3

Current Employee Class Service												
Age	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>
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38	7.330%											
39	7.456%	7.724%										
40	7.584%	7.857%	8.137%									
41	7.713%	7.992%	8.278%	8.571%								
42	7.844%	8.129%	8.421%	8.720%	9.026%							
43	7.977%	8.268%	8.566%	8.870%	9.183%	9.503%						
44	8.111%	8.408%	8.712%	9.023%	9.342%	9.669%	10.004%					
45	8.247%	8.550%	8.861%	9.178%	9.504%	9.837%	10.179%	10.529%				
46	8.384%	8.694%	9.011%	9.335%	9.667%	10.008%	10.356%	10.714%	11.080%			
47	8.523%	8.839%	9.163%	9.494%	9.833%	10.181%	10.537%	10.901%	11.275%	9.145%		
48	8.663%	8.985%	9.316%	9.654%	10.001%	10.356%	10.719%	11.091%	9.028%	6.686%	6.686%	
49	8.804%	9.133%	9.471%	9.817%	10.171%	10.533%	10.904%	8.907%	6.632%	6.632%	6.632%	6.632%
50	8.947%	9.283%	9.627%	9.981%	10.342%	10.712%	8.783%	6.576%	6.576%	6.576%	6.576%	6.576%
51	9.093%	9.435%	9.786%	10.146%	10.515%	8.654%	6.517%	6.517%	6.517%	6.517%	6.517%	6.517%
52	9.239%	9.589%	9.947%	10.314%	8.522%	6.454%	6.454%	6.454%	6.454%	6.454%	6.454%	6.454%
53	9.387%	9.744%	10.109%	8.385%	6.388%	6.388%	6.388%	6.388%	6.388%	6.388%	6.388%	6.388%
54	9.535%	9.900%	8.245%	6.318%	6.318%	6.318%	6.318%	6.318%	6.318%	6.318%	6.318%	6.318%
55	9.685%	8.101%	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%
56	7.951%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%
57	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%
58	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%
59	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%
60	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%
61	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%
62	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%
63	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%
64	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%
65	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
66	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%
67	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%
68	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%
69	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%
70	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%
71	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%
72	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%
73	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%
74	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%
75	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.30%

EMPLOYEE CLASS - Regular Service

Months of Regular Service to be Purchased: 3

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
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50	6.576%											
51	6.517%	6.517%										
52	6.454%	6.454%	6.454%									
53	6.388%	6.388%	6.388%	6.388%								
54	6.318%	6.318%	6.318%	6.318%	6.318%							
55	6.244%	6.244%	6.244%	6.244%	6.244%	6.244%						
56	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%	6.166%					
57	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%	6.085%				
58	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	6.001%	2.870%			
59	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	5.913%	2.828%	0.000%		
60	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	5.821%	2.784%	0.000%	0.000%	
61	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	2.739%	0.000%	0.000%	0.000%
62	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	5.629%	2.692%	0.000%	0.000%	0.000%
63	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	5.529%	2.644%	0.000%	0.000%	0.000%
64	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	5.426%	2.595%	0.000%	0.000%	0.000%
65	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	2.545%	0.000%	0.000%	0.000%
66	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	5.214%	2.494%	0.000%	0.000%	0.000%
67	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	5.105%	2.442%	0.000%	0.000%	0.000%
68	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	4.993%	2.388%	0.000%	0.000%	0.000%
69	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	4.877%	2.333%	0.000%	0.000%	0.000%
70	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	4.758%	2.275%	0.000%	0.000%	0.000%
71	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	4.634%	2.216%	0.000%	0.000%	0.000%
72	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	4.507%	2.156%	0.000%	0.000%	0.000%
73	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	4.378%	2.094%	0.000%	0.000%	0.000%
74	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	4.245%	2.030%	0.000%	0.000%	0.000%
75	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	4.110%	1.966%	0.000%	0.000%	0.000%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 1

Age	Current Employee Class Service										
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
16	0.877%										
17	0.891%	0.931%									
18	0.904%	0.945%	0.987%								
19	0.918%	0.960%	1.002%	1.046%							
20	0.932%	0.975%	1.018%	1.063%	1.109%						
21	0.935%	0.989%	1.034%	1.080%	1.126%	1.174%					
22	0.949%	0.982%	1.050%	1.096%	1.144%	1.193%	1.243%				
23	0.986%	0.986%	1.032%	1.113%	1.162%	1.212%	1.263%	1.316%			
24	1.024%	1.024%	1.024%	1.083%	1.180%	1.231%	1.284%	1.337%	1.393%		
25	1.063%	1.063%	1.063%	1.063%	1.137%	1.251%	1.304%	1.359%	1.415%	1.473%	
26	1.104%	1.104%	1.104%	1.104%	1.104%	1.194%	1.325%	1.381%	1.438%	1.497%	1.557%
27	1.147%	1.147%	1.147%	1.147%	1.147%	1.147%	1.253%	1.403%	1.461%	1.521%	1.583%
28	1.191%	1.191%	1.191%	1.191%	1.191%	1.191%	1.191%	1.315%	1.485%	1.546%	1.609%
29	1.237%	1.237%	1.237%	1.237%	1.237%	1.237%	1.237%	1.237%	1.380%	1.571%	1.635%
30	1.284%	1.284%	1.284%	1.284%	1.284%	1.284%	1.284%	1.284%	1.284%	1.447%	1.661%
31	1.364%	1.333%	1.333%	1.333%	1.333%	1.333%	1.333%	1.333%	1.333%	1.333%	1.519%
32	1.415%	1.448%	1.385%	1.385%	1.385%	1.385%	1.385%	1.385%	1.385%	1.385%	1.385%
33	1.403%	1.533%	1.537%	1.438%	1.438%	1.438%	1.438%	1.438%	1.438%	1.438%	1.438%
34	1.390%	1.521%	1.659%	1.631%	1.493%	1.493%	1.493%	1.493%	1.493%	1.493%	1.493%
35	1.377%	1.508%	1.647%	1.792%	1.729%	1.551%	1.551%	1.551%	1.551%	1.551%	1.551%
36	1.362%	1.494%	1.633%	1.780%	1.933%	1.833%	1.610%	1.610%	1.610%	1.610%	1.610%
37	1.347%	1.480%	1.619%	1.766%	1.920%	2.082%	1.941%	1.672%	1.672%	1.672%	1.672%
38	1.332%	1.465%	1.605%	1.752%	1.906%	2.069%	2.240%	2.056%	1.737%	1.737%	1.737%
39	1.315%	1.448%	1.589%	1.737%	1.892%	2.055%	2.227%	2.407%	2.177%	1.803%	1.803%
40	1.298%	1.431%	1.572%	1.720%	1.876%	2.040%	2.212%	2.393%	2.583%	2.303%	1.873%
41	1.280%	1.413%	1.554%	1.703%	1.860%	2.024%	2.197%	2.378%	2.569%	2.769%	2.437%
42	1.261%	1.394%	1.536%	1.685%	1.842%	2.007%	2.181%	2.363%	2.554%	2.755%	2.966%
43	1.241%	1.375%	1.516%	1.665%	1.823%	1.989%	2.163%	2.346%	2.538%	2.740%	2.952%
44	1.221%	1.354%	1.496%	1.645%	1.803%	1.969%	2.145%	2.329%	2.521%	2.724%	2.936%
45	1.200%	1.333%	1.474%	1.624%	1.782%	1.949%	2.124%	2.309%	2.503%	2.707%	2.920%
46	1.178%	1.311%	1.452%	1.601%	1.760%	1.927%	2.103%	2.288%	2.483%	2.688%	2.902%
47	1.156%	1.288%	1.429%	1.578%	1.736%	1.903%	2.080%	2.266%	2.462%	2.668%	2.883%
48	1.134%	1.265%	1.405%	1.553%	1.712%	1.879%	2.056%	2.242%	2.438%	2.645%	2.862%
49	1.111%	1.241%	1.380%	1.528%	1.686%	1.853%	2.030%	2.217%	2.414%	2.621%	2.839%
50	1.088%	1.218%	1.355%	1.503%	1.659%	1.826%	2.003%	2.190%	2.388%	2.595%	2.814%
51	1.064%	1.193%	1.330%	1.476%	1.632%	1.798%	1.975%	2.162%	2.360%	2.568%	2.787%
52	1.039%	1.168%	1.305%	1.450%	1.605%	1.769%	1.945%	2.132%	2.330%	2.539%	2.759%
53	1.014%	1.142%	1.279%	1.423%	1.577%	1.740%	1.915%	2.101%	2.298%	2.508%	2.728%
54	0.987%	1.116%	1.252%	1.396%	1.549%	1.711%	1.884%	2.069%	2.266%	2.475%	2.696%
55	0.960%	1.088%	1.224%	1.368%	1.521%	1.682%	1.854%	2.037%	2.232%	2.440%	2.661%
56	0.932%	1.059%	1.194%	1.338%	1.491%	1.653%	1.823%	2.005%	2.198%	2.405%	2.624%
57	0.904%	1.030%	1.164%	1.307%	1.460%	1.622%	1.792%	1.973%	2.164%	2.369%	2.587%
58	0.875%	1.000%	1.133%	1.276%	1.428%	1.589%	1.760%	1.941%	2.131%	2.333%	2.550%
59	0.845%	0.969%	1.101%	1.243%	1.394%	1.555%	1.726%	1.907%	2.098%	2.299%	2.512%
60	0.816%	0.937%	1.068%	1.209%	1.360%	1.520%	1.690%	1.871%	2.063%	2.264%	2.476%
61	0.786%	0.905%	1.034%	1.174%	1.324%	1.483%	1.653%	1.833%	2.025%	2.227%	2.440%
62	0.756%	0.872%	1.000%	1.138%	1.287%	1.446%	1.615%	1.794%	1.985%	2.188%	2.401%
63	0.726%	0.840%	0.965%	1.101%	1.248%	1.406%	1.575%	1.754%	1.944%	2.146%	2.360%
64	0.697%	0.808%	0.930%	1.063%	1.208%	1.364%	1.533%	1.712%	1.901%	2.102%	2.316%
65	0.668%	0.776%	0.895%	1.025%	1.167%	1.322%	1.488%	1.667%	1.857%	2.058%	2.270%
66	0.639%	0.745%	0.861%	0.988%	1.127%	1.278%	1.442%	1.619%	1.809%	2.010%	2.223%
67	0.611%	0.714%	0.827%	0.950%	1.086%	1.234%	1.396%	1.570%	1.759%	1.960%	2.173%
68	0.582%	0.683%	0.794%	0.914%	1.046%	1.190%	1.349%	1.520%	1.706%	1.906%	2.120%
69	0.554%	0.652%	0.760%	0.878%	1.007%	1.147%	1.301%	1.470%	1.653%	1.850%	2.062%
70	0.525%	0.621%	0.726%	0.842%	0.968%	1.105%	1.255%	1.419%	1.598%	1.793%	2.003%
71	0.498%	0.590%	0.692%	0.806%	0.930%	1.064%	1.210%	1.369%	1.544%	1.735%	1.941%
72	0.472%	0.559%	0.658%	0.768%	0.890%	1.022%	1.165%	1.320%	1.490%	1.676%	1.879%
73	0.447%	0.530%	0.624%	0.731%	0.849%	0.979%	1.121%	1.273%	1.438%	1.618%	1.816%
74	0.423%	0.502%	0.592%	0.693%	0.808%	0.935%	1.075%	1.225%	1.388%	1.563%	1.754%
75	0.400%	0.475%	0.560%	0.657%	0.767%	0.890%	1.026%	1.175%	1.336%	1.509%	1.695%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 1

Current Employee Class Service											
Age	11	12	13	14	15	16	17	18	19	20	21
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	1.646%										
28	1.673%	1.739%									
29	1.701%	1.768%	1.837%								
30	1.729%	1.797%	1.868%	1.940%							
31	1.757%	1.827%	1.899%	1.973%	2.049%						
32	1.593%	1.857%	1.930%	2.006%	2.083%	2.162%					
33	1.438%	1.671%	1.962%	2.039%	2.118%	2.199%	2.282%				
34	1.493%	1.493%	1.752%	2.073%	2.153%	2.236%	2.320%	2.407%			
35	1.551%	1.551%	1.551%	1.838%	2.189%	2.273%	2.359%	2.448%	2.539%		
36	1.610%	1.610%	1.610%	1.610%	1.927%	2.311%	2.399%	2.489%	2.582%	2.677%	
37	1.672%	1.672%	1.672%	1.672%	1.672%	2.021%	2.439%	2.531%	2.626%	2.723%	2.822%
38	1.737%	1.737%	1.737%	1.737%	1.737%	1.737%	2.118%	2.574%	2.670%	2.769%	2.871%
39	1.803%	1.803%	1.803%	1.803%	1.803%	1.803%	1.803%	2.221%	2.715%	2.816%	2.920%
40	1.873%	1.873%	1.873%	1.873%	1.873%	1.873%	1.873%	1.873%	2.328%	2.864%	2.969%
41	1.945%	1.945%	1.945%	1.945%	1.945%	1.945%	1.945%	1.945%	1.945%	2.440%	3.020%
42	2.577%	2.020%	2.020%	2.020%	2.020%	2.020%	2.020%	2.020%	2.020%	2.020%	2.557%
43	3.174%	2.724%	2.097%	2.097%	2.097%	2.097%	2.097%	2.097%	2.097%	2.097%	2.097%
44	3.159%	3.393%	2.879%	2.178%	2.178%	2.178%	2.178%	2.178%	2.178%	2.178%	2.178%
45	3.143%	3.378%	3.625%	3.042%	2.262%	2.262%	2.262%	2.262%	2.262%	2.262%	2.262%
46	3.127%	3.362%	3.610%	3.869%	3.213%	2.349%	2.349%	2.349%	2.349%	2.349%	2.349%
47	3.109%	3.345%	3.593%	3.854%	4.127%	3.392%	2.439%	2.439%	2.439%	2.439%	2.439%
48	3.089%	3.327%	3.576%	3.837%	4.111%	4.399%	3.581%	2.533%	2.533%	2.533%	2.533%
49	3.068%	3.307%	3.557%	3.819%	4.094%	4.383%	4.686%	3.779%	2.630%	2.630%	2.630%
50	3.044%	3.285%	3.537%	3.801%	4.077%	4.366%	4.670%	4.988%	2.669%	2.669%	2.669%
51	3.018%	3.260%	3.514%	3.780%	4.057%	4.348%	4.652%	4.972%	2.644%	2.644%	2.644%
52	2.990%	3.233%	3.489%	3.756%	4.036%	4.328%	4.634%	4.954%	2.619%	2.619%	2.619%
53	2.960%	3.204%	3.461%	3.730%	4.012%	4.307%	4.614%	4.935%	2.592%	2.592%	2.592%
54	2.929%	3.173%	3.431%	3.701%	3.984%	4.282%	4.592%	4.915%	2.564%	2.564%	2.564%
55	2.894%	3.140%	3.399%	3.670%	3.955%	4.253%	4.566%	4.892%	2.534%	2.534%	2.534%
56	2.858%	3.104%	3.364%	3.636%	3.922%	4.222%	4.537%	4.866%	2.502%	2.502%	2.502%
57	2.819%	3.066%	3.326%	3.600%	3.887%	4.189%	4.505%	4.836%	2.469%	2.469%	2.469%
58	2.780%	3.026%	3.286%	3.560%	3.849%	4.152%	4.470%	4.802%	2.435%	2.435%	2.435%
59	2.741%	2.984%	3.243%	3.518%	3.808%	4.113%	4.432%	4.766%	2.399%	2.399%	2.399%
60	2.701%	2.943%	3.200%	3.474%	3.763%	4.069%	4.390%	4.727%	2.362%	2.362%	2.362%
61	2.663%	2.901%	3.156%	3.428%	3.716%	4.022%	4.345%	4.683%	2.324%	2.324%	2.324%
62	2.625%	2.862%	3.113%	3.381%	3.668%	3.973%	4.296%	4.636%	2.284%	2.284%	2.284%
63	2.586%	2.822%	3.071%	3.336%	3.620%	3.922%	4.244%	4.584%	2.244%	2.244%	2.244%
64	2.542%	2.781%	3.030%	3.293%	3.572%	3.871%	4.190%	4.530%	2.202%	2.202%	2.202%
65	2.496%	2.735%	2.987%	3.250%	3.527%	3.821%	4.137%	4.473%	2.159%	2.159%	2.159%
66	2.448%	2.686%	2.939%	3.204%	3.482%	3.774%	4.085%	4.417%	2.116%	2.116%	2.116%
67	2.398%	2.636%	2.887%	3.155%	3.435%	3.727%	4.035%	4.362%	2.072%	2.072%	2.072%
68	2.346%	2.583%	2.834%	3.100%	3.382%	3.678%	3.986%	4.310%	2.026%	2.026%	2.026%
69	2.289%	2.528%	2.779%	3.044%	3.325%	3.623%	3.934%	4.259%	1.979%	1.979%	1.979%
70	2.228%	2.468%	2.721%	2.987%	3.267%	3.563%	3.877%	4.206%	1.931%	1.931%	1.931%
71	2.164%	2.403%	2.657%	2.925%	3.206%	3.501%	3.814%	4.145%	1.881%	1.881%	1.881%
72	2.099%	2.335%	2.588%	2.858%	3.141%	3.437%	3.749%	4.079%	1.829%	1.829%	1.829%
73	2.032%	2.265%	2.516%	2.784%	3.069%	3.369%	3.682%	4.011%	1.776%	1.776%	1.776%
74	1.965%	2.194%	2.441%	2.707%	2.992%	3.293%	3.610%	3.940%	1.723%	1.723%	1.723%
75	1.898%	2.122%	2.365%	2.628%	2.909%	3.211%	3.530%	3.864%	1.668%	1.668%	1.668%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 1

