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Texas Register

Volume 14, Number 92, December 15, 1989

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Texas Register

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Governor—appointments, executive orders, and proclamations

Attorney General—summaries of requests for opinions, opinions, and open records decisions

Emergency Sections—sections adopted by state agencies on an emergency basis

Proposed Sections—sections proposed for adoption

Withdrawn Sections—sections withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the *Texas Register* six months after proposal publication date

Adopted Sections—sections adopted following a 30-day public comment period

Open Meetings—notices of open meetings

In Addition—miscellaneous information required to be published by statute or provided as a public service

Specific explanation on the contents of each section can be found on the beginning page of the section. The division also publishes accumulative 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 a 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 6 (1981) is cited as follows: 6 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: "14 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 14 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, Austin. Material can be found using *Texas Register* indexes, the *Texas Administrative Code*, sections number, or TRD number.

Texas Administrative Code

The *Texas Administrative Code* (TAC) is the approved, collected volumes of Texas administrative rules.

How To Cite: Under the TAC scheme, each agency 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 rule (27 indicates that the section is under Chapter 27 of Title 1; 15 represents the individual section within the chapter).



Texas Register Publications

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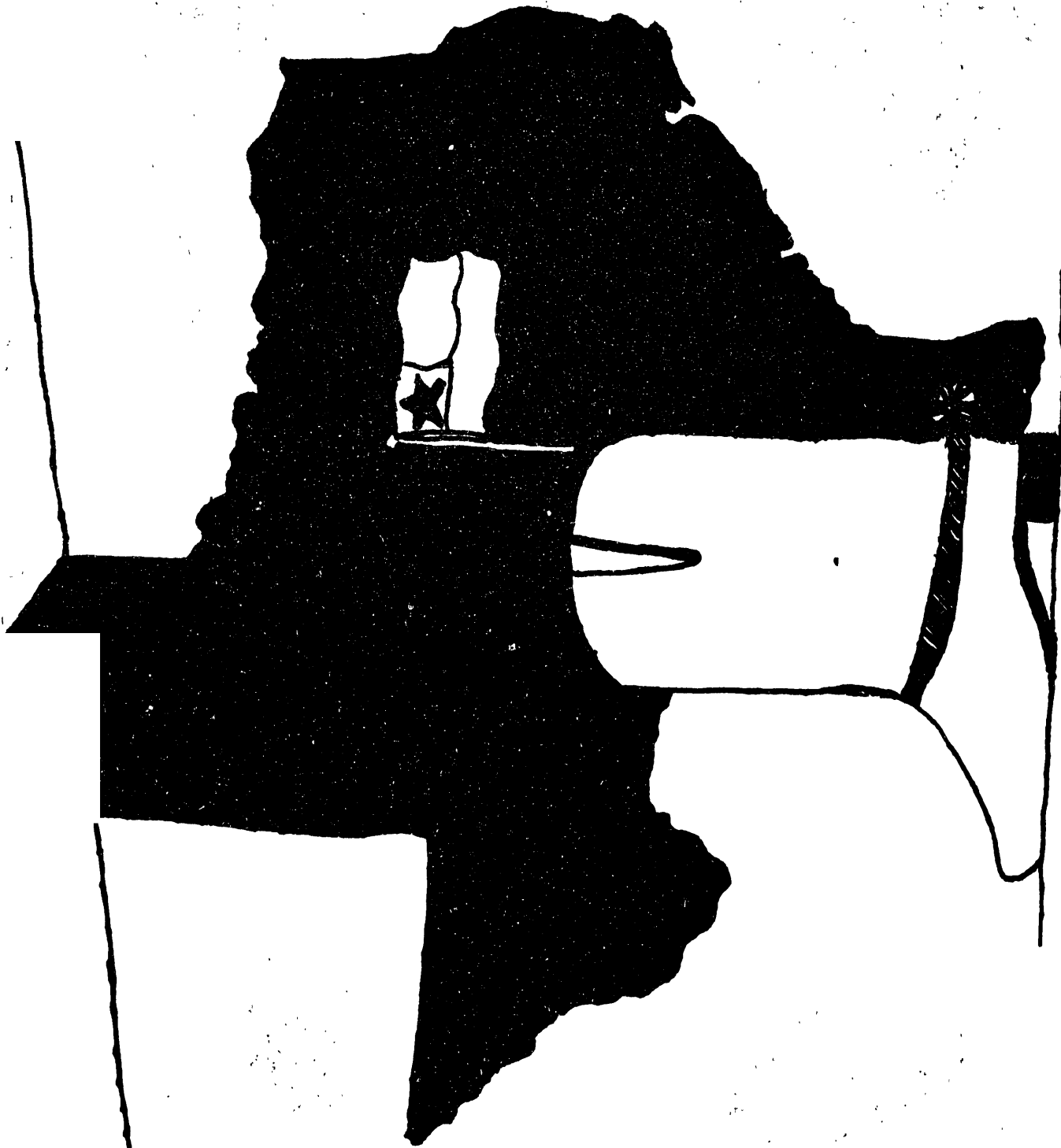


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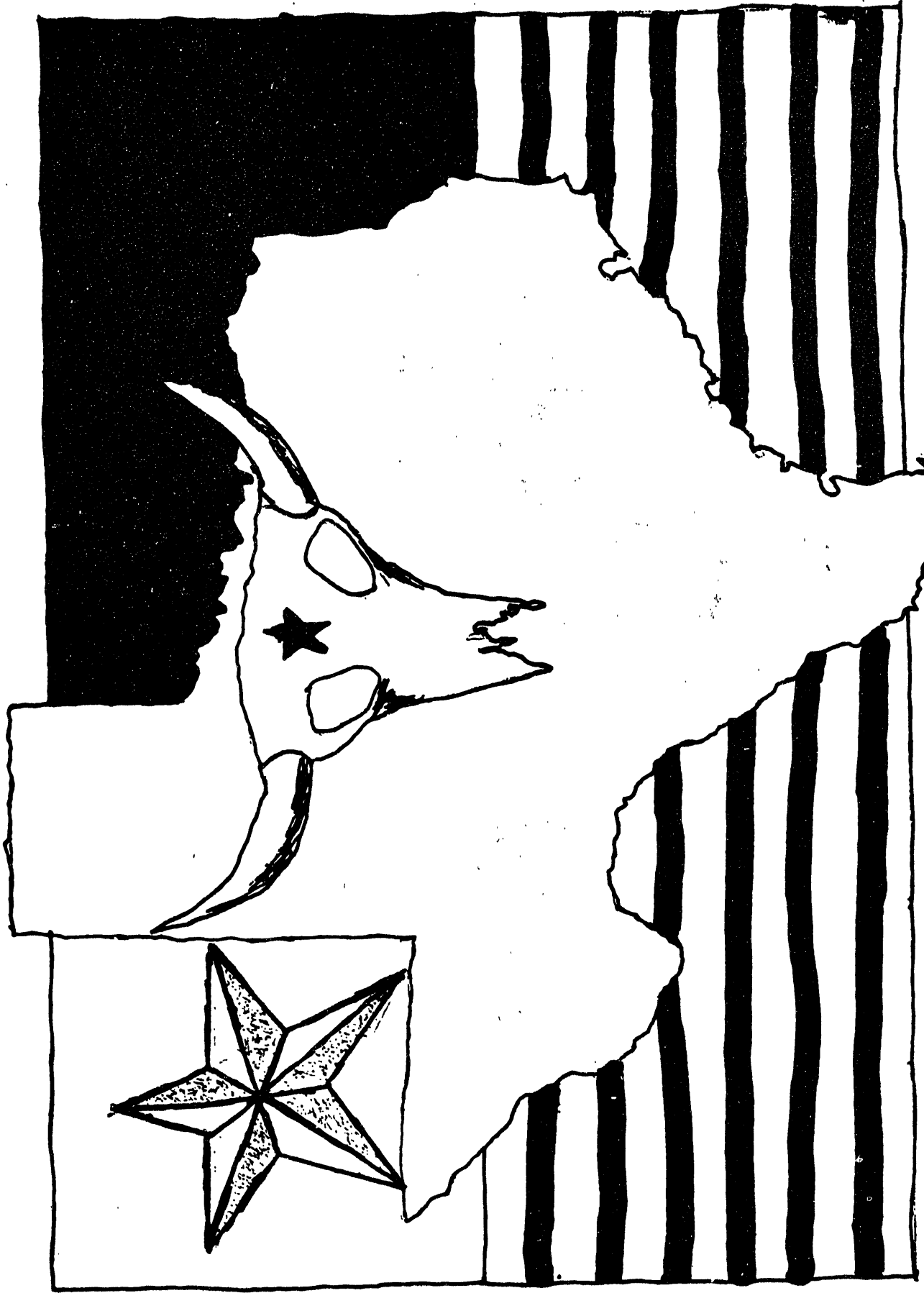


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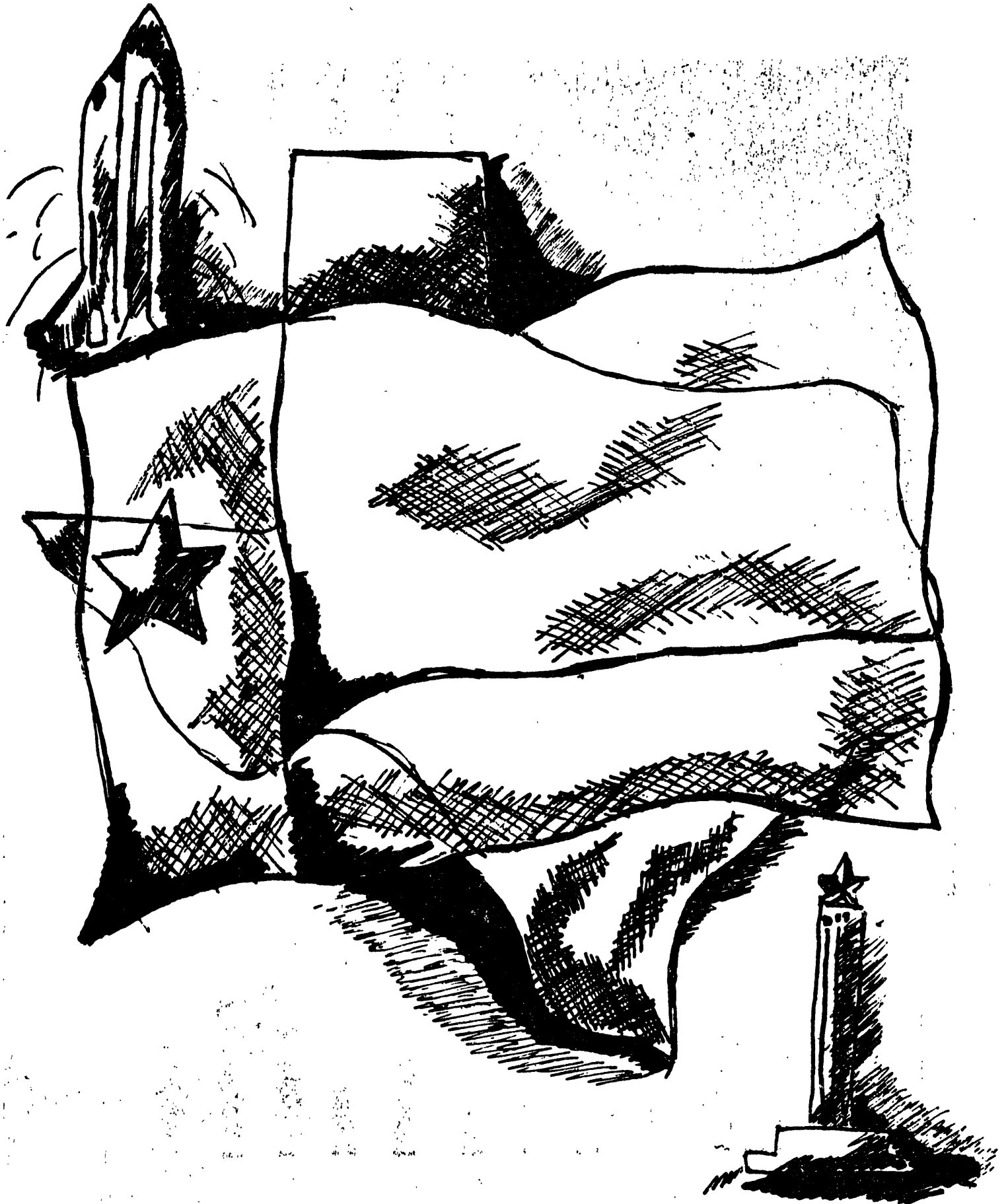


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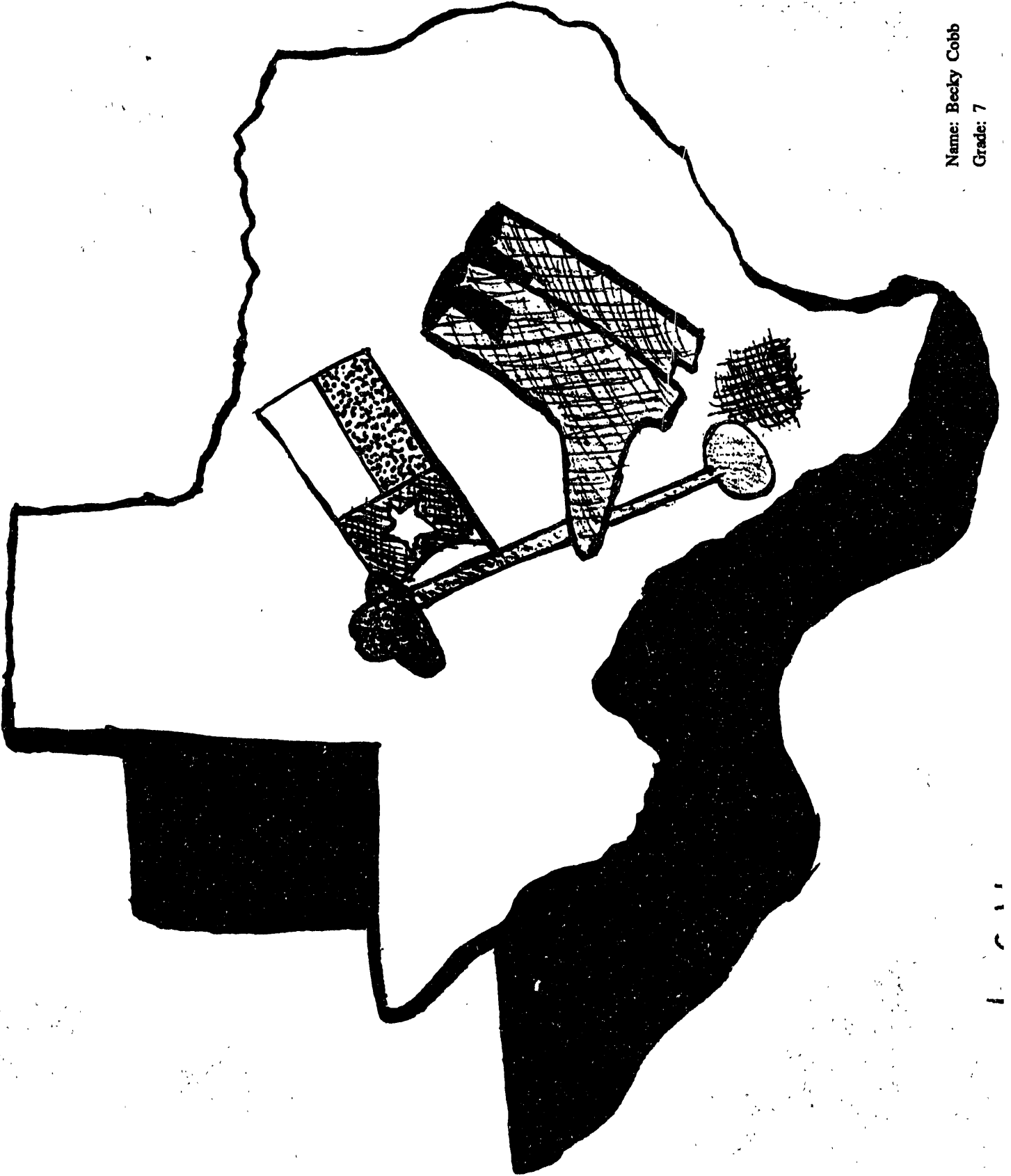
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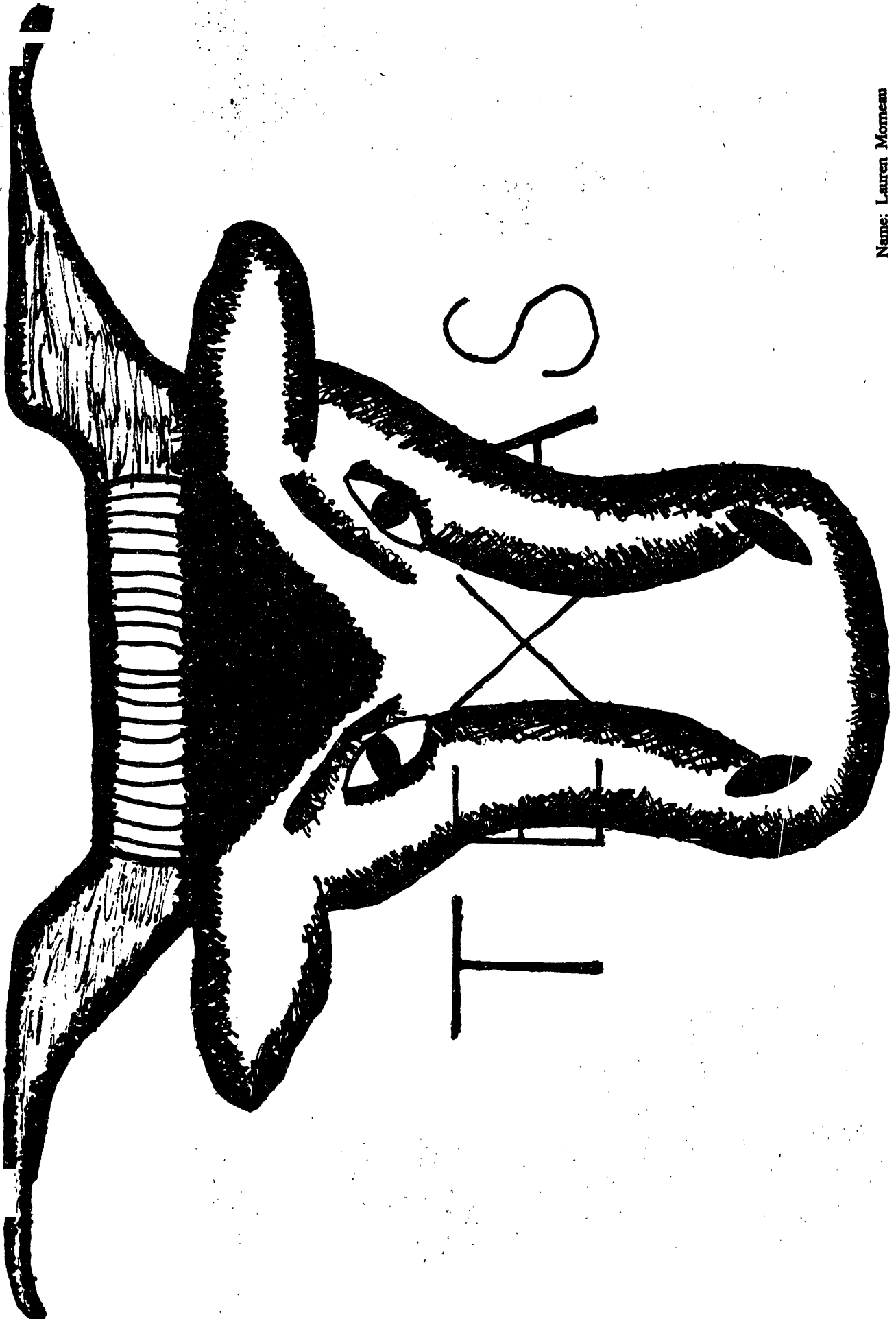


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TAC Titles Affected

TAC Titles Affected-December

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16 TAC §5.501—6487

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16 TAC §21.106—6415

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16 TAC §301.1—6413

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40 TAC §255.37—6544



Attorney General

Description of Attorney General submissions. Under provisions set out in the Texas Constitution, the Texas Government Code, Title 4, §402.042 and numerous statutes, the attorney general is authorized to write advisory opinions for state and local officials. These advisory opinions are requested by agencies or officials when they are confronted with unique or unusually difficult legal questions. The attorney general also determines, under authority of the Texas Open Records Act, whether information requested for release from governmental agencies maybe held from public disclosure. Requests for opinions, opinions, and open record decisions are summarized for publication in the *Texas Register*. The Attorney General responds to many requests for opinions and open records decisions with letter opinions. A letter opinion has the same force and effect as a formal Attorney General Opinion, and represents the opinion of the Attorney General unless and until it is modified or overruled by a subsequent letter opinion, a formal Attorney General Opinion, or a decision of a court of record.

Requests for Opinions

(RQ-1851). Request from Jesusa Sanchez-Vera, Jim Wells County Attorney, Alice, concerning whether a commissioners court may authorize a justice of the peace to retain a portion of assessed fines for the purpose of funding additional positions.

(RQ-1852). Request from Charles D. Travis, Executive Director, Texas Parks and Wildlife Department, Austin, concerning whether licensed commercial shrimpers must hold commercial finfish fishermen's licenses in order to sell finfish.

(RQ-1853). Request from William D. Taylor, Executive Director, Department of Commerce, Austin, concerning constitutionality of appropriation to the Texas Department of Commerce to pay former employees and contractors of the Texas Conservation Corps.

(RQ-1854). Request from Hugh Parmer, Chairman, Senate Intergovernmental Relations, Austin, concerning responsibility for providing water to areas under the jurisdiction of the San Antonio Waterworks Board of Trustees, and related questions.

(RQ-1855). Request from Brad Harris, County Attorney, Callahan County, Baird, concerning whether a county employee may run for county judge without resigning.

(RQ-1856). Request from Arthur C. Eads, County Attorney, Bell and Lampasas County, 27th Judicial District of Texas, Belton, concerning responsibility for costs of boarding a prisoner pending extradition.

(RQ-1857). Request from Chet Brooks, Chairman, Senate Health and Human Services, Austin, concerning inclusion of fringe benefits in calculating the prevailing wage under Texas Civil Statutes, Article 5159a.

(RQ-1858). Request from Kenneth H. Ashworth, Commissioner, Texas Higher Education Coordinating Board, Austin, concerning eligibility for the Optional Retirement System, and related questions.

(RQ-1859). Request from Kent A. Caperton, Chairman, State Affairs, Senate, Austin, concerning effect and authority of a grand jury recommendation regarding a county's use of night depositories.

(RQ-1860). Request from Mike W. Stiles, Chairman, County Affairs, Austin, concerning use of bonds previously approved but not issued.

(RQ-1861). Request from H. M. Daugherty, Jr., Chairman, Texas Higher Education Coordinating Board, Austin, concerning constitutionality of legislation creating Central Texas University.

(RQ-1862). Request from Hugh Parmer, Chairman, Senate Intergovernmental Relations, Austin, concerning effect on the civil service statutes of the City of Houston's contracting with a volunteer fire department to perform certain fire fighting and emergency rescue functions, and related questions.

(RQ-1863). Request from Bob Bullock, Comptroller of Public Accounts, L.B.J. State Office Building, Austin, concerning authority of a tax assessor-collector to require taxing units opting for collection under the Tax Code, §6.22(c) to use the county attorney or a particular private attorney.

(RQ-1864). Request from Phil Nichols, Erath County Attorney, Erath Courthouse, Stephenville, concerning reimbursement to the county attorney for travel expenses paid from the hot check fund.

TRD-8911830

◆ ◆ ◆
(RQ-1865). Request from Oscar William Loyd, II, Upshur Criminal District Attorney, Upshur County Justice Center, Gilmer, concerning certification of a petition and financing of a local option election under the Alcoholic Beverage Code.

(RQ-1866). Request from Benjamin Euresi, Jr., Cameron County Attorney, Cameron County Courthouse, 974 East Harrison Street, Brownsville, concerning whether the Open Records Act, Texas Civil Statutes, Article 6252-17a, requires a county official to compile and retain the driving records of county officers and employees.

(RQ-1867). Request from A. W. Pogue, Commissioner of Insurance, State Board of Insurance, Austin, concerning status of insurance programs in which applicants are

referred, for a fee, to a single health care provider.

(RQ-1868). Request from Doyle Willis, Chairman, General Investigating, House of Representatives, Austin, concerning representation of inmates before the Board of Pardons and Parole (re-opening of RQ-1785).

(RQ-1869). Request from Vernon M. Artell, Commissioner, Texas Rehabilitation Commission, Austin, concerning effect of the Texas Internal Audit Act on the Texas Rehabilitation Commission.

(RQ-1870). Request from Henry B. Keene, Chairman, Board of Pardons and Parole, Austin, concerning entitlement of state employees to hazardous duty pay under particular circumstances.

(RQ-1871). Request from Fred Toler, Executive Director, Texas Commission on Law Enforcement Officer Standards and Education, Austin, concerning status of contract jailers for certain purposes.

(RQ-1872). Request from Carlos Valdez, County Attorney, Nueces County Courthouse, Corpus Christi, concerning authority of a mayor to contract with a private corporation which does business with the state.

(RQ-1873). Request from Ron Lindsey, Commissioner, Texas Department of Human Services, Austin, concerning certification of a social worker without an examination under the Human Resources Code, §50.019.

(RQ-1874). Request from Richard C. Terrell, District Attorney, Jim Wells and Brooks Counties, Alice, concerning authority of a prosecutor to represent a respondent in a child support contempt of court motion.

(RQ-1875). Request from Lloyd Criss, Chairman, House Labor and Education Relations, Austin, concerning whether videotapes of "forced cell transfers" are available to the public under the Open Records Act, Texas Civil Statutes, Article 6252-17a.

(RQ-1876). Request from O. H. "Ike" Harris, Chairman, Senate Economic Development, Austin, concerning validity of lease arrangements between a school district and a municipality under Texas Civil Statutes, Article 835s.

(RQ-1877). Request from Mark Edwards, County Attorney, Reagan County, Big Lake, concerning compensation of the tax assessor-collector for the Reagan County Hospital District.

TRD-8911828

◆ ◆ ◆
(RQ-1878). Request from James Warren Smith, Jr. Frio County Attorney, Pearsall, concerning authority of a county auditor to require constables to submit a monthly report.

(RQ-1879). Request from Michael J. Guarino, Criminal District Attorney, Galveston County, Galveston, concerning whether a community justice council created pursuant to the Texas Code of Criminal Procedure, Article 42.13, is subject to the Open Meetings Acts, Texas Civil Statutes, Article 6252-17.

(RQ-1880). Request from Marcus D. Taylor, Criminal District Attorney, Wood County, Quitman, concerning eligibility of a realtor to serve on the board of directors of an appraisal district.

(RQ-1881). Request from Robert T. Jarvis, Grayson County Attorney, Grayson County Justice Center, Sherman, concern-

ing applicability of House Bill 1434, Acts, 71st Legislature, Chapter 1250, at 5046, which relates to purchasing by local units of government, to county attorneys, and related questions.

(RQ-1882). Request from Donna Townes, Red River County Auditor, Red River County Courthouse, Clarksville, concerning authority of county to purchase culverts and resell them to property owners, and related questions.

(RQ-1883). Request from Larry E. Kosta, Acting Executive Director, Texas Department of Licensing and Regulation, Austin, concerning extent of coverage of Texas Civil Statutes, Article 6687-9b, which regulates the operation of tow trucks.

(RQ-1884). Request from Dan V. Dent, Hill District Attorney, Hill County, 66th Judicial District, Hillsboro, concerning location of a work program facility for prisoners established by Texas Civil Statutes, Article 6166x-3, §3.

(RQ-1885). Request from Jeffrey L. Van Horn, Criminal District Attorney, Caldwell County, Caldwell County Courthouse, Lockhart, concerning authority of an individual to serve as both county health officers and city councilman.

(RQ-1886). Request from Robert Bernstein, M.D., F.A.C.P., Commissioner, Texas Department of Health, Austin, concerning effect of that portion of the Human Immunodeficiency Virus Services Act, Senate Bill 959, Act, 71st Legislature, Chapter 1195, at 4854, which prohibits grants by the Texas Department of Health to any organization which "advocates or promotes conduct that violates state law."

(RQ-1887). Request from W. S. McBeath, Administrator, Texas Alcoholic Beverage Commission, Austin, concerning authority of a justice of the peace to hear a Class C misdemeanor case under the Alcoholic Beverage Code filed against a defendant who is under the age of 17.