Current Employee Class Service

Age	22	23	24	25	26	27	28	29	30	31	32	33
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30												
31												
32												
33												
34												
35												
36												
37												
38	2.974%											
39	3.026%	3.134%										
40	3.077%	3.188%	3.302%									
41	3.130%	3.243%	3.359%	3.478%								
42	3.183%	3.299%	3.417%	3.538%	3.663%							
43	2.680%	3.355%	3.476%	3.600%	3.726%	3.856%						
44	2.178%	2.808%	3.535%	3.662%	3.791%	3.924%	4.059%					
45	2.262%	2.262%	2.942%	3.724%	3.857%	3.992%	4.131%	4.273%				
46	2.349%	2.349%	2.349%	3.082%	3.923%	4.061%	4.203%	4.348%	4.496%			
47	2.439%	2.439%	2.439%	2.439%	3.229%	4.131%	4.276%	4.424%	4.575%	3.711%		
48	2.533%	2.533%	2.533%	2.533%	2.533%	3.383%	4.350%	4.501%	3.663%	2.713%	2.713%	
49	2.630%	2.630%	2.630%	2.630%	2.630%	2.630%	3.543%	3.614%	2.691%	2.691%	2.691%	2.691%
50	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%	2.669%
51	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%	2.644%
52	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%	2.619%
53	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%	2.592%
54	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%	2.564%
55	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%	2.534%
56	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%	2.502%
57	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%	2.469%
58	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%	2.435%
59	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%	2.399%
60	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%	2.362%
61	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%	2.324%
62	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%	2.284%
63	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%	2.244%
64	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%	2.202%
65	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%	2.159%
66	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%	2.116%
67	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%	2.072%
68	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%	2.026%
69	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%	1.979%
70	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%	1.931%
71	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%	1.881%
72	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%	1.829%
73	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%	1.776%
74	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%	1.723%
75	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%	1.668%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 1

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
16												
17												
18												
19												
20												
21												
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41												
42												
43												
44												
45												
46												
47												
48												
49												
50	1.906%											
51	1.889%	0.000%										
52	1.871%	0.000%	0.000%									
53	1.851%	0.000%	0.000%	0.000%								
54	1.831%	0.000%	0.000%	0.000%	0.000%							
55	1.810%	0.000%	0.000%	0.000%	0.000%	0.000%						
56	1.787%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%					
57	1.764%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%				
58	1.739%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%			
59	1.714%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		
60	1.687%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
61	1.660%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
62	1.632%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
63	1.603%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
64	1.573%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
65	1.542%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
66	1.511%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
67	1.480%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
68	1.447%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
69	1.414%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
70	1.379%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
71	1.343%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
72	1.306%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
73	1.269%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
74	1.230%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
75	1.191%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 2

Current Employee Class Service											
Age	0	1	2	3	4	5	6	7	8	9	10
16	1.754%										
17	1.781%	1.861%									
18	1.809%	1.890%	1.974%								
19	1.836%	1.920%	2.005%	2.093%							
20	1.864%	1.949%	2.036%	2.126%	2.217%						
21	1.871%	1.979%	2.068%	2.159%	2.253%	2.349%					
22	1.899%	1.965%	2.100%	2.193%	2.288%	2.386%	2.487%				
23	1.972%	1.972%	2.063%	2.227%	2.324%	2.424%	2.527%	2.632%			
24	2.048%	2.048%	2.048%	2.166%	2.360%	2.463%	2.567%	2.675%	2.785%		
25	2.127%	2.127%	2.127%	2.127%	2.274%	2.501%	2.608%	2.718%	2.830%	2.946%	
26	2.208%	2.208%	2.208%	2.208%	2.208%	2.387%	2.649%	2.761%	2.876%	2.994%	3.115%
27	2.293%	2.293%	2.293%	2.293%	2.293%	2.293%	2.505%	2.805%	2.922%	3.043%	3.166%
28	2.381%	2.381%	2.381%	2.381%	2.381%	2.381%	2.381%	2.629%	2.969%	3.092%	3.218%
29	2.473%	2.473%	2.473%	2.473%	2.473%	2.473%	2.473%	2.473%	2.759%	3.142%	3.270%
30	2.568%	2.568%	2.568%	2.568%	2.568%	2.568%	2.568%	2.568%	2.568%	2.895%	3.323%
31	2.728%	2.667%	2.667%	2.667%	2.667%	2.667%	2.667%	2.667%	2.667%	2.667%	3.037%
32	2.830%	2.897%	2.769%	2.769%	2.769%	2.769%	2.769%	2.769%	2.769%	2.769%	2.769%
33	2.805%	3.067%	3.074%	2.876%	2.876%	2.876%	2.876%	2.876%	2.876%	2.876%	2.876%
34	2.780%	3.042%	3.318%	3.261%	2.987%	2.987%	2.987%	2.987%	2.987%	2.987%	2.987%
35	2.753%	3.016%	3.293%	3.585%	3.458%	3.101%	3.101%	3.101%	3.101%	3.101%	3.101%
36	2.725%	2.989%	3.267%	3.559%	3.866%	3.665%	3.221%	3.221%	3.221%	3.221%	3.221%
37	2.695%	2.960%	3.239%	3.532%	3.840%	4.165%	3.883%	3.345%	3.345%	3.345%	3.345%
38	2.663%	2.929%	3.209%	3.503%	3.813%	4.138%	4.480%	4.112%	3.473%	3.473%	3.473%
39	2.630%	2.897%	3.178%	3.473%	3.783%	4.110%	4.453%	4.814%	4.353%	3.607%	3.607%
40	2.595%	2.862%	3.144%	3.441%	3.753%	4.080%	4.424%	4.786%	5.166%	4.607%	3.746%
41	2.559%	2.826%	3.109%	3.406%	3.720%	4.048%	4.394%	4.757%	5.138%	5.539%	4.873%
42	2.521%	2.789%	3.071%	3.370%	3.684%	4.015%	4.362%	4.726%	5.108%	5.510%	5.932%
43	2.482%	2.749%	3.032%	3.331%	3.646%	3.978%	4.327%	4.693%	5.076%	5.479%	5.903%
44	2.442%	2.708%	2.991%	3.290%	3.606%	3.939%	4.289%	4.657%	5.043%	5.447%	5.872%
45	2.400%	2.666%	2.948%	3.247%	3.564%	3.897%	4.249%	4.619%	5.007%	5.413%	5.839%
46	2.357%	2.622%	2.904%	3.203%	3.519%	3.853%	4.205%	4.577%	4.967%	5.376%	5.804%
47	2.313%	2.576%	2.857%	3.156%	3.472%	3.807%	4.160%	4.532%	4.923%	5.335%	5.766%
48	2.268%	2.530%	2.809%	3.107%	3.423%	3.758%	4.111%	4.484%	4.877%	5.290%	5.724%
49	2.223%	2.483%	2.761%	3.057%	3.372%	3.706%	4.060%	4.434%	4.828%	5.242%	5.678%
50	2.176%	2.435%	2.711%	3.005%	3.319%	3.652%	4.006%	4.380%	4.775%	5.191%	5.628%
51	2.128%	2.386%	2.661%	2.953%	3.264%	3.596%	3.949%	4.324%	4.719%	5.136%	5.574%
52	2.079%	2.337%	2.610%	2.900%	3.209%	3.539%	3.890%	4.264%	4.660%	5.078%	5.518%
53	2.028%	2.285%	2.558%	2.847%	3.153%	3.481%	3.830%	4.202%	4.597%	5.015%	5.457%
54	1.975%	2.231%	2.504%	2.792%	3.098%	3.422%	3.769%	4.138%	4.531%	4.949%	5.391%
55	1.920%	2.175%	2.447%	2.736%	3.041%	3.364%	3.707%	4.073%	4.464%	4.880%	5.322%
56	1.865%	2.118%	2.388%	2.677%	2.982%	3.305%	3.647%	4.009%	4.396%	4.809%	5.249%
57	1.808%	2.060%	2.328%	2.615%	2.920%	3.244%	3.585%	3.946%	4.329%	4.738%	5.174%
58	1.750%	1.999%	2.266%	2.551%	2.855%	3.178%	3.521%	3.881%	4.262%	4.667%	5.099%
59	1.691%	1.937%	2.203%	2.486%	2.788%	3.110%	3.452%	3.814%	4.195%	4.597%	5.025%
60	1.631%	1.874%	2.137%	2.419%	2.719%	3.039%	3.380%	3.743%	4.125%	4.527%	4.952%
61	1.571%	1.810%	2.069%	2.348%	2.648%	2.967%	3.306%	3.666%	4.050%	4.454%	4.879%
62	1.512%	1.745%	1.999%	2.276%	2.573%	2.891%	3.229%	3.588%	3.970%	4.375%	4.803%
63	1.452%	1.680%	1.930%	2.201%	2.495%	2.812%	3.150%	3.508%	3.887%	4.291%	4.720%
64	1.394%	1.616%	1.860%	2.126%	2.415%	2.729%	3.065%	3.423%	3.803%	4.204%	4.631%
65	1.336%	1.552%	1.790%	2.051%	2.335%	2.643%	2.976%	3.334%	3.714%	4.115%	4.540%
66	1.279%	1.490%	1.721%	1.975%	2.253%	2.556%	2.885%	3.239%	3.618%	4.021%	4.446%
67	1.222%	1.428%	1.654%	1.901%	2.172%	2.469%	2.791%	3.141%	3.517%	3.920%	4.347%
68	1.164%	1.366%	1.587%	1.828%	2.092%	2.381%	2.697%	3.041%	3.412%	3.812%	4.240%
69	1.107%	1.304%	1.521%	1.757%	2.013%	2.294%	2.603%	2.940%	3.305%	3.700%	4.125%
70	1.051%	1.241%	1.453%	1.685%	1.937%	2.210%	2.509%	2.838%	3.197%	3.586%	4.005%
71	0.996%	1.179%	1.384%	1.611%	1.859%	2.128%	2.419%	2.738%	3.087%	3.469%	3.883%
72	0.944%	1.118%	1.316%	1.536%	1.780%	2.045%	2.331%	2.641%	2.980%	3.352%	3.758%
73	0.894%	1.060%	1.249%	1.461%	1.698%	1.959%	2.242%	2.546%	2.876%	3.237%	3.632%
74	0.846%	1.004%	1.183%	1.387%	1.616%	1.870%	2.149%	2.451%	2.775%	3.126%	3.509%
75	0.800%	0.950%	1.121%	1.315%	1.534%	1.780%	2.053%	2.351%	2.672%	3.017%	3.390%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 2

Current Employee Class Service											
Age	11	12	13	14	15	16	17	18	19	20	21
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	3.292%										
28	3.347%	3.479%									
29	3.402%	3.537%	3.675%								
30	3.457%	3.595%	3.736%	3.881%							
31	3.513%	3.654%	3.798%	3.946%	4.097%						
32	3.186%	3.714%	3.861%	4.012%	4.166%	4.325%					
33	2.876%	3.342%	3.924%	4.078%	4.236%	4.398%	4.564%				
34	2.987%	2.987%	3.505%	4.145%	4.306%	4.471%	4.641%	4.814%			
35	3.101%	3.101%	3.101%	3.675%	4.378%	4.546%	4.719%	4.896%	5.078%		
36	3.221%	3.221%	3.221%	3.221%	3.854%	4.622%	4.798%	4.979%	5.164%	5.354%	
37	3.345%	3.345%	3.345%	3.345%	3.345%	4.041%	4.878%	5.063%	5.252%	5.446%	5.644%
38	3.473%	3.473%	3.473%	3.473%	3.473%	3.473%	4.237%	5.148%	5.341%	5.538%	5.741%
39	3.607%	3.607%	3.607%	3.607%	3.607%	3.607%	3.607%	4.441%	5.430%	5.632%	5.839%
40	3.746%	3.746%	3.746%	3.746%	3.746%	3.746%	3.746%	3.746%	4.655%	5.727%	5.939%
41	3.890%	3.890%	3.890%	3.890%	3.890%	3.890%	3.890%	3.890%	3.890%	4.879%	6.039%
42	5.154%	4.039%	4.039%	4.039%	4.039%	4.039%	4.039%	4.039%	4.039%	4.039%	5.114%
43	6.348%	5.448%	4.195%	4.195%	4.195%	4.195%	4.195%	4.195%	4.195%	4.195%	4.195%
44	6.318%	6.787%	5.758%	4.356%	4.356%	4.356%	4.356%	4.356%	4.356%	4.356%	4.356%
45	6.286%	6.757%	7.250%	6.083%	4.523%	4.523%	4.523%	4.523%	4.523%	4.523%	4.523%
46	6.253%	6.724%	7.219%	7.739%	6.425%	4.697%	4.697%	4.697%	4.697%	4.697%	4.697%
47	6.218%	6.690%	7.186%	7.708%	8.255%	6.785%	4.878%	4.878%	4.878%	4.878%	4.878%
48	6.179%	6.654%	7.152%	7.674%	8.223%	8.798%	7.162%	5.066%	5.066%	5.066%	5.066%
49	6.135%	6.614%	7.115%	7.639%	8.189%	8.766%	9.372%	7.558%	5.260%	5.260%	5.260%
50	6.087%	6.570%	7.074%	7.601%	8.153%	8.732%	9.339%	9.977%	5.337%	5.337%	5.337%
51	6.035%	6.520%	7.028%	7.560%	8.115%	8.695%	9.304%	9.944%	5.289%	5.289%	5.289%
52	5.980%	6.466%	6.977%	7.513%	8.072%	8.656%	9.267%	9.908%	5.238%	5.238%	5.238%
53	5.921%	6.409%	6.921%	7.460%	8.024%	8.613%	9.228%	9.870%	5.184%	5.184%	5.184%
54	5.857%	6.347%	6.862%	7.402%	7.969%	8.563%	9.183%	9.830%	5.127%	5.127%	5.127%
55	5.788%	6.280%	6.797%	7.340%	7.909%	8.506%	9.132%	9.785%	5.068%	5.068%	5.068%
56	5.715%	6.208%	6.728%	7.273%	7.845%	8.444%	9.073%	9.732%	5.005%	5.005%	5.005%
57	5.639%	6.132%	6.652%	7.200%	7.775%	8.377%	9.009%	9.672%	4.939%	4.939%	4.939%
58	5.560%	6.051%	6.571%	7.121%	7.699%	8.304%	8.939%	9.605%	4.870%	4.870%	4.870%
59	5.481%	5.969%	6.487%	7.036%	7.616%	8.225%	8.863%	9.532%	4.799%	4.799%	4.799%
60	5.403%	5.885%	6.400%	6.947%	7.527%	8.138%	8.781%	9.453%	4.724%	4.724%	4.724%
61	5.327%	5.803%	6.312%	6.855%	7.433%	8.045%	8.690%	9.367%	4.648%	4.648%	4.648%
62	5.251%	5.724%	6.226%	6.763%	7.337%	7.946%	8.591%	9.271%	4.568%	4.568%	4.568%
63	5.171%	5.644%	6.143%	6.673%	7.239%	7.845%	8.488%	9.168%	4.487%	4.487%	4.487%
64	5.085%	5.561%	6.060%	6.586%	7.145%	7.742%	8.381%	9.059%	4.404%	4.404%	4.404%
65	4.991%	5.470%	5.973%	6.500%	7.054%	7.643%	8.273%	8.947%	4.319%	4.319%	4.319%
66	4.895%	5.372%	5.878%	6.409%	6.964%	7.548%	8.169%	8.834%	4.232%	4.232%	4.232%
67	4.796%	5.271%	5.775%	6.309%	6.869%	7.454%	8.070%	8.724%	4.143%	4.143%	4.143%
68	4.691%	5.167%	5.669%	6.201%	6.765%	7.355%	7.972%	8.621%	4.052%	4.052%	4.052%
69	4.578%	5.056%	5.559%	6.089%	6.651%	7.246%	7.869%	8.519%	3.958%	3.958%	3.958%
70	4.456%	4.936%	5.442%	5.973%	6.533%	7.126%	7.754%	8.411%	3.861%	3.861%	3.861%
71	4.328%	4.806%	5.315%	5.850%	6.412%	7.003%	7.628%	8.291%	3.761%	3.761%	3.761%
72	4.197%	4.670%	5.177%	5.715%	6.281%	6.875%	7.498%	8.159%	3.658%	3.658%	3.658%
73	4.064%	4.530%	5.032%	5.569%	6.139%	6.737%	7.364%	8.022%	3.553%	3.553%	3.553%
74	3.929%	4.388%	4.883%	5.414%	5.983%	6.587%	7.219%	7.881%	3.445%	3.445%	3.445%
75	3.797%	4.244%	4.731%	5.255%	5.819%	6.421%	7.060%	7.728%	3.335%	3.335%	3.335%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 2

Current Employee Class Service

Age	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>33</u>
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37												
38	5.949%											
39	6.051%	6.268%										
40	6.155%	6.377%	6.604%									
41	6.260%	6.486%	6.718%	6.956%								
42	6.367%	6.598%	6.834%	7.077%	7.325%							
43	5.359%	6.710%	6.952%	7.199%	7.453%	7.713%						
44	4.356%	5.616%	7.071%	7.323%	7.582%	7.847%	8.119%					
45	4.523%	4.523%	5.884%	7.449%	7.713%	7.984%	8.261%	8.545%				
46	4.697%	4.697%	4.697%	6.165%	7.846%	8.122%	8.405%	8.695%	8.992%			
47	4.878%	4.878%	4.878%	4.878%	6.458%	8.263%	8.551%	8.847%	9.150%	7.422%		
48	5.066%	5.066%	5.066%	5.066%	5.066%	6.765%	8.699%	9.002%	7.327%	5.426%	5.426%	
49	5.260%	5.260%	5.260%	5.260%	5.260%	5.260%	7.086%	7.229%	5.383%	5.383%	5.383%	5.383%
50	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%	5.337%
51	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%	5.289%
52	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%	5.238%
53	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%	5.184%
54	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%	5.127%
55	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%	5.068%
56	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%	5.005%
57	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%	4.939%
58	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%	4.870%
59	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%	4.799%
60	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%	4.724%
61	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%	4.648%
62	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%	4.568%
63	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%	4.487%
64	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%	4.404%
65	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%	4.319%
66	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%	4.232%
67	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%	4.143%
68	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%	4.052%
69	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%	3.958%
70	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%	3.861%
71	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%	3.761%
72	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%	3.658%
73	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%	3.553%
74	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%	3.445%
75	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%	3.335%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 2

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
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50	3.812%											
51	3.778%	0.000%										
52	3.741%	0.000%	0.000%									
53	3.703%	0.000%	0.000%	0.000%								
54	3.662%	0.000%	0.000%	0.000%	0.000%							
55	3.620%	0.000%	0.000%	0.000%	0.000%	0.000%						
56	3.575%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%					
57	3.528%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%				
58	3.479%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%			
59	3.428%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		
60	3.375%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
61	3.320%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
62	3.263%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
63	3.205%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
64	3.146%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
65	3.085%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
66	3.023%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
67	2.959%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
68	2.894%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
69	2.827%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
70	2.758%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
71	2.687%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
72	2.613%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
73	2.538%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
74	2.461%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
75	2.382%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 3

Current Employee Class Service

Age	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
16	2.631%										
17	2.672%	2.792%									
18	2.713%	2.835%	2.961%								
19	2.754%	2.879%	3.007%	3.139%							
20	2.796%	2.924%	3.054%	3.188%	3.326%						
21	2.806%	2.968%	3.102%	3.239%	3.379%	3.523%					
22	2.848%	2.947%	3.149%	3.289%	3.432%	3.580%	3.730%				
23	2.958%	2.958%	3.095%	3.340%	3.486%	3.636%	3.790%	3.948%			
24	3.072%	3.072%	3.072%	3.249%	3.541%	3.694%	3.851%	4.012%	4.178%		
25	3.190%	3.190%	3.190%	3.190%	3.411%	3.752%	3.912%	4.077%	4.246%	4.419%	
26	3.312%	3.312%	3.312%	3.312%	3.312%	3.581%	3.974%	4.142%	4.314%	4.491%	4.672%
27	3.440%	3.440%	3.440%	3.440%	3.440%	3.440%	3.758%	4.208%	4.384%	4.564%	4.749%
28	3.572%	3.572%	3.572%	3.572%	3.572%	3.572%	3.572%	3.944%	4.454%	4.638%	4.826%
29	3.710%	3.710%	3.710%	3.710%	3.710%	3.710%	3.710%	3.710%	4.139%	4.712%	4.905%
30	3.852%	3.852%	3.852%	3.852%	3.852%	3.852%	3.852%	3.852%	3.852%	4.342%	4.984%
31	4.092%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.556%
32	4.244%	4.345%	4.154%	4.154%	4.154%	4.154%	4.154%	4.154%	4.154%	4.154%	4.154%
33	4.208%	4.600%	4.612%	4.314%	4.314%	4.314%	4.314%	4.314%	4.314%	4.314%	4.314%
34	4.170%	4.564%	4.978%	4.892%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%
35	4.130%	4.525%	4.940%	5.377%	5.187%	4.652%	4.652%	4.652%	4.652%	4.652%	4.652%
36	4.087%	4.483%	4.900%	5.339%	5.800%	5.498%	4.831%	4.831%	4.831%	4.831%	4.831%
37	4.042%	4.440%	4.858%	5.298%	5.761%	6.247%	5.824%	5.017%	5.017%	5.017%	5.017%
38	3.995%	4.394%	4.814%	5.255%	5.719%	6.207%	6.720%	6.168%	5.210%	5.210%	5.210%
39	3.945%	4.345%	4.767%	5.210%	5.675%	6.165%	6.680%	7.220%	6.530%	5.410%	5.410%
40	3.893%	4.294%	4.716%	5.161%	5.629%	6.120%	6.636%	7.179%	7.749%	6.910%	5.618%
41	3.839%	4.239%	4.663%	5.110%	5.579%	6.073%	6.591%	7.135%	7.707%	8.308%	7.310%
42	3.782%	4.183%	4.607%	5.054%	5.526%	6.022%	6.542%	7.088%	7.662%	8.265%	8.899%
43	3.723%	4.124%	4.548%	4.996%	5.469%	5.967%	6.490%	7.039%	7.615%	8.219%	8.855%
44	3.662%	4.062%	4.487%	4.935%	5.409%	5.908%	6.434%	6.986%	7.564%	8.171%	8.808%
45	3.600%	3.999%	4.422%	4.871%	5.345%	5.846%	6.373%	6.928%	7.510%	8.120%	8.759%
46	3.535%	3.933%	4.355%	4.804%	5.279%	5.780%	6.308%	6.865%	7.450%	8.064%	8.706%
47	3.469%	3.865%	4.286%	4.734%	5.208%	5.710%	6.240%	6.798%	7.385%	8.003%	8.649%
48	3.402%	3.795%	4.214%	4.660%	5.135%	5.637%	6.167%	6.726%	7.315%	7.935%	8.586%
49	3.334%	3.724%	4.141%	4.585%	5.058%	5.559%	6.090%	6.651%	7.241%	7.863%	8.516%
50	3.264%	3.653%	4.066%	4.508%	4.978%	5.478%	6.009%	6.571%	7.163%	7.786%	8.442%
51	3.193%	3.580%	3.991%	4.429%	4.896%	5.394%	5.924%	6.486%	7.079%	7.704%	8.362%
52	3.118%	3.505%	3.915%	4.350%	4.814%	5.308%	5.836%	6.396%	6.990%	7.616%	8.276%
53	3.041%	3.427%	3.837%	4.270%	4.730%	5.221%	5.745%	6.303%	6.895%	7.523%	8.185%
54	2.962%	3.347%	3.756%	4.189%	4.647%	5.134%	5.653%	6.207%	6.797%	7.424%	8.087%
55	2.881%	3.263%	3.671%	4.104%	4.562%	5.046%	5.561%	6.110%	6.696%	7.320%	7.982%
56	2.797%	3.177%	3.583%	4.015%	4.474%	4.958%	5.470%	6.014%	6.594%	7.214%	7.873%
57	2.712%	3.089%	3.492%	3.922%	4.380%	4.866%	5.377%	5.918%	6.493%	7.107%	7.762%
58	2.625%	2.999%	3.400%	3.827%	4.283%	4.768%	5.281%	5.822%	6.393%	7.000%	7.649%
59	2.536%	2.906%	3.304%	3.729%	4.182%	4.665%	5.178%	5.721%	6.293%	6.896%	7.537%
60	2.447%	2.811%	3.205%	3.628%	4.079%	4.559%	5.070%	5.614%	6.188%	6.791%	7.428%
61	2.357%	2.714%	3.103%	3.523%	3.972%	4.450%	4.959%	5.500%	6.075%	6.681%	7.319%
62	2.267%	2.617%	2.999%	3.413%	3.860%	4.337%	4.844%	5.382%	5.955%	6.563%	7.204%
63	2.178%	2.521%	2.895%	3.302%	3.743%	4.218%	4.724%	5.262%	5.831%	6.437%	7.080%
64	2.091%	2.424%	2.790%	3.189%	3.623%	4.093%	4.598%	5.135%	5.704%	6.307%	6.947%
65	2.004%	2.329%	2.685%	3.076%	3.502%	3.965%	4.464%	5.001%	5.570%	6.173%	6.810%
66	1.918%	2.235%	2.582%	2.963%	3.380%	3.834%	4.327%	4.858%	5.428%	6.031%	6.669%
67	1.832%	2.142%	2.481%	2.851%	3.258%	3.703%	4.187%	4.711%	5.276%	5.880%	6.520%
68	1.746%	2.050%	2.381%	2.742%	3.137%	3.571%	4.046%	4.561%	5.118%	5.718%	6.359%
69	1.661%	1.956%	2.281%	2.635%	3.020%	3.441%	3.904%	4.409%	4.958%	5.550%	6.187%
70	1.576%	1.862%	2.179%	2.527%	2.905%	3.315%	3.764%	4.257%	4.795%	5.378%	6.008%
71	1.495%	1.769%	2.076%	2.417%	2.789%	3.192%	3.629%	4.106%	4.631%	5.204%	5.824%
72	1.416%	1.678%	1.974%	2.305%	2.670%	3.067%	3.496%	3.961%	4.470%	5.028%	5.637%
73	1.340%	1.590%	1.873%	2.192%	2.547%	2.938%	3.362%	3.820%	4.314%	4.855%	5.449%
74	1.269%	1.505%	1.775%	2.080%	2.423%	2.805%	3.224%	3.676%	4.163%	4.688%	5.263%
75	1.200%	1.425%	1.681%	1.972%	2.301%	2.670%	3.079%	3.526%	4.009%	4.526%	5.085%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: **8.00%**
 Salary Increase Rate: **4.00%**
 Benefit Multiplier: **2.80%**

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 3

Age	Current Employee Class Service										
	11	12	13	14	15	16	17	18	19	20	21
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27	4.938%										
28	5.020%	5.218%									
29	5.102%	5.305%	5.512%								
30	5.186%	5.392%	5.604%	5.821%							
31	5.270%	5.481%	5.697%	5.919%	6.146%						
32	4.779%	5.570%	5.791%	6.017%	6.249%	6.487%					
33	4.314%	5.013%	5.886%	6.117%	6.354%	6.597%	6.845%				
34	4.480%	4.480%	5.257%	6.218%	6.460%	6.707%	6.961%	7.221%			
35	4.652%	4.652%	4.652%	5.513%	6.567%	6.819%	7.078%	7.344%	7.616%		
36	4.831%	4.831%	4.831%	4.831%	5.781%	6.933%	7.197%	7.468%	7.746%	8.031%	
37	5.017%	5.017%	5.017%	5.017%	5.017%	6.062%	7.317%	7.594%	7.878%	8.168%	8.466%
38	5.210%	5.210%	5.210%	5.210%	5.210%	5.210%	6.355%	7.721%	8.011%	8.307%	8.612%
39	5.410%	5.410%	5.410%	5.410%	5.410%	5.410%	5.410%	6.662%	8.146%	8.449%	8.759%
40	5.618%	5.618%	5.618%	5.618%	5.618%	5.618%	5.618%	5.618%	6.983%	8.591%	8.908%
41	5.834%	5.834%	5.834%	5.834%	5.834%	5.834%	5.834%	5.834%	5.834%	7.319%	9.059%
42	7.730%	6.059%	6.059%	6.059%	6.059%	6.059%	6.059%	6.059%	6.059%	6.059%	7.671%
43	9.522%	8.172%	6.292%	6.292%	6.292%	6.292%	6.292%	6.292%	6.292%	6.292%	6.292%
44	9.477%	10.180%	8.637%	6.534%	6.534%	6.534%	6.534%	6.534%	6.534%	6.534%	6.534%
45	9.430%	10.135%	10.875%	9.125%	6.785%	6.785%	6.785%	6.785%	6.785%	6.785%	6.785%
46	9.380%	10.086%	10.829%	11.608%	9.638%	7.046%	7.046%	7.046%	7.046%	7.046%	7.046%
47	9.326%	10.035%	10.780%	11.562%	12.382%	10.177%	7.317%	7.317%	7.317%	7.317%	7.317%
48	9.268%	9.981%	10.728%	11.511%	12.334%	13.198%	10.743%	7.598%	7.598%	7.598%	7.598%
49	9.203%	9.922%	10.672%	11.458%	12.283%	13.150%	14.058%	11.338%	7.891%	7.891%	7.891%
50	9.131%	9.855%	10.611%	11.402%	12.230%	13.097%	14.009%	14.965%	8.006%	8.006%	8.006%
51	9.053%	9.780%	10.543%	11.340%	12.172%	13.043%	13.956%	14.915%	7.933%	7.933%	7.933%
52	8.970%	9.699%	10.466%	11.269%	12.109%	12.985%	13.901%	14.862%	7.857%	7.857%	7.857%
53	8.881%	9.613%	10.382%	11.189%	12.036%	12.920%	13.842%	14.805%	7.776%	7.776%	7.776%
54	8.786%	9.520%	10.292%	11.103%	11.953%	12.845%	13.775%	14.745%	7.691%	7.691%	7.691%
55	8.683%	9.421%	10.196%	11.010%	11.864%	12.760%	13.698%	14.677%	7.601%	7.601%	7.601%
56	8.573%	9.313%	10.091%	10.909%	11.767%	12.666%	13.610%	14.598%	7.507%	7.507%	7.507%
57	8.458%	9.197%	9.978%	10.800%	11.662%	12.566%	13.514%	14.507%	7.408%	7.408%	7.408%
58	8.341%	9.077%	9.857%	10.681%	11.548%	12.457%	13.409%	14.407%	7.305%	7.305%	7.305%
59	8.222%	8.953%	9.730%	10.554%	11.424%	12.338%	13.295%	14.299%	7.198%	7.198%	7.198%
60	8.104%	8.828%	9.600%	10.421%	11.290%	12.207%	13.171%	14.180%	7.087%	7.087%	7.087%
61	7.990%	8.704%	9.468%	10.283%	11.149%	12.067%	13.034%	14.050%	6.971%	6.971%	6.971%
62	7.876%	8.585%	9.339%	10.144%	11.005%	11.919%	12.887%	13.907%	6.853%	6.853%	6.853%
63	7.757%	8.466%	9.214%	10.009%	10.859%	11.767%	12.731%	13.752%	6.731%	6.731%	6.731%
64	7.627%	8.342%	9.090%	9.879%	10.717%	11.614%	12.571%	13.589%	6.606%	6.606%	6.606%
65	7.487%	8.205%	8.960%	9.749%	10.581%	11.464%	12.410%	13.420%	6.478%	6.478%	6.478%
66	7.343%	8.058%	8.817%	9.613%	10.446%	11.322%	12.254%	13.251%	6.348%	6.348%	6.348%
67	7.194%	7.907%	8.662%	9.464%	10.304%	11.182%	12.105%	13.086%	6.215%	6.215%	6.215%
68	7.037%	7.750%	8.503%	9.301%	10.147%	11.033%	11.958%	12.931%	6.078%	6.078%	6.078%
69	6.867%	7.584%	8.338%	9.133%	9.976%	10.869%	11.803%	12.778%	5.937%	5.937%	5.937%
70	6.684%	7.404%	8.163%	8.960%	9.800%	10.689%	11.631%	12.617%	5.792%	5.792%	5.792%
71	6.492%	7.209%	7.972%	8.775%	9.617%	10.504%	11.443%	12.436%	5.642%	5.642%	5.642%
72	6.296%	7.005%	7.765%	8.573%	9.422%	10.312%	11.248%	12.238%	5.487%	5.487%	5.487%
73	6.096%	6.795%	7.547%	8.353%	9.208%	10.106%	11.046%	12.033%	5.329%	5.329%	5.329%
74	5.894%	6.582%	7.324%	8.121%	8.975%	9.880%	10.829%	11.821%	5.168%	5.168%	5.168%
75	5.695%	6.366%	7.096%	7.883%	8.728%	9.632%	10.589%	11.592%	5.003%	5.003%	5.003%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 3