(RQ-1888). Request from Hugh Parmer, Chairman, Committee on Intergovernmental Relations, Austin, concerning authority of the City of Houston to contract with the Clear Lake City Volunteer Fire Department.

(RQ-1889). Request from Ashley Smith, Chairman, House Financial Institutions, Austin, concerning certification requirements for a constable who has previously held the office.

TRD-8911829

Emergency Sections

An agency may adopt a new or amended section or repeal an existing section on an emergency basis if it determines that such action is necessary for the public health, safety, or welfare of this state. The section may become effective immediately upon filing with the *Texas Register*, or on a stated date less than 20 days after filing, for no more than 120 days. The emergency action is renewable once for no more than 60 days.

Symbology in amended emergency sections. New language added to an existing section is indicated by the use of **bold text**. [Brackets] indicate deletion of existing material within a section.

TITLE 25. HEALTH SERVICES

Part I. Texas Department of Health

Chapter 97. Communicable Diseases

Control of Communicable Diseases

• 25 TAC §97.19, §97.20

The Texas Department of Health adopts on an emergency basis new §97.19 and §97.20, concerning control of communicable diseases. New §97.19 adopts by reference a model health education program/resource guide for HIV/AIDS education of school-age children. New §97.20 adopts by reference model HIV/AIDS workplace guidelines. The new sections will implement the provisions of Senate Bill 959, 71st Legislature, 1989, which requires the department to develop the guidelines.

New §97.19 covers a model health education program suitable for school-age children and is aimed at preventing the spread of the human immunodeficiency virus (HIV), which is the cause of acquired immunodeficiency syndrome (AIDS). The department will make this guide available upon request to all school districts and communities to help them develop and implement model programs specific to the values and needs of their areas. As mandated by Senate Bill 959, the major provisions of the program cover an introduction, teenage pregnancy, sexually transmitted diseases, substance abuse, child abuse, and resources.

New §97.20 covers a model workplace guideline which consists of two parts. The first part covers general provisions concerning HIV-related policies, procedures, protocols, and education programs in the workplace. Under Senate Bill 959, all state agencies shall adopt and all private employers are encouraged to adopt HIV-related workplace guidelines that incorporate at a minimum the general provisions. The second part of the model workplace guideline covers more specific provisions which are an extension of the general provisions in order to address direct care providers. Those state agencies and their contractors, as well as state licensed organizations, which provide direct client services and programs shall adopt and implement workplace guidelines similar to the specific provisions.

Each organization and agency is expected to adapt the model workplace guideline to accommodate the particular needs of the organization or agency. The major provisions

covered by the model workplace guideline are its background, safe working environment, employee management, training of management and supervisory personnel, employee assistance programs, employee education, and policy and education development and review.

The guidelines provide for an increased awareness and the promotion and adoption of personal preventive behaviors. Accurate HIV education of school-age children and the adults will promote positive attitudes for dealing with conflicts resulting from misinformation. For every case of HIV infection which is prevented, approximately \$80,000 to \$100,000 in medical costs will be saved.

The emergency basis for the adoption is that Senate Bill 959, 71st Legislature, 1989, requires that the Department develop the model resource guide and workplace guideline no later than 90 days after the effective date of Senate Bill 959 (September 1, 1989). Therefore, the Department is adopting the new sections on an emergency basis. These new sections are also proposed for permanent adoption in this issue of the *Texas Register*.

The new sections are adopted under the Human Immunodeficiency Virus Services Act, Senate Bill 959, §1.07, which provides the board of health with the authority to adopt rules to implement the Act, §25, which provides the department with the authority to develop a model public health education program suitable for school-age children, §1.04, which provides the department with the authority to develop model workplace guidelines concerning persons with HIV infection and related conditions; the Health and Safety Code, §12.001, which provides the Texas Board of Health with the authority to adopt rules for the performance of every duty imposed by law on the Texas Board of Health, the Texas Department of Health, and the commissioner of health; and Texas Civil Statutes, Article 6252-13a, §1.05, which provide the board of health with the authority to adopt rules on an emergency basis.

§97.19. Model Health Education Program/Resource Guide for HIV/AIDS Education of School-Age Children.

(a) The Texas Department of Health adopts by reference the Department publication titled, "Model Health Education Program/Resource Guide for HIV/AIDS Education of School-Age Children." The guide covers a model health education program suitable for school-age children and is aimed at preventing the spread of the human immunodeficiency virus (HIV), which is the cause of acquired immunodeficiency syndrome (AIDS).

(b) Copies of the guide are available for review and may be obtained from the Public Health Promotion Division, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78748. Copies also are available to any person or governmental agency upon request.

§97.20. Model HIV/AIDS Workplace Guidelines.

(a) The Department of Health adopts by reference the department publication titled, "Model HIV/AIDS Workplace Guidelines." The guidelines consist of two parts, as follows.

(1) The first part consists of general workplace guidelines concerning HIV-related policies, procedures, protocols, and education programs in the workplace. All state agencies shall adopt and all private employers are encouraged to adopt HIV-related workplace guidelines that incorporate at a minimum the general workplace guidelines.

(2) The second part consists of more specific workplace guidelines which are an extension of the general workplace guidelines in paragraph (1) of this subsection in order to address direct care providers. Those state agencies and their contractors, as well as state licensed organizations, which provide direct client services and programs shall adopt and implement workplace guidelines similar to the specific workplace guidelines.

(b) Copies of the guideline are available for review in the Public Health Promotion Division, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756. Copies also are available on request.

Issued in Austin, Texas, on December 11, 1989.

TRD-8911840

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Texas Department of
Health

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Expiration date: April 10, 1990.

For further information, please call: (512) 458-7405

TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part X. Texas Water Development Board

Chapter 355. Research and Planning Fund

Facility Engineering In Economically Distressed Areas

• 31 TAC §§355.70-355.80

The Texas Water Development Board (the board) adopts on an emergency basis §§355.70-355.80, concerning facility engineering in economically distressed areas under the research and planning fund. The data obtained from a facility engineering study will be used by the board to consider making a commitment to provide financial assistance to a project which will serve an economically distressed area.

The new sections establish a procedure and criteria which the board will use in making funds available through the research and planning fund to political subdivisions for up to 75% of the cost of facility engineering for water and wastewater facilities to serve economically distressed areas. An economically distressed area must: (1) be located in an affected county (which is defined as a county that has a per capita income that averaged 25% below the state average for the most recent three consecutive years for which United States Bureau of Economic Analysis statistics are available and an unemployment rate that averaged 25% above the state average for the most recent three consecutive years for which Texas Employment Commission statistics are available and is on a list maintained by the executive administrator of the Texas Water Development Board; or a county that is adjacent to an international border); 2) lack adequate water and/or wastewater services; 3) lack adequate financial resources to provide needed water and wastewater services; and 4) have 80% of the dwellings in the area occupied on June 1, 1989. The sections state that the board will adopt minimum standards for water and wastewater services. The sections define a political subdivision to be an affected county; or to be a municipality, water district, authority, or water supply corporation located in an affected county.

Using the results of previous studies and staff research, the board will ask that requests for funding for facility engineering be made for designated economically distressed areas. Several areas may be included in one request. The board will consider funding up to 75% of the cost of the facility engineering for those areas that respond to the request for designated area proposals. The final product is called the feasibility study. Much of the work required for a feasibility study must be done by a registered engineer.

After designated area proposals are considered, the board may ask undesignated areas to request funds. If such a request meets certain characteristics, it may be considered for funding.

Once the board approves funding for a study, the board staff and the applicant will work together to develop details of the work outline. The board may provide 75% of the study costs with the applicant providing the balance, with at least one-half of the applicant match in the form of a cash contribution.

The board must consider the ability of local residents to pay for water and wastewater services. An important work item for the feasibility studies will be developing data addressing this subject. The information to be assembled will be identified during evaluation of each proposal.

Some of the engineering work tasks associated with the feasibility level studies include an evaluation of the alternatives to solve the problem, a preliminary outline of facilities needed, cost estimation, and identification of funding alternatives. Special engineering work tasks include evaluation of usefulness of septic tanks, innovative treatment facilities, and use of labor. Socioeconomic tasks include developing data on resident per capita income, water and wastewater expenses, and employment.

The end product will be a report containing sufficient data so the board can consider making a commitment for financial assistance to build the physical improvements. When the board commits to financial assistance, it may also agree to fund up to 75% of the cost of the detailed plans and related items necessary to obtain construction bids and begin construction.

The board finds that there is a need to adopt these sections on an emergency basis in order to implement the Economically Distressed Areas Program as established by the 71st Legislature, 1989. The Economically Distressed Areas Program provides financial assistance to those eligible counties which contain residential areas without any or with seriously inadequate water supply and sewer services creating serious and unacceptable health hazards which threaten the public health, safety, and welfare.

The new sections are adopted on an emergency basis under the Texas Water Code, §§6.101, 15.435, and 15.472, which states that the board shall adopt rules necessary to carry out the powers and duties of the board provided by this code and other laws of the state.

§355.70. Definitions. The following words and terms, when used in this undesignated head, shall have the following meanings, unless the context clearly indicated otherwise.

Ability to pay—Rates, fees, and charges that the average customer to be served by the project will be able to pay based on a comparison of what other families of similar income who are similarly situated pay for comparable service.

Affected county—

(A) A county that has a per capita income that averaged 25% below the state average for the most recent three consecutive years for which United States Bureau of Economic Analysis statistics are available and an unemployment rate that

averaged 25% above the state average for the most recent three consecutive years for which Texas Employment Commission statistics are available and is on a list maintained by the executive administrator of the Texas Water Development Board; or

(B) A county that is adjacent to an international border.

Cost-effectiveness analysis—An analysis performed to determine which water and wastewater facility or component part will result in the minimum total monetary (resources) cost over time, without overriding nonmonetary factors, to meet federal, state, and local requirements.

Distressed areas water financing fee—A fee imposed by a political subdivision on undeveloped property.

Economically distressed area—An area within an affected county in which:

(A) water or wastewater facilities are inadequate to meet minimal water supply and wastewater needs of residential users as defined by the minimum state standards adopted by the board;

(B) financial resources are inadequate to provide water or wastewater facilities that will meet those needs; and

(C) 80% or more of the dwellings to be served by the facilities covered by an application for financial assistance were occupied on June 1, 1989.

Facility engineering—The two phases of studies and tasks that are performed to determine the engineering feasibility of water or wastewater facilities and to obtain plans and specifications for constructing the water or wastewater facilities for an economically distressed area.

Facility Engineering Phase I—The studies, tasks, and reports that are performed to determine the most cost-effective alternative to meet water and wastewater facility needs, determine the feasibility of the processed alternative, and prepare an application for board financial assistance to construct the alternative.

Facility Engineering Phase II—The tasks that yield design reports, construction drawings, technical specifications, instructions, and other contract conditions and forms needed to construct a water or wastewater facility.

Minimal wastewater needs—A system that does not create pollution or public health problems.

Minimal water supply needs—A system that meets the water quality and quantity standards for a community water system as established by the Texas Department of Health.

Political subdivision—An affected county; municipality located in an affected county; a district or authority created under Texas Constitution, Article III, §52, or Article XVI, §59, located in an affected county;

or a nonprofit water supply corporation created and operating under Acts of the 43rd Legislature, First Called Session, 1933, Chapter 76, (Texas Civil Statutes Article 1434a) located in an affected county.

Wastewater facilities—Any devices and systems which are used in the transport, storage, individual treatment, on-site treatment, cluster system treatment, centralized treatment, conservation, recycling, and reclamation of domestic waste or which are necessary to recycle or reuse reclaimed domestic wastewater at the most economical cost over the estimated life of the new works, including intercepting sewers, out-fall sewers, sewage collections systems, pumps, power equipment, septic tanks (including surface or subsurface drainage facilities and other improvements for proper functioning of septic tank systems), nonconventional treatment methods, and other equipment and their appurtenances; and extensions, improvements, remodeling, additions, and alterations to existing wastewater facilities. The term does not include devices and systems within dwellings, businesses, or institutions.

Water conservation—Those practices, equipment, fixtures, techniques, and technologies that will reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse of water so that a water supply is made available for future or alternative uses.

Water facilities—Any devices and systems which are used in the collection, supply, development, protection, storage, transmission, treatment, and retail distribution of water for safe human use and consumption. The term does not include devices and systems within dwellings, businesses, or institutions.

§355.71. Purpose and Policy.

(a) Availability. The board will make funds available through the research and planning fund to political subdivisions for up to 75% of the cost of facility engineering for water and wastewater facilities to serve economically distressed areas. At least 50% of the applicant's minimum required matching share shall be provided in the form of cash.

(b) Time to enter contract. Because of the urgent need to solve problems and due to limited funds, each applicant must enter into a contract by the third regular board meeting after the board approves its application.

(c) Completion of phases. The board will consider and may provide financing for Facility Engineering Phase II only after completion of Facility Engineering Phase I, or preparation of an equivalent product, and in conjunction with board approval of an application for financial assistance to construct water or wastewater facilities or both.

(d) Repayment of Phase II costs. Upon closing of a transaction that provides financial assistance for facility construction, the applicant will return to the board that portion of up-front assistance for Facility Engineering Phase II costs that corresponds to the determination of repayment by the board under the financial assistance.

(e) Regionalization. It is the board's policy to encourage local political subdivisions of the state to implement regional water and wastewater facilities when such facilities are appropriate, cost effective, and are supportive of the purposes of the Texas water plan and areawide water quality management plans. If a facility engineering application includes items which are ineligible under these sections, due to the regional nature of the project, the board may consider the ineligible items under other funding arrangements or may consider funding only those items which are eligible.

(f) Priority of applications. In addition to considering applications for areas designated under §355.73(a) of this title (relating to Solicitation Procedures), the board will give priority to facility engineering applications for economically distressed areas not identified as designated areas that address the most serious public health and water quality problems and that are likely to result in the successful construction and operation of water or wastewater facilities to correct such problems. In evaluating applications for areas not designated under §355.73(a) of this title (relating to Solicitation Procedures) the board will first consider applications which meet at least seven or more of the criteria listed in §355.77(b) of this title (relating to Evaluation Criteria).

(g) Subcontracting. To make the most effective use of the limited amount of funds available, the applicant will confer with the board on all significant decisions related to the Phase I and II facility engineering. The significant decisions include, but are not limited to, developing requests for proposals, selection of all subcontractors, and negotiation of subcontracts. While the board will have final approval authority for subcontracts, the board will not be a party to any subcontract, and the political subdivision receiving assistance will be solely responsible for monitoring, administering, and requiring subcontractor compliance with the terms of the board's contract with the political subdivision and terms of each subcontract.

(h) Alternative selection. To make maximum use of funds available, the board and applicant will jointly make decisions on identification of alternatives, selection of a recommended alternative, and the method and timing of implementation.

(i) Preapplication conference. It is the board's policy that potential applicants participate in a pre-application conference by contacting the board's staff and arranging a mutually convenient time and place to

receive instruction and guidance on aspects related to preparing a financial assistance application for facility engineering.

§355.72. *Applicability.* The board will consider applications and may enter into contracts with political subdivisions to provide funding from the research and planning fund to develop facility engineering for water and wastewater facilities to serve economically distressed areas.

§355.73. Solicitation Procedures.

(a) Applications for designated areas.

(1) The board may solicit applications from political subdivisions for specific economically distressed areas designated by the board which lack adequate water or wastewater facilities.

(2) The board will specify the location, type, and scope of project for which facility engineering applications will be solicited. The board will publish information on the solicitation in the *Texas Register*, and the solicitation will include a timetable for submitting facility engineering applications. Solicitations for facility engineering applications will include the following:

(A) a description of the facility engineering objectives;

(B) a description of funding considerations;

(C) an explanation of evaluation criteria;

(D) a deadline and address for application submission;

(E) a target date for contract award;

(F) requirements for application contents; and

(G) the designation of a contact person to provide additional information.

(3) Publishing a solicitation does not obligate the board to make an award.

(b) Applications for undesignated areas.

(1) The board will consider applications for water and wastewater facility engineering for areas not designated under subsection (a) of this section provided the applications satisfy the eligibility criteria in §355.74 of this title (relating to Criteria for Eligibility of Political Subdivisions) and the

requirements of §355.77(b) of this title (relating to Evaluation Criteria). Applications for areas not designated under subsection (a) of this section will be considered in accordance with §355.71 of this title (relating to Purpose and Policy) and in accordance with the criteria established in §355.77 of this title (relating to Evaluation Criteria).

(2) The board will periodically publish notices in the *Texas Register* that applications for areas not designated under subsection (a) of this section will be accepted. The announcement will indicate the period during which applications may be submitted for consideration.

(3) The content of an application for an area not designated under subsection (a) of this section will be the same as for an application for a designated area.

§355.74. Criteria for Eligibility of Political Subdivisions. Political subdivisions must meet the appropriate requirements of this section before the board may provide financial assistance for facility engineering.

(1) The political subdivision must be located within an affected county, except as provided in paragraph (7) of this section.

(2) A county within which the political subdivision applying for assistance is wholly or partially located must have adopted and be enforcing the model subdivision rules required by the Texas Water Code, §16.343. If a county does not have the authority to adopt the model subdivision rules, the application for facility engineering must contain a resolution committing the county commissioners court to adopt and implement the model subdivision rules at such time as the county obtains the authority to do so.

(3) A municipality which applies for financial assistance or within which a political subdivision applying for assistance is wholly or partially located must have adopted and be enforcing the model subdivision rules required by the Texas Water Code, §16.343, if the economically distressed area is partially or wholly located inside the incorporated limits of the municipality.

(4) A municipality within whose extra-territorial jurisdiction the political subdivision applying for assistance is wholly or partially located may adopt and enforce the model subdivision rules described in the Texas Water Code, §16.343, if the economically distressed area is partially or wholly located inside the extra-territorial jurisdiction of the municipality.

(5) A political subdivision applying for facility engineering assistance must have the concurrence, in the form of an official governing body resolution, of each entity holding a certificate of public convenience and necessity that is for the same type of service to be addressed in the

proposed facility engineering study and that is in the same area addressed by the application.

(6) A district or a nonprofit water supply corporation may apply for assistance from the board if the eligible county or municipality in which the economically distressed area is located do not intend to apply for financial assistance for the same project in the same area and the eligible county or municipality approve by resolution the district's or nonprofit water supply corporation's submittal of an application for financial assistance.

(7) If, after submission of a financial assistance application, the county average per capita income increases or the average unemployment rate decreases so that the county no longer meets the definition of affected county in §355.70 of this title (relating to Definitions), the political subdivision submitting the application will continue to be eligible for the financial assistance originally requested, provided the application is not substantially amended.

(8) The applicant must present evidence from the Texas Department of Health that there is an authorized agent, under 25 TAC §301.105 (relating to Delegation Procedures/Sections for Local Entities), that has jurisdiction over the project area.

§355.75. Submission of Applications.

(a) General. A separate application shall be submitted for each phase of facility engineering. The applicant shall submit 10 copies of the application.

(b) Phase I completion requirement. Financial assistance for Facility Engineering Phase II will not be awarded until all required Facility Engineering Phase I work is completed and approved by the board.

(c) Application contents. An application for Facility Engineering Phase I or Phase II shall consist of the following:

(1) legal name and address of applicant;

(2) type of facilities for which facility engineering will be prepared;

(3) citation of laws under which the applicant was created and is authorized to plan, develop, and operate water or wastewater facilities;

(4) a map showing the geographic area to be addressed by the facility engineering and a justification for the boundaries. The application must identify any other areas within reasonable distance of the proposed area, as determined by the executive administrator, that may need service or areas that do not meet the 80% occupancy requirement and why facility engineering cannot be performed for those areas;

(5) description of existing water and wastewater facilities in the economically distressed area;

(6) documentation of the inadequacy of existing water and wastewater facilities;

(7) a description of the relationship to, and effect of, any proposed water or wastewater facility engineering project on other water or wastewater plans or facilities in the facility engineering areas and the surrounding region, if any;

(8) assurances with respect to wastewater facility engineering that the proposed alternative developed and recommended will conform to a certified water quality management plan or will be submitted for certification in a conforming amendment;

(9) a list of the work tasks consistent with §355.76 of this title (relating to Scope of Facility Engineering Phases) and a time schedule for the tasks to be completed;

(10) the cost of the facility engineering phase, showing the total budget, the amount eligible for facility engineering assistance, and the following:

(A) the amount of funds being requested from the board;

(B) a budget for each individual task to be performed by the applicant;

(C) a budget for each cost element or object class category to be incurred by the applicant, including salaries and wages, fringe benefits, travel, expendable supplies, sub-contract services, technical or computer services, communication, reproduction, overhead or indirect expenses, and profit;

(D) a budget for each individual task to be subcontracted;

(E) an estimated cost element or object class budget for subcontract services. The subcontract services budget will be provided at the same level of detail as required for the applicant's budget;

(11) assurance that implementation of the recommended alternative will be diligently pursued;

(12) if the facility engineering phase is to be prepared through subcontracts, a draft of the request for proposals or an unexecuted draft of the subcontract, including cost and pricing information, a listing of staff qualifications and direct experience, and additional information on subcontract requirements for specialized services or expertise;

(13) qualifications of any political subdivision staff and detailed tasks to be performed that will be paid, in whole or in part, from board funds and the amount budgeted for staff;

(14) a detailed explanation of the in-kind contribution to be provided and the source of the in-kind contribution;

(15) all information necessary to evaluate the application under §355.77 of this title (relating to Evaluation Criteria);

(16) documentation that financial resources available to the economically distressed area are inadequate to provide adequate water or wastewater facilities to the economically distressed area;

(17) evidence that at least 80% of the dwellings to be served by the facility engineering covered by an application for funds or financial assistance were occupied on June 1, 1989;

(18) evidence of political subdivision eligibility in accordance with §355.74 of this title (relating to Criteria for Eligibility of Political Subdivisions) including:

(A) documentation evidencing the required adoption and enforcement of the model subdivision rules;

(B) if the applicant is a water supply corporation or a district, a resolution from the county or municipality with jurisdiction over the project area that evidences county or municipal approval of the application submittal;

(C) concurrence of all holders of certificates of convenience and necessity within the project area; and

(19) any other information required by the executive administrator.

(d) Additional Phase II application requirements. In addition to the requirements of subsection (c) of this section, an application for Facility Engineering Phase II shall contain the following information:

(1) evidence of submission of a completed and approved facility engineering plan; and

(2) an application for financial assistance for the construction of water or wastewater facilities.

§355.76. Scope of Facility Engineering Phases.

(a) Required Facility Engineering Phase I tasks. An application for Facility Engineering Phase I assistance shall provide for the completion of the tasks described in this subsection. All applicable reports and plans shall be signed and sealed by a professional engineer in accordance with the Texas Engineering Practice Act, Texas Civil Statutes, Article 3271a.

(1) A facility plan which shall consist of:

(A) incorporation of appropriate data from applicable existing planning reports;

(B) an analysis and explanation of the problems and needs within the economically distressed area and the total project area including:

(i) existing and projected population;

(ii) existing water and wastewater facilities;

(iii) existing and projected water supply and water demand;

(iv) wastewater characterization;

(v) infiltration inflow analysis, if applicable;

(vi) ability of the dwellings to utilize future water and wastewater facilities; and

(vii) family, household, and per capita income;

(C) a description of the efforts that residents have taken to provide necessary adequate water and wastewater facilities;

(D) the identification, selection, and evaluation of alternatives, including preparation of a cost-effectiveness analysis of the alternatives for providing adequate water and wastewater facilities. For wastewater, alternatives include septic tanks and other on-site systems; regional and non-regional systems; conventional treatment technologies; nonconventional treatment technologies, such as rock reed, root zone, ponding, irrigation, or other technologies that may have been developed by NASA and the Tennessee Valley Authority; and revenue generating alternatives. The alternative evaluation will also consider facilities which will allow for greatest utilization of local labor during facility construction, operation, and maintenance;

(E) environmental data and analysis in accordance with §363.253 of this title (relating to Facility Engineering Requirements) and/or §375.35 of this title (relating to Required Environmental Review and Determinations);

(F) a water conservation and emergency water shortage plan for the applicant and an explanation of how water conservation will be incorporated into the provision of adequate water and wastewater facilities both to and in dwellings in the economically distressed area;

(G) documentation of consultation with residents of the economically

distressed areas to determine the most economical solution without overriding social or environmental factors, evidence of individual user commitment to utilize the facilities, and documentation of public consent for the construction of water and wastewater facilities to serve the economically distressed area. This may involve support of an advisory committee made up of residents from the economically distressed area and other areas;

(H) a description of the proposed facilities, including an identification of any existing facilities to be acquired, replaced, enlarged, or improved;

(I) preliminary engineering design data, including documentation of consistency with the minimum state standards required by the Texas Water Code, §16.343, and documentation of consistency with the county map required under Texas Civil Statutes, Article 4477-7e, §6A;

(J) detailed construction cost estimates for each segment of construction, estimates of the operation and maintenance costs for the recommended facilities, and a separate calculation of both construction and operation and maintenance costs on a per dwelling basis. Separate costs for the dwelling rehabilitation needed to allow use of the water and wastewater facilities will also be provided;

(K) details or drafts of any proposed interlocal agreement or other agreements or contracts needed to implement the project;

(L) a detailed implementation schedule for designing, permitting, financing, and constructing the facilities, and for any other major milestones. If the project is to be phased, major milestones, costs, and descriptions for each component and segment of the project shall be provided; and

(M) if a dam and reservoir project is to be part of the recommended alternative, all additional information required by §363.55 of this title (relating to Required Engineering Feasibility Data for Water Projects).

(2) A determination of the amount of funds available from federal, state, local, and private organizations for Facility Engineering Phase II, construction, and operation of the recommended facilities shall be provided. This includes the county contribution required by the Texas Water Code, §17.893(d).

(3) A user charge system, including the analysis of a distressed areas water financing fee and an assessment of the ability to pay by the residents of the

economically distressed area, shall be developed and provided.

(4) Documentation of the number of dwellings occupied on June 1, 1989, the number of dwellings currently unoccupied, and number of dwellings to be served by the project within the facility engineering area and the economically distressed area shall be developed and provided.

(5) A determination of the feasibility of creating a conservation and reclamation district in lieu of the board providing financial assistance under the Texas Water Code, Chapter 17, Subchapter K, shall be provided.

(b) **Optional Facility Engineering Phase I tasks.** The Facility Engineering Phase I assistance shall include the items of work described in this subsection if approved or required by the board:

(1) an appraisal of the value of real property needed for the water and wastewater facilities. In the absence of condemnation powers, the political subdivision shall determine the availability of title, easements, and rights-of-way needed to implement the project;

(2) a determination of the availability of surface water and the right to utilize groundwater, the preparation of applications for necessary water rights permits, and the preparation of purchase contracts;

(3) the preparation of applications for necessary state and federal wastewater permits. Facility Engineering Phase I may not include activities associated with administrative or legal proceedings by regulatory agencies;

(4) a determination of the areal extent of existing certificates of convenience and necessity and the preparation of an application for a certificate of convenience and necessity in accordance with Chapter 219, Subchapter G of this title (relating to Certificates of Convenience and Necessity); and

(5) investigations and health studies that provide adequate information for the Texas Department of Health to determine the severity of public health problems within the economically distressed area.

(c) **Required Facility Engineering Phase II tasks.** Facility Engineering Phase II assistance shall include:

(1) preparation of construction drawings and specifications, including contract documents needed to construct the water or wastewater facility;

(2) preparation of final engineering design reports required to obtain state and federal agency design approval; and

(3) surveys and soil tests needed to design facilities.

§355.77. Evaluation Criteria.

(a) **General evaluation criteria.** The board will evaluate water or wastewater facility engineering applications for designated and undesignated areas according to the following criteria:

(1) an indication that the facility engineering will not duplicate adequate or ongoing water or wastewater facility engineering within the economically distressed area;

(2) the probability that the facility engineering will result in the implementation of adequate water and wastewater facilities for the economically distressed area;

(3) the severity of inadequate water and wastewater facilities and of raw water availability, water supply, or water quality problems, including violations of public drinking water standards, ambient water quality criteria, or wastewater effluent limitations;

(4) the urgency of addressing water or wastewater problems;

(5) the extent, if any, to which the facility engineering would promote conversion from groundwater to surface water sources;

(6) the number of residents in the economically distressed area to be served by the proposed facilities;

(7) the need for the applicant to receive state financial assistance in order to conduct needed water or wastewater facility engineering;

(8) the ability of the applicant to provide the matching funds and in-kind contributions for facility engineering; and

(9) the extent to which the facility engineering will result in the water or wastewater facilities being provided as a part of a regional system.

(b) **Priority evaluation criteria for undesignated area applications.** An application for an economically distressed area not designated under §355.73(a) of this title (relating to Solicitation Criteria) must meet seven or more of the criteria of this subsection to receive priority consideration:

(1) documentation, acceptable to the board, from Texas health officials that a severe public health problem exists in the economically distressed area due to inadequate water or wastewater facilities.