Current Employee Class Service

Age	22	23	24	25	26	27	28	29	30	31	32	33
16												
17												
18												
19												
20												
21												
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32												
33												
34												
35												
36												
37												
38	8.923%											
39	9.077%	9.403%										
40	9.232%	9.565%	9.906%									
41	9.390%	9.729%	10.077%	10.434%								
42	9.550%	9.896%	10.251%	10.615%	10.988%							
43	8.039%	10.065%	10.428%	10.799%	11.179%	11.569%						
44	6.534%	8.423%	10.606%	10.985%	11.373%	11.771%	12.178%					
45	6.785%	6.785%	8.826%	11.173%	11.570%	11.976%	12.392%	12.818%				
46	7.046%	7.046%	7.046%	9.247%	11.769%	12.184%	12.608%	13.043%	13.488%			
47	7.317%	7.317%	7.317%	7.317%	9.687%	12.394%	12.827%	13.271%	13.726%	11.133%		
48	7.598%	7.598%	7.598%	7.598%	7.598%	10.148%	13.049%	13.502%	10.990%	8.139%	8.139%	
49	7.891%	7.891%	7.891%	7.891%	7.891%	7.891%	10.629%	10.843%	8.074%	8.074%	8.074%	8.074%
50	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%	8.006%
51	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%	7.933%
52	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%	7.857%
53	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%	7.776%
54	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%	7.691%
55	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%	7.601%
56	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%	7.507%
57	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%	7.408%
58	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%	7.305%
59	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%	7.198%
60	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%	7.087%
61	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%	6.971%
62	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%	6.853%
63	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%	6.731%
64	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%	6.606%
65	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%	6.478%
66	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%	6.348%
67	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%	6.215%
68	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%	6.078%
69	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%	5.937%
70	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%	5.792%
71	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%	5.642%
72	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%	5.487%
73	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%	5.329%
74	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%	5.168%
75	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%	5.003%

Employees Retirement System of Texas

Credit Purchase Option (Government Code Section 813.514)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Multiplier: 2.80%

EMPLOYEE CLASS - LECO Service

Months of LECO Service to be Purchased: 3

Current Employee Class Service

Age	<u>34</u>	<u>35</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>44</u>	<u>45</u>
16												
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44												
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47												
48												
49												
50	5.718%											
51	5.667%	0.000%										
52	5.612%	0.000%	0.000%									
53	5.554%	0.000%	0.000%	0.000%								
54	5.494%	0.000%	0.000%	0.000%	0.000%							
55	5.430%	0.000%	0.000%	0.000%	0.000%	0.000%						
56	5.362%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%					
57	5.292%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%				
58	5.218%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%			
59	5.141%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%		
60	5.062%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
61	4.980%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
62	4.895%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
63	4.808%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
64	4.718%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
65	4.627%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
66	4.534%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
67	4.439%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
68	4.342%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
69	4.241%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
70	4.137%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
71	4.030%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
72	3.919%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
73	3.807%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
74	3.691%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
75	3.574%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

**Figure: 34 TAC §77.21(d)
Judicial Retirement System of Texas Plan Two
Credit Purchase Option (Government Code Section 838.108)**

Interest Rate: 8.00%
Salary Increase Rate: 4.00%
Benefit Percentage: 60%

**JRS II Non-vested Members; with at least 10 years service credit,
but Less Than 12 Years of Service Credit;**

Offset Purchase Cost with Member Accumulated Contributions Balance

<u>Age</u>	
35	202.391%
36	210.175%
37	218.258%
38	226.653%
39	235.370%
40	244.423%
41	253.824%
42	263.586%
43	273.724%
44	284.252%
45	295.185%
46	306.538%
47	318.328%
48	330.572%
49	343.286%
50	356.489%
51	370.200%
52	384.439%
53	399.225%
54	414.580%
55	430.525%
56	447.084%
57	464.279%
58	482.136%
59	500.680%
60	514.778%
61	524.340%
62	534.497%
63	544.691%
64	555.344%
65	555.260%
66	544.094%
67	532.682%
68	520.978%
69	508.910%
70	496.436%
71	483.557%
72	470.324%
73	456.788%
74	442.952%
75	428.821%

Judicial Retirement System of Texas Plan Two Credit Purchase Option (Government Code Section 838.108)

Interest Rate: 8.00%
Salary Increase Rate: 4.00%
Benefit Percentage: 60%

JRS II Vested Members before age 65; Less Than 20 Years of Service Credit; Purchasing Service to Become Eligible for Unreduced Benefits with 20 Years of Service Credit

40	134.804%
41	139.988%
42	145.373%
43	150.964%
44	156.770%
45	162.800%
46	169.062%
47	175.564%
48	182.316%
49	189.328%
50	196.610%
51	204.172%
52	212.025%
53	220.179%
54	228.648%
55	221.009%
56	196.360%
57	170.691%
58	143.998%
59	116.264%
60	92.629%
61	73.198%
62	52.862%
63	32.211%
64	10.852%
65	0.000%
66	0.000%
67	0.000%
68	0.000%
69	0.000%
70	0.000%
71	0.000%
72	0.000%
73	0.000%
74	0.000%
75	0.000%

Judicial Retirement System of Texas Plan Two
Credit Purchase Option (Government Code Section 838.108)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Percentage: 60%

JRS II Members Purchasing Service upon Leaving Office - Have Served Two Full Terms on an Appellate Court
Years of Service to be Purchased: 2

Age	Current Judicial Class Service													
	10	11	12	13	14	15	16	17	18	19	20	21	22	
35	26.903%													
36	27.938%	29.001%												
37	29.013%	30.117%	31.240%											
38	30.128%	31.275%	32.442%	33.616%										
39	31.288%	32.477%	33.690%	34.909%	36.139%									
40	32.491%	33.727%	34.985%	36.252%	37.529%	38.835%								
41	33.740%	35.024%	36.331%	37.646%	38.973%	40.329%	41.734%							
42	35.038%	36.371%	37.728%	39.094%	40.472%	41.880%	43.339%	44.861%						
43	36.386%	37.770%	39.180%	40.597%	42.028%	43.491%	45.006%	46.586%	48.219%					
44	37.785%	39.222%	40.686%	42.159%	43.645%	45.164%	46.737%	48.378%	50.074%	51.818%				
45	39.239%	40.731%	42.251%	43.781%	45.323%	46.900%	48.535%	50.239%	52.000%	53.812%	55.682%			
46	40.748%	42.298%	43.876%	45.465%	47.067%	48.704%	50.401%	52.171%	54.000%	55.881%	57.824%	59.837%		
47	42.315%	43.925%	45.564%	47.213%	48.877%	50.577%	52.340%	54.178%	56.076%	58.031%	60.048%	61.644%	15.628%	
48	43.943%	45.614%	47.316%	49.029%	50.756%	52.523%	54.354%	56.261%	58.233%	60.262%	61.627%	15.681%	0.000%	0.000%
49	45.633%	47.368%	49.136%	50.915%	52.709%	54.543%	56.443%	58.425%	60.473%	61.491%	15.736%	0.000%	0.000%	0.000%
50	47.388%	49.190%	51.026%	52.873%	54.736%	56.641%	58.614%	60.672%	61.651%	15.790%	0.000%	0.000%	0.000%	0.000%
51	49.211%	51.082%	52.988%	54.906%	56.842%	58.820%	60.869%	61.800%	15.842%	0.000%	0.000%	0.000%	0.000%	0.000%
52	51.103%	53.047%	55.026%	57.019%	59.028%	61.081%	62.952%	15.891%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
53	53.069%	55.087%	57.142%	59.211%	61.298%	63.118%	15.943%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
54	55.109%	57.206%	59.341%	61.489%	63.281%	15.999%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
55	57.230%	59.406%	61.622%	63.420%	16.052%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
56	59.430%	61.691%	63.513%	16.095%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
57	61.716%	63.556%	16.119%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
58	63.571%	16.127%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
59	16.128%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
60	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
61	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
62	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
63	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
64	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
65	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
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Judicial Retirement System of Texas Plan Two
Credit Purchase Option (Government Code Section 838.108)

Interest Rate: 8.00%
 Salary Increase Rate: 4.00%
 Benefit Percentage: 60%

JRS II Members Purchasing Service upon Leaving Office - Have Served Two Full Terms on an Appellate Court
Years of Service to be Purchased: 3

Age	Current Judicial Class Service												
	10	11	12	13	14	15	16	17	18	19	20	21	22
35	41.126%												
36	42.708%	44.314%											
37	44.351%	46.019%	47.709%										
38	46.056%	47.789%	49.544%	51.315%									
39	47.828%	49.627%	51.449%	53.289%	55.156%								
40	49.667%	51.536%	53.428%	55.338%	57.278%	59.275%							
41	51.577%	53.518%	55.483%	57.467%	59.481%	61.555%	63.708%						
42	53.561%	55.576%	57.617%	59.677%	61.769%	63.922%	66.158%	68.476%					
43	55.622%	57.714%	59.833%	61.972%	64.144%	66.381%	68.702%	71.109%	73.596%				
44	57.760%	59.933%	62.134%	64.356%	66.612%	68.934%	71.345%	73.844%	76.426%	79.086%			
45	59.982%	62.239%	64.524%	66.831%	69.173%	71.585%	74.089%	76.685%	79.366%	82.128%	84.986%		
46	62.289%	64.633%	67.006%	69.402%	71.834%	74.338%	76.938%	79.634%	82.418%	85.287%	88.255%	75.412%	
47	64.685%	67.119%	69.583%	72.071%	74.596%	77.198%	79.897%	82.697%	85.588%	88.567%	75.676%	46.164%	15.628%
48	67.173%	69.700%	72.259%	74.842%	77.466%	80.167%	82.971%	85.877%	88.879%	75.943%	46.327%	15.681%	0.000%
49	69.756%	72.381%	75.038%	77.722%	80.445%	83.250%	86.161%	89.180%	76.209%	46.491%	15.736%	0.000%	0.000%
50	72.439%	75.165%	77.924%	80.711%	83.539%	86.452%	89.475%	76.462%	46.651%	15.790%	0.000%	0.000%	0.000%
51	75.226%	78.055%	80.921%	83.815%	86.753%	89.778%	76.711%	46.800%	15.842%	0.000%	0.000%	0.000%	0.000%
52	78.118%	81.058%	84.034%	87.039%	90.089%	76.972%	46.952%	15.891%	0.000%	0.000%	0.000%	0.000%	0.000%
53	81.123%	84.175%	87.265%	90.386%	77.241%	47.118%	15.943%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
54	84.243%	87.413%	90.623%	77.488%	47.281%	15.999%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
55	87.484%	90.774%	77.674%	47.420%	16.052%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
56	90.848%	77.786%	47.513%	16.095%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
57	77.835%	47.556%	16.119%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
58	47.571%	16.127%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
59	16.128%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
60	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
61	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
62	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
63	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
64	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
65	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
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IN

ADDITION

The *Texas Register* is required by statute to publish certain documents, including applications to purchase control of state banks, notices of rate ceilings issued by the Office of Consumer Credit Commissioner, and consultant proposal requests and awards. State agencies also may publish other notices of general interest as space permits.

Office of Consumer Credit Commissioner

Notice of Rate Ceilings

The Consumer Credit Commissioner of Texas has ascertained the following rate ceilings by use of the formulas and methods described in §303.003 and §303.009, Texas Finance Code.

The weekly ceiling as prescribed by §303.003 and §303.009 for the period of January 12, 2004 - January 18, 2004 is 18% for Consumer¹/Agricultural/Commercial²/credit thru \$250,000.

The weekly ceiling as prescribed by §303.003 and §303.009 for the period of January 12, 2004 - January 18, 2004 is 18% for Commercial over \$250,000.

¹Credit for personal, family or household use.

²Credit for business, commercial, investment or other similar purpose.

TRD-200400039

Leslie L. Pettijohn

Commissioner

Office of Consumer Credit Commissioner

Filed: January 6, 2004

Texas Commission on Environmental Quality

Enforcement Orders

An agreed order was entered regarding SAN ANTONIO INDEPENDENT SCHOOL DISTRICT, Docket No. 2002-0028-PST-E on December 19, 2003 assessing \$8,000 in administrative penalties with \$1,600 deferred.

Information concerning any aspect of this order may be obtained by contacting ERIKA FAIR, Enforcement Coordinator at (512)239-6673, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

A default order was entered regarding BOBBY YANCEY, Docket No. 2002-0829-MSW-E on December 19, 2003 assessing \$4,050 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting BENJAMIN DE LEON, Staff Attorney at (512)239-6939, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding BETTS OIL & BUTANE, INC., Docket No. 2003-0158-PST-E on December 19, 2003 assessing \$1,000 in administrative penalties with \$200 deferred.

Information concerning any aspect of this order may be obtained by contacting TOM JECHA, Enforcement Coordinator at (512)239-2576, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding SHAIR HAKEMY DBA 75 & PARKER COMPANY, Docket No. 2003-0272-PST-E on December

19, 2003 assessing \$2,700 in administrative penalties with \$540 deferred.

Information concerning any aspect of this order may be obtained by contacting JUDY FOX, Enforcement Coordinator at (817)588-5825, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding B & E GRAIN, INCORPORATED, Docket No. 2003-0239-AIR-E on December 19, 2003 assessing \$4,160 in administrative penalties with \$832 deferred.

Information concerning any aspect of this order may be obtained by contacting JUDY FOX, Enforcement Coordinator at (817)588-5825, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding R & S LEASING DBA SONNYS FOOD STORE, INC., Docket No. 2003-0828-PST-E on December 19, 2003 assessing \$3,200 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting STEVEN LOPEZ, Enforcement Coordinator at (512)239-1896, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding COSBY MANAGEMENT, INC., Docket No. 2003-0837-PST-E on December 19, 2003 assessing \$4,000 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting LAURA CLARK, Enforcement Coordinator at (409)899-8760, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding ERGON ASPHALT & EMULSIONS, INC., Docket No. 2003-0200-IWD-E on December 19, 2003 assessing \$2,800 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting PATRICK CIAMPI, Enforcement Coordinator at (512)239-3119, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding PROTHERM SERVICES GROUP, LLC, Docket No. 2003-0443-AIR-E on December 19, 2003 assessing \$1,100 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting SHEILA SMITH, Enforcement Coordinator at (512)239-1670, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding PTP AUTO TECH, INCORPORATED DBA MAACO PAINT & BODY WORKS, Docket No. 2002-1308-AIR-E on December 19, 2003 assessing \$3,800 in administrative penalties with \$3,200 deferred.

Information concerning any aspect of this order may be obtained by contacting JORGE IBARRA, Enforcement Coordinator at (817)588-5890, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding KEN'S TEXACO, INC., Docket No. 2003-1055-PST-E on December 19, 2003 assessing \$970 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting JOHN BARRY, Enforcement Coordinator at (409)898-3838, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding ALPHA BETA ENTERPRISES, INC., Docket No. 2003-0930-PST-E on December 19, 2003 assessing \$4,100 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting CARI BING, Enforcement Coordinator at (512)239-1445, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding SUNDANCE CAR WASH, LLP DBA SUNDANCE CAR WASH, Docket No. 2002-1366-PST-E on December 19, 2003 assessing \$2,100 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting JILL REED, Enforcement Coordinator at (432)620-6132, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding TEXAS PANHANDLE MENTAL HEALTH MENTAL RETARDATION, Docket No. 2003-1036-PST-E on December 19, 2003 assessing \$800 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting JOHN BARRY, Enforcement Coordinator at (409)898-3838, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding STAN QUAINANCE DBA THE BARN DRIVE THRU, Docket No. 2003-0899-PST-E on December 19, 2003 assessing \$1,900 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting ERIKA FAIR, Enforcement Coordinator at (512)239-6673, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding CITY OF THE COLONY, Docket No. 2003-0170-MLM-E on December 19, 2003 assessing \$20,535 in administrative penalties with \$4,000 deferred.

Information concerning any aspect of this order may be obtained by contacting KENT HEATH, Enforcement Coordinator at (512)239-4575, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding EQUICSTAR CHEMICALS, L.P., Docket No. 2003-0630-AIR-E on December 19, 2003 assessing \$9,610 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting LAURA CLARK, Enforcement Coordinator at (409)898-3838, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding MOTIVA ENTERPRISES, L.L.C., Docket No. 2002-1272-AIR-E on December 19, 2003 assessing \$39,750 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting JOHN BARRY, Enforcement Coordinator at (409)898-3838, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An agreed order was entered regarding OWEN CORNING - AMARILLO PLANT, Docket No. 2002-1334-AIR-E on December 19, 2003 assessing \$10,000 in administrative penalties with \$2,000 deferred.

Information concerning any aspect of this order may be obtained by contacting JILL REED, Enforcement Coordinator at (432)620-6132, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

An Order was entered regarding TIDEPORT PETROLEUM, INC., Docket No. 2001-1178-PST-E on December 19, 2003 assessing \$10,500 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting BENJAMIN J. DE LEON, Staff Attorney at (817)588-5878, Texas Commission on Environmental Quality, P.O. Box 13087, Austin, Texas 78711-3087.

TRD-200400043
LaDonna Castañuela
Chief Clerk
Texas Commission on Environmental Quality
Filed: January 6, 2004



Proposed Enforcement Orders

The Texas Commission on Environmental Quality (TCEQ or commission) staff is providing an opportunity for written public comment on the listed Agreed Orders (AOs) in accordance with Texas Water Code (the Code), §7.075, which requires that the commission may not approve these AOs unless the public has been provided an opportunity to submit written comments. Section 7.075 requires that notice of the proposed orders and the opportunity to comment must be published in the *Texas Register* no later than the 30th day before the date on which the public comment period closes, which in this case is **February 16, 2004**. Section 7.075 also requires that the commission promptly consider any written comments received and that the commission may withhold approval of an AO if a comment discloses facts or considerations that indicate the proposed AO is inappropriate, improper, inadequate, or inconsistent with the requirements of the Code, the Texas Health and Safety Code (THSC), and/or the Texas Clean Air Act (the Act). Additional notice is not required if changes to an AO are made in response to written comments.

A copy of each proposed AO is available for public inspection at both the commission's central office, located at 12100 Park 35 Circle, Building C, 1st Floor, Austin, Texas 78753, (512) 239-1864 and at the applicable regional office listed as follows. Written comments about an AO should be sent to the enforcement coordinator designated for each AO at the commission's central office at P.O. Box 13087, Austin, Texas 78711-3087 and must be **received by 5:00 p.m. on February 16, 2004**. Written comments may also be sent by facsimile machine to the enforcement coordinator at (512) 239-2550. The commission enforcement coordinators are available to discuss the AOs and/or the comment procedure at the listed phone numbers; however, §7.075 provides that comments on the AOs should be submitted to the commission in **writing**.

(1) COMPANY: A.C.S.S. Dallas Industrial, Incorporated; DOCKET NUMBER: 2003-0835-PST-E; IDENTIFIER: Petroleum Storage Tank (PST) Facility Identification Number 10082; LOCATION: Grand Prairie, Dallas County, Texas; TYPE OF FACILITY: underground storage tank (UST); RULE VIOLATED: 30 TAC §37.815(a) and (b), by failing to demonstrate acceptable financial assurance; PENALTY: \$1,050; ENFORCEMENT COORDINATOR: Jorge Ibarra, (817)

588-5800; REGIONAL OFFICE: 2301 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(2) COMPANY: City of Alice; DOCKET NUMBER: 2003-0146-WR-E; IDENTIFIER: Public Water Supply (PWS) Number 1250001, Certificate of Convenience and Necessity Number 10552; LOCATION: Alice, Jim Wells County, Texas; TYPE OF FACILITY: public water supply; RULE VIOLATED: 30 TAC §288.30(4), by failing to submit a drought contingency plan; PENALTY: \$1,090; ENFORCEMENT COORDINATOR: Kent Heath, (512) 239-4575; REGIONAL OFFICE: 6300 Ocean Drive, Suite 1200, Corpus Christi, Texas 78412-5503, (361) 825-3100.

(3) COMPANY: City of Alvarado; DOCKET NUMBER: 2003-1293-MWD-E; IDENTIFIER: Texas Pollutant Discharge Elimination System (TPDES) Permit Number 10567-001 and Regulated Entity Number RN101917334; LOCATION: Alvarado, Johnson County, Texas; TYPE OF FACILITY: domestic wastewater system; RULE VIOLATED: 30 TAC §305.125(1), TPDES Permit Number 10567-001, and the Code, §26.121(a), by exceeding the effluent limitations for total suspended solids (TSS), pH, standard unit, and biochemical oxygen demand (BOD); PENALTY: \$6,500; ENFORCEMENT COORDINATOR: Craig Fleming, (512) 239-5806; REGIONAL OFFICE: 2301 Gravel Drive, Fort Worth, Texas 76118-6951, (817) 588-5800.

(4) COMPANY: Alyan Inc. dba Stop N Drive 22; DOCKET NUMBER: 2003-1171-PST-E; IDENTIFIER: PST Facility Identification Number 43542; LOCATION: Orange, Orange County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §334.8(c)(5)(C), by failing to permanently tag or label each UST fill tube; 30 TAC §334.48(c), by failing to conduct effective manual or automatic inventory control procedures for USTs; 30 TAC §334.51(b)(2)(C) and the Code, §26.3475(c)(2), by failing to install overfill prevention equipment; and 30 TAC §334.50(b)(1)(A) and the Code, §26.3475(c)(1), by failing to monitor the USTs for releases; PENALTY: \$6,256; ENFORCEMENT COORDINATOR: Sandy VanCleave, (512) 239-0667; REGIONAL OFFICE: 3870 Eastex Freeway, Beaumont, Texas 77703-1892, (409) 898-3838.

(5) COMPANY: Barton Creek Water Supply Corporation; DOCKET NUMBER: 2003-0320-WR-E; IDENTIFIER: PWS Number 2270313; LOCATION: Austin, Travis County, Texas; TYPE OF FACILITY: public water supply; RULE VIOLATED: 30 TAC §288.20(a) and §288.30(3), by failing to submit a drought contingency plan; PENALTY: \$525; ENFORCEMENT COORDINATOR: Kent Heath, (512) 239-4575; REGIONAL OFFICE: 1921 Cedar Bend Drive, Suite 150, Austin, Texas 78758-5336, (512) 339-2929.

(6) COMPANY: C & R Distributing, Inc. dba C & R Fuel Control #42; DOCKET NUMBER: 2003-0627-AIR-E; IDENTIFIER: Air Account Number EE-1271-D and Regulated Entity Number; 102478617; LOCATION: El Paso, El Paso County, Texas; TYPE OF FACILITY: UST and gasoline dispensing pump; RULE VIOLATED: 30 TAC §115.252(2) and THSC, §382.085(b), by failing to comply with the seven pounds per square inch maximum Reid vapor pressure; PENALTY: \$600; ENFORCEMENT COORDINATOR: John Barry, (409) 898-3838; REGIONAL OFFICE: 401 East Franklin Avenue, Suite 560, El Paso, Texas 79901-1206, (915) 834-4949.

(7) COMPANY: Calidad Environmental Services, Inc.; DOCKET NUMBER: 2003-0190-IHW-E; IDENTIFIER: Solid Waste Registration (SWR) Number 86032; LOCATION: San Antonio, Bexar County, Texas; TYPE OF FACILITY: hazardous waste transporter; RULE VIOLATED: 30 TAC §335.91(d), by failing to obtain commission authorization to store hazardous waste or to comply with transfer facility requirements; and 30 TAC §335.6(a) and (e), by failing to provide

notification to the executive director at least 90 days prior to operating two transfer facilities; PENALTY: \$4,080; ENFORCEMENT COORDINATOR: Tom Greimel, (512) 239-5690; REGIONAL OFFICE: 14250 Judson Road, San Antonio, Texas 78233-4480, (210) 490-3096.

(8) COMPANY: Cameron County; DOCKET NUMBER: 2002-1339-MLM-E; IDENTIFIER: Municipal Solid Waste Unauthorized Site Number 455150066 and Regulated Entity Identification Number RN102131067; LOCATION: Brownsville, Cameron County, Texas; TYPE OF FACILITY: unauthorized disposal site; RULE VIOLATED: 30 TAC §330.5(a), by failing to prevent the disposal of municipal solid waste; 30 TAC §330.32(b), by failing to ensure that all solid waste collected is disposed of only at facilities authorized to accept the type of waste being transported; 30 TAC §111.209(1) and THSC, §382.085(b), by failing to prevent the burning of wastes not considered domestic waste; PENALTY: \$6,880; ENFORCEMENT COORDINATOR: Jaime Garza, (956) 425-6010; REGIONAL OFFICE: 1804 West Jefferson Avenue, Harlingen, Texas 78550-5247, (956) 425-6010.

(9) COMPANY: Conner Steel Products, Inc.; DOCKET NUMBER: 2003-1149-MLM-E; IDENTIFIER: SWR Number 80773 and TPDES Storm Water General Permit Registration Number TXR05P061; LOCATION: San Angelo, Tom Green County, Texas; TYPE OF FACILITY: steel fabrication plant; RULE VIOLATED: 30 TAC §281.25(a)(4), §305.125(1), and TPDES Storm Water General Permit Registration Number TXR05P061 Part III §§A(5)(b)(5) and (7), A(5)(g), A(7)(c), and C(5)(A) and (6), by failing to comply with storm water pollution prevention plan permit requirements and failing to document quarters that did not have a discharge of storm water; and 30 TAC §335.4, by failing to prevent the discharge of industrial solid waste; PENALTY: \$6,820; ENFORCEMENT COORDINATOR: Terry Murphy, (512) 239-5025; REGIONAL OFFICE: 622 South Oakes, Suite K, San Angelo, Texas 76903-7013, (915) 655-9479.

(10) COMPANY: Crown Cork & Seal Company (USA), Inc.; DOCKET NUMBER: 2003-1262-AIR-E; IDENTIFIER: Air Account Number FG-0082-W and Regulated Entity Reference Number RN100218072; LOCATION: Sugarland, Fort Bend County, Texas; TYPE OF FACILITY: can manufacturing plant; RULE VIOLATED: 30 TAC §122.145(2)(C), §122.146(2), and THSC, §382.085(b), by failing to timely submit the annual Title V compliance certification and its corresponding deviation report; PENALTY: \$1,540; ENFORCEMENT COORDINATOR: Sheila Smith, (512) 239-1670; REGIONAL OFFICE: 5425 Polk Avenue, Suite H, Houston, Texas 77023-1486, (713) 767-3500.

(11) COMPANY: Forrest Glenn Cook dba Glenn Cook Texaco; DOCKET NUMBER: 2003-0885-PST-E; IDENTIFIER: PST Facility Identification Number 0026727 and Regulated Entity Reference Number RN102717279; LOCATION: Houston, Harris County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §37.815(a) and (b), by failing to demonstrate acceptable financial assurance; and 30 TAC §334.22(a), by failing to pay outstanding UST fees; PENALTY: \$3,150; ENFORCEMENT COORDINATOR: Shontay Wilcher, (512) 239-2680; REGIONAL OFFICE: 5425 Polk Avenue, Suite H, Houston, Texas 77023-1486, (713) 767-3500.

(12) COMPANY: JFA Oil Company dba Regency Car Wash; DOCKET NUMBER: 2003-0841-PST-E; IDENTIFIER: PST Facility Identification Number 18734; LOCATION: Houston, Harris County, Texas; TYPE OF FACILITY: car wash; RULE VIOLATED: 30 TAC §37.815(a) and (b), by failing to demonstrate acceptable financial assurance; PENALTY: \$3,150; ENFORCEMENT COORDINATOR: Laurie Eaves, (512) 239-4495; REGIONAL OFFICE: 5425 Polk Avenue, Suite H, Houston, Texas 77023-1486, (713) 767-3500.

(13) COMPANY: Ronnie Lee Leggett dba Leggett Plumbing; DOCKET NUMBER: 2003-1193-SLG-E; IDENTIFIER: Sludge Transporter Registration Number 22734; LOCATION: Livingston, Polk County, Texas; TYPE OF FACILITY: sludge and septage transporting service; RULE VIOLATED: 30 TAC §312.143 and the Code, §26.121(a)(1), by failing to deposit septage at a facility authorized to accept waste; PENALTY: \$800; ENFORCEMENT COORDINATOR: Laurie Eaves, (512) 239-4495; REGIONAL OFFICE: 3870 Eastex Freeway, Beaumont, Texas 77703-1892, (409) 898-3838.

(14) COMPANY: City of Mart; DOCKET NUMBER: 2003-0074-MWD-E; IDENTIFIER: TPDES Permit Number 0010645-001 and Regulated Entity Reference Number RN102079274; LOCATION: Mart, McLennan County, Texas; TYPE OF FACILITY: wastewater treatment; RULE VIOLATED: 30 TAC §305.125(1), TPDES Permit Number 0010645-001, and the Code, §26.121(a), by failing to comply with the permitted effluent limits for total residual chorine, dissolved oxygen, BOD, and TSS; PENALTY: \$5,824; ENFORCEMENT COORDINATOR: Sunday Udoetok, (512) 239-0739; REGIONAL OFFICE: 6801 Sanger Avenue, Suite 2500, Waco, Texas 76710-7826, (254) 751-0335.

(15) COMPANY: Ehsanallah Lalezari dba Neighborhood Store 2; DOCKET NUMBER: 2003-1191-PST-E; IDENTIFIER: PST Facility Identification Number 62970 and Regulated Entity Identification Number RN102254786; LOCATION: Austin, Travis County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §334.8(c)(5)(A)(i) and (B)(ii), and the Code, §26.346, by failing to make available to a common carrier a valid, current delivery certificate and failing to renew a previously issued delivery certificate; and 30 TAC §334.10(b), by failing to make records available for inspection; PENALTY: \$1,800; ENFORCEMENT COORDINATOR: Bill Davis, (512) 239-6793; REGIONAL OFFICE: 1921 Cedar Bend Drive, Suite 150, Austin, Texas 78758-5336, (512) 339-2929.

(16) COMPANY: Northwest Petroleum LP; DOCKET NUMBER: 2003-1127-MLM-E; IDENTIFIER: PST Facility Identification Number 71238 and Regulated Entity Reference Number RN101491728; LOCATION: Austin, Williamson County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §334.50(b)(2) and the Code, §26.3475(a), by failing to provide line leak detection; 30 TAC §334.72, by failing to notify the TCEQ of a leak; and 30 TAC §213.4(k), by failing to provide continuous monitoring for releases from the product piping; PENALTY: \$4,500; ENFORCEMENT COORDINATOR: Sheila Smith, (512) 239-1670; REGIONAL OFFICE: 1921 Cedar Bend Drive, Suite 150, Austin, Texas 78758-5336, (512) 339-2929.