(2) the cumulative population of the economically distressed area is greater than 100 residents;

(3) the average density of the economically distressed area is equal to or greater than three dwellings per acre;

(4) the application is for assistance to more than one discreet economically distressed area;

(5) the water supply, if any, serving the economically distressed area does not meet Texas Department of Health minimum standards for a public water supply;

(6) the applicant already provides water and or wastewater service;

(7) the economically distressed area is within an average distance of 1/2 mile from an existing adequate water or wastewater system and is likely to be connected to the system;

(8) the applicant will contribute more than 30% of the funds to the phase of facilities engineering for which funds are being requested;

(9) the economically distressed area covered by the application was included in a regional facilities plan, and the plan identified feasible alternative water or wastewater facilities;

(10) the applicant has an adequate water supply and the water rights necessary to serve the economically distressed area; and

(11) implementation of a recommended alternative has the potential to alleviate an international or interstate pollution problem.

§355.78. Disbursement of Contracted Funds and Cost Accounting.

(a) **Contracts.** If an application is approved, the board will enter into a contract with the applicant. The contract shall contain terms and conditions considered appropriate to protect the interests of the state and the applicant. The contract shall, at a minimum, establish the scope of the work to be conducted; the schedule of work; the beginning and ending dates of work; the incremental and total amounts of funding, including task and cost element or object class expense budgets; billing and payment terms; coordination and reporting requirements; accounting and auditing procedures; liability and termination provisions; and other special and general contractual conditions requiring compliance. An approved applicant shall execute the contract and provide any required assurances, including written evidence of the availability of the local matching share, by the third regular board meeting following the approval of the original application.

(b) **Subcontracts.** An approved applicant may not enter into a subcontract to perform eligible facility engineering until the subcontract has been approved in writing by the executive administrator. Professional service contractors shall be selected by the applicant after conferring with the board. Contractor selection shall be carried out in accordance with the Professional Services Procurement Act, Texas Civil Statutes, Article 664-4 and, then applicable, the Uniform Grant and Contract Management Standards.

(c) Method of payment. Applicants will be paid on an actual cost reimbursement basis, which may include both fixed fee and time, material, and labor contracts, as provided for in the State Purchasing and General Services Commission's regulations and board policies and procedures. All expenses shall adhere to the contract budget. Applicant billings must be submitted on a State of Texas purchase voucher and be accompanied by sufficiently detailed invoice information from the contractor and subcontractors, acceptable to the executive administrator, to verify the authenticity of billing charges and amounts. At a minimum, invoices shall fully document labor charges, including the names of the individuals and the numbers of hours worked on individual tasks and the individual hourly charge; travel charges, including copies of tickets and other transportation receipts, copies of lodging receipts, and itemized subsistence expenses by individual, by date and location; direct cost reimbursable charges, including receipts and invoices including the expense item and the reason for the expense; in-kind contributions; and depending on the type of contract fringe, overhead or indirect, and profit charges. Each voucher shall also contain a written summary of the tasks performed during the billing period and the costs for each task. All contracts and subcontracts shall provide that 5.0% of the board's share of each progress payment be retained by the board for final payment until after receipt and acceptance of all required reports and documentation. All contract payments shall be made in accordance with the Prompt Payment Act, Texas Civil Statutes, Article 601f and, when applicable, the Uniform Grant and Contract Management Standards. The contractor shall be fully responsible for paying subcontractors before requesting reimbursement from the board.

(d) Records. Applicants, contractors, and subcontractors shall maintain financial accounts, documents, and records that are acceptable to the board. All records shall be made available for examination and audit by the staff of the board and the state. Accounting by applicants, contractors, and subcontractors shall be in a manner consistent with generally accepted accounting procedures. All records will be retained for a minimum period of three years, and records shall be retained beyond the three years if litigation, a claim, or an audit is in process or if audit findings are not resolved. The three-year period will begin upon final payment of the funds retained by the board.

(e) Uniform Grants and Contract Management Standards. To the extent deter-

mined to be applicable by the board, the applicant will be subject to the requirements of the Uniform Grants and Contract Management Act, Texas Civil Statutes, Article 4413(32g).

(f) Capital equipment. Capital equipment shall not be purchased with facility engineering assistance.

(g) Project budgets. Budgets in applications shall be based upon fair and reasonable rates for all cost items. The board reserves the right to require specific information to explain and justify each cost element, including salary rates for professional and administrative staff, fringe benefits, overhead or indirect charges, and profits. The applicant shall negotiate budgets by following the procurement standards established in the Professional Services Procurement Act and, as determined to be appropriate by the board, the Uniform Grant and Contract Management Standards. Variances of 5.0% or greater in the individual task budget or cost elements in the object class budget will require a contract amendment.

§355.79. Dissemination of Results.

(a) Phase I reports. Phase I results of all facility engineering projects completed under contract with the board will be submitted by the applicant in the form of a written report accompanied by all final products, which will then become public information. A minimum of five copies of all draft reports and 12 copies of all final reports shall be delivered to the board. The applicant and subcontractors shall be available for brief presentations of results as required by the executive administrator.

(b) Phase II reports. Phase II results of all facility engineering projects completed under contract with the board will be submitted by the applicant in the form of a written report, which will then become public information. A minimum of four copies of all final products shall be delivered to the board. The applicant and subcontractors shall be available for brief presentations of results as required by the board.

(c) Copyrights and patents. In the absence of statutory or contractual limitations, the contractor may apply for patents on any discoveries made through the facility engineering project. If the contractor does not wish to make the application, the state may request and receive title to the discovery. If the contractor receives a patent, the State of Texas and its political subdivisions shall be entitled to an irrevocable, non-exclusive, royalty-free license to use the discovery for governmental purposes. Specific provisions will be included

in each contract to establish eventual ownership of results and potential patents, copyrights, and licenses at the conclusion of all facility engineering projects.

§355.80. Review and Inspection. The applicant will provide to the board:

(1) a monthly, or as often as otherwise required by board rules or contract, accounting of expenditures for facility engineering during the preceding month or other required period; and

(2) additional information, as requested by contract or by the executive administrator, to monitor compliance with the terms and conditions of the financial assistance.

Issued in Austin, Texas, on December 7, 1989.

TRD-891741

Suzanne Schwartz
General Counsel
Texas Water Development
Board

Effective date: December 7, 1989

Expiration date: April 6, 1990

For further information, please call: (512) 463-7981

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services Chapter 1. Presumptive Medicaid Eligibility for Pregnant Women

Eligibility Requirements

• 40 TAC §§1.1, 1.3, 1.5, 1.7, 1.9

The Texas Department of Human Services is renewing the effectiveness of the emergency adoption of new §§1.1, 1.3, 1.5, 1.7, and 1.9, for a 60-day period effective December 30, 1989. The text of new §§1.1, 1.3, 1.5, 1.7, and 1.9 was originally published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 5491).

Issued in Austin, Texas, on December 11, 1989.

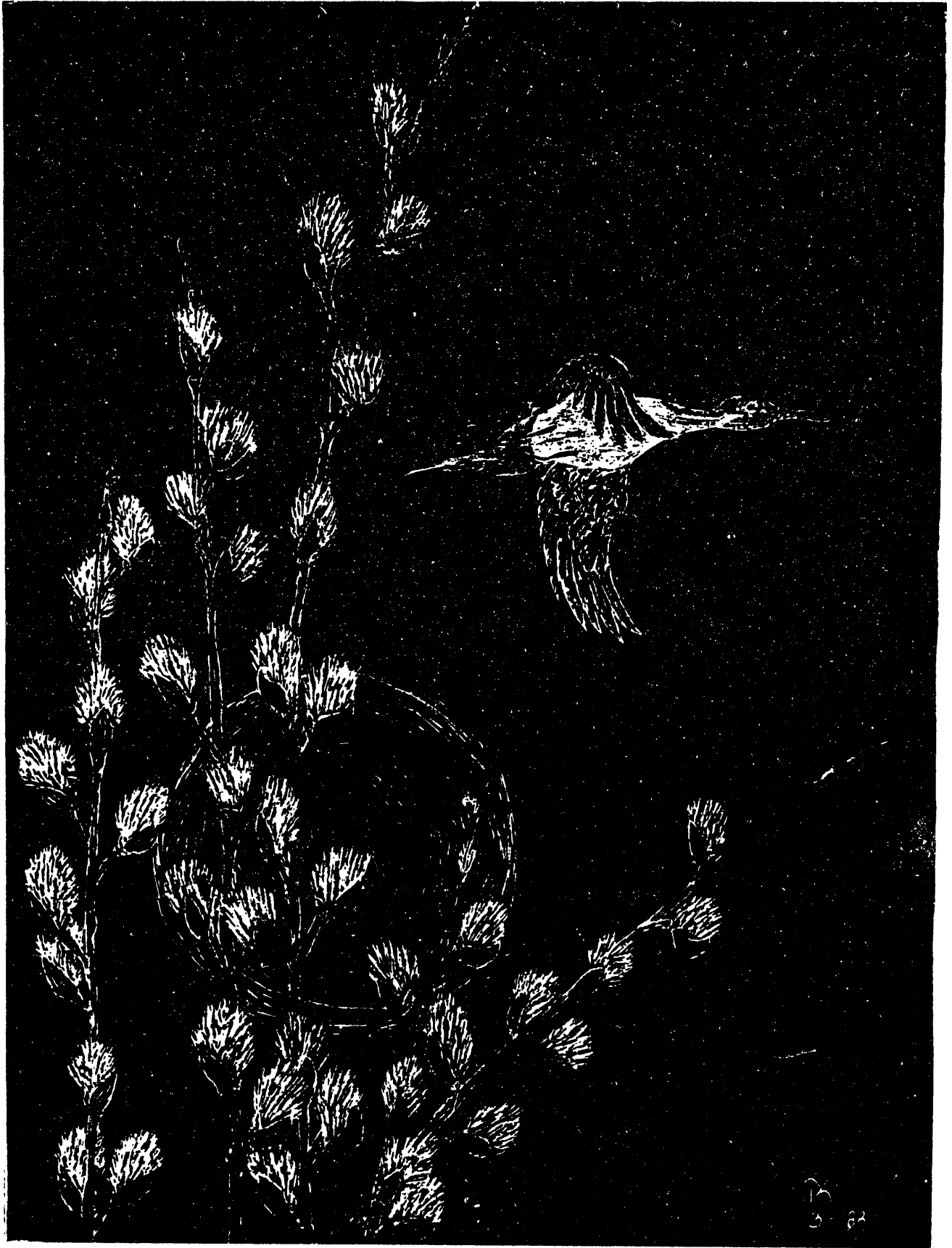
TRD-891868

Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Effective date: December 30, 1989.

Expiration date: February 28, 1990.

For further information, please call: (512) 450-3765



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Proposed Sections

Before an agency may permanently adopt a new or amended section, or repeal an existing section, a proposal detailing the action must be published in the *Texas Register* at least 30 days before any action may be taken. The 30-day time period gives interested persons an opportunity to review and make oral or written comments on the section. Also, in the case of substantive sections, a public hearing must be granted if requested by at least 25 persons, a governmental subdivision or agency, or an association having at least 25 members.

Symbology in proposed amendments. New language added to an existing section is indicated by the use of bold text. [Brackets] indicate deletion of existing material within a section.

TITLE 19. EDUCATION

Part I. Texas Higher Education Coordinating Board

Chapter 25. Administrative Council

Subchapter B. Administration of the Texas State College and University Employees Uniform Insurance Benefits Program

• 19 TAC §25.32 §25.50

The Texas Higher Education Coordinating Board proposes amendments to §25.32 and §25.50, concerning administration of the Texas State College and University Employees Uniform Insurance Benefits Program. The purpose of these amendments is to bring the Administrative Council's rules and regulations into conformance with Senate Bill 490, which was enacted during the 71st Legislature. The effective date of Senate Bill 490 was September 1, 1989.

Kathy Lewis, director, higher education insurance program, has determined that for the first five-year period the sections are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Ms. Lewis also has determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be to permit former employees of institutions of higher education who are eligible to retire under the Teacher Retirement System (as amended by Senate Bill 490 which decreased the vesting period from 10 years to five years) to enroll as a retiree under the institution's health insurance program. There will be no effect on small businesses as a result of enforcing the sections. There is no anticipated economic cost to persons who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to Kathy Lewis, Director, Higher Education Insurance Program, Texas Higher Education Coordinating Board, P.O. Box 12788, Austin, Texas 78711.

The amendments are proposed under the Texas Insurance Code, Article 3.50-3, which provides the Administrative Council with the authority to adopt rules and regulations consistent with the provision of the Act to carry out its statutory responsibilities.

§25.32. Definitions. The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

Retired employee—Any former employee, regardless of date of retirement, who retires or has retired and who receives or is eligible to receive benefits under a retirement provision under the jurisdiction of:

(A) the Teacher Retirement System of Texas, pursuant to the Texas Government [Education] Code, Title 8, Chapter 824 [3], as amended, provided; however, that the employee has at least 10 years of state service credit under ORP, TRS, or ERS (including public community/junior college service) or a combination thereof. The 10 years of state service credit is waived for employees who:

(i)-(ii) (No change.)

(iii) have the same number of years of state service credit as public school service and their last place of employment in a benefits eligible status was at an institution of higher education in Texas; or[.]

(iv) have less than 10 years of total service credit in TRS (either state or public school).

(B) the Optional Retirement Program, Texas Government [Education] Code, Title 8, Chapter 830 [51. 351 et.seq.], as amended, provided; however, that the employee has at least five [10] years of state service credit under ORP, TRS, or ERS (including public community/junior college service), or a combination thereof, and any withdrawn TRS or ERS state service credit when the withdrawal is made in conjunction with the election to enroll in ORP or if the ORP election precludes the repurchase of with service credit under TRS or ERS and is at least 55 years of age (no age limit with 30 years service credit);

(C) the Employees Retirement System of Texas, Texas Government Code, Title 8, Chapter 814 [352, 50th Legislature, 1947], as amended [(Texas Civil Statutes, Article 6228a), as authorized by Chapter 75, 54th Legislature, 1955, as

amended (Texas Civil Statutes, Article 6228a-2)], provided; however, that the employee has at least 10 years of state service credit under ORP, TRS, or ERS (including public community/junior college service), or a combination thereof, and whose last state employment (including community/junior college employment) prior to retirement was as an employee of an institution of higher education in Texas in a benefits eligible status;

(D) any other federal or state statutory retirement program to which the institution has made employer contributions, provided; however, that the employee has at least five [10] years of state service credit under ORP, TRS, or ERS (including public community/junior college service), or a combination thereof; and further provided that the individual is not a former member of ORP, TRS, or ERS who has voluntarily forfeited retirement benefits, except that TRS or ERS state service credit withdrawn in conjunction with the election to enroll in ORP or if the ORP election precludes the repurchase of withdrawn state service credit under TRS or ERS shall not be considered as voluntary forfeiture. However, persons who have rendered the appropriate amount of state service, but who are not eligible for a retirement benefit without establishing credit for all previous unreported eligible service under TRS, may retire under this section.

(E) (No change.)

§25.50. Coverage for Dependents.

(a) (No change.)

(b) As a minimum standard, a surviving spouse and/or dependents who are covered by the group at the time of death of a retiree, an employee who is at least age 55 with at least five [10] years of state service creditable under either ORP, TRS, or ERS (including public junior/community college service), or an employee at any age with 30 [20] or more years of state service creditable under either ORP, TRS, or ERS (including public junior/community college service) may, at their option, continue such coverage indefinitely, subject to continued payment of group premiums for the surviving spouse and/or dependents. Upon leaving the group, the spouse and/or dependents

have the right to convert to an individual policy without evidence of insurability, if applied for within 31 days of termination of group status.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911836

Kathy Lewis
Director, Higher Education
Insurance Program
Texas Higher Education
Coordinating Board

Earliest possible date of adoption: January 15, 1989

For further information, please call: (512) 462-6420

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• 19 TAC §25.34

The Texas Higher Education Coordinating Board proposes an amendment to §25.34, concerning administration of the Texas State College and University Employees Uniform Insurance Benefits Program. The purpose of the proposed amendment is to bring the Administrative Council's rules and regulations into conformance with House Bill 2609, which was enacted during the 71st Legislature. The effective date of House Bill 2609 was September 1, 1989.

Kathy Lewis, director, higher education insurance program, has determined that for the first five-year period the section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Ms. Lewis also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be to provide a waiver of pre-existing conditions exclusions in health insurance policies for employees who transfer between the Uniform Group Insurance Program for state employees and state institutions of higher education or between state institutions of higher education (excluding public junior community colleges). There will be no effect on small businesses as a result of enforcing the section. There is no anticipated economic cost to individuals who are required to comply with the section as proposed.

Comments on the proposal may be submitted to Kathy Lewis, Director, Higher Education Insurance Program, Texas Higher Education Coordinating Board, P.O. Box 12788, Austin, Texas 78711.

The amendment is proposed under the Texas Insurance Code, Article 3.50-3, which provides the Administrative Council with the authority to adopt rules and regulations consistent with the provision of the Act to carry out its statutory authority.

§25.34. *Basic Procedural and Administrative Practices.*

(a) Basic coverage shall be made available to all eligible employees upon their first day in a pay status. Such coverage

shall become automatic unless waived in writing by the employee. A pre-existing conditions exclusion may be applied to employees, retired employees, and their eligible dependents for initial coverage or coverage changes. The exclusion may provide that no benefits be available during the first 12 months of coverage for any diagnosed condition for which the insured was seen by a physician or received treatment during the 6 months prior to the effective date of coverage. The exclusion will not apply to:

(1) children born on or after the effective date of the employee's coverage; or

(2) an employee (including dependents covered at the time of the transfer) who transfers employment with no break in service from another state institution of higher education in Texas (excluding public community/junior colleges) or from a Texas state governmental agency or department to an institution of higher education (excluding public community/junior colleges) on or after September 1, 1989.

(b)-(n) (No change.)

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

Issued in Austin, Texas on December 8, 1989.

TRD-8911835

Kathy Lewis
Director, Texas Higher
Education Coordinating
Board

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 462-6420

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Part II. Texas Education
Agency

Chapter 75. Curriculum

Subchapter B. Essential
Elements-Prekindergarten-
Grade Six

The Texas Education Agency proposes amendments to §§75.24, 75.25, and 75.43, concerning essential elements. The amendments are proposed to provide consistency in the format of the curriculum rules adopted by the State Board of Education at its October 1989 meeting and published in the October 27, 1989, issue of the *Texas Register* (14 TexReg 5729).

Lynn Moak, deputy commissioner for research and development, has determined that for the first five-year period the proposed sections are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Mr. Moak and Criss Cloude McCuller, director for planning coordination, also have determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be consistency in the format of the State Board of Education's curriculum rules and the restoration of mathematics courses which were inadvertently deleted through administrative error. There will be no effect on small businesses as a result of enforcing the sections. There is no anticipated economic cost for individuals who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to Criss Cloude McCuller, Office of Planning Coordination, 1701 North Congress Avenue, Austin, Texas, 78701, (512) 463-9701. All requests for a public hearing on proposed sections submitted in accordance with the Administrative Procedure and Texas Register Act must be received by the commissioner of education not more than 15 calendar days after notice of a proposed change in sections has been published in the *Texas Register*.

• 19 TAC §75.24, §75.25

The amendments are proposed under the Texas Education Code, §21.101, which authorizes the State Board of Education to make rules concerning the well-balanced curriculum.

§75.24. *Mathematics.*

(a)-(g) (No change.)

[(h) Essential elements for mathematics, grades one-six, as described in paragraphs (1)-(6) of this subsection shall be effective September 1991.]

(h)[(1)] Mathematics, grade one. Essential elements for mathematics, grade one, as described in this subsection shall be effective September 1991. Mathematics, grade one, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A) [(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade one;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations, and functions. Use of models and patterns to develop the concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] identify and describe patterns in real-life situations;

(B)[(ii)] identify and extend patterns made up of sets of concrete objects, symbols, or shapes;

(C)[(iii)] order objects according to a given attribute; and

(D)[(iv)] demonstrate the relationship between the actions of joining and separating sets.

(3)[(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] compare sets by size and quantity;

(B) [(ii)] compare numbers verbally;

(C)[(iii)] explore the concept of place value;

(D)[(iv)] read and write numerals through the highest number conceptualized.

(E)[(v)] read number words;

(F)[(vi)] orally count objects by ones, twos, fives, and tens through the highest number conceptualized;

(G)[(vii)] use ordinal numbers;

(H)[(viii)] orally identify fractional parts of whole objects or sets of objects;

(I)[(ix)] identify coins; and

(J)[(x)] describe the value of coins, using real coins or concrete models of coins.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] demonstrate an understanding of addition and subtraction and their inverse relationship by joining, separating, and comparing sets of objects;

(B)[(ii)] explore multiplication and division and their inverse relationship by joining equivalent sets of objects and separating a set of objects into equivalent sets

(C)[(iii)] demonstrate properties of addition (commutative, associative, identity) with concrete models;

(D)[(iv)] use an addition or subtraction number sentence to describe the joining, separating, or comparing of sets; and

(E)[(v)] complete (write) addition and subtraction number sentences.

(5)[(E)] Measurement. Concepts and skills using metric and customary units. The student shall be provided opportunities to:

(A)[(i)] measure objects using different nonstandard units;

(B)[(ii)] identify concrete models that approximate units for centimeter, decimeter, inch, and foot;

(C)[(iii)] use concrete unit models for inches, feet, centimeters, and decimeters;

(D)[(iv)] compare two objects according to weight;

(E)[(v)] explore the concept of time; and

(F)[(vi)] read a calendar.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)[(i)] use physical materials to construct simple geometric shapes and combine shapes to form new shapes;

(B)[(ii)] identify two-dimensional shapes;

(C)[(iii)] compare three-dimensional objects describing similarities and differences using appropriate mathematical language; and

(D)[(iv)] locate the interior and exterior of plane figures.

(7)[(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] collect data;

(B) [(ii)] make pictographs and bar type graphs using objects, pictures of objects, or colored cells;

(C)[(iii)] draw conclusions and make informal predictions based on experiences or graphed data;

(D)[(iv)] identify events that are sure to happen, are sure not to happen, and those which we cannot be sure about; and

(E)[(v)] build patterns which display various arrangements of a given set of objects.

(1)[(2)] Mathematics grade two. Essential elements for mathematics, grade two, as described in this subsection shall be effective September 1991. Mathematics, grade two, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A)[(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade two;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2) [(B)] Patterns, relations, and functions. Use of models and patterns to develop the concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] identify and extend patterns of objects and symbols;

(B)[(ii)] compare and order whole numbers;

(C)[(iii)] construct a set of ordered pairs by pairing members of two sets of concrete objects according to a given rule;

(D)[(iv)] develop basic fact strategies; and

(E)[(v)] demonstrate the relationship between the actions of joining equivalent sets and separating a set into equivalent sets.

(3) [(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] write a number sentence to compare numbers, including different names for the same number;

(B)[(ii)] use concrete models of hundreds, tens, and ones to develop the concept of place value;

(C)[(iii)] use models of hundreds, tens, and ones to conceptualize, read, and write numbers;

(D)[(iv)] determine whether a number is even or odd by pairing objects in a set;

(E)[(v)] use concrete models for fractions to investigate different physical representations for the same fractional parts of whole objects or sets of objects;

(F)[(vi)] demonstrate and write the value of various collections of coins; and

(G)[(vii)] use ordinals.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computa-

tional algorithms. The student shall be provided opportunities to:

(A)[(i)] make generalizations about ordering and grouping, and identify patterns in addition and subtraction;

(B)[(ii)] demonstrate an understanding of multiplication and division and their inverse relationship by joining equivalent sets of objects and separating a set into equivalent sets;

(C)[(iii)] select the correct operation and solve real life problems involving addition and subtraction using a calculator when appropriate;

(D)[(iv)] use the inverse relationship between addition and subtraction to complete number facts;

(E)[(v)] use physical models to solve addition and subtraction problems whether or not regrouping is necessary;

(F)[(vi)] use a multiplication or division number sentence to describe modeled situations;

(G)[(vii)] recall basic addition and subtraction facts and complete addition number sentences with a missing addend;

(H)[(viii)] add two, three, or four single digit addends; and

(I)[(ix)] illustrate the connection between concrete models and the addition algorithm, and use the algorithm with two- and three-digit numbers.

(5)[(E)] Measurement. Concepts and skills using metric and customary units through the use of concrete models. The student shall be provided opportunities to:

(A)[(i)] estimate and measure the length, width, and height of objects;

(B)[(ii)] measure the weight of an object using nonstandard units;

(C)[(iii)] identify concrete models that approximate weight/mass units for pound and kilogram;

(D)[(iv)] estimate and measure the weight/mass of an object;

(E)[(v)] estimate concepts of time;

(F)[(vi)] tell time on traditional clocks; and

(G)[(vii)] solve application and nonroutine problems involving length, weight, and time.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)[(i)] identify, describe, and compare two-dimensional shapes and three-dimensional figures;

(B)[(ii)] investigate congruence and symmetry using models, drawings, and computer graphics;

(C)[(iii)] investigate perimeter using concrete models; and

(D)[(iv)] solve application and nonroutine problems involving geometry.

(7)[(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] collect and organize data;

(B)[(ii)] make pictographs and bar type graphs;

(C)[(iii)] describe data displayed on a bar graph;

(D)[(iv)] draw conclusions and make predictions based on graphed data;

(E)[(v)] solve application and nonroutine problems for situations involving graphs;

(F)[(vi)] display all arrangements of a given set of objects and identify the pattern; and

(G)[(vii)] explore the likelihood of an event occurring.

(J)[(3)] Mathematics, grade three. Essential elements for mathematics, grade three, as described in this subsection shall be effective September 1991. Mathematics, grade three, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A)[(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade three;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations and functions. Use of models and patterns to develop the concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] predict additional terms in a given pattern, describe how the pattern is created, and extend the pattern;

(B)[(ii)] record the pairing of members of two sets, determine the relationship between each pair, and use the rule to generate additional ordered pairs; and

(C)[(iii)] explore patterns of whole numbers, tenths, and hundredths using concrete and pictorial models.

(3) [(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] read, write, and use large numbers to describe meaningful situations;

(B)[(ii)] compare and order whole numbers;

(C)[(iii)] make generalizations about how to determine oddness and evenness of numbers;

(D)[(iv)] use symbols to record fractional names for concrete models of whole objects or sets of objects;

(E)[(v)] use concrete models to compare fractional parts;

(F)[(vi)] use concrete models and pictures to represent different names for the same fractional part;

(G)[(vii)] demonstrate various collections of coins and bills that equal a given value;

(H)[(viii)] write the value of a given amount of money in words; and

(I)[(ix)] develop place value concepts of tenths and hundredths using physical models.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] demonstrate with concrete models the properties of multiplication (identity, commutative, associative);

(B)[(ii)] explore multiplication and division using a variety of different models, and use patterns from explorations and Properties of whole numbers to generate multiplication facts;

(C)[(iii)] illustrate the connection between concrete materials and the subtraction algorithm, and use the subtraction algorithm to subtract numbers with and without regrouping;

(D)[(iv)] solve problems using addition and subtraction facts and algorithms, using a calculator with large numbers and/or with many addends;

(E)[(v)] determine whether a given problem can best be solved using estimation, pencil and paper calculation, or a calculator;

(F) [(vi)] use properties of operations and problem-solving strategies to do mental calculations with addition and subtraction, extending beyond fact recall; and

(G)[(vii)] and subtract money using models.

(5) [(E)] measurement. Concepts and skills using metric and customary

units. The student shall be provided opportunities to:

(A)[(i)] find the area of a figure by covering it with nonstandard units of area;

(B) [(ii)] explore the concept of perimeter using standard and nonstandard units;

(C)[(iii)] identify concrete models that approximate weight/mass units for ounce and gram;

(D)[(iv)] estimate and measure the weight/mass of an object;

(E)[(v)] estimate answers and solve application and nonroutine problems involving length, weight, and time;

(F)[(vi)] tell time on digital and traditional clocks; and

(G)[(vii)] read a thermometer and describe temperatures related to everyday situations in both Celsius and Fahrenheit.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)[(i)] identify characteristics of two- and three-dimensional figures;

(B)[(ii)] investigate congruence and symmetry;

(C)[(iii)] construct a solid to match a given solid using cubes;

(D)[(iv)] describe a three-dimensional object from different perspectives;

(E)[(v)] investigate angles; and

(F)[(vi)] identify applications of geometry in the real world.

(7)[(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] collect and record data on the frequency of events;

(B)[(ii)] make pictographs and bar-type graphs where each cell represents multiple units;

(C)[(iii)] formulate questions and make predictions based on organized data;

(D)[(iv)] solve application and nonroutine problems for situations involving graphs;

(E)[(v)] locate points on a grid; and

(F)[(vi)] build patterns displaying pairings of objects from two different sets.