(17) COMPANY: Rahat Enterprises, Inc.; DOCKET NUMBER: 2003-0827-PST-E; IDENTIFIER: PST Facility Identification Number 43127 and Regulated Entity Reference Number RN101841443; LOCATION: Seguin, Guadalupe County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §37.815(a) and (b), by failing to demonstrate acceptable financial assurance; PENALTY: \$2,550; ENFORCEMENT COORDINATOR: Sushil Modak, (512) 239-2142; REGIONAL OFFICE: 14250 Judson Road, San Antonio, Texas 78233-4480, (210) 490-3096.

(18) COMPANY: The Dow Chemical Company; DOCKET NUMBER: 2003-0947-AIR-E; IDENTIFIER: Air Account Number BL-0082-B; LOCATION: Clute, Brazoria County, Texas; TYPE OF FACILITY: specialty polyurethanes copolymer plant; RULE VIOLATED: 30 TAC §116.115(b)(2)(G) and (c), Air Permit Number 46429, and THSC, §382.085(b), by failing to demonstrate compliance with the volatile organic compound (VOC) per hour emission limit of 0.07 pounds per hour, failing to demonstrate VOC destruction

removal efficiency of at least 99.68%, and failing to provide acceptable test results for the nitrogen oxides emissions; PENALTY: \$35,520 ENFORCEMENT COORDINATOR: John Barry, (409) 898-3838; REGIONAL OFFICE: 5425 Polk Avenue, Suite H, Houston, Texas 77023-1486, (713) 767-3500.

(19) COMPANY: Tri-Union Development Corporation; DOCKET NUMBER: 2003-1391-AIR-E; IDENTIFIER: Regulated Entity Identification Number RN103904959; LOCATION: Alvin, Brazoria County, Texas; TYPE OF FACILITY: natural gas production, transmission, and distribution; RULE VIOLATED: 30 TAC §101.360(a) and THSC, §382.085(b), by failing to submit the ECT-3 level of activity certification form; PENALTY: \$600; ENFORCEMENT COORDINATOR: Craig Carson, (512) 239-5612; REGIONAL OFFICE: 5425 Polk Avenue, Suite H, Houston, Texas 77023-1486, (713) 767-3500.

(20) COMPANY: Henry Franco dba Wasson Road Chevron; DOCKET NUMBER: 2003-1061-PST-E; IDENTIFIER: PST Facility Identification Number 1574 and Regulated Entity Reference Number RN101729838; LOCATION: Big Spring, Howard County, Texas; TYPE OF FACILITY: convenience store with retail sales of gasoline; RULE VIOLATED: 30 TAC §37.815(a) and (b), by failing to demonstrate acceptable financial assurance; PENALTY: \$3,150; ENFORCEMENT COORDINATOR: Steven Lopez, (512) 239-1896; REGIONAL OFFICE: 3300 North A Street, Building 4, Suite 107, Midland, Texas 79705-5404, (915) 570-1359.

(21) COMPANY: Western Gas Resources, Inc.; DOCKET NUMBER: 2003-1223-AIR-E; IDENTIFIER: Air Account Number UB-0009-T; LOCATION: Midkiff, Upton County, Texas; TYPE OF FACILITY: natural gas processing; RULE VIOLATED: 30 TAC §101.20(2), 40 Code of Federal Regulations §63.760(f)(1) and §63.775(d), and THSC, §382.085(b), by failing to control the glycol dehydration unit emissions and failing to submit the initial notification of compliance status report; PENALTY: \$4,750; ENFORCEMENT COORDINATOR: Sandy Van-Cleave, (512) 239-0667; REGIONAL OFFICE: 3300 North A Street, Building 4, Suite 107, Midland, Texas 79705-5404, (915) 570-1359.

TRD-200400038

Paul C. Sarahan
Director, Litigation Division
Texas Commission on Environmental Quality
Filed: January 6, 2004

Texas Department of Health

Correction of Error

The Texas Department of Health adopted new rules 25 TAC Chapter 61, Subchapter E, §§61.71 - 61.83. The rules were published in the December 19, 2003, issue of the *Texas Register* (28 TexReg 11272).

Due to a "program/agency" oversight in submission of the rules, the following error was discovered.

On page 11274, §61.76(b) was published as "The outreach physician shall develop an individualized care plan for each client identified with heart disease who is referred by the clinic to a secondary or tertiary center", as submitted. The subsection should have been submitted to read as follows:

(b) The outreach physician shall develop an individualized care/service plan for each client identified with heart disease who is referred by the clinic to a secondary or tertiary center.

TRD-200400001

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Licensing Actions for Radioactive Materials

The Texas Department of Health has taken actions regarding Licenses for the possession and use of radioactive materials as listed in the tables. The subheading "Location" indicates the city in which the radioactive material may be possessed and/or used. The location listing "Throughout Texas" indicates that the radioactive material may be used on a temporary basis at job sites throughout the state.

NEW LICENSES ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Dallas	The Center for Molecular Imaging LP	L05715	Dallas	00	12/22/03
Midland	Endeavor Energy Resources LP	L05745	Midland	00	12/23/03
Nederland	Murlidhar A Amin MD PA	L05735	Nederland	00	12/22/03
San Antonio	Heart Hospital of San Antonio LP	L05722	San Antonio	00	12/22/03
Throughout Tx	E. M. Hobbs Inc.	L05738	Sonora	00	12/17/03

AMENDMENTS TO EXISTING LICENSES ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Andrews	Andrews County Hospital District	L03158	Andrews	18	12/23/03
Austin	Texas Cardiovascular Consultants PA	L05246	Austin	10	12/16/03
Channelview	Lyondell Chemical Company	L04439	Channelview	19	12/19/03
Corpus Christi	Associates in Heart Disease	L05023	Corpus Christi	09	12/19/03
Dallas	Environmental Health Center – Dallas	L05327	Dallas	04	12/17/03
Dallas	North Texas Cardiovascular Associates PA	L05602	Dallas	02	12/19/03
Dallas	Regional Nuclear Pharmaceuticals of Dallas LLC	L05610	Dallas	04	12/23/03
Denton	Trace Radiochemicals Inc.	L05435	Denton	05	12/17/03
Denton	Neorx Manufacturing Group Inc.	L05433	Denton	08	12/17/03
Eagle Pass	Fort Duncan Medical Center	L05640	Eagle Pass	01	12/17/03
El Paso	El Paso Healthcare System LP	L03395	El Paso	37	12/19/03
Houston	Houston Community College System	L03099	Houston	13	12/12/03
Houston	CDL Medical Technologies Inc	L05565	Houston	01	12/19/03
Houston	Memorial Hermann Hospital System	L00439	Houston	91	12/22/03
Houston	Felipe Rios M.D.	L05700	Houston	01	12/29/03
Houston	Columbia Hospital Corporation of Houston	L02038	Houston	39	12/23/03
Houston	Cardinal Health	L05536	Houston	07	12/30/03
Humble	Northeast Medical Center Hospital	L02412	Humble	51	12/16/03
Katy	Memorial Hermann Hospital System	L03052	Katy	37	12/30/03
La Porte	Clean Harbors Deer Park LP	L02870	La Porte	21	12/19/03
Lewisville	Columbia Medical Ctr of Lewisville Subsidiary LP	L02739	Lewisville	38	12/19/03
Lubbock	University Medical Center	L04719	Lubbock	66	12/23/03
Marshall	Harrison County Hospital Association	L02572	Marshall	22	12/19/03
New Braunfels	New Braunfels Cardiology	L05463	New Braunfels	02	12/22/03
Odessa	Alliance Hospital LTD	L05698	Odessa	01	12/12/03
Odessa	Ector County Hospital District	L01223	Odessa	76	12/23/03
Pasadena	Celanese LTD Clear Lake Plant	L01130	Pasadena	57	12/23/03
Plano	Network Cancer Care of Denton	L05348	Plano	13	12/17/03
Port Arthur	Huntsman Corporation	L04067	Port Arthur	15	12/16/03
Port Lavaca	76 Seadrift Coke LLC	L03432	Port Lavaca	15	12/16/03

CONTINUED AMENDMENTS TO EXISTING LICENSES ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Port Lavaca	76 Seadrift Coke LLC	L03432	Port Lavaca	16	12/23/03
San Antonio	Heart and Vascular Institute of Texas	L04799	San Antonio	11	12/17/03
San Antonio	Christus Santa Rosa Health Care	L02237	San Antonio	75	12/16/03
Sugar Land	Methodist Health Centers	L05472	Sugar Land	09	12/17/03
Sugar Land	Fort Bend Heart Center	L05678	Sugar Land	01	12/23/03
Sweeny	Conocophillips Company	L00337	Sweeny	42	12/23/03
Throughout Tx	Applied Standards Inspection Inc.	L03072	Beaumont	80	12/18/03
Throughout Tx	Gulf Coast Weld Spec	L05426	Beaumont	27	12/18/03
Throughout Tx	Equistar Chemicals LP	L00064	Channelview	38	12/22/03
Throughout Tx	Cardinal Health	L02048	Dallas	111	12/29/03
Throughout Tx	Licon Engineering Company Inc.	L05530	El Paso	02	12/17/03
Throughout Tx	Ion Beam Application Inc.	L03851	Fort Worth	31	12/18/03
Throughout Tx	HVJ Associates Inc	L03813	Houston	23	12/23/03
Throughout Tx	H & G Inspection Company Inc	L02181	Houston	174	12/23/03
Throughout Tx	Longview Inspection Inc.	L01774	La Porte	199	12/18/03
Throughout Tx	X-R-I Non-Destructive Testing	L05275	Pearland	29	12/23/03
Throughout Tx	US Ecology Texas Inc	L05518	Robstown	02	12/30/03
Throughout Tx	GCT Inspection Inc	L02378	South Houston	76	12/23/03
Throughout Tx	Schulumberger Technology Corporation	L00109	Sugar Land	46	12/17/03
Tyler	Nutech Inc.	L04274	Tyler	46	12/17/03
Tyler	East Texas Medical Center	L00977	Tyler	103	12/12/03
Tyler	Tyler Cardiovascular Consultants PA CVC	L05242	Tyler	02	12/18/03
University Park	Cirrus Health	L05600	University Park	04	12/18/03
Weslaco	Frontera Materials Inc.	L04830	Weslaco	08	12/17/03

RENEWAL OF LICENSES ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Bishop	Ticona Polymers Inc	L02441	Bishop	41	12/30/03
Corpus Christi	Spohn Hospital	L02495	Corpus Christi	79	12/15/03
San Antonio	South Texas Cardiovascular Consultants PLLC	L03833	San Antonio	21	12/19/03
Throughout Tx	High Tech Testing Service Inc	L05021	Longview	44	12/19/03

TERMINATIONS OF LICENSES ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Houston	Signase Incorporated	L05558	Houston	01	12/16/03

LICENSE EXEMPTION ISSUED:

Location	Name	License #	City	Amendment #	Date of Action
Houston	GB Geosciences Corporation	L03521	Houston		12/17/03

In issuing new licenses, amending and renewing existing licenses, or approving exemptions to Title 25 Texas Administrative Code (TAC), Chapter 289, the Texas Department of Health (department), Bureau of Radiation Control, has determined that the applicants are qualified by reason of training and experience to use the material in question for the purposes requested in accordance with 25 TAC, Chapter 289 in such a manner as to minimize danger to public health and safety or property and the environment; the applicants' proposed equipment, facilities and procedures are adequate to minimize danger to public health and safety or property and the environment; the issuance of the new, amended, or renewed license (s) or the issuance of the exemption (s) will not be inimical to the health and safety of the public or the environment; and the applicants satisfy any applicable requirements of 25 TAC, Chapter 289. In granting termination of licenses, the department has determined that the licensee has properly decommissioned its facilities according to the applicable requirements of 25 TAC, Chapter 289. In denying the application for a license, license renewal or license amendment, the department has determined that the applicant has not met the applicable requirements of 25 TAC, Chapter 289.

This notice affords the opportunity for a hearing on written request of a licensee, applicant, or person affected within 30 days of the date of publication of this notice. A person affected is defined as a person who demonstrates that the person has suffered or will suffer actual injury or economic damage and, if the person is not a local government, is (a) a resident of a county, or a county adjacent to the county, in which radioactive material is or will be located, or (b) doing business or has a legal interest in land in the county or adjacent county. A licensee, applicant, or person affected may request a hearing by writing Richard A. Ratliff, P.E., Chief, Bureau of Radiation Control (Director, Radiation Control Program), Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756-3189. For information call (512) 834-6688.

TRD-200400065
Susan K. Steeg
General Counsel
Texas Department of Health
Filed: January 7, 2004



Notice of Agreed Order with Methodist Healthcare System of San Antonio, LTD, LLP, dba Southwest Texas Methodist Hospital

On December 5, 2003, the director of the Bureau of Radiation Control (bureau), Texas Department of Health, approved the settlement agreement between the bureau and Methodist Healthcare System of San Antonio, LTD, LLP, doing business as Southwest Texas Methodist Hospital (licensee-L00594) of San Antonio. The licensee was required to pay \$3,500 in administrative penalties assessed for violations of 25 Texas Administrative Code, Chapter 289, and comply with additional settlement agreement requirements.

A copy of all relevant material is available, by appointment, for public inspection Monday-Friday, 8:00 a.m. to 5:00 p.m. (except holidays). Contact Chrissie Toungate, Custodian of Records, Bureau of Radiation Control, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756-3189, by calling (512) 834-6688, or by visiting the Exchange Building, 8407 Wall Street, Austin, Texas.

TRD-200400063
Susan K. Steeg
General Counsel
Texas Department of Health
Filed: January 7, 2004



Notice of Intent to Revoke Certificates of Registration

Pursuant to 25 Texas Administrative Code, §289.205, the Bureau of Radiation Control (bureau), Texas Department of Health (department), filed complaints against the following registrants: Mediclinic, Inc., Houston, R09942; Schlumberger Technology Corporation, Houston, R11222; Tommy A. Cary, D.D.S., Orange, R12028; Duane K. Taylor, D.D.S., Dallas, R13189; Dan E. Jones, D.P.M., Dallas, R24021; Fields Chiropractic, Mesquite, R24803; Vandergriff Technologies,

Inc., Fort Worth, R26063; Delta Simulator Group, Inc., Perrysburg, Ohio, R26747; Ultrascan, Inc., Sanger, R26853; C.H.C.A. Mainland, L.P., Texas City, Z00287; Laser Production Network, Miami, Florida, Z01470; Gary Jones M.D., Laser Aesthetics, P.A., Austin, Z01583.

The complaints allege that these registrants have failed to pay required annual fees. The department intends to revoke the certificates of registration; order the registrants to cease and desist use of radiation machine(s); order the registrants to divest themselves of such equipment; and order the registrants to present evidence satisfactory to the bureau that they have complied with the orders and the provisions of the Texas Health and Safety Code, Chapter 401. If the fee is paid within 30 days of the date of each complaint, the department will not issue an order.

This notice affords the opportunity to the registrants for a hearing to show cause why the certificates of registration should not be revoked. A written request for a hearing must be received by the bureau within 30 days from the date of service of the complaint to be valid. Such written request must be filed with Richard A. Ratliff, P.E., Chief, Bureau of Radiation Control (Director, Radiation Control Program), 1100 West 49th Street, Austin, Texas 78756-3189. Should no request for a public hearing be timely filed or if the fee is not paid, the certificates of registration will be revoked at the end of the 30-day period of notice.

A copy of all relevant material is available, by appointment, for public inspection at the Bureau of Radiation Control, Texas Department of Health, Exchange Building, 8407 Wall Street, Austin, Texas, telephone (512) 834-6688, Monday-Friday, 8:00 a.m. to 5:00 p.m. (except holidays).

TRD-200400061
Susan K. Steeg
General Counsel
Texas Department of Health
Filed: January 7, 2004



Notice of Intent to Revoke the Radioactive Material License of C3S, Inc.

Pursuant to 25 Texas Administrative Code, §289.205, the Bureau of Radiation Control (bureau), Texas Department of Health (department), filed a complaint against the following licensee: C3S, Inc., Houston, L05537.

The complaint alleges that the licensee has failed to pay required annual fees. The department intends to revoke the radioactive material license; order the licensee to cease and desist use of such radioactive material; order the licensee to divest himself of the radioactive material; and order the licensee to present evidence satisfactory to the bureau that he has complied with the orders and the provisions of the Texas Health and Safety Code, Chapter 401. If the fee is paid within 30 days of the date of the complaint, the department will not issue an order.

This notice affords the opportunity to the licensee for a hearing to show cause why the radioactive material license should not be revoked. A written request for a hearing must be received by the bureau within 30 days from the date of service of the complaint to be valid. Such written request must be filed with Richard A. Ratliff, P.E., Chief, Bureau of Radiation Control (Director, Radiation Control Program), 1100 West 49th Street, Austin, Texas 78756-3189. Should no request for a public hearing be timely filed or if the fee is not paid, the radioactive material license will be revoked at the end of the 30-day period of notice.

A copy of all relevant material is available, by appointment, for public inspection at the Bureau of Radiation Control, Texas Department of Health, Exchange Building, 8407 Wall Street, Austin, Texas, telephone (512) 834-6688, Monday-Friday, 8:00 a.m. to 5:00 p.m. (except holidays).

TRD-200400062
Susan K. Steeg
General Counsel
Texas Department of Health
Filed: January 7, 2004



Notice of Preliminary Report for Assessment of Administrative Penalties and Notice of Violation Issued to Universal MRI and Diagnostics, Inc.

Notice is hereby given that the Bureau of Radiation Control (bureau), Texas Department of Health (department), issued a notice of violation and proposal to assess an administrative penalty to Universal MRI and Diagnostics, Inc. (registrant-R18519) of Humble and Houston. A total penalty of \$16,000 is proposed to be assessed the registrant for alleged violations of 25 Texas Administrative Code, Chapter 289.

A copy of all relevant material is available, by appointment, for public inspection at the Bureau of Radiation Control, Texas Department of Health, Exchange Building, 8407 Wall Street, Austin, Texas, telephone (512) 834-6688, Monday-Friday, 8:00 a.m. to 5:00 p.m. (except holidays).

TRD-200400064
Susan K. Steeg
General Counsel
Texas Department of Health
Filed: January 7, 2004



Texas Health and Human Services Commission

Notice of Hearing on Proposed Case Management for Blind Children's Vocational Discovery and Development Program

Hearing. The Texas Health and Human Services Commission (HHSC) will conduct a public hearing on February 3, 2004, to receive public comment on proposed payment rates for Case Management for Blind

Children's Vocational Discovery and Development Program. This program is operated by the Texas Commission for the Blind. These payment rates are proposed to be effective January 1, 2004. The hearing will be held in compliance with Title 1 of the Texas Administrative Code (TAC) §355.105(g), which requires public hearings on proposed payment rates. The public hearing will be held on February 3, 2004, at 2:00 p.m. in the Public Hearing Room, Room 1047 of the Braker Center Building H, at 11209 Metric Boulevard, Austin, Texas 78758-4021. Written comments regarding payment rates may be submitted in lieu of testimony until 5:00 p.m. the day of the hearing. Written comments may be sent by U.S. mail to the attention of Tony Arreola, HHSC Rate Analysis, MC H-400, 1100 West 49th Street, Austin, Texas 78756-3101. Express mail can be sent, or written comments can be hand delivered, to Mr. Arreola, HHSC Rate Analysis, MC H-400, Braker Center Building H, 11209 Metric Boulevard, Austin, Texas 78758-4021. Alternatively, written comments may be sent via facsimile to Mr. Arreola at (512) 685-3104. Interested parties may request to have a briefing package concerning the proposed payment rates mailed to them or may pick up a briefing package concerning the proposed payment rates by contacting Tony Arreola, HHSC Rate Analysis, MC H-400, 1100 West 49th Street, Austin, Texas 78756-3101, telephone number (512) 491-1358.

Persons with disabilities who wish to attend the hearing and require auxiliary aids or services should contact Tony Arreola, HHSC Rate Analysis, MC H-400, 1100 West 49th Street, Austin, Texas 78756-3101, telephone number (512) 491-1358, by January 27, 2004, so that appropriate arrangements can be made.

Proposal. As the single state agency for the state Medicaid program, HHSC proposes the following monthly payment rate for the Texas Commission for the Blind (TCB) Case Management for Blind Children's Vocational Discovery and Development Program effective January 1, 2004: TCB Case Management \$107.47. The proposed rate is based upon agency rules at 1 TAC §355.8381 that specify that the average cost per client per month will be the basis for the prospective rate of payment for reimbursement of case management services.

Methodology and justification. The proposed rates were determined in accordance with the rate reimbursement setting methodology at 1 TAC §355.8381.

TRD-200400040
Steve Aragón
General Counsel
Texas Health and Human Services Commission
Filed: January 6, 2004



Texas Department of Housing and Community Affairs

Notice of Public Hearing for the Weatherization Assistance Program for Low-Income Persons 2004 State Plan/Application

The Texas Department of Housing and Community Affairs (TDHCA) announces that a public hearing will be held to receive comments on the draft 2004 program year State Plan for the Texas Weatherization Assistance Program. Texas anticipates receiving an estimated allocation of \$5,608,707 for program year 2004. This plan will use the U. S. Department of Energy's (DOE) estimated funding figure for planning purposes only. The estimated funding figure is an estimate based on current information provided by DOE and is subject to a slight increase or reduction based on final allocations being made available from DOE at the conclusion of the Continuing Resolution process. Congress has passed a Continuing Resolution through January 31, 2004.

The public hearing will be held at 1:00 p.m. on Thursday, February 5, 2004 in Room #436, TDHCA Headquarters, 507 Sabine St., Austin, Texas. At the hearing, a representative from TDHCA will provide descriptions of the Weatherization Assistance Program (WAP) changes and the proposed use of the United States Department of Energy funds for program year 2004, which will be for the period of April 1, 2004 to March 31, 2005.

Local officials and citizens are encouraged to participate in the hearing process. Written and oral comments received will be used to finalize the program year 2004 Texas Weatherization Assistance Program State Plan and Application. Written comments from those who cannot attend the hearing in person may be provided by the close of business on February 5, 2004, at 5:00 p.m., to Ms. Lolly Caballero, Senior Planner, Energy Assistance Section, Texas Department of Housing and Community Affairs, 507 Sabine, Suite 600, Austin, Texas 78701 or by electronic mail to Lolly.Caballero@tdhca.state.tx.us or by fax to (512) 475-3935. A copy of the proposed Draft State Plan may be obtained, after January 26, 2004, through TDHCA's web site, <http://www.tdhca.state.tx.us/ea.htm> or by calling Ms. Caballero at (512) 475-0471 or by writing to Ms. Caballero at the TDHCA address given above. Individuals who require a language interpreter for the public hearing should contact Ms. Caballero at least three days prior to the hearing date.

Individuals who require auxiliary aids or services for this meeting should contact Ms. Gina Esteves, ADA responsible employee, at (512) 475-3943 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.

TRD-200400044
Edwina P. Carrington
Executive Director
Texas Department of Housing and Community Affairs
Filed: January 6, 2004

Texas Department of Insurance

Company Licensing

Application to change the name of ODYSSEY REINSURANCE CORPORATION to CLEARWATER INSURANCE COMPANY, a foreign fire and/or casualty company. The home office is in Wilmington, Delaware.

Application for admission to the State of Texas by TNUS INSURANCE COMPANY, a foreign fire and/or casualty company. The home office is in New York, New York.

Application for admission to the State of Texas by ADVOCATE, MD INSURANCE OF THE SOUTHWEST, INC., a foreign fire and/or casualty company. The home office is in Laguna Niguel, California.

Application for admission to the State of Texas by MENDAKOTA INSURANCE COMPANY, a foreign fire and/or casualty company. The home office is in Mendota Heights, Minnesota.

Any objections must be filed with the Texas Department of Insurance, addressed to the attention of Godwin Ohaechesi, 333 Guadalupe Street, M/C 305-2C, Austin, Texas 78701.

TRD-200400068
Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Filed: January 7, 2004

Third Party Administrator Applications

The following third party administrator (TPA) application has been filed with the Texas Department of Insurance and is under consideration.

Application to change the name of HIGHMARK SERVICES COMPANY to HM BENEFITS ADMINISTRATORS, INC., a foreign third party administrator. The home office is PITTSBURG, PENNSYLVANIA.

Application for admission to Texas of EMPLOYEE BENEFIT SERVICES, INC., a foreign third party administrator. The home office is SHREVEPORT, LOUISIANA.

Any objections must be filed within 20 days after this notice was filed with the Secretary of State, addressed to the attention of Matt Ray, MC 107-1A, 333 Guadalupe, Austin, Texas 78701.

TRD-200400069
Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Filed: January 7, 2004

Public Utility Commission of Texas

Notice of Application for a Certificate to Provide Retail Electric Service

Notice is given to the public of the filing with the Public Utility Commission of Texas of an application on December 22, 2003, for retail electric provider (REP) certification, pursuant to Public Utility Regulatory Act (PURA) §§39.101- 39.109. A summary of the application follows.

Docket Title and Number: Application of Rio Grande Power LLC for Retail Electric Provider (REP) Certification, Docket Number 29100 before the Public Utility Commission of Texas.

Applicant's requested service area by geography includes the entire state of Texas.

Persons wishing to comment upon the action sought should contact the Public Utility Commission of Texas by mail at P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll free at 1-888-782-8477 no later than January 21, 2004. Hearing and speech-impaired individuals with text telephone (TTY) may contact the commission at (512) 936-7136 or toll free at 1-800-735-2989. All comments should reference Docket Number 29100.

TRD-200400045
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004

Notice of Application for Service Provider Certificate of Operating Authority

Notice is given to the public of the filing with the Public Utility Commission of Texas of an application on December 31, 2003, for a service provider certificate of operating authority (SPCOA), pursuant to Public Utility Regulatory Act (PURA) §§54.151 - 54.156. A summary of the application follows.

Docket Title and Number: Application of THINK 12 CORPORATION, doing business as Hello Depot, for a Service Provider Certificate

of Operating Authority, Docket Number 29115 before the Public Utility Commission of Texas.

Applicant intends to provide plain old telephone service, ADSL, ISDN, T1-Private Line, Switch 56 KBPS, Frame Relay, Fractional T1, and long distance services.

Applicant's requested SPCOA geographic area includes the geographic area of Texas currently served by SBC, Verizon Southwest, and Sprint.

Persons who wish to comment upon the action sought should contact the Public Utility Commission of Texas by mail at P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll free at 1-888-782-8477 no later than January 21, 2004. Hearing and speech-impaired individuals with text telephone (TTY) may contact the commission at (512) 936-7136 or toll free at 1-800-735-2989. All comments should reference Docket Number 29115.

TRD-200400046

Rhonda G. Dempsey

Rules Coordinator

Public Utility Commission of Texas

Filed: January 6, 2004



Notice of Application to Amend Certificated Service Area Boundaries in Burnet County, Texas

Notice is given to the public of the filing with the Public Utility Commission of Texas of an application filed on December 30, 2003, for an amendment to certificated service area boundaries within Burnet County, Texas.

Docket Style and Number: Joint Application of City of Burnet and Pedernales Electric Cooperative, Incorporated for Amendment of Certificate of Convenience and Necessity for Service Area Boundaries Within Burnet County. Docket Number 29108.

The Application: Due to annexation, a portion of Pedernales Electric Cooperative, Incorporated's (PEC) certificated service area has come within the city limits of the City of Burnet (City), and the City wishes to provide electric utility service to those areas within its city limits. The City and PEC have jointly filed the application to transfer a portion of PEC's certificated service area to the City. The proposed transfer area will encompass the Delaware Springs Municipal Golf Course, the Delaware Springs Subdivision, and The Ranch at Delaware Creek Subdivision.

Persons wishing to comment on the action sought should contact the Public Utility Commission of Texas no later than January 26, 2004, by mail at P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephone (TTY) may contact the commission at (512) 936-7136 or use Relay Texas (toll-free) 1-800-735-2989. All comments should reference Docket Number 29108.

TRD-200400059

Rhonda G. Dempsey

Rules Coordinator

Public Utility Commission of Texas

Filed: January 7, 2004



Public Notice of Amendment to Interconnection Agreement

On December 30, 2003, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Talk America, Incorporated, doing business as Talk America Communications, Incorporated, collectively referred

to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supp. 2004) (PURA). The joint application has been designated Docket Number 29112. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29112. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29112.

TRD-200400017

Rhonda G. Dempsey

Rules Coordinator

Public Utility Commission of Texas

Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On December 31, 2003, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Westex Communications, LLC, doing business as WTX Communications, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29116. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29116. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29116.

TRD-200400018
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On December 31, 2003, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Supra Telecommunications and Information Systems, Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29117. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29117. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29117.

TRD-200400019
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004

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Public Notice of Amendment to Interconnection Agreement

On December 31, 2003, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Navigator Telecommunications, LLC, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29118. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29118. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29118.

TRD-200400020

Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004

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Public Notice of Amendment to Interconnection Agreement

On January 2, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Viteris Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29120. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29120. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones

(TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29120.

TRD-200400021
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On January 2, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Texas AM-Tel I, LP, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29121. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29121. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas

78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29121.

TRD-200400022
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On January 2, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Quantumshift Communications, Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29122. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29122. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29122.

TRD-200400023
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On January 2, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Navigator Telecommunications, LLC, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29123. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29123. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct

a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29123.

TRD-200400024
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On January 2, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Westex Communications, LLC, doing business as WTX Communications, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29124. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29124. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those

issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29124.

TRD-200400025
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 5, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Time Warner Telecom of Texas, LP, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29129. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29129. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule

§22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29129.

TRD-200400047
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Direct Telephone Company, Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29130. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29130. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings

concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29130.

TRD-200400048
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and 877-Ring Again, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29131. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29131. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29131.

TRD-200400049
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Southern Telcom Network, Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29132. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29132. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and

3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29132.

TRD-200400050
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Viteris Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29133. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29133. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or

c) is not consistent with other requirements of state law; and

3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29133.

TRD-200400051
Rhonda G. Dempsey
Rules Coordinator
Public Utility Commission of Texas
Filed: January 6, 2004



Public Notice of Amendment to Interconnection Agreement

On January 5, 2004, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Z-Tel Communications, Incorporated, collectively referred to as applicants, filed a joint application for approval of amendment to an existing interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29134. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the amendment to the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29134. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by February 6, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or

- b) is not consistent with the public interest, convenience, and necessity; or
- c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P. O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29134.

TRD-200400052
 Rhonda G. Dempsey
 Rules Coordinator
 Public Utility Commission of Texas
 Filed: January 6, 2004



Public Notice of Intent to File LRIC Pursuant to P.U.C. Substantive Rule 26.215

Notice is given to the public of the filing, on December 29, 2003, with the Public Utility Commission of Texas, a notice of intent to file a long run incremental cost (LRIC) study pursuant to P.U.C. Substantive Rule 26.215. The Applicant will file the LRIC study on January 9, 2004.

Docket Title and Number. Southwestern Bell Telephone, LP's, doing business as SBC Texas, Application for Approval of LRIC Study for Star Code Access to Voice Mail Pursuant to P.U.C. Substantive Rule 26.215, Docket Number 29106.

Any party that demonstrates a justiciable interest may file with the administrative law judge, written comments or recommendations concerning the LRIC study referencing Docket Number 29106. Written comments or recommendations should be filed no later than 45 days after the date of a sufficient study and should be filed at the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326. You may call the Public Utility Commission Customer Protection Division at (512) 936-7120. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136.

TRD-200400015
 Rhonda G. Dempsey
 Rules Coordinator
 Public Utility Commission of Texas
 Filed: January 5, 2004



Public Notice of Interconnection Agreement

On December 30, 2003, Southwestern Bell Telephone, LP, doing business as SBC Texas, and Tim Ron Enterprises, LLC, collectively referred to as applicants, filed a joint application for approval of interconnection agreement under §252(i) of the federal Telecommunications Act of 1996, Public Law Number 104-104, 110 Statute 56, (codified as amended in scattered sections of 15 and 47 United States Code) (FTA) and the Public Utility Regulatory Act, Texas Utilities Code Annotated, Chapters 52 and 60 (Vernon 1998 & Supplement 2004) (PURA). The joint application has been designated Docket Number 29111. The joint application and the underlying interconnection agreement are available for public inspection at the commission's offices in Austin, Texas.

The commission must act to approve the interconnection agreement within 35 days after it is submitted by the parties.

The commission finds that additional public comment should be allowed before the commission issues a final decision approving or rejecting the interconnection agreement. Any interested person may file written comments on the joint application by filing three copies of the comments with the commission's filing clerk. Additionally, a copy of the comments should be served on each of the applicants. The comments should specifically refer to Docket Number 29111. As a part of the comments, an interested person may request that a public hearing be conducted. The comments, including any request for public hearing, shall be filed by January 30, 2004, and shall include:

- 1) a detailed statement of the person's interests in the agreement, including a description of how approval of the agreement may adversely affect those interests;
- 2) specific allegations that the agreement, or some portion thereof:
 - a) discriminates against a telecommunications carrier that is not a party to the agreement; or
 - b) is not consistent with the public interest, convenience, and necessity; or
 - c) is not consistent with other requirements of state law; and
- 3) the specific facts upon which the allegations are based.