(k)[(4)] Mathematics, grade four. Essential elements for mathematics, grade four, as described in this subsection shall be effective September 1991. Mathematics, grade four, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A)[(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade four;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solution; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations, and functions. Use of models and patterns to develop the concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] investigate patterns on the multiplication table;

(B)[(ii)] record the pairing of members of two sets, determine the rela-

tionship between each pair, and use the rule to generate additional ordered pairs, using a calculator or computer when appropriate; and

(C) [(iii)] explore patterns of problems with inverses in computation using a calculator or computer when appropriate.

(3)[(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] use concrete materials to represent factor pairs of numbers;

(B)[(ii)] use the patterns of factor pairs to identify prime and composite numbers;

(C)[(iii)] use concrete models to generate patterns of equivalent fractions and record the patterns;

(D)[(iv)] use physical models to represent mixed numbers;

(E)[(v)] use concrete materials to demonstrate place value concepts of decimals;

(F)[(vi)] use concrete models to compare and order decimals; and

(G)[(vii)] round whole numbers.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] select the appropriate operation and/or strategy to solve a problem and justify the selection;

(B)[(ii)] solve division problems related to multiplication facts;

(C)[(iii)] add and subtract decimals with concrete materials and record results;

(D)[(iv)] explore the volume of a rectangular solid as a geometric model for multiplication of three factors;

(E)[(v)] recall multiplication facts;

(F)[(vi)] solve application problems involving multiplication;

(G)[(vii)] solve problems involving addition, subtraction, and multiplication of large numbers using calculators; and

(H)[(viii)] use properties of operations and problem-solving strategies to do mental calculations, extending beyond fact recall.

(5) [(E)] Measurement. Concepts and skills using metric and customary units. The student shall be provided opportunities to:

(A)[(i)] measure areas using grids;

(B)[(ii)] find perimeters using standard and nonstandard units;

(C)[(iii)] use the concept of perimeter to solve problems;

(D)[(iv)] measure the capacity of a container using nonstandard units;

(E)[(v)] identify concrete models that approximate capacity units;

(F)[(vi)] estimate and measure the capacity of a container;

(G)[(vii)] solve application and nonroutine problems involving length, weight, time, and capacity; and

(H)[(viii)] determine the amount of time elapsed in a problem-solving situation.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)[(i)] illustrate the reflection, rotation, and translation of geometric figures using concrete models;

(B)[(ii)] investigate patterns generated by changing geometric shapes, using models and computer graphics when appropriate;

(C)[(iii)] compare and contrast angles in relationship to right angles; and

(D)[(iv)] identify and construct models of intersecting lines, parallel lines, perpendicular lines, right angles, and related two- and three-dimensional figures.

(7) [(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] collect, record, and organize data into tables, charts, bar graphs, and line graphs;

(B)[(ii)] formulate questions and make predictions based on organized data;

(C)[(iii)] plot points on a coordinate plane that represent ordered pairs of whole numbers arising from problem situations;

(D)[(iv)] solve application and nonroutine problems for situations involving graphs;

(E)[(v)] explore proportions by reducing or enlarging drawings using grids;

(F)[(vi)] list the possible outcomes in a given situation; and

(G)[(vii)] display all arrangements of a set of objects and identify the pattern

(1)[(5)] Mathematics, grade five. Essential elements for mathematics, grade five, as described in this subsection shall be effective September 1991. Mathematics, grade five, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A) [(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade five;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations, and functions. Use of models and patterns to develop the concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] investigate patterns that occur when changing numerators and denominators of fractions beginning with concrete models and extending to calculator investigations;

(B)[(ii)] use patterns to explore the rules for divisibility; and

(C)[(iii)] investigate patterns of powers of 10 (exponents and expanded notation) using a calculator or computer when appropriate.

(3)[(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] find common factors of a set of numbers;

(B)[(ii)] use factors and multiples to write equivalent fractions;

(C)[(iii)] write the common denominator of two or more fractions;

(D)[(iv)] compare and order fractions in both standard and decimal form;

(E)[(v)] identify the prime factors of a number;

(F)[(vi)] read, write, and represent decimals;

(G)[(vii)] round whole, fractional, and decimal representations of numbers; and

(H)[(viii)] develop the concept of ratio using models.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] use concrete models to estimate answers to problems involving addition and subtraction of fractions;

(B)[(ii)] select an appropriate operation and/or strategy to solve a problem and justify the selection;

(C)[(iii)] solve problems involving addition, subtraction, and multiplication;

(D)[(iv)] solve division problems with divisors that are less than 10 or multiples of 10 using the division algorithm;

(E)[(v)] add and subtract decimals; and

(F)[(vi)] estimate whole number and decimal calculations by rounding.

(5)[(E)] Measurement. Concepts skills using metric and customary units. The student shall be provided opportunities to:

(A)[(i)] use models to develop and apply formulas for the area of a square, rectangle, triangle, and parallelogram;

(B)[(ii)] develop and apply formulas for the circumference of a circle, using estimation when appropriate;

(C)[(iii)] estimate and solve application and nonroutine problems involving perimeter and area;

(D)[(iv)] measure volume using nonstandard units;

(E)[(v)] identify and use concrete models that approximate volume units;

(F)[(vi)] estimate volume and check the estimate by actual measurement;

(G)[(vii)] describe the relationship between volume units in the metric system such as cubic decimeter and liter, cubic centimeter, and milliliter;

(H)[(viii)] apply measurement concepts and rounding techniques to application problems involving length, weight, capacity, and volume; and

(I)[(ix)] use the relationship between units to convert measures within the same measurement system.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be pro-

vided opportunities to:

(A)[(i)] construct examples of symmetric and congruent figures;

(B)[(ii)] construct examples of reflections, rotations, and translations;

(C)[(iii)] construct circles and identify the radius, diameter, chord, center, and circumference of circles;

(D)[(iv)] measure and draw angles using a protractor;

(E)[(v)] estimate answers and solve problems using geometric concepts;

(F)[(vi)] measure the angles in a triangle and draw conclusions about angle measures in triangles; and

(G)[(vii)] construct a three-dimensional model using blocks or other manipulatives and describe it from different perspectives.

(7) [(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] collect, organize, and interpret data to solve application problems;

(B)[(ii)] explain the decisions that need to be made before constructing a graph;

(C)[(iii)] recognize measures of central tendency as ways of summarizing a set of data;

(D)[(iv)] use averaging in problem solving situations;

(E)[(v)] predict the number of arrangements of a given set of objects and experimentally verify the predictions;

(F)[(vi)] list all possible outcomes of an experiment;

(G)[(vii)] use a fraction to describe the probability of a given event;

(H)[(viii)] make and refine predictions based on exploration of different sample sizes within experiments; and

(I) [(ix)] plot points on a coordinate plane that represent ordered pairs of whole numbers, arising from application problems.

(m)[(6)] Mathematics, grade six. Essential elements for mathematics, grade six, as described in this subsection shall be effective September 1991. Mathematics, grade six, shall include the following essential elements.

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A) [(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade six;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations, and functions. Use of models and patterns to develop the algebraic concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] explore other numeration systems;

(B)[(ii)] explore patterns of exponents;

(C)[(iii)] build simple functions using concrete models and generate a corresponding rule; and

(D)[(iv)] write expressions for word phrases.

(3) [(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)[(i)] demonstrate the meaning of percent with concrete models;

(B)[(ii)] explore relationships between whole numbers, fractions, decimals, and percents;

(C)[(iii)] identify the appropriate equivalent form of a number (fraction, decimal, percent) in application problems;

(D)[(iv)] develop the concept of ratio in application problems;

(E)[(v)] compare and order positive rational numbers;

(F)[(vi)] develop the meaning of integers as representations in problem situations;

(G)[(vii)] write the prime factorization for a number using exponents; and

(H)[(viii)] use prime factorization to investigate common factors and common multiples.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic operations on numbers and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] select an appropriate operation and/or strategy to solve a problem and justify the selection;

(B)[(ii)] use the order of operations to solve multi-step problems using a calculator when appropriate;

(C)[(iii)] divide whole numbers resulting from problem situations;

(D)[(iv)] multiply and divide decimals in application problems;

(E)[(v)] add and subtract fractions in problem situations;

(F)[(vi)] multiply and divide fractions using concrete models and connecting to rules;

(G)[(vii)] estimate and solve problems using ratios and proportions;

(H)[(viii)] use ratios to solve probability problems; and

(I)[(ix)] write and solve simple linear equations from problem situations

and check the reasonableness of the result.

(5)(E) Measurement. Concepts and skills using metric and customary units. The student shall be provided opportunities to:

(A)(i) determine the degree of accuracy required in measurement for a specified purpose;

(B)(ii) approximate the area of irregular figures using grids;

(C)(iii) develop and apply area formulas to common polygons and circles;

(D)(iv) estimate answers and solve application and nonroutine problems involving area;

(E)(v) explore the effect on area when a dimension of a two-dimensional figure is changed;

(F)(vi) use models to develop and apply the formula for the volume of rectangular solids;

(G)(vii) use the relationship between units to convert measures within the same measurement system;

(H)(viii) use denominate numbers to solve application problems; and

(I)(ix) measure and compare angles.

(6)(F) Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)(i) identify and distinguish between similar, congruent, and symmetric figures;

(B)(ii) visualize and sketch the results of a rotation translation or reflection using graphing technology when appropriate;

(C)(iii) build models of three-dimensional figures such as pyramids, cones, or prisms with polygonal bases and investigate the properties associated with those figures;

(D)(iv) construct angles and angle bisectors;

(E)(v) classify angles and pairs of lines, including skew lines;

(F)(vi) classify polygons by sides and angles; and

(G)(vii) recognize the application of geometry in such areas as nature, art, architecture, construction, etc.

(7)(G) Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)(i) collect, organize, and interpret data to solve application problems;

(B)(ii) construct and interpret circle graphs using calculators and computers when appropriate;

(C)(iii) compare quantities using ratios;

(D) (iv) determine the extent to which the results of a sample population can be generalized to a larger population;

(E)(v) determine and interpret fractional probabilities of simple events;

(F)(vi) compare theoretical probabilities and experimental probabilities of an experiment; and

(G)(vii) plot points on a coordinate plane that represent ordered pairs of whole numbers, simple fractions, or decimals, arising from application problems.

§75.25. Science.

(a)-(g) (No change.)

(h) Essential elements for science, grades one-six, as described in paragraphs (1)-(6) of this subsection shall be effective September 1991.]

(h)(1) Science, grade one. Essential elements for science, grade one, as described in this subsection shall be effective September 1991. Science, grade one, shall have a balance of content and activities, shall focus on the life sciences, and shall include the following essential elements:

(1)(A) manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A)(i) manipulate objects, organisms, and models;

(B)(ii) use tools, instruments, and comparators appropriate to life, earth, and physical science activities;

(C)(iii) construct two-dimensional and three-dimensional models; and

(D)(iv) practice safety;

(2)(B) acquire data through the senses. The student shall be provided opportunities to:

(A)(i) use the senses;

(B)(ii) observe science models;

(C)(iii) observe properties of objects, organisms, and events in the environment;

(D)(iv) observe similarities and differences in objects, organisms, and events;

(E)(v) observe phenomena resulting from life, earth, and physical science activities; and

(F)(vi) explore the environment;

(3)(C) classify, order, and sequence data. The student shall be provided opportunities to:

(A)(i) arrange time, events, and activities in sequential order; and

(B)(ii) classify objects, organisms, actions, and events from the environment according to similarities and differences;

(4)(D) communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A) (i) obtain science information from varied resources;

(B) [(ii) describe objects, organisms, and events from the environment;

(C)(iii) describe apparent changes in size of objects at various distances; and

(D)(iv) record data and interpret the arrangement of data on Picture graphs, bar graphs, and maps;

(5) [(E) measure using relationships to standards. The student shall be provided opportunities to:

(A)[(i)] estimate, measure, and compare linear properties of objects and organisms using metric units;

(B)[(ii)] compare temperature of objects; and

(C)[(iii)] explore the concept of time using minutes as a unit;

(6)[(F)] draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)[(i)] identify cause and effect relationships;

(B) [(ii)] predict the outcomes of actions based on experience or data;

(C)[(iii)] state generalizations about similarities and differences among objects, organisms, and events; and

(D)[(iv)] draw conclusions from observed data;

(7)[(G)] relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)[(i)] compare and contrast objects, organisms, and events;

(B)[(ii)] relate objects and activities to daily life; and

(C)[(iii)] relate science to careers;

(8)[(H)] apply defined terms based on observations. The student shall be provided opportunities to use observations to form definitions of objects, actions, organisms, and processes;

(9)[(I)] identify and manipulate the conditions of investigations. The student shall be provided opportunities to:

(A) [(i)] set up and conduct simple experiments using a control group and an experimental group;

(B)[(ii)] complete if/then statements and situations; and

(C)[(iii)] recognize changes in objects, organisms, and events.

(I)[(2)] Science, grade two. Essential elements for science, grade two, as described in this subsection shall be effective September 1991. Science, grade two, shall have a balance of content and activities, shall focus on earth sciences, and

shall include the following essential elements:

(1)[(A)] manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A)[(i)] manipulate objects, organisms, and models;

(B)[(ii)] use tools, instruments, and comparators appropriate to life, earth, and physical science activities;

(C)[(iii)] construct two-dimensional and three-dimensional models; and

(D) [(iv)] practice safety;

(2)[(B)] acquire data through the senses. The student shall be provided opportunities to:

(A)[(i)] observe science models;

(B)[(ii)] observe properties and patterns of objects, organisms, and events in the environment;

(C)[(iii)] observe similarities and differences in objects, organisms, and events;

(D)[(iv)] observe phenomena resulting from life, earth, and physical science activities; and

(E)[(v)] explore the environment;

(3)[(C)] classify, order, and sequence data. The student shall be provided opportunities to:

(A)[(i)] arrange time, events, and activities in sequential order; and

(B)[(ii)] classify matter and forces, organisms, actions, and events from the environment according to similarities and differences;

(4)[(D)] communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A)[(i)] obtain science information from varied resources;

(B)[(ii)] describe objects, organisms, and events from the environment;

(C)[(iii)] name objects, organisms, and events from a description of their properties;

(D)[(iv)] record data and interpret the arrangement of data on picture graphs, bar graphs, and maps; and

(E)[(v)] describe objects, organisms, and events shown in illustrations, pictures or diagrams;

(5)[(E)] measure using relationships to standards. The student shall be provided opportunities to:

(A)[(i)] estimate, measure, and compare length and height of objects and organisms using metric units;

(B)[(ii)] measure the weight of objects using nonstandard units;

(C)[(iii)] estimate and measure the weight/mass of objects using metric units;

(D)[(iv)] measure temperature of objects using metric units;

(E)[(v)] explore the concept of time using minutes and hours as the units; and

(F)[(vi)] read a calendar for information;

(6)[(F)] draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)[(i)] predict the outcomes of actions based on experience or data;

(B)[(ii)] state generalizations about similarities and differences among objects, organisms, and events; and

(C)[(iii)] draw conclusions from observed data;

(7)[(G)] relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)[(i)] compare and contrast objects, organisms, and events;

(B)[(ii)] relate objects, science principles, and activities to daily life; and

(C)[(iii)] relate science to careers;

(8)[(H)] apply defined terms based on observations. The student shall be provided opportunities to use observations to form definitions of objects, actions, or

ganisms, events, and processes;

(9)(I) identify and manipulate the conditions of investigations. The student shall be provided opportunities to:

(A)(i) set up and conduct experiments using a control group and an experimental group;

(B)(ii) vary the conditions of if/then statements and situations; and

(C)(iii) recognize changes in objects, organisms, and events.

(j)(3) Science, grade three. Essential elements for science, grade three, as described in this subsection shall be effective September 1991. Science, grade three, shall have a balance of content and activities, shall focus on the physical sciences, and shall include the following essential elements:

(1)(A) manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A)(i) manipulate objects, organisms, and models;

(B)(ii) use tools, instruments, and comparators appropriate for life, earth, and physical science activities;

(C)(iii) construct two-dimensional and three-dimensional models; and

(D)(iv) practice safety;

(2)(B) acquire data through the senses. The student shall be provided opportunities to:

(A)(i) observe science models;

(B)(ii) observe properties and patterns of objects, organisms, and events in the environment;

(C)(iii) observe similarities and differences in objects, organisms, and events;

(D)(iv) observe phenomena resulting from the life, earth, and physical sciences; and

(E)(v) explore the environment;

(3)(C) classify, order, and sequence data. The student shall be provided opportunities to:

(A)(i) arrange time, events, and activities in sequential order; and

(B)(ii) classify matter and forces, organisms, actions, and events from the environment according to similarities and differences;

(4)(D) communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A)(i) obtain science information from varied resources;

(B)(ii) describe objects, organisms, and events from the environment;

(C)(iii) name objects, organisms, and events from a description of their properties;

(D)(iv) describe changes that occur to objects and organisms in the environment;

(E)(v) record data and interpret the arrangement of data on picture graphs and bar graphs; and

(F)(vi) describe objects, organisms, and events shown in illustrations, pictures, or diagrams;

(5)(E) measure using relationships to standards. The student shall be provided opportunities to:

(A)(i) estimate, measure, and compare length, height, and weight/mass of objects using metric units;

(B)(ii) measure the perimeter and area of objects using nonstandard units and metric units;

(C)(iii) measure temperature using metric units;

(D)(iv) explore the concept of time and tell time on clocks; and

(E)(v) time a science activity;

(6)(F) draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)(i) predict the outcomes of actions based on experience or data;

(B)(ii) state generalizations about similarities and differences among

objects, organisms, and events;

(C)(iii) make inferences based on data; and

(D)(iv) draw conclusions from observed data;

(7)(G) relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)(i) compare and contrast objects, organisms, and events;

(B)(ii) relate classroom objects, science principles, and activities to daily life; and

(C)(iii) relate science to careers;

(8)(H) apply defined terms based on observations. The student shall be provided opportunities to:

(A)(i) use observations to form definitions of objects, actions, organisms, events, and processes;

(B)(ii) state relationships among objects, organisms, and events using operational definitions; and

(C)(iii) apply knowledge of theories, facts, and concepts in explaining observations in experimental and controlled situations;

(9)(I) experience in identifying and manipulating the conditions of investigations. The student shall be provided opportunities to:

(A)(i) set up and conduct experiments using a control group and experimental groups;

(B)(ii) recognize changes in objects, organisms, and events over time;

(C)(iii) vary the conditions of if/then statements and situations; and

(D)(iv) identify the variables that change and the variables that do not change in an investigation.

(k)(4) Science, grade four. Essential elements for science, grade four, as described in this subsection shall be effective September 1991. Science, grade four, shall have a balance of content and activities, shall focus on the life sciences, and shall include the following essential elements:

(1)[(A)] manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A) [(i)] manipulate objects, organisms, and models;

(B)[(ii)] use tools, instruments, and comparators appropriate to life, earth, and physical science activities;

(C)[(iii)] construct two-dimensional and three-dimensional models; and

(D)[(iv)] practice safety;

(2)[(B)] acquire data through the senses. The student shall be provided opportunities to:

(A)[(i)] observe science models;

(B)[(ii)] observe properties and patterns of objects, organisms, and events in the environment;

(C)[(iii)] observe similarities and differences in objects organisms, and events;

(D)[(iv)] observe phenomena resulting from the life, earth, and physical sciences; and

(E)[(v)] explore the environment;

(3)[(C)] classify, order, and sequence data. The student shall be provided opportunities to:

(A)[(i)] arrange time, events, and activities in sequential order; and

(B)[(ii)] classify matter and energy, organisms, actions, and events from the environment according to similarities and differences;

(4)[(D)] communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A) [(i)] obtain science information from varied resources;

(B) [(ii)] describe objects, organisms, and events from the environment;

(C)[(iii)] name objects, organisms, and events from a description of their properties;

(D)[(iv)] describe changes that occur to objects and organisms in the environment;

(E)[(v)] write the sequence of events in investigations;

(F)[(vi)] record data and interpret the arrangement of data on bar graphs, line graphs, tables, and other visuals; and

(G)[(vii)] write conclusions to science activities;

(5)[(E)] measure using relationships to standards. The student shall be provided opportunities to:

(A)[(i)] measure and compare lengths, heights, weights/mass, perimeter, and area of objects or models using metric units;

(B)[(ii)] estimate and measure the volume of a container using non-standard units and metric units;

(C)[(iii)] measure temperature of objects using metric units; and

(D)[(iv)] time an event or a process and compare change over time;

(6)[(F)] draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)[(i)] predict the outcomes of actions based on experience or data;

(B)[(ii)] make inferences based on data;

(C) [(iii)] state generalizations about similarities and differences between objects, organisms, and events; and

(D)[(iv)] draw conclusions from observed data;

(7)[(G)] relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)[(i)] compare and contrast objects, organisms, and events;

(B)[(ii)] relate classroom objects, science principles, and activities to daily life; and

(C)[(iii)] relate science to careers;

(8)[(H)] apply defined terms based on observations. The student shall be provided opportunities to:

(A)[(i)] use observations to form definitions of objects, organisms, events, and processes;

(B)[(ii)] state relationships between and among objects, organisms, and events using operational definitions; and

(C)[(iii)] apply knowledge of theories, facts, and concepts in explaining observations in experimental and controlled situations;

(9)[(I)] identify and manipulate the conditions of investigations. The student shall be provided opportunities to:

(A) [(i)] set up and conduct experiments using control groups and experimental groups;

(B)[(ii)] recognize changes in objects, organisms, and events over time;

(C)[(iii)] vary the conditions of if/then statements and situations; and

(D)[(iv)] identify the variables that change and the variables that do not change in an investigation.

(i)[(5)] Science, grade five. Essential elements for science, grade five, as described in this subsection shall be effective September 1991. Science, grade five, shall have a balance of content and activities, shall focus on the earth sciences, and shall include the following essential elements:

(1)[(A)] manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A)[(i)] manipulate objects, organisms, and models;

(B)[(ii)] use tools, instruments, and comparators appropriate for life, earth, and physical science activities;

(C)[(iii)] construct two-dimensional and three-dimensional models; and

(D)[(iv)] practice safety;

(2)[(B)] acquire data through the senses. The student shall be Provided opportunities to:

(A)[(i)] observe science models;

(B)[(ii)] observe properties and patterns of objects, organisms, and events in the environment;

(C)[(iii)] observe similarities and differences in objects, organisms, and events;

(D)[(iv)] observe phenomena resulting from the life, earth, and physical sciences; and

(E)[(v)] explore the environment;

(3)[(C)] classify, order, and sequence data. The student shall be provided opportunities to:

(A)[(i)] arrange time, events, and activities in sequential order; and

(B)[(ii)] classify matter, forces, and energy, organisms, actions, and events from the environment according to similarities and differences;

(4)[(D)] communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A)[(i)] obtain science information from varied resources;

(B)[(ii)] describe objects, organisms, and events from the environment;

(C)[(iii)] name objects, organisms, and events from a description of their properties;

(D)[(iv)] describe changes that occur to objects and organisms in the environment;

(E)[(v)] write the sequence of events in investigations;

(F)[(vi)] record data and interpret the arrangement of data on bar graphs, line graphs, tables, and other visuals; and

(G)[(vii)] write conclusions to science activities;

(5)[(E)] measure using relationships to standards. The student shall be provided opportunities to:

(A)[(i)] gather metric measurement data; and

(B)[(ii)] time an event or a process and compare change over time;

(6)[(F)] draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)[(i)] predict the outcomes of actions based on experience or data;

(B)[(ii)] make inferences based on data;

(C)[(iii)] form and state generalizations about similarities and differences among observed objects, organisms, events, and phenomena;

(D)[(iv)] develop hypotheses; and

(E)[(v)] draw conclusions from observed data;

(7)[(G)] relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)[(i)] compare and contrast objects, organisms, and events;

(B)[(ii)] relate classroom objects, science principles, and activities to daily life; and

(C)[(iii)] relate knowledge and skills of science to careers;

(8)[(H)] apply defined terms based on observations. The student shall be provided opportunities to:

(A)[(i)] use observations to form definitions of objects, organisms, events, and processes;

(B) [(ii)] state relationships among objects, organisms, and events using operational definitions; and

(C)[(iii)] apply knowledge of theories, facts, and concepts in explaining observations in experimental and controlled situations;

(9) [(I)] identify and manipulate the conditions of investigations. The student shall be provided opportunities to:

(A)[(i)] set up and conduct experiments using control groups and experimental groups;

(B)[(ii)] recognize changes in objects, organisms, and events over time;

(C)[(iii)] identify the variables that change and the variables that do not change in an investigation; and

(D)[(iv)] manipulate the variables in an investigation.

(m)[(6)] Science, grade six. Essential elements for science, grade six, as described in this subsection shall be effective September 1991. Science, grade six, shall have a balance of content and activities, shall focus on the physical sciences, and shall include the following essential elements:

(1)[(A)] manipulate laboratory materials and equipment. The student shall be provided opportunities to:

(A)[(i)] manipulate objects, organisms, and models;

(B) [(ii)] use tools, instruments, and comparators appropriate for life, earth, and physical science activities;

(C)[(iii)] construct two-dimensional and three-dimensional models; and

(D)[(iv)] practice safety;

(2)[(B)] acquire data through the senses. The student shall be provided opportunities to:

(A)[(i)] observe science models;

(B)[(ii)] observe properties and patterns of objects, organisms, and events in the environment;

(C)[(iii)] observe similarities and differences in objects, organisms, and events;

(D)[(iv)] observe phenomena and apply knowledge of theories, facts, and concepts from the life, earth, and physical sciences; and

(E)[(v)] explore the environment;

(3)[(C)] classify, order, and sequence data and information. The student shall be provided opportunities to:

(A)[(i)] arrange time, events, and activities in sequential order; and

(B)[(ii)] classify matter, forces, and energy, organisms, actions, and events from the environment according to

similarities and differences;

(4)(D) communicate data and information in appropriate oral and written form. The student shall be provided opportunities to:

(A)(i) obtain science information from varied resources;

(B)(ii) name and describe objects, organisms, and events from the environment;

(C)(iii) describe the factors that govern rates of change;

(D)(iv) write the sequence of events in investigations;

(E)(v) record data and interpret the arrangement of data on graphs, tables, and other visuals;

(F)(vi) describe patterns of data;

(G)(vii) describe technological advances;

(H)(viii) interpret consumer information obtained from tables, labels, and advertisements; and

(I)(ix) write conclusions to science activities;

(5)(E) measure using relationships to standards. The student shall be provided opportunities to:

(A)(i) gather metric measurement data; and

(B)(ii) time an event or a process and compare change over time;

(6)(F) draw logical inferences, predict outcomes, and form generalized statements. The student shall be provided opportunities to:

(A)(i) predict the outcomes of actions based on experience or data;

(B)(ii) develop hypotheses;

(C)(iii) make inferences based on data;

(D)(iv) form and state generalizations about similarities and differences among observed objects, organisms, events, and phenomena; and

(E)(v) draw conclusions from observed data;

(7)(G) relate objects and events to other objects and events. The student shall be provided opportunities to:

(A)(i) compare and contrast objects, organisms, and events;

(B)(ii) relate classroom objects, science principles, and activities to daily life; and

(C)(iii) relate knowledge and skills of science to careers;

(8)(H) apply defined terms based on observations. The student shall be provided opportunities to:

(A)(i) use observations to form definitions of objects, organisms, events, and processes;

(B)(ii) state relationships among objects, organisms, and events using operational definitions; and

(C)(iii) apply knowledge of facts and concepts in explaining observations in experimental and controlled situations;

(9)(I) identify and manipulate the conditions of investigations. The student shall be provided opportunities to:

(A)(i) set up and conduct experiments using control groups and experimental groups;

(B)(ii) recognize changes in objects, organisms, and events over time;

(C)(iii) identify the variables held constant, those variables being manipulated, and the variables responding in an investigation; and

(D)(iv) design and conduct investigations to test hypotheses.

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

Issued in Austin, Texas, on December 6, 1989.

TRD-8911824 W. N. Kirby
Commissioner of Education

Proposed date of adoption: February 10, 1990

For further information, please call: (512) 463-9701



Subchapter C. Essential Elements—Grades Seven–Eight

• 19 TAC §75.43

The amendment is proposed under the Texas Education Code, §21.101, which provides the State Board of Education with the authority to make rules concerning the well-balanced curriculum.

§75.43. Mathematics.

(a)-(b) (No change.)

(c) Essential elements for mathematics, grades seven–eight, as described in paragraphs (1)-(2) of this subsection shall be effective September 1991.