After reviewing any comments, the commission will issue a notice of approval, denial, or determine whether to conduct further proceedings concerning the joint application. The commission shall have the authority given to a presiding officer pursuant to P.U.C. Procedural Rule §22.202. The commission may identify issues raised by the joint application and comments and establish a schedule for addressing those issues, including the submission of evidence by the applicants, if necessary, and briefing and oral argument. The commission may conduct a public hearing. Interested persons who file comments are not entitled to participate as intervenors in the public hearing.

Persons with questions about this action, or who wish to comment on the joint application should contact the Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, or by phone at (512) 936-7120 or toll-free at 1-888-782-8477. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. All correspondence should refer to Docket Number 29111.

TRD-200400016
 Rhonda G. Dempsey
 Rules Coordinator
 Public Utility Commission of Texas
 Filed: January 5, 2004



Texas Residential Construction Commission

Public Notice

PROJECT 370-04-0001--REQUEST FOR COMMENTS ON STRAWMAN RULE REGARDING THE STATE-SPONSORED INSPECTION AND DISPUTE RESOLUTION PROCESS (SIRP)

The staff of the Texas Residential Construction Commission (commission) will issue a strawman rule regarding the state-sponsored inspection and dispute resolution process (SIRP) on Monday, January 12, 2004, in Project 370-04-0001. The strawman rule will contain proposed provisions and questions for comment on the implementation of the provisions of House Bill 730 (Act effective September 1, 2003, 78th leg., R.S., ch 458, §1.01), which in part provides for an administrative process to resolve disputes between builders and homeowners.

Staff will use comments submitted in developing the SIRP rules that will be published for comment pursuant to the Administrative Procedures Act §2001.023.

A copy of the strawman proposal may be obtained from the commission's website, online at www.trcc.state.tx.us, or in hard copy by contacting the commission at (512) 463-1040. The commission staff requests that interested persons submit comments on the strawman proposal by filing 16 copies of those comments with the commission at Texas Residential Construction Commission, Attn: Susan Durso, PO Box 13144, Austin, Texas, 78711. File comments on or before Monday, February 9, 2004. All responses should reference Project Number 370-04-0001.

Questions concerning the strawman proposal or this notice should be referred to Susan Durso, General Counsel, at (512) 475-0595 or susan.durso@trcc.state.tx.us.

TRD-200400067

Susan Durso

General Counsel

Texas Residential Construction Commission

Filed: January 7, 2004

Texas Department of Transportation

Notice of Intent Regarding Environmental Impact Statement

Pursuant to 43 TAC §2.43(e)(3), the Texas Department of Transportation published a Notice of Intent (NOI) in the *Texas Register* on August 9, 2002 (27 TexReg 7309), to prepare an environmental impact statement (EIS) for proposed Loop 9, a new location highway in southern Dallas and northern Ellis Counties. At that time, the study limits of the proposed project were from S.H. 360 to I.H. 20. Due to changes in the proposed alignment location in the vicinity of S.H. 360, the study limits have been changed and the new limits are from U.S. 287 to I.H. 20. The study corridor is approximately 40 miles in length. The project is being developed in cooperation with the Federal Highway Administration and the Dallas County Department of Public Works.

From a regional perspective, there is still a great demand for additional east-west transportation capacity and access throughout the limits of the corridor. Over the last 30 years, this area has experienced tremendous growth and has more than quadrupled in population. A Major Investment Study (MIS) will be integrated with the EIS. The Loop 9 facility is included in the Mobility 2025 Update: The Metropolitan Transportation Plan as a new location staged parkway calling for the preservation of right-of-way through this corridor. The environmental study will examine viable alternatives and potential transportation modes including the No-Build; Transportation Systems Management/ Congestion Management Systems; controlled access freeway; and other potential options. It will also include extensive and continuous public

involvement to address the long-term mobility needs of both the region and local communities. The environmental study will include the determination of the number of lanes (four to six are anticipated), roadway configuration, and operational characteristics. It will also include a discussion of the effects on the social, economic, and natural environments and of other known and reasonably foreseeable agency actions proposed within the Loop 9 study corridor.

A public scoping meeting was held in June 2003. This was the first in a series of meetings to solicit public comments on the proposed action during the National Environmental Policy Act (NEPA) process. In addition, a public hearing will be held following approval of the Draft EIS. Public notice will be given of the time and place of the meetings and the hearing. The Draft EIS will be available for public and agency review and comment before the public hearing.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties.

Agency Contact: Comments or questions concerning this proposed action and the EIS should be directed to Michael C. Burbank, North Central Texas Council of Governments, 616 Six Flags Drive, Suite 200, Centerpoint Two, Arlington, Texas 76011, or by telephone at (817) 695-9251.

TRD-200400070

Bob Jackson

Deputy General Counsel

Texas Department of Transportation

Filed: January 7, 2004

Request for Proposal for Aviation Engineering Services

The City of Temple through its agent, the Texas Department of Transportation (TxDOT), intends to engage an aviation professional engineering firm for services pursuant to Government Code, Chapter 2254, Subchapter A. TxDOT, Aviation Division will solicit and receive proposals for professional aviation engineering design services described.

Airport Sponsor: City of Temple, Draughon/Miller Municipal Airport. TxDOT CSJ No.: 0309TMPL. Scope: Provide engineering/design services to upgrade medium intensity runway lights Runway 15-33; upgrade medium intensity runway lights Runway 2-20; upgrade medium intensity taxiway lights taxiway "C" and "E"; upgrade medium intensity taxiway lights taxiway "A" and "D"; upgrade electrical vault and regulator; upgrade and relocate lighting control panel; upgrade airfield signage system (36 signs); install new VOR sign; relocate and replace three lighted windsocks (Runway 15, 33 and 20); rehabilitate rotating beacon; refurbish and install additional ramp lighting and expand general aviation apron and install tie downs for large aircraft.

The DBE goal is set at 8%. TxDOT Project Manager is Bijan Jamalabad, P.E.

Future items for design services within the next five years may include:

Extend runway 15-33 runway 33 end and other associated items.

To assist in your proposal preparation, the most recent Airport Layout Plan, 5010 drawing, and project narrative are available online at:

www.dot.state.tx.us/avn/avninfo/notice/consult/index.htm

by selecting "Draughon/Miller Municipal Airport"

The proposal should address a technical approach for the current and future scope items, but the design schedule should reflect only the current scope. Firms shall use page 4, Recent Airport Experience, to list relevant past projects for both current and future scope.

Interested firms shall utilize the Form AVN-550, titled "Aviation Engineering Services Proposal." The form may be requested from TxDOT, Aviation Division, 125 East 11th Street, Austin, Texas 78701-2483, Phone number, 1-800-68-PILOT (74568). The form may be e-mailed by request or downloaded from the TxDOT web site, URL address:

<http://www.dot.state.tx.us/avn/avn550.doc>

The form may not be altered in any way. All printing must be in black on white paper, except for the optional illustration page. Proposals shall be stapled but not bound in any other fashion. PROPOSALS WILL NOT BE ACCEPTED IN ANY OTHER FORMAT. (Note: The form is an MS Word template.)

Please note the new format for submission of a proposal for these services. Qualifications statements will not be utilized for this project. This will be a submission of a limited proposal for engineering services. The form AVN-550 must be utilized. Firms must carefully follow the instructions provided on each page of the form. Proposals may not exceed the number of pages in the proposal format. The proposal format consists of seven pages of data plus two optional pages consisting of an illustration page and a proposal summary page.

Four completed, unfolded copies of Form AVN-550 must be post-marked by U.S. Mail by midnight **February 6, 2004** (CDST). Mailing address: TxDOT, Aviation Division, 125 East 11th Street, Austin, Texas 78701-2483. Overnight delivery must be received by 4:00 p.m. (CDST) on **February 9, 2004**; overnight address: TxDOT, Aviation Division, 200 East Riverside Drive, Austin, Texas, 78704. Hand delivery must be received by 4:00 p.m., **February 9, 2004** (CDST); hand delivery address: 150 East Riverside Drive, 5th Floor, South Tower, Austin, Texas 78704. Electronic facsimiles or forms sent by e-mail will not be accepted. Please mark the envelope of the forms to the attention of Amy Deason.

The consultant selection committee will be composed of Aviation staff members. The final engineer selection by the sponsor's committee will generally be made following the completion of review of proposals and/or engineer interviews. The committee will review all proposals and rate and rank each. The criteria for evaluating engineering proposals can be found at:

www.dot.state.tx.us/business/avnconsultinfo.htm

All firms will be notified and the top rated firm will be contacted to begin fee negotiations. The selection committee does, however, reserve the right to conduct interviews of the top rated firms if the committee deems it necessary. In such case, selection will be made following interviews.

If there are any procedural questions, please contact Amy Deason, Grant Manager, or Bijan Jamalabad, P.E., Project Manager, for technical questions at 1-800-68-PILOT (74568).

TRD-200308965

Bob Jackson

Deputy General Counsel

Texas Department of Transportation

Filed: December 31, 2003

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Texas Water Development Board

Applications Received

Pursuant to the Texas Water Code, Section 6.195, the Texas Water Development Board provides notice of the following applications received by the Board:

City of Nacogdoches, P.O. Drawer 630648, Nacogdoches, received November 19, 2003, application for financial assistance in the amount of \$10,365,000 from the Clean Water State Revolving Fund.

Travis County Water Control and Improvement District No. 17 (Steiner Ranch Defined Areas), 3812 Eck Lane, Austin, Texas, 78734, received December 1, 2003, application for financial assistance in the amount of \$1,165,000 from the Texas Water Development Funds.

City of Denison, P. O. Box 347, Denison, Texas, 75021-0347, received November 12, 2003, application for financial assistance in an amount not to exceed \$50,000 from the Research and Planning Fund.

City of San Angelo, P. O. Box 1751, San Angelo, Texas, 76902-1751, received November 12, 2003, application for financial assistance in an amount not to exceed \$50,000 from the Research and Planning Fund.

Chisholm Trail Special Utility District, P. O. Box 249, Florence, Texas, 76527, received November 12, 2003, application for financial assistance in an amount not to exceed \$75,000 from the Research and Planning Fund.

Brazos River Authority, P. O. Box 7555, Waco, Texas, 76714-7555, received November 12, 2003, application for financial assistance in an amount not to exceed \$171,400 from the Research and Planning Fund.

Lone Star Groundwater Conservation District, P. O. Box 2467, Conroe, Texas, 77305, received November 12, 2003, application for financial assistance in an amount not to exceed \$166,500 from the Research and Planning Fund.

Nueces River Authority, P. O. Box 349, Uvalde, Texas, 78802-0349, received November 12, 2003, application for financial assistance in an amount not to exceed \$57,750 from the Research and Planning Fund.

Lower Colorado River Authority, P. O. Box 220, Austin, Texas, 78767-0220, received November 12, 2003, application for financial assistance in an amount not to exceed \$80,000 from the Research and Planning Fund.

Guadalupe-Blanco River Authority, 933 E. Court Street, Seguin, Texas, 78155, received November 10, 2003, application for financial assistance in an amount not to exceed \$40,000 from the Research and Planning Fund.

Rio Grande City, 1021 1/2 South Clossner, Edinburg, Texas, 78539, received November 12, 2003, application for financial assistance in an amount not to exceed \$44,145 from the Research and Planning Fund.

Lower Rio Grande Valley Development Council, 311 North 15th Street, McAllen, Texas, 78501-4705, received November 7, 2003, application for financial assistance in an amount not to exceed \$200,000 from the Research and Planning Fund.

South Texas Water Authority, P. O. Box 1701, Kingsville, Texas, 78364-1701, received November 12, 2003, application for financial assistance in an amount not to exceed \$48,000 from the Research and Planning Fund.

TRD-200400071

Jonathan Steinberg

Deputy Counsel

Texas Water Development Board

Filed: January 7, 2004
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How to Use the Texas Register

Information Available: The 13 sections of the *Texas Register* represent various facets of state government. Documents contained within them include:

Governor - Appointments, executive orders, and proclamations.

Attorney General - summaries of requests for opinions, opinions, and open records decisions.

Secretary of State - opinions based on the election laws.

Texas Ethics Commission - summaries of requests for opinions and opinions.

Emergency Rules- sections adopted by state agencies on an emergency basis.

Proposed Rules - sections proposed for adoption.

Withdrawn Rules - sections withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the Texas Register six months after the proposal publication date.

Adopted Rules - sections adopted following a 30-day public comment period.

Texas Department of Insurance Exempt Filings - notices of actions taken by the Texas Department of Insurance pursuant to Chapter 5, Subchapter L of the Insurance Code.

Texas Department of Banking - opinions and exempt rules filed by the Texas Department of Banking.

Tables and Graphics - graphic material from the proposed, emergency and adopted sections.

Open Meetings - notices of open meetings.

In Addition - miscellaneous information required to be published by statute or provided as a public service.

Review of Agency Rules - notices of state agency rules review.

Specific explanation on the contents of each section can be found on the beginning page of the section. The division also publishes cumulative quarterly and annual indexes to aid in researching material published.

How to Cite: Material published in the *Texas Register* is referenced by citing the volume in which the document appears, the words "TexReg" and the beginning page number on which that document was published. For example, a document published on page 2402 of Volume 26 (2001) is cited as follows: 26 TexReg 2402.

In order that readers may cite material more easily, page numbers are now written as citations. Example: on page 2 in the lower-left hand corner of the page, would be written "26 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 26 TexReg 3."

How to Research: The public is invited to research rules and information of interest between 8 a.m. and 5 p.m. weekdays at the *Texas Register* office, Room 245, James Earl Rudder Building, 1019 Brazos, Austin. Material can be found using *Texas Register* indexes, the *Texas Administrative Code*, section numbers, or TRD number.

Both the *Texas Register* and the *Texas Administrative Code* are available online through the Internet. The address is: <http://www.sos.state.tx.us>. The *Register* is available in an .html version as well as a .pdf (portable document format) version through the Internet. For subscription information, see the back

cover or call the Texas Register at (800) 226-7199.

Texas Administrative Code

The *Texas Administrative Code (TAC)* is the compilation of all final state agency rules published in the *Texas Register*. Following its effective date, a rule is entered into the *Texas Administrative Code*. Emergency rules, which may be adopted by an agency on an interim basis, are not codified within the *TAC*.

The *TAC* volumes are arranged into Titles (using Arabic numerals) and Parts (using Roman numerals). The Titles are broad subject categories into which the agencies are grouped as a matter of convenience. Each Part represents an individual state agency.

The complete *TAC* is available through the Secretary of State's website at <http://www.sos.state.tx.us/tac>. The following companies also provide complete copies of the *TAC*: Lexis-Nexis (1-800-356-6548), and West Publishing Company (1-800-328-9352).

The Titles of the *TAC*, and their respective Title numbers are:

1. Administration
4. Agriculture
7. Banking and Securities
10. Community Development
13. Cultural Resources
16. Economic Regulation
19. Education
22. Examining Boards
25. Health Services
28. Insurance
30. Environmental Quality
31. Natural Resources and Conservation
34. Public Finance
37. Public Safety and Corrections
40. Social Services and Assistance
43. Transportation

How to Cite: Under the *TAC* scheme, each section is designated by a *TAC* number. For example in the citation 1 TAC §27.15:

1 indicates the title under which the agency appears in the *Texas Administrative Code*; *TAC* stands for the *Texas Administrative Code*; §27.15 is the section number of the rule (27 indicates that the section is under Chapter 27 of Title 1; 15 represents the individual section within the chapter).

How to update: To find out if a rule has changed since the publication of the current supplement to the *Texas Administrative Code*, please look at the *Table of TAC Titles Affected*. The table is published cumulatively in the blue-cover quarterly indexes to the *Texas Register* (January 19, April 13, July 13, and October 12, 2001). If a rule has changed during the time period covered by the table, the rule's *TAC* number will be printed with one or more *Texas Register* page numbers, as shown in the following example.

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

40 TAC §3.704.....950, 1820

The *Table of TAC Titles Affected* is cumulative for each volume of the *Texas Register* (calendar year).

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