(c)(1) Mathematics, grade seven. Essential elements for mathematics, grade seven, as described in this subsection shall be effective September 1991. Mathematics, grade seven, shall include the following essential elements.

(1)(A) Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A)(i) develop an organized approach to solving application and nonroutine problems appropriate for grade seven;

(B)(ii) analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)(iii) communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)(iv) select appropriate strategies from a variety of approaches;

(E)(v) select appropriate materials and methods for solutions; and

(F)(vi) generate and extend problems.

(2)(B) Patterns, relations, and functions. Use of models and patterns to develop the algebraic concepts of relations and functions. The student shall be provided opportunities to:

(A)(i) investigate patterns generated by repeating and terminating decimals;

(B)/(ii) build a concrete model of a functional relationship and describe the relationship using function notation;

(C) [(iii)] introduce the concept of using letters to represent variables;

(D)/(iv) develop the concept of operations with variables using concrete materials as models;

(E)/(v) investigate solutions to simple open sentences (equalities and inequalities);

(F)/(vi) evaluate algebraic expressions using mental calculations and calculators when appropriate; and

(G)/(vii) formulate a possible problem when given a simple equation.

(3)(C) Number and numeration concepts. Concepts and skills associated with the understanding of numbers and the place value system. The student shall be provided opportunities to:

(A)/(i) convert between fractions, decimals, whole numbers, and percents mentally, on paper, and with a calculator;

(B)/(ii) compare and order integers;

(C) [(iii)] explore the absolute value of an integer;

(D)/(iv) simplify expressions involving exponents using a calculator when appropriate;

(E)/(v) develop the meaning of squares and square roots using geometric models; and

(F)/(vi) express numbers in scientific notation including numbers less than one using a calculator when appropriate.

(4)(D) Operations and computation. Use of manipulatives to develop the concepts of basic [Basic] operations on numbers [, their properties, and their uses] and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)/(i) select an appropriate operation and/or strategy to solve a problem and justify the selection;

(B)/(ii) use the order of operations to solve multi-step problems using a calculator when appropriate;

(C)/(iii) add, subtract, multiply, and divide fractions and mixed numbers resulting from problem situations;

(D)/(iv) add, subtract, multiply, and divide integers resulting from problem situations using models and connecting to rules;

(E)/(v) write and solve a simple inequality resulting from a problem situation and graph the solution on a number line;

(F)/(vi) write and solve simple linear equations from problem situations and check the reasonableness of the results;

(G)/(vii) use proportions to solve a variety of problems; and

(H)/(viii) estimate solutions to problems using decimals and percent.

(5)(E) Measurement. Concepts and skills using metric and customary units. The student shall be provided opportunities to:

(A)/(i) investigate the relationship between the perimeter and the area of a polygon;

(B)/(ii) develop the concept of volume for prisms/cylinders as the product of the area of the base and the height, using models;

(C)/(iii) develop the concept of volume for cones/pyramids as one-third the product of the area of the base and the height, using models;

(D)/(iv) explore surface area of three-dimensional figures using concrete models and graphing technology when appropriate;

(E)/(v) estimate and solve application and nonroutine problems involving volume; and

(F)/(vi) explore the relationships between the dimensions and the volumes of similar solids by changing one of the dimensions.

(6)(F) Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)/(i) identify parts and characteristics of common geometric figures;

(B)/(ii) develop the concept of the Pythagorean Theorem using several different approaches;

(C)/(iii) classify triangles and quadrilaterals by sides and angles;

(D)/(iv) construct an angle bisector, the bisector of a segment, perpendicular lines, parallel lines, and triangles;

(E)/(v) construct a model of a three-dimensional figure when given the top, side, and front views;

(F)/(vi) use the properties and relationships of two- and three-dimensional figures to solve problems; and

(G)/(vii) apply geometry to such areas as art, architecture, construction, etc.

(7)(G) Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)/(i) compare different graphic representations of the same data to determine the appropriateness of the graph;

(B)/(ii) use box and whisker graphs, stem and leaf plots, and histograms to display information in ways that illustrate the appropriate uses of mean, median, and mode;

(C)/(iii) draw inferences and construct convincing arguments based on data analysis;

(D)/(iv) investigate and recognize misuses of statistical or numeric information;

(E)/(v) construct sample spaces by using listing, tree diagrams, and frequency distribution tables;

(F)/(vi) find the probability of simple events; and

(G)/(vii) use permutations and combinations in application problems.

(d)(2) Mathematics, grade eight.

Essential elements for mathematics, grade eight, as described in this subsection shall be effective September 1991. Mathematics, grade eight, shall include the following essential elements:

(1)[(A)] Problem solving. Experience in solving problems designed to systematically develop students' problem-solving abilities through a variety of strategies and approaches. The student shall be provided opportunities to engage in the following types of activities:

(A) [(i)] develop an organized approach to solving application and nonroutine problems appropriate for grade eight;

(B)[(ii)] analyze problems by identifying relationships, discriminating relevant from irrelevant information, sequencing, observing patterns, prioritizing, and questioning;

(C)[(iii)] communicate an understanding of a problem by describing and discussing the problem and recording the relevant information;

(D)[(iv)] select appropriate strategies from a variety of approaches;

(E)[(v)] select appropriate materials and methods for solutions; and

(F)[(vi)] generate and extend problems.

(2)[(B)] Patterns, relations, and functions. Use of models and patterns to develop the algebraic concepts of relations and functions. The student shall be provided opportunities to:

(A)[(i)] use patterns to develop the concept of negative exponents;

(B)[(ii)] extend function notation from concrete models to graphic representations;

(C)[(iii)] generate ordered pairs with and without a calculator to graph linear equations;

(D)[(iv)] investigate compound statements as they apply to simple reasoning situations (and, or, if, if not); and

(E)[(v)] extend the investigation of number patterns such as those found in Pascal's triangle and the Fibonacci sequence.

(3)[(C)] Number and numeration concepts. Concepts and skills associated with the understanding of numbers and

the place value system. The student shall be provided opportunities to:

(A)[(i)] extend scientific notation to numbers with a wide range of values using a calculator when appropriate;

(B)[(ii)] compare and order rational numbers;

(C)[(iii)] apply the concept of significant digits to solving problems with a calculator;

(D)[(iv)] investigate irrational numbers and their representations on a calculator as they arise from problem situations;

(E)[(v)] describe the properties of terminating, repeating, and non-repeating decimals and convert between fractions and decimals; and

(F)[(vi)] extend basic number concepts and properties to algebraic applications.

(4)[(D)] Operations and computation. Use of manipulatives to develop the concepts of basic [Basic] operations on numbers [, their properties and their uses] and to apply these concepts to the computational algorithms. The student shall be provided opportunities to:

(A)[(i)] select an appropriate operation and/or strategy to solve a problem and justify the selection;

(B)[(ii)] estimate and solve application problems involving percent;

(C)[(iii)] add, subtract, multiply, and divide rational numbers in problem situations;

(D)[(iv)] estimate and solve application problems by writing and solving simple linear equations; and

(E)[(v)] solve linear equations and inequalities with integer, fraction, and decimal solutions.

(5)[(E)] Measurement. Concepts and skills using metric and customary units. The student shall be provided opportunities to:

(A)[(i)] estimate and solve application and nonroutine problems involving surface area and volume;

(B)[(ii)] solve right triangle problems using the Pythagorean Theorem,

indirect measurement, and the properties of 30-60-90 and 45-45-90 triangles;

(C)[(iii)] use precision and relative error, given the degree of accuracy required and the nature of a particular problem situation;

(D)[(iv)] use the concept of volume for prisms/cylinders as the product of the area of the base and the height; and

(E)[(v)] use the concept of volume for cones/pyramids as one-third the product of the area of the base and the height.

(6)[(F)] Geometry. Properties and relationships of geometric shapes and their applications. The student shall be provided opportunities to:

(A)[(i)] find the missing parts of similar figures;

(B)[(ii)] investigate the relationships between angles formed when parallel lines are cut by a transversal using graphing technology when appropriate;

(C)[(iii)] use a variety of methods to perform basic constructions;

(D)[(iv)] construct a geometric figure congruent to a given figure;

(E)[(v)] draw three-dimensional figures from different perspectives;

(F)[(vi)] graph similar figures, reflections, translations, linear equations, and linear inequalities on a coordinate plane; and

(G)[(vii)] use geometry to solve problems in such areas as art, architecture, construction, etc.

(7)[(G)] Probability, statistics, and graphing. Use of probability and statistics to collect and interpret data. The student shall be provided opportunities to:

(A)[(i)] understand and apply reasoning with proportions in problem situations;

(B)[(ii)] select an appropriate format for presenting collected data;

(C)[(iii)] evaluate arguments based on data analysis;

(D)[(iv)] find the probability of simple and compound events;

(E)(v) use mathematical probabilities and experimental results for making predictions and decisions; and

(F)(vi) investigate bias to determine validation of an inference made from a set of data.

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

Issued in Austin, Texas, on December 6, 1989.

TRD-8911825 W. N. Kirby
Commissioner of Education

Proposed date of adoption: February 10, 1990

For further information, please call: (512) 463-9701

◆ ◆ ◆
TITLE 25. HEALTH SERVICES
Part I. Texas Department of Health

Chapter 97. Communicable Diseases

Control of Communicable Diseases

• 25 TAC §97.19

(Editor's Note: The Texas Department of Health proposes for permanent adoption the new sections it adopts on an emergency basis in this issue. The text of the new sections is in the Emergency Rules section of this issue.)

The Texas Department of Health proposes new §97.19, concerning the control of communicable diseases. New §97.19 adopts by reference a model health education program/resource guide for HIV/AIDS education of school-age children. The new section will implement the provisions of Senate Bill 959, 71st Legislature, 1989, which require the department to develop the guide.

New §97.19 covers a model health education program suitable for school-age children and is aimed at preventing the spread of the human immunodeficiency virus (HIV), which is the cause of acquired immunodeficiency syndrome (AIDS). The department will make this guide available upon request to all school districts and communities to help them develop and implement model programs specific to the values and needs of their areas. As mandated by Senate Bill 959, the major provisions of the program cover an introduction, teenage pregnancy, sexually transmitted diseases, substance abuse, child abuse, and resources.

Stephen Seale, Chief Accountant III, Budget Division, has determined that for the first five-year period the proposed section is in effect, while there are no requirements for enforcement of the new section, there will be fiscal implications for state and local government as

a result of enforcing or administering the section.

At the state level, the department will incur a cost which includes the salary, travel, and other operating expenses associated with the development and distribution of the guide, including consultation provided to school districts which choose to implement HIV/AIDS education programs. This cost will be approximately \$36,000 per year.

At the local level, independent school districts which choose to adopt this guide will incur costs which will include teacher training and the purchase of resource materials. Providing scientifically accurate HIV information and training to teachers who are currently teaching about communicable diseases is estimated to cost a minimum of \$125 per teacher for each of the first five years. Schools choosing to purchase audiovisuals and/or commercially-prepared curricula may spend between \$300 and \$2000 for the first year only.

For the purposes of this fiscal note, private schools are considered to be small businesses. As with independent school districts, private schools are encouraged but not required to adopt this resource guide. For schools which choose to do this, the cost would be the same as those previously described for school districts. There will be no impact on local employment.

Mr. Seale also has determined that for each year of the first five years that the section is in effect the public benefit anticipated as a result of enforcing the section will be that it will lead to increased awareness and the promotion and adoption of personal preventive behaviors if the independent school districts and private schools initiate and/or continue HIV education with school-age children. In addition, the accurate HIV education of school-age children and the adults who interact with them will promote positive attitudes for dealing with conflicts resulting from misinformation. For every case of HIV infection which is prevented, approximately \$80,000 to \$100,00 in medical costs will be saved. There will be no anticipated cost to persons who are required to comply with the section as proposed since there is no required compliance with the section.

Oral and written comments on the proposal may be submitted to Beth Thompson, Public Health Promotion Division, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78748, (512) 458-7405. The department will accept comments for 120 days after publication of the proposal in the *Texas Register*. In addition, a public hearing will be held at 9 a.m., Tuesday, January 23, 1990, in the auditorium of the Texas Department of Health, 1100 West 49th Street, Austin, Texas 78757.

The new section is being proposed under the Human Immunodeficiency Virus Services Act, Senate Bill 959, §1.07, which provides the Board of Health with the authority to adopt rules to implement the Act, and §25, which provides the department with the authority to develop a model public health education program suitable for school-age children; and the Health and Safety Code, §12.001, which provides the board with the authority to adopt rules to perform every duty imposed by law on the board, the department, and the commissioner of health.

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

Issued in Austin, Texas, on December 11, 1989.

TRD-8911838 Robert A. MacLean, M.D.
Deputy Commissioner for
Professional Services
Texas Department of
Health

Proposed date of adoption: May 19, 1990.

For further information, please call: (512) 458-7405

◆ ◆ ◆
• 25 TAC §97.20

(Editor's Note: The Texas Department of Health proposes for permanent adoption the new sections it adopts on an emergency basis in this issue. The text of the new sections is in the Emergency Rules section of this issue.)

The Texas Department of Health proposes new §97.20, concerning control of communicable diseases. The new section adopts by reference model HIV/AIDS workplace guidelines. The new section will implement the provisions of Senate Bill 959, 71st Legislature, 1989, which requires the department to develop the guidelines.

The new section will cover a model workplace guideline which consists of two parts. The first part covers general provisions concerning HIV-related policies, procedures, protocols, and education programs in the workplace. Under Senate Bill 959, all state agencies shall adopt and all private employers are encouraged to adopt HIV-related workplace guidelines that incorporate at a minimum the general provisions. The second part of the model workplace guideline covers more specific provisions which are an extension of the general provisions in order to address direct care providers. Those state agencies and their contractors, as well as state licensed organizations, which provide direct client services and programs shall adopt and implement workplace guidelines similar to the specific provisions.

Each organization and agency is expected to adapt the model workplace guideline to accommodate the particular needs of the organization or agency. The major provisions covered by the model workplace guideline are its background, safe working environment, employee management, training of management and supervisory personnel, employee assistance programs, employee education, and policy and education development and review.

Stephen Seale, Chief Accountant III, Budget Office, has determined that for the first five-year period the section is in effect there will be fiscal implications for state and local government as a result of enforcing or administering the section.

There will be a cost to the department which will include the salary, travel, and other operating expenses associated with the development and distribution of these guidelines, including consultation provided to worksites which implement policies and education pro-

grams. This cost is approximately \$36,000 per year. There will be cost to other state agencies which provide direct client care and which are required to implement HIV/AIDS policies and education programs for all employees and clients. The estimated cost of these education efforts and associated reference and printed materials, as well as audio-visuals, may cost between \$30,000 and \$50,000 annually statewide. All state agencies also are required to print and distribute an informational brochure to each state employee on an annual basis. The cost of this brochure is included in the figure previously stated.

There will be a cost to local governmental agencies which are on contract with the state or are licensed by the state to provide direct client care or programs are required to implement HIV/AIDS policies and education programs for all employees and clients. Depending on the size and client load of the agencies and the utilization of currently-available state resources (literature, audio-visuals, and staff), the costs to each agency could vary from \$25 to \$500 per year. If the agency decided to purchase its own resources, costs could be \$300 to \$600 for the first year only. Local governmental agencies which are not on contract with the state or are not licensed by the state are encouraged, but not required, to implement HIV/AIDS policies and education programs based on this model. Local governmental agencies which voluntarily choose to implement programs may incur costs as delineated previously.

Small businesses which are on contract with the state or are licensed by the state to provide direct client care or programs are required to implement HIV/AIDS policies and education programs for all employees and clients. Costs would be similar to those previously described for local governmental agencies. There is no anticipated impact on local employment.

Mr. Seale also has determined that for each year of the first five years the section as proposed is in effect the public benefit anticipated as a result of enforcing the section will be increased awareness and the promotion/adoption of personal preventive behaviors. For every case of HIV infection which is prevented, approximately \$80,000-100,000 in medical costs will be saved. Accurate HIV education of employees and clients will also promote positive attitudes for dealing with HIV-infected individuals, and hopefully minimize discrimination and legal conflicts resulting from misinformation. There is no anticipated economic cost to individuals who are required to comply with the section as proposed.

Oral and written comments on the proposal may be submitted to Rosemary Hanicak, Public Health Promotion Division, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78748 (512) 458-7405. The department will accept comments for 30 days after publication of the proposal in the *Texas Register*.

The new section is being proposed under The Human Immunodeficiency Virus Services Act, Senate Bill 959, 71st Legislature, 1989, §1.04, which provides the department with the authority to develop model workplace guidelines concerning persons with HIV infection and related conditions, and §1.07, which

provides the board of health with the authority to adopt rules to implement the Act; and the Health and Safety Code, §12.001, which provides the Texas Board of Health with the authority to adopt rules for the performance of every duty imposed by law on the Texas Board of Health, the Texas Department of Health, and the commissioner of health.

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

Issued in Austin, Texas, on December 11, 1989.

TRD-8911839

Robert A. MacLean, M.D.
Deputy Commissioner for
Professional Services
Texas Department of
Health

Proposed date of adoption: January 27, 1990.

For further information, please call: (512) 458-7405

TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part X. Texas Water Development Board

Chapter 375. State Water Pollution Control Revolving Fund

Program Requirements

• 31 TAC §375.20

The Texas Water Development Board (board) proposes amendments to §375.20 and §375.31, concerning the state water pollution control revolving fund (SRF) which modify procedures for submitting an application for financial assistance from the SRF.

The board's proposed amendment to §375.20 would allow an applicant for assistance to submit the required general information, fiscal data, and legal data upon request of the executive administrator, after March 15 of the funding year, instead of prior to March 15 as is currently required. Section 375.31(a) and (b) would be amended to require the political subdivision's financial advisor to attend the preplanning conference and to clarify the purpose of a preapplication conference.

Susan Taylor, director of accounting, has determined that for the first five-year period the proposed section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Ms. Taylor also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the clarification of program requirements and the financial assistance application process for eligible local governments of the state. There will be no effect on small businesses as a result of enforcing the section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Comments on the proposal may be submitted to Mr. C. R. Miertschin, Director of the Engineering Division, P.O. Box 13231, Austin, Texas 78711.

The amendment is proposed under the Texas Water Code, §6.101, which provides the board with the authority to adopt rules necessary to carry out its powers and duties; and the Texas Water Code §15.605, which requires the board to adopt rules necessary for the SRF.

§375.20. *Intended Use Plan.*

(a) (No change.)

(b) The criteria and methods for listing projects in the intended use plan will be in accordance with the following procedures.

(1)-(2) (No change.)

(3) The approved intended use plan shall include only the eligible applicants which have submitted by the day of the public hearing a certified copy of a resolution of its governing body listing estimated total project costs and committing to the following requirements.

(A) (No change.)

(B) That portion of the application containing the environmental documentation required by §375.35 of this title (relating to Required Environmental Review and Determination) and the SRF engineering plan required by §375.36 of this title (relating to SRF Engineering Plan) [An application] will be submitted on or before March 15 of that funding year.

(C)-(D) (No change.)

(4) (No change.)

(5) The appointment of funds shall be as follows.

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

(D) Applicants above the line which intend to preserve their priority status must submit those portions of the applications containing the information required for submittal in [§375.32 of this title (relating to Required General Information), §375.33 of this title (relating to Required Fiscal Data), §375.34 of this title (relating to Required Legal Data),] §375.35 of this title (relating to Required Environmental Review and Determinations), and §375.36 of this title (relating to SRF Engineering Plan), on or before March 15 of the funding year. Upon making a determination that the environmental review documentation and SRF engineering plan are in substantial compliance with §375.35 of this title (relating to Required Environmental Review and Determinations) and §375.36 of this title (relating to SRF Engineering

Plan), the executive administrator will request applicants to submit the portions of the application containing the information required for submittal in §375.32 of this title (relating to Required General Information), §375.33 of this title (relating to Required Fiscal Data), and §375.34 of this title (relating to Required Legal Data). The executive administrator may request additional information regarding any portions of an application after March 15 without affecting the priority status of the application.

(E)-(H) (No change.)

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

Issued in Austin, Texas on December 7, 1989.

TRD-8911739 Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 463-7855

Applications for Assistance

• 31 TAC §375.31

The amendment is proposed under the Texas Water Code, §6.101, which provides the board with the authority to adopt rules necessary to carry out its powers and duties; and the Texas Water Code §15.605, which requires the board to adopt rules necessary for the SRF.

§375.31. Preplanning and Preapplication Conferences.

(a) Preplanning conferences. Potential applicants shall confer with the board's staff as early in its planning process as practical. At a minimum the preplanning conference should be attended by a member of the governing body of the political subdivision, the entity's engineer, and financial advisor. During the conference the board's staff will provide information, advice, instruction, and guidance on the scope of work and level of effort needed to define eligible projects in order to ensure that the applicant expeditiously complies with the environmental and SRF engineering planning requirements dictated by the Act, and with the water conservation requirements of the state statutes. Guidance on the scope of the required general, legal, and fiscal information, environmental information, SRF engineering planning, and on water conservation planning requirements will also be given at the conference. Potential applicants should contact the board's staff to arrange meetings and allow at least five working days for preparation.

(b) Preapplication conference. An applicant seeking financial assistance will make an appointment with the staff of the board. At a minimum, the preapplication conference should be attended by a member of the governing body of the political subdivision, the entity's engineer, and financial advisor. The primary purpose of the meeting is to acquaint the applicant with the general, legal, and fiscal [program] requirements of an application for financial assistance and to assist the applicant in completing [preparing] an application.

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

Issued in Austin, Texas on December 7, 1989.

TRD-8911738 Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 463-7855

TITLE 37. PUBLIC SAFETY AND CORRECTIONS

Part I. Texas Department of Public Safety

Chapter 1. Organization and Administration

Aircraft Operations

• 37 TAC §1.141, §1.142

The Texas Department of Public Safety proposes amendments to §1.141 and §1.142, concerning aircraft operations. The amendment to §1.141 deletes and adds language relating to department of aircraft operation regulations concerning use, approval for passenger transportation, flight safety, and response time to public safety activities. The amendment to §1.142 changes the section title from helicopter programs to aerial support programs to properly describe the department's aircraft operational missions. Paragraphs (1) and (2) separate the operational missions into law enforcement and administrative flights by adding new language regarding the type of aerial support activities that department aircraft can be expected to be utilized in and deleting the existing language. Paragraphs (3)-(7) are deleted due to the language in paragraphs (1) and (2) which covers the activities of the operational missions for department aircraft.

Melvin C. Peoples, assistant chief of fiscal affairs, has determined that for the first five-year period the sections are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Roy E. Swetnam, chief pilot investigator, has determined that for each year of the first five

years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be to ensure the public that department aircraft are used for official state business and that aircraft are available for public safety responses on a timely basis. There will be no effect on small businesses as a result of enforcing the sections. There is no anticipated economic cost to persons who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, P.O. Box 4087, Austin, Texas 78773-0001, (512) 465-2000.

The amendments are proposed under the Texas Government Code §411.004(3) and §411.006(4), which provides the Public Safety Commission with authority to adopt rules necessary for carrying out the department's work. The director, subject to the approval of the commission, shall have the authority to adopt rules considered necessary for the control of the department.

§1.141. Aircraft Operation Regulations.

(a) Department of Public Safety aircraft shall be used only for official state business.

(b) No person except department personnel may be transported unless specifically authorized by designated department personnel [the director, assistant director, a major division chief, chief pilot, or a regional commander, except that department personnel may take another officer or other person along with him to assist in some official activity].

(c) All aircraft shall be operated in compliance with all state and federal laws and all applicable federal, state, and department regulations.

(d) The pilot shall have the sole responsibility for determining whether a flight is safe or not in terms of weather, condition of aircraft, and other relevant criteria known by the pilot at the time the decision is made [etc.]. [He shall make no flights except those specifically directed by the director, assistant director, a major division chief, chief pilot, a regional commander, or by a service captain, to whom he may have been assigned by the regional commander.]

(e) All department of Public Safety pilots are required to hold a current second class medical certificate.

(f) [While airborne on routine assignments, helicopter] Department pilots have blanket authorization [orders] to proceed immediately, if appropriate, to the scenes of major crimes, searches, jailbreaks, or disaster scenes [, which occur in their area.] and to establish surveillance and communications and provide aerial support as the situation dictates [soon as possible].

§1.142. Aerial Support [Helicopter] Pro-

grams. The following are some programs in which the department may utilize an aircraft [a helicopter].

(1) Law enforcement flights. Flights conducted in support of, but not limited to, the following public safety activities:

- (A) criminal;
- (B) traffic;
- (C) search and rescue;
- (D) medical and disaster and;

(E) civil disturbances. [Traffic surveillance. Surveillance by helicopter is the use of the aircraft to observe certain high volume stretches of major highways near urban areas for the primary purpose of detecting temporary impediments to traffic and directing action to alleviate the conditions.]

(2) Administrative flights. Flights other than law enforcement flights, where the expeditious and economical movement of personnel and/or equipment is in the state's best interest. Such flights are as follows:

- (A) Mail and passenger;
- (B) Flight training;
- (C) Aircraft maintenance;
- (D) aircraft Pooling Board flights or;

(E) general transportation flights. [Traffic patrol. Police traffic patrol with helicopter consists primarily of line patrol over a designated section of highway where violations are frequent for the primary purpose of detecting traffic law violations, abandoned vehicles, vehicle breakdowns, road hazards, etc., and directing a ground unit or units working in conjunction with the helicopter to them.]

(3) Area traffic surveillance. Area traffic surveillance by helicopter, as used here, means the surveillance or observation of a specific area where a large number of vehicles are converging or leaving. The surveillance is for the purpose of detecting congestion points and relaying instructions to ground units for detouring traffic or for clearing obstructions.

- [(4) Manhunts.
- [(5) Lost person search.
- [(6) Disaster work.

[(A) Disaster reconnaissance. This is aerial observations of a disaster area such as a flooded area, tornado or hurricane damaged area, explosion, forest fire, etc.

[(B) Rescue. Rescues of marooned persons, the transportation of key personnel and supplies, foods, medicines, etc.

[(7) Civil disturbances.

[(A) Reconnaissance.

[(B) Transportation of key personnel and equipment into isolated areas.

[(C) Rescue of beleaguered personnel.

[(D) Antisniper use may be made when deemed feasible and desirable.]

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

Issued in Austin, Texas, on December 6, 1989.

TRD-8911818

Joe E. Miner
Director
Texas Department of
Public Safety

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 465-2000

◆ ◆ ◆
**Part X. Texas Adult
Probation Commission**
Chapter 323. Fund Distribution

• 37 TAC §323.3

The Texas Adult Probation Commission proposes new §323.3, concerning determination and recovery of judicial district adult probation fund surplus. The new section will allow a greater accuracy in calculating the unexpended monies that will be returned to the state treasury.

Edmond J. Peterson, CPA, director of fiscal services, has determined that for the first five-year period the section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Mr. Peterson also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be a new section will allow greater accuracy in calculating unexpended funds to be returned to the state treasury. There will be no effect on small businesses as a result of enforcing the section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Comments on the proposal may be submitted to Virginia Grote, Texas Adult Probation Commission, 8100 Cameron Road, Suite 600, Building B, Austin, Texas 78753.

The new section is proposed under Texas Code of Criminal Procedure, Article 42.121 §3.01 which provides the Texas Adult Probation Commission with the authority to promulgate reasonable rules.

§323.3. Determination and Recovery of Judicial District Adult Probation Fund Unexpended Monies.

(a) Unexpended monies. All monies deposited into the adult probation fund of the judicial district will be considered in the apportionment of any unexpended monies available after all financial payments have been completed. The fiscal officer designated by the judicial district will be allowed a period of three months to complete payment of a prior year's financial commitments. The fiscal year will end August 31st.

(b) Revenue percentage calculation. After the close out quarterly financial report is submitted to the Texas Adult Probation Commission (TAPC) at the end of November, a determination will be made by TAPC staff that an unexpended balance does exist. TAPC staff will prepare a schedule identifying all monies deposited into the fund for that fiscal year as either locally generated or state generated. Examples of locally generated monies are probation fees and interest on time deposits. Examples of state generated monies are per capita payments and supplemental funding payments. After the sources of monies are identified, TAPC will prepare a calculation to indicate the percentage contributed by each source. This calculation will be provided to the adult probation departments.

(c) Application of percentage to unexpended monies. The percentage of unexpended monies corresponding to the percentage of state monies deposited will be refunded to the TAPC. The percentage of surplus monies corresponding to the percentage of local monies deposited will be retained in the judicial district adult probation fund. These locally retained, unexpended monies shall be considered in the succeeding year's operating budget as a source of funding and shall be designated as locally generated monies in the succeeding year's apportionment of judicial district adult probation fund unexpended monies.

(d) Special program grants unexpended monies. Funds allocated to judicial district probation departments for special projects will not be included as a portion of unexpended monies in this distribution method. As the special project requires a separate budget detailing all cost, a comparison can be made between budget and actual costs. If actual costs are less than budget, the unexpended monies will be refunded to the TAPC.

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

Issued in Austin, Texas, on December 6, 1989.

TRD-8911736

Todd Jermstad
General Counsel
Texas Adult Probation
Commission

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 834-8188

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

Chapter 54. Family Violence Program

Shelter Center Operational Requirements

The Texas Department of Human Services (DHS) proposes amendments to §§54.207, 54.301, 54.302, 54.304, 54.310, 54.402 and 54.403, concerning shelter center requirements, in its Family Violence Program chapter. The purpose of the amendment is to require family violence shelters to provide for emergency transportation in their service areas, limit the use of a hotel or motel as a primary shelter to 18 months, and permit shelters to include in-kind contributions in their calculations of overall operating expenses.

Burton F. Raiford, deputy commissioner for support operations, has determined that for the first five-year period the proposed sections are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the sections.

Mr. Raiford also has determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be to provide improved services to battered women and their children by prohibiting family violence shelter centers from using hotels or motels as primary sources of shelter for more than 18 months, by ensuring that shelter centers provide for emergency transportation for their clients, and by enabling shelter centers to include in-kind contributions in their matching funds for DHS payments. The effect on small businesses as a result of enforcing the sections will be an estimated additional cost of \$200 in fiscal year (FY) 1989-90, \$300 in FY 1990-91, \$350 in FY 1991-92, \$350 in FY 1992-93, and \$350 in FY 1993-94 for each family violence shelter center contractor. There is no anticipated economic cost to persons who are required to comply with the sections as proposed.

Questions about the content of this proposal may be directed to Pam Rodgers at (512) 450-3144 in DHS's Family Violence Program.

Comments on the proposal may be submitted to Cathy Rossberg, Policy Communication Services Section-630, Texas Department of Human Services 222-E, P.O. Box 149030, Austin, Texas 78714-9030, within 30 days of publication in the *Texas Register*.

• 40 TAC §54.207

The amendment is proposed under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs, and Chapter 51, which authorizes the department to contract for family violence shelter-center services and to adopt rules to implement them.

§54.207. Cooperation with Law Enforcement and Criminal Justice System Officials. Family violence shelter [Shelter] centers must:

(1) ensure that appropriate staff and volunteers have a basic understanding of the criminal justice system;

(2)[(1)] attempt to establish an on-going working relationship with local criminal justice officials as defined in §54.104 of this title (relating to Definitions);

(3) ensure that appropriate staff and volunteers have a basic working knowledge of how local law enforcement agencies handle domestic violence cases;

(4)[(2)] maintain a current list of local law enforcement agencies and contact persons;

(5)[(3)] offer to participate in the training of law enforcement officers and other criminal justice officials; [and]

(6)[(4)] offer to provide information and education to law enforcement and criminal justice officials about the dynamics of family violence, services available, and the support needed from the criminal justice system; and [.]

(7) encourage local criminal justice professionals to post signs and leave brochures about family violence in their offices.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911821

Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Proposed date of adoption: February 1, 1990.

For further information, please call: (512) 450-3765

Shelter Center Services

• 40 TAC §§54.301, 54.302, 54.304, 54.310

The amendments are proposed under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs, and Chapter 51, which authorizes the department to contract for family violence shelter-center services and to adopt rules to implement them.

§54.301. Provision of Services [Persons Served].

(a) Family violence shelter [Shelter] centers must provide services to victims of family violence either directly or through formal arrangements with other resources [and to violent family members. Shelter centers must assist family members in examining the options concerning family reconciliation or independent living or both].

(b) Each family violence shelter center must enter into a written agreement for in-kind services or a written subcontract for paid services with each community service provider that serves victims of family violence on the shelter center's behalf. The Texas Department of Human Services must approve each subcontract in advance.

§54.302. Twenty-Four-Hour-A-Day Shelter.

(a) (No change.)

(b) Shelter services may be provided through any of the following types of housing:

(1)-(3) (No change.)

(4) other accommodations arranged by shelter center staff, such as motels, [.] as long as these accommodations are used:

(A) either as a secondary source of shelter for temporarily housing victims of family violence under special circumstances; or

(B) as the primary source of shelter for no longer than the first 18 months of the contract period. After 18 months, the shelter center must provide a permanent facility that serves as the primary source of shelter. This facility must be:

(i) set up for continuous, extended lengths of stay and for on-site delivery of shelter services; and

(ii) owned or rented by the shelter center.

(c)-(h) (No change.)

§54.304. Emergency Medical Care and Emergency Transportation.

(a) **Emergency medical care.** Each family violence shelter center [Shelter centers] must:

(1) develop and adhere to a written procedure for assisting victims of family violence to receive emergency medical services; [;] and

(2) maintain a current list of emergency and nonemergency medical care resources that can provide medical services for victims of family violence. [; and]

(b) **Emergency transportation.** Whenever necessary, each family violence shelter center must:

(1)(3) provide transportation to and from emergency medical facilities for persons accepted as residents of the shelter center; [;] and

(2) provide or arrange for transportation from a safe place to the shelter center for victims of family violence who are located in the shelter center's contracted service area.

§54.310. Legal Assistance. Family violence shelter [Shelter] centers must:

(1) assist victims of family violence in accessing legal services; and]

(1)(2) maintain a current list of legal services and resources [resource people who provide legal assistance] available to victims of family violence; [.]

(2) offer victims of family violence current information about the legal services and resources available to them; and

(3) help victims of family violence gain access to legal services in both the civil and criminal justice systems.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911822 Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Proposed date of adoption: February 1, 1990.

For further information, please call: (512) 450-3765

Contracting Requirements

• 40 TAC §54.402, §54.403

The amendments are proposed under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs, and Chapter 51, which authorizes the department to contract for family violence shelter-center services and to adopt rules to implement them.

§54.402. Procurement.

(a) **The Texas Department of Human Services (DHS) follows the requirements specified in Chapter 69 of this title (relating to Contracted Services) when it procures contracts for family violence shelter-center services.** [The following factors must be considered when procuring family violence contracts:

[(1) geographic distribution;

[(2) need;

[(3) the shelter center's eligibility for and use of funds from the federal government, philanthropic organizations, and voluntary sources;

[(4) community support for the shelter center as evidenced by financial contributions from civic organizations, local governments, and individuals;

[(5) evidence that the shelter center provides services that encourage rehabilitation and effectively uses community resources;

[(6) the endorsement and involvement of local law enforcement officials;

[(7) support for the shelter center through volunteer work, especially volunteers who were victims of family violence; and

[(8) the shelter center's efforts to provide services to violent family members and to encourage family reconciliation if rehabilitation occurs.]

[(b) DHS uses procurement methods as detailed in its rules regarding contract administration.

[(c) DHS may use noncompetitive or competitive negotiation to procure family violence contracts.]

(b) **To use a noncompetitive procurement procedure on the basis that there is no competition between eligible family violence shelter centers for a particular service area as specified in the Human Resources Code, Title 2, §51.004(c), DHS must determine that:**

[(d) DHS uses noncompetitive negotiation if:]

(1) no two shelter centers are [not] in competition for local funding;

(2) no two shelter centers serve identical [different] service areas as defined by DHS regional administrative staff, unless regional administrative staff determine that high demand for shelter-center services in a particular area requires operation of more than one shelter center; and

(3) only one source of shelter-center services is available for solicitation[.] in the service area, unless regional administrative staff determine that high

demand for services in a particular area requires operation of more than one shelter center.

(c)[(e)] When DHS uses a competitive procurement procedure as specified in the Human Resources Code, Title 2, §51.004(c), [DHS must use competitive negotiation if competition for the contract is apparent. In competitive negotiation,] the department issues a formal request for proposals to solicit prospective contractors for shelter-center services [(RFP) is used for solicitation].

§54.403. Contractor's Payment.

(a) (No change.)

(b) **The Texas Department of Human Services (DHS) permits family violence shelter centers to include in-kind contributions of goods and services when they calculate their yearly operating costs as specified in subsection (a) of this section.** This provision is an exception to the requirements of §69.237 of this title (relating to Certified Local Resources). Each shelter center must establish and follow internal policies for the consistent and reasonable treatment of in-kind contributions. These policies must include:

(1) a method of establishing the reasonable value of donated goods and services; and

(2) requirements for documenting in-kind contributions.

(c)[(b)] To receive payment, shelter centers must bill DHS monthly according to the payment schedule specified in the contract. The family violence program's [program :] monthly activity report form must be submitted with the bill.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911823 Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Proposed date of adoption: February 1, 1990.

For further information, please call: (512) 450-3765

Part IX. Texas Department on Aging

Chapter 255. State Delivery Systems

Area Agency Designation

• 40 TAC §255.37

The Texas Department on Aging proposes an amendment to §255.37, concerning contract and reimbursement methodology for aging

services provided under the Older Americans Act, Title III, as amended. The amendment is adopted to provide additional information and clarification to contract for services under the Older Americans Act, Title III.

Charles Hubbard, fiscal officer, Texas Department on Aging, has determined that for the first five-year period the section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Alex Guerra, program director, Texas Department on Aging, has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be better understanding of the performance based unit rate contracting procedure as implemented by the Texas Department on Aging. There will be no effect on small businesses as a result of enforcing the section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Comments on the proposal may be submitted to Edwin R. Floyd, Program Liaison, Texas Department on Aging, P.O. Box 12786, Austin, Texas 78711.

The amendment is proposed under the Human Resources Code, Chapter 101, which provides the Texas Department on Aging with the authority to promulgate rules governing the operation of the department.

§255.37. Contract and Reimbursement Methodology for Aging Services Provided Under the Older Americans Act.

(a) (No change.)

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

(1) (No change.)

(2) Second and following years—Service providers should carefully negotiate their unit rates prior to signing a contract as all contracts are on an "at risk" basis. "At risk" means that service providers are responsible for delivering service units at the unit rate contracted with the AAA or funding source. The following information is relative to unit rate contracts negotiated during an "at risk" year.

(A) The contracted Title III unit rate along with USDA cash and various local resources has to be sufficient, considering anticipated service units, to cover budgeted expenditures for the contract period.

(B) During an "at risk" year, service providers have to be very careful in budgeting local resources. The following local resources should be considered during the budgeting process:

(i) essential in kind contributions;

(ii) program income that is representative of collections of the past year or two;

(iii) the amount of committed city, county, or civic funds;

(iv) other federal and state resources committed to the program.

(C) There are instances where the "at risk" unit rate may be adjusted. AAA directors considering mid-year rate increases should require adequate documentation from the service provider to justify the situation causing the request for an adjustment. Adjustments will be considered only in instances where a service provider suffers operating losses due to events over which they have no control, or reasonably could not have anticipated, such as flood damage. Another factor that could possibly merit an "at risk" unit rate being adjusted is sharp reductions in local resources budgeted to pay a portion of the cost to provide a service unit due to depressed local economic conditions; for example, program income, budgeted at previous years' amounts, drops drastically although participation remains stable, or money pledged by local governmental organizations is not forthcoming.

(D) "At risk" unit rates will not be adjusted to offset inadequate planning by management. Examples include: service provider determines the agency must hire an additional employee, make facility maintenance repairs, or give employees a raise. "At risk" unit rates are not adjusted because service unit counts have dropped. Normal day-to-day cost increases for insurance, personnel and benefits, food, vehicle maintenance, office supplies, and other cost items do not affect the "at risk" unit rate, nor does the theft of food or supplies.

(E) Any adjustment to an "at risk" unit rate will be judged on its own merits. It is the responsibility of the service provider requesting the rate increase to provide adequate documentation to assure the area agency on aging (including any rate review committee of the local advisory committee) that the increase is warranted due to circumstances beyond their control and not just the result of poor planning or mismanagement.

(F) There is one instance where an "at risk" unit rate can be adjusted lower. This situation could occur if a service provider is deliberately under-reporting various local contributions in the budget, including program income, to create an unrealistic dependence on Title III funds and a higher than justified Title III unit rate.

(3)[(2)] Performance based unit rate contract—A contract for service which reimburses the service provider at a contractually negotiated fixed rate for a unit of service provided according to specified performance standards.

(4)[(3)] Performance standards—The minimum standards under which aging services may be contracted with Older Americans Act funds, as published in the Texas Administrative Code by the Texas Department on Aging.

(c) (No change.)

(1) (No change.)

(2) Supportive services. The initiation year for phase-in of the supportive services indicated is fiscal year 1989/October 1, 1988. The full implementation date is fiscal year 1990/October 1, 1989. The following services are included in supportive services:

(A) transportation;

(B)[(C)] legal assistance [(B) information and referral];

(C)[(D)] Homemaker I;

(D) [(E)] Homemaker II;

(E)[(F)] adult day care; and,

(F)[(G)] case management

(d)-(f) (No change.)

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

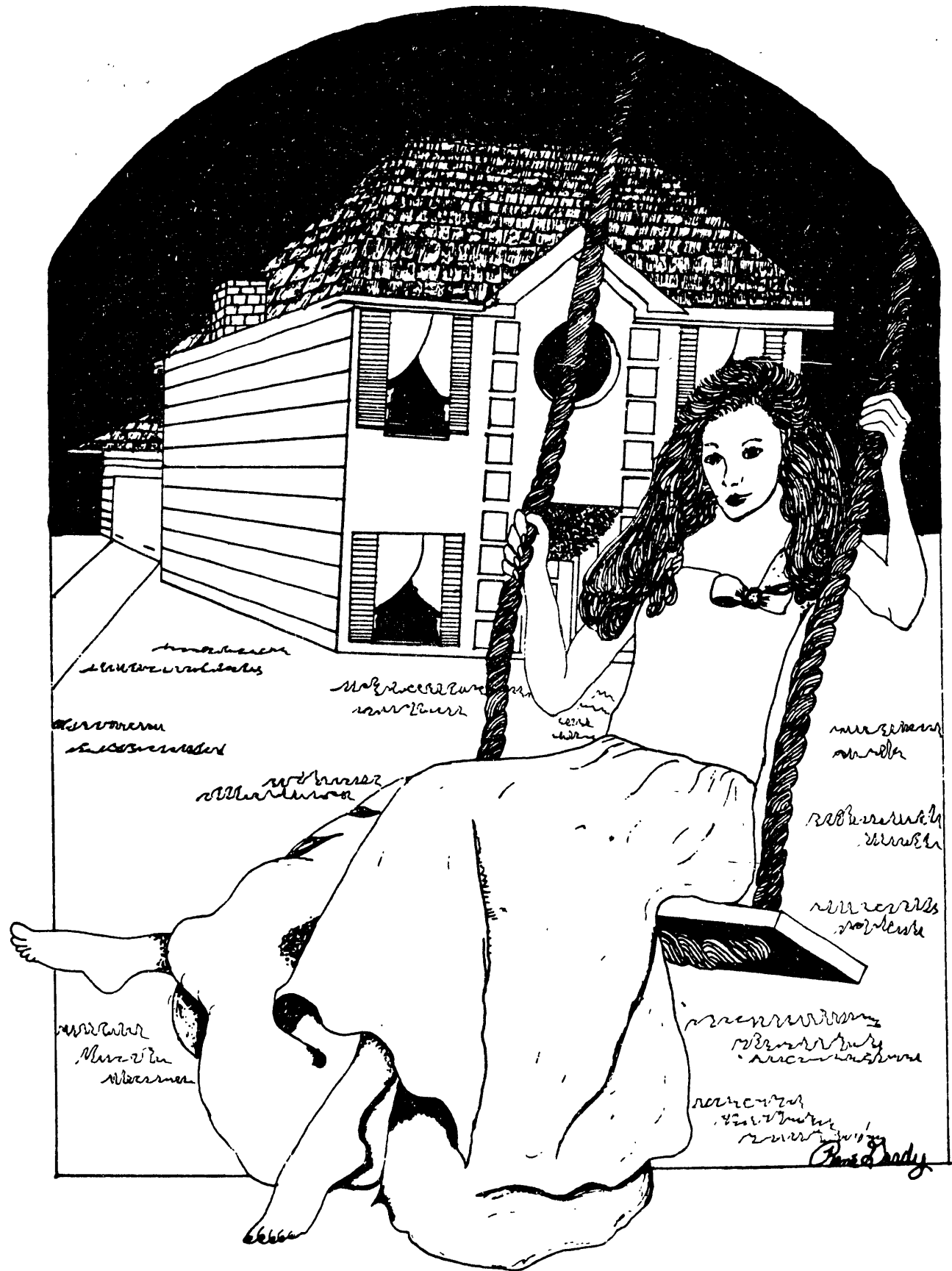
Issued in Austin, Texas, on December 8, 1989.

TRD-8911831

O. P. (Bob) Bobbitt
Executive Director
Texas Department on
Aging

Earliest possible date of adoption: January 15, 1990

For further information, please call: (512) 444-2727



Adopted Sections

An agency may take final action on a section 30 days after a proposal has been published in the *Texas Register*. The section becomes effective 20 days after the agency files the correct document with the *Texas Register*, unless a later date is specified or unless a federal statute or regulation requires implementation of the action on shorter notice.

If an agency adopts the section without any changes to the proposed text, only the preamble of the notice and statement of legal authority will be published. If an agency adopts the section with changes to the proposed text, the proposal will be republished with the changes.

TITLE 4. AGRICULTURE

Part II. Animal Health Commission

Chapter 35. Brucellosis

Subchapter A. Eradication of Brucellosis in Cattle

• 4 TAC §35.1

The Texas Animal Health Commission adopts an amendment to §35.1, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4583).

It was necessary to amend the definitions to ensure that all persons affected by the rules understand the terms defined.

The definition for a dealer has been redefined to track statutory language and to specifically define a dealer as any person engaged in the business of buying or selling cattle in commerce on his own account, as an employee or agent of the vendor, the purchaser, or both on a commission basis.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapters 161 and 163, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911793 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

• 4 TAC §35.2

The Texas Animal Health Commission adopts an amendment to §35.2, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4583).

It was necessary to amend this section to state blood collection procedures at slaughter

plants; keep records on cattle 18 months of age or older; give herd owners the option of renewing a quarantined pasture for "S" branded heifers.

Slaughter plants must collect blood samples at their slaughter plants and follow specific collection and submission procedures; dealers are required to maintain records on all cattle 18 months of age or older, parturient, or postparturient; the requirement for keeping records on weight of the animals has been eliminated; a herd owner has the option to renew an application for a quarantined pasture for "S" branded heifers for the same premise under the same terms and provisions as were originally made without having to vacate the pasture. Paragraphs (k)-(v) have been relettered to correct an error in alphabetizing.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapters 161 and 163, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911792 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

Subchapter B. Eradication of Brucellosis in Swine

• 4 TAC §35.41

The Texas Animal Health Commission adopts an amendment to §35.41, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4584).

It was necessary to add a definition to define a dealer.

This definition defines the term "dealer" as being any person engaged in the business of buying or selling swine.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapters 161 and 163, which provides the commission with authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911791 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

• 4 TAC §35.55

The Texas Animal Health Commission adopts new §35.55, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4584).

It was necessary to add a new section to require swine dealers to maintain records.

Swine dealers are required to keep records that show the seller's name, address, county of origin, number of animals, and a description of the animals. Records kept at an auction and commission firm must also show the license number of the delivery vehicle.

No comments were received regarding adoption of the amendment.

The new section is adopted under the Agriculture Code, Texas Civil Statutes, Chapters 161 and 163, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911790 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

Chapter 39. Scabies

• 4 TAC §39.4

The Texas Animal Health Commission adopts an amendment to §39.4, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4585).

It was necessary to amend the section to eliminate the entry permit requirement and to remove the requirement for an inspection by a sheep scabies inspector. Since there are no sheep scabies quarantined areas in the United States reference to movement from such areas was deleted.

Sheep consigned for purposes other than movement to slaughter or a livestock market must have a certificate of veterinary inspection issued by an accredited veterinarian which certifies the health of animals moving in interstate commerce.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911789 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

Chapter 43. Tuberculosis

• 4 TAC §43.2

The Texas Animal Health Commission adopts an amendment to §43.2, with changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4585).

It was necessary to amend the section to require a negative tuberculosis test on cattle prior to entry rather than permitting them to be tested after arrival and to reduce the eligible test age from 24 months to 18 months.

Dairy and registered beef breeding cattle that are 18 months of age or older, parturient, or postparturient entering Texas from other than accredited free herds or areas must have a negative tuberculosis test within six months prior to entry into the state, cattle moving from a farm-of-origin to be sold to slaughter or quarantined feedlot, if they are held in

quarantine pens at the market, are exempt from this requirement.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

§43.2. Interstate Movement Requirements.

(a) All dairy and registered beef breeding cattle that are parturient or postparturient or 18 months of age or older, shall be tested negative for tuberculosis within six months prior to entry with results of this test recorded on the certificate of veterinary inspection.

(b) All dairy and registered beef breeding cattle originating from an accredited tuberculosis free area or herd are exempt from testing requirements in subsection (a) of this section provided the herd number is stated on the certificate of veterinary inspection. All dairy and registered beef breeding cattle moving directly from a farm-of-origin to a USDA-approved market in Texas are exempt from testing requirements provided the animals are held in quarantine pens at the market to be sold to slaughter or quarantined feedlot.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911788 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

Chapter 47. Requirements and Standards for Approved Personnel

• 4 TAC §47.6

The Texas Animal Health Commission adopts an amendment to §47.6, with changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4586). The amendment requires knowing violation of subsection (b)(5) for suspension or revocation of approved personnel status.

It was necessary to amend the section to clarify revocation procedures for approved personnel.

Violation of a commission rule is basis for revocation of approved personnel status; also clarification of other bases for revocation of approved status is shown.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

§47.6. Suspension or Revocation of Status of Approved Personnel.

(a) (No change.)

(b) Suspension or revocation of approved personnel status may be made upon a determination that violations including, but not limited to, the following are found to have occurred:

(1) submitting fraudulent blood samples;

(2) failing to report test results;

(3) providing card test kits or antigen for use by persons or entities not approved by the commission;

(4) (No change.)

(5) knowingly performing calfhood vaccination on over age heifers;

(6)-(7) (No change.)

(8) failing to submit vaccination charts 14 days following vaccination;

(9) failing to submit test charts seven days following testing;

(10) fraudulently reporting that animals have been vaccinated or tested;

(11) submitting blood samples with excessive hemolysis rates or insufficient serum to conduct confirmation testing;

(12) having more than three discrepancies in conformation test results over a six-month period;

(13) falsifying official test documents;

(14) submitting fraudulent claims for reimbursement for testing or vaccinating for brucellosis;

(15) conducting the card test at a livestock market prior to receiving complete ownership information or backtag identification; and

(16) violating a rule of the commission.

(c)-(h) (No change.)

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911787 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989
For further information, please call: (512) 479-6697

Chapter 49. Equine

• 4 TAC §49.2

The Texas Animal Health Commission adopts an amendment to §49.2, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4586). This amendment was also adopted by emergency action of the commission published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4571).

The amendment was necessary so that the equine population in this state can be protected from disease. This section will require a test within six months prior to entry rather than 12 months due to a large number of equidae that are expected to begin entering the state. Currently, Texas regulations also require equine entering the state for slaughter purposes to have an entry permit from this office. Since some states require untested horses to be "S" branded and moved to slaughter accompanied by a VS 1-27 permit there is no need to have them receive a permit from the Texas Animal Health Commission in addition to the requirement of the other states.

All equidae are required to be tested within six months prior to entry in the state rather than 12. Also untested horses can be moved to slaughter if they are "S" branded and accompanied by a VS 1-27 permit. Since Louisiana and Arkansas move untested horses from their markets in this manner, it will eliminate the need for those shipments to also receive a permit from this office.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911786 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

Chapter 51. Regulations Governing Admission of Livestock and Poultry into Texas and Regulations Governing Interstate and Intrastate Admission of Livestock into Shows, Fairs, and Exhibitions

• 4 TAC §51.1

The Texas Animal Health Commission adopts an amendment to §51.1, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4587). This section was adopted by emergency action of the commission and was published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4571).

The section was adopted because it was necessary to redefine a certificate of veterinary inspection to include exotic livestock and fowl and to amend the length of time a certificate is valid.

A certificate of veterinary inspection is a document signed by accredited veterinarians. The veterinarian is required to list the livestock, exotic livestock, fowl, and exotic fowl that have been subjected to tests, immunizations, and treatments that may be required by the commission. The certificate is valid for 45 days when it is issued for entering the state for exhibition purposes only at shows, fairs, and races.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161, which provides the commission with the authority to adopt rules and sets forth the duties of the commission to protect livestock in the state from disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911785 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

• 4 TAC §51.2

The Texas Animal Health Commission adopts an amendment to §51.2, without changes to the proposed text as published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4587). This amendment was also adopted by emergency action of the commission and was published in the September 8, 1989, issue of the *Texas Register* (14 TexReg 4571).

The amendment was necessary in order to delete language in the requirements for a certificate of veterinary inspection. Emergency adoption of this section was necessary to avoid a conflict in interpretation of the rules.

The defined term will assist anyone reading the regulation to understand how that term is used in this regulation. The certificate of veterinary inspection now conforms to the definition of the certificate described in §51.1.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Agriculture Code, Texas Civil Statutes, Chapter 161. This statute provides the commission with authority to adopt rules and sets forth the duties of this commission to control disease.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911784 John W. Holcombe, DVM
Executive Director
Texas Animal Health
Commission

Effective date: December 31, 1989

Proposal publication date: September 8, 1989

For further information, please call: (512) 479-6697

TITLE 25. HEALTH SERVICES

Part I. Texas Department of Health

Chapter 133. Hospital Licensing

Standards

• 25 TAC §133.21

The Texas Department of Health adopts an amendment to §133.21, without changes to the proposed text as published in the August 22, 1989 issue of the *Texas Register* (14 TexReg 4206). The amendment adopts by reference the department's hospital licensing standards; the amendment is made to Chapter 4 of the standards.

Numerous hospitals have closed in the last several years. The hospital licensing standards required a hospital that was closed for longer than one year to meet the standards for new construction prior to licensure. The requirement placed a medical and financial hardship on communities that expressed a desire to reopen the hospital. Many rural citizens had to seek health care in medical communities as distant as 55 miles. In cases of medical emergencies, the situation represented an imminent threat to public health and safety; this amendment will prevent those situations from occurring.

The amendment modifies §4-1.1.3 of Chapter 4 of the standards concerning time limitations on reopening a hospital under existing facility life safety codes. A new §4-1.1.4 and two

new subsections are added to the standards to clarify the conditions and time limitations for reopening a hospital that has been vacated or used for occupancy other than a hospital. Existing §§4-1.1.4., 4-1.1.5., and 4-1.1.6 of the standards have been renumbered to allow for the insertion of new §4-1.1.4.

No comments were received regarding adoption of the proposed amendment.

The amendment is adopted under the Health and Safety Code, §241.026, which provides authorization for the Texas Board of Health to adopt minimum standards for staffing by physicians and nurses, hospital services relating to patient care, and fire prevention, safety, and sanitary provisions of hospitals in Texas; and Health and Safety Code, §12.001, which provides the Texas Board of Health with the authority to adopt rules for the performance of every duty imposed by law on the Texas Board of Health, the Texas Department of Health, and the commissioner of health.

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

Issued in Austin, Texas, on December 11, 1989.

TRD-8911837

Robert A. MacLean, M.D.
Deputy Commissioner for
Professional Services
Texas Department of
Health

Effective date: January 1, 1990.

Proposal publication date: August 22, 1989.

For further information, please call: (512) 458-7531

TITLE 28. INSURANCE Part I. State Board of Insurance

Chapter 8. Early Warning System for Insurers in Hazardous Condition

Subchapter A. Hazardous Condition

• 28 TAC §§8.1-8.3

The State Board of Insurance adopts new §§8.1-8.3, with changes to the proposed text published in the June 6, 1989, issue of the *Texas Register* (14 TexReg 2650).

Sections 8.1-8.3 concern some of the conditions which could be a basis for the commissioner of insurance to issue an order under the Insurance Code, Article 1.32 or Article 3.55-1, or to place an insurance company in a state of supervision under the Insurance Code, Article 21.28-A. The new sections are necessary to provide effective implementation of the early warning system which has been developed by the board for more efficient identification of insurance companies which may be in a condition hazardous to the public. This adoption includes numerous changes to the proposed text. For clarification, the board changed §§8.3(7), (8), (12), (13), (19), (20), (27), and (29). Other changes were made in response to comments, as explained in the summary of comments

Sections 8.1-8.3 are adopted as new Subchapter A, concerning hazardous condition, of new Chapter 8, concerning early warning system for insurers in hazardous condition. The sections provide a basis for the commissioner to take administrative action against a company to correct conditions which have been determined to be hazardous. They also provide notice to insurers of conditions, as determined by the board, that may indicate an insurer is in hazardous condition. The conditions enumerated in the sections do not conclusively indicate that an insurance company is in hazardous condition. One or more of the conditions can exist in an insurance company which is in satisfactory condition; however, one or more of these conditions has often been found in an insurance company which was unable to perform its obligations to policyholders, claimants, creditors, and shareholders, or has required the commissioner of insurance to initiate regulatory action to protect policyholders, claimants, creditors, and shareholders. The new sections will be used by the commissioner to take administrative action against insurers to correct conditions which have been identified as being hazardous to the public. They will also be used as guidelines to detect insurers which could be developing conditions that, if not corrected, could result in the insurers' operations becoming hazardous to the public.

Objecting to the sections as proposed were Alliance of American Insurers, American Insurance Association, Texas Association of Independent Loyds, Texas Association of Mutual Insurance Companies, Texas Life Insurance Association, Texas Legal Reserve Officials Association, Title Underwriters of Texas Advisory Organization, Inc., Lone Star Life Insurance Company, The Prudential Insurance Company of America, Stewart Title Guaranty Company, Texas Central Life Insurance Company, American Title Insurance Company, Optimum Re Insurance Company, National Health Insurance Company, Title Resources Guaranty Company, Utica Mutual Group Companies, Lumbermens Mutual Casualty Company, American Motorists Insurance Company, American Manufacturers Mutual Insurance Company, American Protection Insurance Company, and Kemper Loyds Insurance Company.

Some commenters suggested the sections should apply only to domestic insurers. The board disagrees with those comments. Any insurer doing business in this state should be regulated by the same standards with regard to hazardous condition. In response to comments expressing concern about the confidentiality of certain information relating to the financial condition of insurers, the board changed §8.1 to provide that the evaluation of the information concerning hazardous conditions is part of the examination process. There were also comments, generally and specifically, that the sections were vague, ambiguous, or imprecise. In response, the board changed several sections. The term "surplus" in §8.2 is re-defined. Also, §8.3(9) was amended to indicate that the risk under a group policy subject to the limitations was the individual risk, not the aggregate risk; §8.3(17) was amended to indicate that its application is limited to domestic insurers since the Insurance Code, Article 1.28, is limited to domestic insurers; and paragraph (24) was amended to clarify the manner or

kind of delegation that could be hazardous. In response to comments that some of the sections were too restrictive, §8.3(13) was amended to delete the criteria concerning the relationship of net worth to total liabilities; §8.3(14) was amended to allow additional life, accident, and health insurance to be written in relation to surplus; and paragraph (16) was amended to narrow the restriction on surplus debentures so that it applies only to surplus debentures issued by an insurer for the purpose of financing its operations. Other comments pointed out that the 10% limit on retained risk in §8.3(9) was contrary to the Insurance Code, Article 9.19, which allows title companies to retain a risk of 50% of its surplus. The section is amended by adding "except where otherwise permitted by law." Commenters also pointed out that all charges by title company agents to customers are required to be reflected as premiums in financial reports. To reflect the ratio of risk premium to surplus, §8.3(15) was amended to read "net premium writings." Section 8.3(25) was amended after considering comments concerning the scope of its application. The paragraph was amended by excluding anyone who is a fulltime, salaried, employee of the insurer. Another commenter pointed out that claims can be settled by means other than payment. The board agreed and amended §8.3(26) to provide that if an insurer has a pattern of not settling valid claims, it can be a hazardous condition.

The new sections are adopted under the Insurance Code, Article 1.32, §3; Article 3.55-1; and Article 21.28-A, §11, which authorizes the State Board of Insurance to promulgate rules and regulations necessary to accomplish the purposes of those articles, which is to protect the public from insurance companies that are in hazardous condition.

§8.1. Authority, Scope, and Purpose. This subchapter of the rules and regulations of the State Board of Insurance is promulgated and adopted pursuant to the authority provided in the Insurance Code, Articles 1.32, 3.55-1, and 21.28-A. The sections in this subchapter apply to any person, organization, association, or company (authorized or unauthorized, admitted or non-admitted) acting as an insurer, or as principal or agent of an insurer, including stock companies, reciprocals or interinsurance exchanges, Loyds associations, fraternal benefit societies, stipulated premium companies, title insurance companies, and mutual companies of all kinds, including state-wide mutual assessment corporations, local mutual aid associations, burial associations, county mutual insurance companies, and farm mutual insurance companies. The purpose of these rules and regulations is to enumerate conditions which may indicate an insurer is in hazardous condition and which may be a basis for the commissioner of insurance to initiate an action against an insurer under the Insurance Code, Articles 1.32, 3.55-1, or 21.28-A. In evaluating any of these conditions, all circumstances concerning the insurer's operation must be evaluated in making an ultimate conclusion that an insurer is in hazardous condition. The evaluation of the information relating

to these conditions is part of the examination process. The conditions enumerated in this subchapter do not conclusively indicate that an insurance company is in hazardous condition. One or more of the conditions can exist in an insurance company which is in satisfactory condition; however, one or more of these conditions has often been found in an insurance company which was unable to perform its obligations to policyholders, claimants, creditors, or shareholders, or has required the commissioner of insurance to initiate regulatory action to protect policyholders, claimants, creditors, and shareholders.

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

Agency—Commissioner of insurance and all divisions, departments, and employees of the commissioner of insurance or of the State Board of Insurance.

Insurer—Any person, organization, association, or company (authorized or unauthorized, admitted or non-admitted) acting as an insurer, or as principal or agent of an insurer, including stock companies, reciprocal or interinsurance exchanges, Lloyds associations, fraternal benefit societies, stipulated premium companies, title insurance companies, and mutual companies of all kinds, including state-wide mutual assessment corporations, local mutual aid associations, burial associations, county mutual insurance companies, and farm mutual insurance companies.

Surplus—The remainder of statutorily admitted assets less statutorily required liabilities. The term also includes the mortuary fund and expense fund combined of state-wide mutual assessment companies, burial associations, and mutual aid associations.

§8.3. Hazardous Conditions. An insurer may be found to be in hazardous condition when one or more of the following conditions are found to exist by the commissioner:

(1) an insurer does not file a financial statement within the time required by the Insurance Code or as requested by the agency;

(2) an insurer files financial information which is false or misleading;

(3) an insurer does not grant authorization to amend its financial statement when requested by the agency to grant such authorization;

(4) an insurer overstates its surplus by 25% or more;

(5) an insurer's unassigned surplus has a deficit which is in excess of 20% of surplus;

(6) an insurer's financial ratios are outside the acceptable ranges as established by the National Association of Insur-

ance Commissioners in the Insurance Regulatory Information System;

(7) the net reduction (excluding net income and change in paid-in capital and change in paid-in or contributed surplus) to the insurer's surplus is greater than 25% of beginning surplus on the insurer's annual financial statements;

(8) a projection by the agency of an insurer's current financial condition indicates that the sum of its paid-in capital, paid-in surplus, and contributed surplus will be reduced within the next 12 months;

(9) an insurer's aggregate net retained risk, direct or assumed, under any one insurance policy or certificate of insurance under a group policy, is more than 10% of the insurer's surplus, except where otherwise permitted by law;

(10) an insurer's reserves for losses and loss adjustment expenses are discounted more than 10% of surplus;

(11) an insurer has reinsurance reserve credits, recoverables, or receivables which are disputed by the reinsurer, or are due and payable and remain unpaid, and such reinsurance credits, recoverables, and receivables are more than 10% of an insurer's surplus;

(12) an insurer has reinsurance reserve credits, recoverables, or receivables due from insurance companies in receivership, and such are either more than 10% of surplus or more than 5.0% of admitted assets;

(13) an affiliate or subsidiary of an insurer is unable to pay its obligations as they become due and payable;

(14) a life, accident, and health insurer has premium writings which result in surplus being less than 5.0% of the aggregate general account reserves for the life insurance in force plus 25% of the net annualized accident and health premium writings;

(15) a property and casualty insurer has net premium writings which, if annualized, would be an amount more than 300% of surplus;

(16) an insurer consistently issues subordinate premium or surplus debentures to finance its operations;

(17) an insurer does not maintain books and records sufficient to permit examiners to determine the financial condition of the insurer, examples of which include, but are not limited to:

(A) books and records of a domestic insurer maintained outside the State of Texas in violation of the Insurance Code, Article 1.28;

(B) person(s) responsible for generating or maintaining books of original

entry for a domestic insurer are officed outside the State of Texas; or

(C) an insurer moves, or maintains, the location of the books and records necessary to conduct an examination without notifying the agency of such location.

(18) an insurer has reinsurance agreements affecting 20% or more of the insurer's gross written premiums, direct or assumed, and the assuming insurers are not licensed to do an insurance business in the State of Texas;

(19) an insurer has reinsurance credits taken or assets claimed on which there are not complete evidence of reinsurance agreements with insurers, signed by the reinsurer, and which are more than 10% of surplus;

(20) an agreement exists, written or otherwise, which requires all surplus funds which are in excess of an insurer's statutory minimum capital and surplus, or equivalent, to be distributed;

(21) an insurer's management does not have the experience, competence, or trustworthiness to operate the insurer in a safe and sound manner;

(22) an insurer's management engages in unlawful transactions;

(23) an insurer does not comply with the terms of an agreement with an affiliate;

(24) the administration of an insurer's business is delegated to a person who, directly or indirectly, produces more than 25% of the insurer's gross written premiums, or an insurer delegates an insurance function necessary to the insurer's survival without adequate controls and/or which creates a conflict of interest;

(25) one person, other than a fulltime, salaried employee, controls production of more than 10% of the gross written premiums of an insurer;

(26) an insurer has a pattern of not settling valid claims within a reasonable time after due proofs of loss have been received;

(27) an insurer does not follow a policy on rating and underwriting standards appropriate to the risk;

(28) an insurer violates the Insurance Code, Article 21.39-A or Article 21.39-B;

(29) a final administrative or judicial order, initiated by an insurance regulatory agency of another state, is issued against an insurer;

(30) an insurer is in any condition that the commissioner of insurance finds to present a hazard to policyholders, creditors, or the general public.

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

Issued in Austin, Texas on December 6, 1989.

TRD-8911714 Nicholas Murphy
Chief Clerk
State Board of Insurance

Effective date: December 27, 1989

Proposal publication date: June 6, 1989

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

TITLE 34. PUBLIC FINANCE

Part I. Comptroller of Public Accounts

Chapter 3. Tax Administration

Subchapter V. Bingo Regulation and Tax

• 34 TAC §3.541

The Comptroller of Public Accounts adopts an amendment to §3.541, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5832).

The amendment amends subsections (a)-(c) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911774 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

• 34 TAC §3.542

The Comptroller of Public Accounts adopts an amendment to §3.542, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5832).

The amendment amends subsections (b), (c), and (e) to replace references to the comptroller with references to the Texas Alcoholic

Beverage Commission and to replace a reference to the Regulatory Tax Division with a reference to the Bingo Division.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911773 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

• 34 TAC §3.543

The Comptroller of Public Accounts adopts an amendment to §3.542, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5833).

The amendment amends subsections (a) and (b), and the current subsection (d) to change references to the Comptroller of Public Accounts to references to the Texas Alcoholic Beverage Commission. The amendment amends subsection (a) to add denial of a license on grounds which would justify suspension or revocation of a license. The amendment amends subsection (b) to delete grounds for suspension or revocation, to delete provisions concerning summary suspension, to refer to the Bingo Enabling Act, and to change the beginning date of a period of suspension. The amendment adds a new subsection (c) to consolidate, with changes, provisions dealing with hearings presently in subsections (a) and (b), and reletters the present subsections (c) and (d).

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911772 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

• 34 TAC §3.544

The Comptroller of Public Accounts adopts an amendment to §3.544, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5834).

The amendment adds definitions of "commission," "comptroller," and "sale." The amendment also deletes the definition of "bingo occasion" which is defined in House Bill 2260.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911771 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

• 34 TAC §3.545

The Comptroller of Public Accounts adopts an amendment to §3.545, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5835)

The amendment amends subsection (b)(3)(C) to clarify that in certain situations more than one lessor's license may be issued for one location. The amendment also adds new subparagraphs (D), (E), and (F) to subsection (b)(3), concerning renewals of an existing lessor's license at a different location and concerning applications to conduct bingo at a commercial hall. The amendment also amends subsections (a)-(d) and (f)-(m) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911770 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.546

The Comptroller of Public Accounts adopts an amendment to §3.546, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5837).

The amendment amends subsection (b) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas on December 8, 1989.

TRD-8911769 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.547

The Comptroller of Public Accounts adopts an amendment to §3.547, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5837).

The amendment amend subsections (a)(1)(D) and (d) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission. The amendment also amends subsection (a) to require use of a disposable card sales summary and a cash register and to specify how floor sales are to be recorded.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel

and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas on December 8, 1989.

TRD-8911768 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.548

The Comptroller of Public Accounts adopts an amendment to §3.548, with changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5837). The changes replace two references to the comptroller with references to the Alcoholic Beverage Commission in subsection (k).

The amendment amends subsection (a) to replace a reference to the comptroller with a reference to the Texas Alcoholic Beverage Commission, to prohibit a person from being an operator for more than one organization, and to delete references to involvement in conducting bingo by manufacturers or distributors. The amendment amends subsection (b)(2) to clarify a reference to publicly owned premises. The amendment amends subsection (c) to apply the rent limits set by House Bill 2260. The amendment amends subsection (g) to change references to bingo occasions to references to bingo games so as to be consistent with the definition of "bingo occasion" in House Bill 2260. The amendment repeals subsection (i) and reletters subsections (j)-(m).

The amendment was proposed to implement Texas Civil Statutes, Article 179d, Bingo Enabling Act, §11a, as added by the 71st Legislature, 1989, House Bill 2260.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

§3.548. *General Restrictions on the Conduct of Bingo.*

(a) Who may conduct bingo.

(1) Except for those groups set out in §3.546 of this title (relating to Exceptions from Licensing Requirements), only an authorized organization licensed by the Texas Alcoholic Beverage Commission (commission) under §3.545(a), (c), or (d) of this title (relating to Licenses, Fees, and Bonds for Conduct of Bingo and Commercial Lessor), may conduct bingo. Only persons who have been bona fide members of a licensed organization for at least the preceding calendar year may operate, manage, conduct, promote, or administer the organization's games of bingo unless otherwise

excluded by this subsection. No person may be an operator for more than one organization.

(2) All callers, cashiers, ushers, bookkeepers, and accountants who assist in conducting, promoting, or administering bingo games must be members of the authorized organization or hired by and acting under the supervision of the authorized organization.

(A) Except as provided hereafter, neither a commercial lessor nor any person having an interest in a commercial lessor, nor any employee or agent of any of them shall operate, manage, conduct, advise, or assist in the operating, managing, conducting, promoting, or administering of bingo. The term "assist" as used in this section includes, but is not limited to, the payment of any expense of a licensed bingo organization by a commercial lessor, whether such payment be by loan or otherwise. This prohibition does not apply to a person whose employment by or business relationship with a commercial lessor is unrelated to the leasing of bingo premises and who is not acting in the capacity of operator.

(B)-(C) (No change.)

(b) Location. Bingo may be conducted by a licensed organization only on premises, as that term is defined in §3.544 of this title (relating to Definitions), which are:

(1) (No change.)

(2) owned by a governmental agency;

(3)-(4) (No change.)

(c) Limit on rent. The payment of rent shall be limited as follows, subject to the exceptions specified in the Bingo Enabling Act, §11a(c).

(1) The rent charged by a licensed commercial lessor for a location to conduct bingo, as that term is defined in §3.544 of this title (relating to Definitions), must not exceed \$600 per occasion, unless the commercial lessor leases to a licensed authorized organization that subleases the premises to one or more other licensed authorized organizations to conduct bingo, in which case the rent may not exceed \$600 for each day that bingo is conducted. The licensed authorized organization that subleases the premises to one or more other licensed authorized organizations to conduct bingo may charge those groups no more than \$600 per occasion. A rental agreement may not guarantee that an organization will break even or receive a profit from the conduct of its games.

(2) All rent paid to the lessor must be paid in a lump sum. Rent includes all expenses authorized by the Bingo Enabling Act, §19(c), that are paid by the

licensed authorized organization to the lessor in connection with the use of the premises. All payments to an organization, association, or business are considered payments to the lessor if any person who has a substantial interest in the lessor also has a substantial interest in the organization, association, or business. The term "substantial interest" shall be as defined in the Bingo Enabling Act, §2(21).

(d)-(f) (No change.)

(g) Frequency of bingo occasions. No more than two organizations may be licensed to conduct bingo at the same location, as that term is defined in §3.544 of this title (relating to Definitions), on the same day. If two organizations are licensed to conduct bingo at the same location on the same day, there must be a minimum 30-minute break or intermission between each organization's regular bingo games. The operator or caller must announce prior to the start of the first regular game the name of the organization that will be conducting bingo for that session. If two or more licensed organizations are conducting bingo at the same location, a person may not at any time be required to purchase cards for more than one bingo session.

(h) (No change.)

(i) Workers as players. No licensee or holder of a temporary authorization may permit any person who is conducting or assisting in the conduct of bingo to participate as a player when the person is conducting or assisting in the conduct of bingo.

(j) Reservation of bingo cards. No licensed organization may reserve, or allow to be reserved, any bingo card or cards for use by a particular individual.

(k) Inspection of equipment, tampering prohibited. All bingo equipment, including blowers, flashboards, balls, and bingo cards, are subject to inspection at any time by any representative of the commission. An authorized organization conducting bingo shall replace the bingo balls in use with a complete new set at least each six months or after each 50 occasions which ever occurs later and shall replace the balls at any time upon order of the commission or its representative. No person may tamper with or modify any bingo equipment in any manner which would affect the randomness of numbers chosen or which changes the numbers or symbols appearing on the face of a bingo card. A licensed authorized organization has a continuing responsibility to ensure that all bingo equipment used by it is in proper working condition.

(l) Verification.

(1)-(2) (No change.)

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911767

Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.549

The Comptroller of Public Accounts adopts an amendment to §3.549, with changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 *TexReg* 5839).

The amendment repeals the present subsection (b) concerning expenses which must be paid from the bingo account, which is codified in House Bill 2260, and reletters succeeding subsections. The amendment also amends the present subsections (c) and (d) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911766

Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.550

The Comptroller of Public Accounts adopts an amendment to §3.550, with changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 *TexReg* 5839)

The change replaces the words "copy" and "copies" with the words "report" and "reports" in subsection (a)(1) for the purpose of clarification.

The amendment amends subsections (a)-(d) to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission, to require that quarterly reports be filed both with the commission and the comptroller, to increase the amount of receipts exempt from tax, and to specify for what reporting period the amendment takes effect

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

◆ ◆ ◆
§3.550. Bingo Reports.

(a) (No change.)

(b) Failure to receive forms. The failure of licensees conducting bingo games to receive forms from the commission does not relieve them from the requirement of filing reports and remitting bingo gross receipts taxes on a timely basis.

(c) Commercial lessor. A licensed commercial lessor must file an informational report at any time it is requested by the commission.

(d) Effective date. This section, as amended, is effective for all quarterly reports and bingo gross receipts tax payments due on or after April 15, 1990, covering periods beginning with the first quarter of 1990.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911765

Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.552

The Comptroller of Public Accounts adopts an amendment to §3.552, without changes to the proposed text as published in the *Texas Register* (14 *TexReg* 5840).

The amendment reletters subsection (a)(3) as subsection (c), reletters the other subsections accordingly, repeals subsection (a)(6) which is codified in House Bill 2260, and amends subsections (a)-(f) to replace references to the comptroller with references to the commission, to delete references to representatives, and to charging an investigation fee to distributors as well as manufacturers.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act

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

Issued in Austin, Texas on December 8, 1989.

TRD-8911784 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512)
463-4004

◆ ◆ ◆
• 34 TAC §3.553

The Comptroller of Public Accounts adopts an amendment to §3.553, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5841).

The amendment amends subsection (a)(4), adds a new subsection (b), and reletters the existing subsection (b), to require manufacturers to keep a list of persons representing them prior to January 1, 1990, and to require a person licensed both as a manufacturer and as a distributor to keep separate set of records for each license.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911763 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512)
463-4004

◆ ◆ ◆
• 34 TAC §3.554

The Comptroller of Public Accounts adopts an amendment to §3.554, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5841)

The amendment amend subsections (a), (b), (c), (e), (f), and (g), and adds subsection (h). The amendment changes references to the Comptroller of Public Accounts to references to the Alcoholic Beverage Commission, requires that the seal of and authorization by the commission be printed on all instant bingo cards, requires that sales of instant cards be recorded on a cash register, states that sales of cards are subject to statutory restrictions, deletes references to representatives and to sales by manufacturers to licensed authorized organizations, and establishes an implementation schedule.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the

comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas on December 8, 1989.

TRD-8911782 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512)
463-4004

◆ ◆ ◆
• 34 TAC §3.555

The Comptroller of Public Accounts adopts an amendment to §3.555, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5842).

The amendment repeals the present subsections (a), (b), (d)-(g), deletes the letter from the present subsection (c), and adds to the present subsection (c) a reference to the applicable provision of the Bingo Enabling Act as amended by House Bill 2260.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act

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

Issued in Austin, Texas on December 8, 1989.

TRD-8911781 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512)
463-4004

◆ ◆ ◆
• 34 TAC §3.557

The Comptroller of Public Accounts adopts an amendment to §3.557, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5843)

The amendment adds a new subsection (d), reletters the present subsection (d), and amends subsections (a) and (b), to replace references to the comptroller with references to the commission, to provide that a person licensed as a manufacturer and as a distributor must file separate reports for each license, and removing an obsolete effective date.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911780 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512)
463-4004

◆ ◆ ◆
• 34 TAC §3.558

The Comptroller of Public Accounts adopts an amendment to §3.558, with changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 4906).

The amendment amends subsections (b)-(f) to provide for printing the seal of the Alcoholic Beverage Commission on disposable paper bingo cards, to replace references to the Comptroller of Public Accounts with references to the Alcoholic Beverage Commission, to delete references to sales of cards from manufacturers to licensed organizations, to state that sales or purchases of cards are subject to statutory restrictions, and to specify an implementation schedule and amend the implementation schedule for the requirement that the manufacturer's name, trade name, or trademark be printed on all cards.

No comments were received regarding the adoption of the amendment

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act

§3.558. Seal Required on Disposable Bingo Cards.

(a) (No change.)

(b) The face of every disposable bingo card used, sold, or otherwise furnished in this state shall bear an impression of the State of Texas and a star of five points encircled by olive and live oak branches and the words "Texas Alcoholic Beverage Commission," in accordance with detailed specifications, available on request from the commission. The face of each card shall also have printed on it the name of the manufacturer or a trade name or trademark which has been filed with the commission.

(c) No disposable bingo card shall be sold or otherwise furnished to any per-

son in this state without an example of such card having the prior written approval of the commission.

(d) Manufacturers shall submit an example of all disposable cards to the Texas Alcoholic Beverage Commission for written approval. Approval extends only to cards manufactured to the same specifications as examples submitted. Any modification of approved disposable bingo cards other than color, series numbers, serial numbers, and/or card numbers shall require submission of an example to the Texas Alcoholic Beverage Commission for approval.

(e) In addition to the restrictions contained in the Bingo Enabling Act, §11(n)-(u) and §13c(i), the following restrictions apply to the sale or purchase of disposable cards.

(1) A manufacturer shall not sell or otherwise furnish unapproved disposable cards to distributors for use in this state. This requirement shall also apply to any manufacturer who assembles and collates disposable cards for sale in Texas even though such cards have been previously submitted for approval by the original manufacturer. In addition, any licensed manufacturer who collates another manufacturer's disposable cards for sale in Texas must purchase all card sheets to be used in collating such cards from a licensed manufacturer.

(2) A distributor shall not purchase or otherwise obtain unapproved disposable cards for use in this state.

(3) A licensed organization shall not purchase or otherwise obtain unapproved disposable cards for use in this state. A licensed organization shall not use in this state unapproved disposable cards.

(f) The requirements that all cards have printed on the face of the card the seal of the Texas Alcoholic Beverage Commission and the name of the manufacturer, a trade name, or a trademark shall be implemented according to the following schedule.

(1) A manufacturer shall not sell or otherwise furnish disposable cards not bearing the seal of the Texas Alcoholic Beverage Commission and the manufacturer's name, trade name, or trademark to distributors for use in this state after December 31, 1989. This requirement also applies to any manufacturer who assembles and collates disposable cards for sale in Texas, but only the name, trade name, or trademark of the original manufacturer who printed the card face shall be printed on the card face.

(2) A distributor shall not purchase disposable cards which do not bear the seal of the Texas Alcoholic Beverage Commission and the name, trade name, or trademark of the manufacturer after December 31, 1989, for use in this state. A distributor may continue to sell cards which bear the comptroller's seal and do or do not bear the manufacturer's name, trade name, or

trademark to licensed organizations in this state until March 31, 1990.

(3) A licensed organization shall not purchase or otherwise obtain disposable cards which do not bear the seal of the Texas Alcoholic Beverage Commission and the manufacturer's name, trade name, or trademark for use in this state after March 31, 1990. A licensed organization shall not use in this state disposable cards which do not bear the seal of the Texas Alcoholic Beverage Commission and the manufacturer's name after June 30, 1990.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911758 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.560

The Comptroller of Public Accounts adopts an amendment to §3.560, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5844).

The amendment amends subsections (d)-(f) and the notice of promotional bingo, which is adopted by reference in this section, to replace references to the comptroller with references to the Texas Alcoholic Beverage Commission

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911759 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.561

The Comptroller of Public Accounts adopts an amendment to §3.561, without changes to the proposed text as published in the Novem-

ber 7, 1989, issue of the *Texas Register* (14 TexReg 5845).

The amendment deletes a reference to representatives and replaces references to the comptroller with references to the Texas Alcoholic Beverage Commission.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911758 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

◆ ◆ ◆
• 34 TAC §3.562

The Comptroller of Public Accounts adopts an amendment to §3.562, without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5845).

The amendment amends subsection (a) to clarify the reference to House Bill 1043. The amendment amends subsection (b) to repeal the definition of "Present at a bingo occasion and participating in a bingo occasion" since "Bingo occasion" is defined in House Bill 2260. The amendment also repeals subsection (d).

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 179d, which provide the comptroller with the authority to prescribe, adopt, and enforce rules relating to the administration and enforcement of the Bingo Enabling Act.

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

Issued in Austin, Texas, on December 8, 1989.

TRD-8911757 Bob Bullock
Comptroller of Public
Accounts

Effective date: January 1, 1990

Proposal publication date: November 7, 1989

For further information, please call: (512) 463-4004

TITLE 37. PUBLIC SAFETY AND CORRECTIONS

Part V. Board of Pardons and Paroles

Chapter 145. Parole

Revocation of Administrative Release (Parole, Mandatory Supervision and Executive Clemency)

- 37 TAC §§145.41, 145.45, 145.48-145.50

The Board of Pardons and Paroles adopts amendments to §§145.41, 145.45, 145.48-145.50, without changes to the proposed text as published in the October 20, 1989, issue of the *Texas Register* (14 TexReg 5611).

The sections were amended in statutory compliance with the Texas Code of Criminal Procedure, Article 42.18, §15(a).

The amendments clarify language used in the rules.

No Comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Code of Criminal Procedure, Article 42.18, §15(a), which provides the Board of Pardons and Paroles with the authority to clarify language used in rules.

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

Issued in Austin, Texas on December 5, 1989.

TRD-8911734 William H. Brooks
Executive Director
Board of Pardons and Paroles

Effective date: December 28, 1989

Proposal publication date: October 20, 1989

For further information, please call: (512) 459-2708

- 37 TAC §145.44

The Board of Pardons and Paroles adopts an amendment to §145.44 without changes to the proposed text as published in the October 20, 1989 issue of the *Texas Register* (14 TexReg 5611).

The section was amended in statutory compliance with the Texas Code of Criminal Procedure, Article 42.18, §15(a).

The amendment clarifies language used in the rules.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Code of Criminal Procedure, Article 42.18, §15(a), which provides the Board of Pardons and Paroles with the authority to clarify language used in rules.

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

Issued in Austin, Texas on December 5, 1989.

TRD-8911735 William H. Brooks
Executive Director
Board of Pardons and Paroles

Effective date: December 28, 1989

Proposal publication date: October 20, 1989

For further information, please call: (512) 459-2708

- 37 TAC §145.51, §145.53

The Board of Pardons and Paroles adopts amendments to §145.51, and §145.53, without changes to the proposed text as published in the November 17, 1989, issue of the *Texas Register* (14 TexReg 6068).

The sections were amended in compliance with the Texas Code of Criminal Procedure, Article 42.18, §15(a).

The amendments change the language pertaining to revocation hearings and preliminary hearings.

No comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Code of Criminal Procedure; Article 42.18, §15(a), which provides the Board of Pardons and Paroles with the authority to change language pertaining to preliminary hearing and revocation hearing.

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

Issued in Austin, Texas, on December 7, 1989.

TRD-8911778 William H. Brooks
Executive Director
Board of Pardons and Paroles

Effective date: December 29, 1989

Proposal publication date: November 17, 1989

For further information, please call: (512) 459-2708

Chapter 147. Hearings

General Rules for Hearings

- 37 TAC §147.5

The Board of Pardons and Paroles adopts an amendment to §147.5 without changes to the proposed text as published in the October 20, 1989, issue of the *Texas Register* (14 TexReg 5613)

The section was amended in statutory compliance with the Texas Code of Criminal Procedure, Article 42.18, §15(a).

The amendment clarifies language used in the rules.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Code of Criminal Procedure, Article 42.18, §15(a), which provides the Board of Pardons and Paroles with the authority to clarify language used in the rules.

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

Issued in Austin, Texas, on December 5, 1989.

TRD-8911733 William H. Brooks
Executive Director
Board of Pardons and Paroles

Effective date: December 28, 1989

Proposal publication date: October 20, 1989

For further information, please call: (512) 459-2708

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

Chapter 8. Home Energy Assistance Program

Program Requirements TAC Section Number;

- 40 TAC §§8.1-8.8

The Texas Department of Human Services (DHS) adopts amendments to §§8.1-8.8 without changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5845).

The amendments are justified to provide heating and cooling assistance to low-income households.

The amendments will function by re-establishing DHS's normal policies for operation of both the summer and winter cycles of the Home Energy Assistance Program (HEAP). The department amended these rules last July in order to operate the cooling assistance component of HEAP through local contractors during the summer of 1989. The use of contractors permitted DHS to provide limited HEAP benefits last summer despite a reduction in available funds. Benefits were restricted to households with a medical need for cooling assistance. The amendments adopted here will permit DHS to resume direct operation of HEAP without restricting assistance to households with a medical need.

No comments were received regarding adoption of the amendments

The amendments are adopted under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs.

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

cy's legal authority.

Issued in Austin, Texas, on December 11, 1989.

TRD-8911866

Cathy Rosenberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Effective date: January 1, 1990.

Proposal publication date: November 7, 1989.

For further information, please call: (512) 450-3765

Chapter 29. Purchased Health Services

Subchapter L. General Administration

• 40 TAC §29.1127

Texas Department of Human Services (DHS) adopts new §29.1127, with changes to the proposed text as published in the November 7, 1989, issue of the *Texas Register* (14 TexReg 5849).

The justification for the new section is to permit recipients who are ventilator-dependent to receive respiratory therapy services in their home rather than in an institutional setting.

The new section will function by providing in-home respiratory therapy services for ventilator-dependent persons.

During the public comment period, written and oral comments were received. Comments were received at the public hearing from representatives of the American Lung Association of Texas, Texas Society for Respiratory Care, respiratory therapists, nurses, and one physician. Written comments were received from Advocacy, Inc., a durable medical equipment company, and from the mother of a recipient. Although comments generally supported the proposed rules, concerns and suggestions were submitted.

One commenter expressed concern that medications and equipment such as a ventilator were excluded from reimbursement in the proposed rules. Another commenter suggested that necessary supplies be billed by the ventilator supplier. The department provides payment for prescribed medication through the department's vendor drug program. The ventilator is considered durable medical equipment and is not reimbursable through the Texas Medical Assistance program.

Another commenter suggested that home health agencies and durable medical equipment suppliers should be allowed to bill for services provided by respiratory therapists that they employ. The department understands the commenter's concerns; however, with few exceptions, the department's policy is to reimburse the provider of the service.

One commenter suggested that the rules would not provide the support necessary for ventilator-dependent persons to return to, or to remain in, their homes. The department's position is that the rules reflect federal law

regarding the optional coverage of home respiratory therapy services for ventilator-dependent individuals; the rules also reflect the state law requiring the department to provide respiratory therapy services for ventilator-dependent persons to the extent permitted by federal law.

Another commenter asked the department to define "adequate social support services." The needs and social support services will vary from patient to patient; therefore, it is more appropriate to leave the broader language. Confirmation of the adequacy of the support services will be determined through the prior approval process.

One commenter asked the department to define "have adequate social support services to be cared for at home" and "wish to be cared for at home" and how these items would be determined and evaluated. The determinations will be made through the discharge planning process, and by the recipient's physician in conjunction with the recipient's desire to be home and the support person's system or appropriate family members available to the recipient. The verification will occur during the prior approval process. Changes to subsection (c) reflect the clarification.

One commenter asked for clarification regarding subsection (d). The phrase "covered services include, but are not necessarily limited to" allows reimbursement flexibility because situations vary as to the respiratory care and procedures needed and prescribed by the physician. The phrase is not intended to imply coverage of services beyond those ordered by the physician and supplied by the respiratory care practitioner during the therapy.

One commenter asked the department to define "supplies." Section (d)(2) contains the clarification. Supplies do not include durable medical equipment.

Another commenter suggested that (d)(3) should be expanded to include LVNs, RNs, and education of school staff for school-aged recipients. The department believes the term "support person" is broad enough to include others involved with the recipient for ongoing support; therefore, the text has not been amended.

Other comments were received suggesting that the department include other services, such as nursing, in the respiratory therapy benefit. These suggestions are beyond the scope of the current proposal. However, several of the services suggested are available through other programs covered by the Texas Medical Assistance Program.

§29.1127. *In-home Respiratory Therapy Services for Ventilator-Dependent Persons.*

(a) Subject to the specifications, conditions, limitations, and requirements established by the department, in-home respiratory therapy services are available to eligible recipients who:

(1) are ventilator-dependent for life support at least six hours per day;

(2) have been so dependent for at least 30 consecutive days as an inpatient in one or more hospitals, skilled nursing

facilities (SNF), or intermediate care facilities (ICF);

(3) but for the availability of these respiratory care services at home, would require respiratory care as an inpatient in a hospital, SNF, or ICF;

(4) would be eligible to have payment made for such inpatient care under the state Medicaid plan;

(5) have adequate social support services to be cared for at home; and

(6) wish to be cared for at home.

(b) Covered respiratory therapy services must be reasonable, medically necessary, and prescribed by the recipient's physician (M.D. or D.O.). The physician must be licensed in the state in which the physician practices.

(c) The department or its designee must authorize the services prior to their delivery. Prior authorization requests must include all pertinent medical records and other information as required by the department or its designee to justify the medical necessity of and/or dependency on the ventilator support and therapy services and to ensure that the requirements in subsection (a) of this section are met. Prior authorization is a requirement for payment. The department or its designee may extend the prior authorization based upon an interim report from the physician documenting the medical necessity and appropriateness of continued in-home respiratory therapy services.

(d) Covered services include, but are not necessarily limited to the following:

(1) respiratory therapy services and treatments prescribed by the recipient's physician;

(2) supplies, including but not necessarily limited to disposable circuits, suction catheters, tracheal care kits, sterile water, non-sterile disposable gloves, and dressings/tracheal tapes that are necessary in the administration of the therapy and treatment. Supplies do not include drugs.

(3) education of the recipient and/or appropriate family members/support persons regarding the in-home respiratory care. Education must include the use and maintenance of required supplies, equipment, and techniques appropriate to the situation.

(e) Providers of respiratory therapy services must meet the following requirements:

(1) comply with all applicable federal, state, and local laws and regulations;

(2) be certified by the Texas Department of Health to practice under Texas Civil Statutes, Article 4512L;

(3) be enrolled and approved for participation in the Texas Medical Assistance Program;

(4) sign a written provider agreement with the department or its designee. By signing the agreement, the provider agrees to comply with the terms of the agreement and all requirements of the Texas Medical Assistance Program including regulations, rules, handbooks, standards, and guidelines published by the department or its designee;

(5) bill for covered services in the manner and format prescribed by the department or its designee.

(f) The department or its designee reimburses each respiratory therapy provider on a per-visit basis. Reimbursement for the visit is based on the lesser of the provider's customary charge or the maximum allowable fee or rate established by the department or its designee. Reimbursement for supplies furnished by the respiratory care practitioner is the lesser of the provider's customary charges or the maximum allowable fees or rates established by the department or its designee. The department updates its allowable fees or rates each state fiscal year by applying the implicit price deflator for personal consumption expenditures.

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

Issued in Austin, Texas, on December 11, 1989.

TRD-8911867

Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Health

Effective date: January 1, 1990.

Proposal publication date: November 7, 1989.

For further information, please call: (512) 450-3765

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**Chapter 48. Community Care
for Aged and Disabled**

**Pilot Project for Persons with
AIDS**

• 40 TAC §§48.2301-48.2305

The Texas Department of Human Services (DHS) adopts new §§48.2301-48.2305, without changes to the proposed text as published in the August 11, 1989, issue of the *Texas Register* (14 TexReg 3981), and announces open enrollment for eligible case management providers.

The justification for the new sections is to establish policy guidelines for the AIDS Pilot Project.

The new sections will function by allowing DHS to provide home and community-based services to individuals who would otherwise require the level of care provided in a Medicaid nursing facility. DHS will use the data collected through implementation of this two-year project to provide documentation for a Home and Community-based Waiver for Persons with AIDS. Once implemented, the project will continue in effect until the Home and

Community-based Waiver Program is implemented or until the Board of Human Services determines the pilot project is no longer an effective or efficient program alternative. The department is announcing a time-limited enrollment period for qualified case management providers from December 15, 1989-January 12, 1990. To obtain an application packet, contact Rebecca Waak, Texas Department of Human Services, P. O. Box 149030, Mail Code 300-W, Austin, Texas 78714-9030, or call her at (512) 450-3740.

During the public comment period, DHS received comments supporting the proposal from the following groups: Visiting Nursing Association, Providence Home Health Agency, AIDS Support Foundation, North Central Texas Home Health Agency, and Texas Health Care Association.

The new sections are adopted under the Human Resources Code, Title 2, Chapters 22 and 32, which provides the department with the authority to administer public and medical assistance programs.

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

Issued in Austin, Texas, on December 11, 1989.

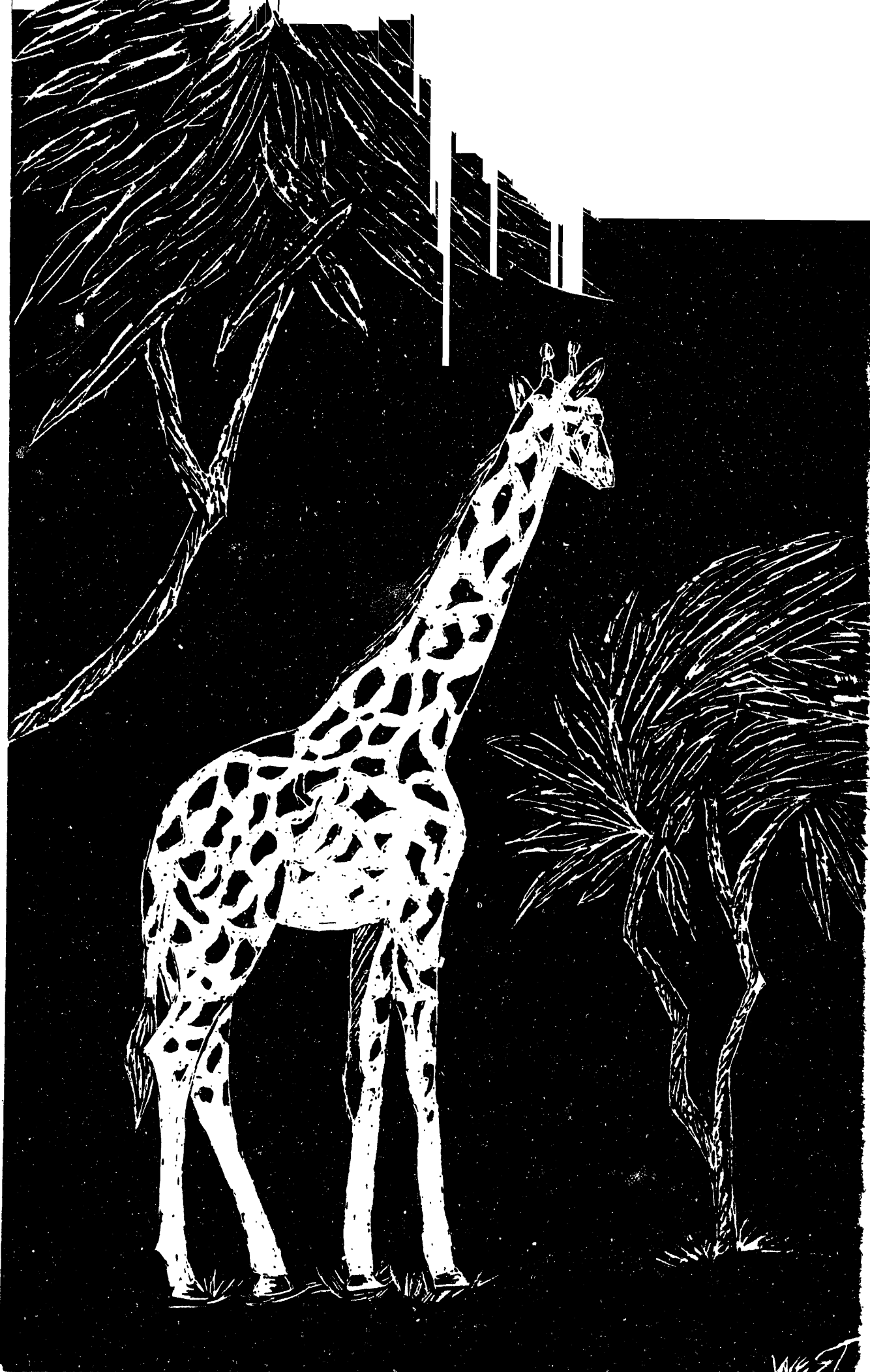
TRD-8911865

Cathy Rossberg
Agency Liaison, Policy
Communication
Services
Texas Department of
Human Services

Effective date: February 1, 1990.

Proposal publication date: August 11, 1989.

For further information, please call: (512) 450-3765



Open Meetings

Agencies with statewide jurisdiction must give at least seven days notice before an impending meeting. Institutions of higher education or political subdivisions covering all or part of four or more counties (regional agencies) must post notice at least 72 hours prior to a scheduled meeting time. Some notices may be received too late to be published before the meeting is held, but all notices are published in the *Texas Register*.

Emergency meetings and agendas. Any of the governmental entities named above must have notice of an emergency meeting, an emergency revision to an agenda, and the reason for such emergency posted for at least two hours before the meeting is convened. Emergency meeting notices filed by all governmental agencies will be published.

Posting of open meeting notices. All notices are posted on the bulletin board outside the Office of the Secretary of State on the first floor of the East Wing in the State Capitol, Austin. These notices may contain more detailed agenda than what is published in the *Texas Register*.

Texas Department of Agriculture

Tuesday, December 19, 1989, 1 p.m. The Texas Department of Agriculture will meet at the District Office, # 2 Civic Center Plaza, 6th Floor, El Paso. According to the agenda, there will be an administrative hearing to review: alleged violations of Texas Agriculture Code and/or Title IV of the Texas Administrative Code by Travis Lee Perkins, holder of a commercial applicator license.

Contact: Ruperto Garcia, P.O. Box 12847, Austin, Texas 78711, (512) 463-7703.

Filed: December 8, 1989, 2:33 p.m.

TRD-8911816

Wednesday, December 20, 1989, 1 p.m. The Texas Department of Agriculture will meet at the district office, 5015 College Drive, Vernon. According to the agenda, there will be an administrative hearing to review: alleged violations of Texas Agriculture Code and/or Title IV of the Texas Administrative Code by Lawrence Ray Daniel doing business as D & H Aerial, Inc.

Contact: Ruperto Garcia, P.O. Box 12847, Austin, Texas 78711, (512) 463-7703.

Filed: December 8, 1989, 2:33 p.m.

TRD-8911815

Thursday, December 21, 1989, 1 p.m. The Texas Department of Agriculture will meet at the district office, Expressway 83, two blocks West of Morningside Road, San Juan. According to the agenda, there will be an administrative hearing to review: alleged violations of Texas Agriculture Code and/or Title IV of the Texas Administrative Code by Patrick Kornegay doing business as Sun Valley Dusting.

Contact: Ruperto Garcia, P.O. Box 12847, Austin, Texas 78711, (512) 463-7703.

Filed: December 8, 1989, 2:33 p.m.

TRD-8911814

Thursday, December 21, 1989, 3 p.m. The Texas Department of Agriculture will meet at the district office, Expressway 83, two blocks West of Morningside Road, San

Juan. According to the agenda, there will be an administrative hearing to review: alleged violations of Texas Agriculture Code and/or Title IV of the Texas Administrative Code by Troy Ledbetter doing business as Valley Aerial Sprayers, Inc.

Contact: Ruperto Garcia, P.O. Box 12847, Austin, Texas 78711, (512) 463-7703.

Filed: December 8, 1989, 2:34 p.m.

TRD-8911813

Thursday, December 28, 1989, 10 a.m. The Department of Agriculture will meet at 410 South Padre Island Drive, Suite 101, Corpus Christi. According to the agenda, there will be an administrative hearing to review: alleged violations of the Texas Agriculture Code and/or Title IV of the Texas Administrative Code by R. M. Harding doing business as Greenway Aviation.

Contact: Ruperto Garcia, P.O. Box 12847, Austin, Texas 78711, (512) 463-7703.

Filed: December 8, 1989, 2:34 p.m.

TRD-8911812

Tuesday, January 9, 1990, 1 p.m. The Texas Department of Agriculture will meet at the district office, Expressway 83, two blocks West of Morningside Road, San Juan. According to the agenda, the administrative hearing will review alleged violation of Texas Agriculture Code §103.001 by David Distributing Company as petitioned by Farmer's Marketing Service.

Contact: Dolores Alvarado Hibbs, P.O. Box 12847, Austin, Texas 78711, (512) 464-7583.

Filed: December 11, 1989, 2:00 p.m.

TRD-8911857

Tuesday, January 9, 1990, 3 p.m. The Texas Department of Agriculture will meet at the district office, Expressway 83, two blocks West of Morningside Road, San Juan. According to the agenda, the administrative hearing will review alleged violation of Texas Agriculture Code §103.001 by Boler Farms as petitioned by Valley Central Sales.

Contact: Dolores Alvarado Hibbs, P.O. Box 12847, Austin, Texas 78711, (512) 464-7583.

Filed: December 11, 1989, 1:59 p.m.

TRD-8911858

Texas Catastrophe Property Insurance Association

Tuesday, December 19, 1989, 9 a.m. The Board of Directors of the Texas Catastrophe Property Insurance Association will meet at Barton Creek Conference Resort, 8212 Barton Club Drive, Austin. According to the agenda, the board will discuss approval of the minutes of the September, 1989 meeting; hear the chairman's report; secretary/treasurer's report; v. manager's report; discuss old business; application revision; exempt city program; guaranty fund stamping and companies in receivership; September, 26, 1989 Galveston Windstorm Action Committee and S.B.I. meeting; Airac payment; agents error ratio-John Mulady; new business; engineers; history of pool; reinsurance; NCPI billing; concept of two pools; video training proposal; investment program; and appoint nominating committee-Mathe.

Contact: James A. Douglass, 2801 South I-35, Austin, Texas 78735, (512) 444-9611.

Filed: December 7, 1989, 2:15 p.m.

TRD-8911740

Employees Retirement System of Texas

Tuesday, December 19, 1989, 8:30 a.m. The Board of Trustees of the Employees Retirement System of Texas will meet at the Auditorium, Employees Retirement System Building, 18th and Brazos Streets, Austin. According to the agenda, the board will discuss approval of the trustee minutes; appeals of contested cases; consider and act on investment advisor recommendations the system's asset funds; consider and act on trustee personnel policy procedures; final adoption of amended trustee rule 67.97;

Rudd and Wisdom Actuarial Reports as of 8/31/89 on regular retirement fund of the system, judicial retirement system of Texas plan two, and law enforcement/custodial officer supplemental retirement fund; implementation of 5% annuity increase for service retirement occurring after 10/31/86 and before 6/1/87; actuarial services selection relating to retirement programs administered by the system; appointment to group insurance advisory committee; selection to conduct 1988-89 audit of insurance carrier's operations; and other business.

Contact: William S. Nail, 18th and Brazos Streets, Austin, Texas 78701, (512) 476-6431, ext. 213.

Filed: December 8, 1989, 11:20 a.m.

TRD-8911779

Texas Employment Commission

Tuesday, December 19, 1989, 8:30 a.m. The Texas Employment Commission will meet in the TEC Building, 101 East 15th Street, Room 644, Austin. According to the agenda summary, the commission will hear prior meeting notes; consider approval of CAREER grant at El Paso Community College; internal procedures of commission appeals; consider and act on tax liability cases and higher level appeals in unemployment compensation cases listed on commission Docket Number 51; and set date of next meeting.

Contact: C. Ed Davis, 101 East 15th Street, Austin, Texas 78778, (512) 463-2291.

Filed: December 11, 1989, 4:11 p.m.

TRD-8911887

The State Board of Insurance

Monday, December 18, 1989, 2 p.m. The State Board of Insurance will meet in Room 414, State Insurance Building, 1110 San Jacinto Boulevard, Austin. According to the agenda, the board will review the appeal by Hopkins County Life Insurance Company from Commissioner's Order 89-1089.

Contact: Pat Wagner, 1110 San Jacinto Boulevard, Austin, Texas 78701-1998, (512) 463-6328.

Filed: December 7, 1989, 1:37 p.m.

TRD-8911746

Monday, December 18, 1989, 2 p.m. The State Board of Insurance will meet in Room 414, State Insurance Building, 1110 San Jacinto Boulevard, Austin. According to the agenda, the board will review the appeal by Hopkins County Life Insurance Company from Commissioner's Order 89-1090.

Contact: Pat Wagner, 1110 San Jacinto

Boulevard, Austin, Texas 78701-1998 (512) 463-6328.

Filed: December 7, 1989, 1:37 p.m.

TRD-8911745

Tuesday, December 19, 1989, 9 a.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 460, Austin. According to the agenda, the section will conduct a public hearing on Docket Number 10650 to consider the application for original charter of Financial Casualty and Surety, Inc., Dallas.

Contact: J. C. Thomas, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:49 p.m.

TRD-8911877

Tuesday, December 19, 1989, 1:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 353, Austin. According to the agenda, the section conduct a public hearing on Docket Number 10642 to consider the application for amendment to articles of incorporation of National Health Insurance Company, Grand Prairie, increasing the authorized capital.

Contact: Lisa Lyons, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:49 p.m.

TRD-8911878

Tuesday, December 19, 1989, 1:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 460, Austin. According to the agenda, the section will conduct a public hearing on Docket Number 10654 to consider the application for temporary certificate of authority of Mission American Life Insurance Company, Houston.

Contact: Wendy L. Ingham, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:50 p.m.

TRD-8911879

Tuesday, December 19, 1989, 1:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 460, Austin. According to the agenda, the section will conduct a public hearing on Docket Number 10655 to consider reinsurance agreement whereby Waller Insurance Company, Crockett, will be reinsured by Mission American Life Insurance Company, Houston.

Contact: Wendy L. Ingham, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:50 p.m.

TRD-8911880

Wednesday, December 20, 1989, 9 a.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 342, Austin. According to the agenda, the section will conduct a public hearing on Docket 10648 to consider the application of Skandia Direct Operations Corporation, a Delaware corporation, to acquire control of Charter Indemnity Company, Dallas, pursuant to the Insurance Code, Article 21.49-1, Section 5.

Contact: Earl Corbitt, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:50 p.m.

TRD-8911881

Wednesday, December 20, 1989, 9 a.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 353, Austin. According to the agenda, the section will conduct a public hearing on Docket 10652 to consider the proposed plan of merger of Reserve Life Insurance Company, Dallas, a Texas domiciled life insurer, into Midland National Life Insurance Company, a South Dakota domiciled life insurer.

Contact: Lisa Lyons, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:51 p.m.

TRD-8911882

Wednesday, December 20, 1989, 1 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 460, Austin. According to the agenda, the section will conduct a public hearing on Docket Number 10658 to consider the application of Financial Holding Corporation to acquire control of Great Southern Life Insurance Company, Houston.

Contact: James W. Norman, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:51 p.m.

TRD-8911884

Wednesday, December 20, 1989, 1:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 353, Austin. According to the agenda, the section will conduct a public hearing on Docket 10624 to consider whether disciplinary action should be taken against Ildefonso Guajardo doing business as Guajardo Insurance Agency, Houston, who holds a local recording agent's license issued by the State Board of Insurance.

Contact: O. A. Cassity, III, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:51 p.m.

TRD-8911883

Thursday, December 21, 1989, 10 a.m. The State Board of Insurance will meet in

Room 414, State Insurance Building, 1110 San Jacinto Boulevard, Austin. According to the agenda, the board will consider adoption of amendments to 28 TAC 3.3302-3.3309 and 3.3313 and new 3.3314-3.3318, concerning minimum standards for Medicare supplement policies.

Contact: Pat Wagner, 1110 San Jacinto Boulevard, Austin, Texas 78701-1998, (512) 463-6328.

Filed: December 7, 1989, 1:37 p.m.

TRD-8911744

Thursday, December 21, 1989, 8:30 a.m. The State Board of Insurance will meet in Room 414, State Insurance Building, 1110 San Jacinto Boulevard, Austin. According to the agenda, the board will consider adoption of 28 TAC 1.1001, concerning disclosure of guaranty fund nonparticipation.

Contact: Pat Wagner, 1110 San Jacinto Boulevard, Austin, Texas 78701-1998, (512) 463-6328.

Filed: December 7, 1989, 1:37 p.m.

TRD-8911743

Thursday, December 21, 1989, 1 p.m. The State Board of Insurance will meet in Room 414, State Insurance Building, 1110 San Jacinto Boulevard, Austin. According to the agenda, the board will consider adoption of 28 TAC 3.3801-3.3812 and 3.3821-3.3838, concerning minimum standards for benefits for long-term care coverage.

Contact: Pat Wagner, 1110 San Jacinto Boulevard, Austin, Texas 78701-1998, (512) 463-6328.

Filed: December 7, 1989, 1:37 p.m.

TRD-8911747

Thursday, December 21, 1989, 4:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 342, Austin. According to the agenda, the section reopen a public hearing on Docket Number 10269 to consider whether disciplinary action should be taken against David Edwin McGahen, Boerne/Lubbock, who holds a Group I, Legal Reserve Life Insurance Agent's license and a solicitor for a local recording agent's license.

Contact: Will McCann, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:52 p.m.

TRD-8911885

Friday, December 22, 1989, 1:30 p.m. The Commissioner's Hearing Section of the State Board of Insurance will meet at 1110 San Jacinto Street, Room 342, Austin. According to the agenda, the section will conduct a public hearing on Docket Number 10646 to consider the application for amendment to articles of incorporation of Bonneville-Texas Insurance Company, Dallas, to increase authorized shares and reduce stated capital.

Contact: James W. Norman, 1110 San Jacinto, Austin, Texas 78701-1998, (512) 463-6526.

Filed: December 11, 1989, 3:52 p.m.

TRD-8911886

Lamar University System Board of Regents

Thursday, December 14, 1989, 9 a.m. The Committee and Full Board of the Lamar University System Board of Regents met at the John Gray Institute, Map Room, 855 Florida, Beaumont. According to the agenda summary, the board met at 9 a.m.—Finance and Audit Committee; 9:30 a.m.—Building and Grounds Committee; 10 a.m.—Academic Affairs Committee; 10:15 a.m.—Personnel Committee; 10:45 a.m.—Athletic Committee; 11:15 a.m.—Executive Session—Held under provisions of Vernons Civil Statutes, Article 6252-17, Section 2, Paragraph 3, e, legal; f, real estate; and g, personnel; 11:45 a.m.—Oath of office administered; and 1 p.m.—reconvene meeting.

Contact: George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: December 8, 1989, 3:08 p.m.

TRD-8911803

Thursday, December 14, 1989, 9 a.m. The Committees and Full Board of the Lamar University System Board of Regents met at the John Gray Institute, Map Room, 855 Florida, Beaumont. According to the agenda, the board discussed the finance and audit committee; building and grounds committee; academic affairs committee; personnel committee; athletic committee; executive session held under provisions of Vernons Civil Statutes, Article 6252-17, §2, Paragraph 3, e, legal; f, real estate; and g, personnel; oath of office administered.

Contact: George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: December 11, 1989, 8:51 a.m.

TRD-8911844

Texas National Guard Armory Board

Sunday, December 17, 1989, 10 a.m. The Texas National Guard Armory Board will meet at Camp Mabry, Building 64, Conference Room, Austin. According to the agenda summary, the board will consider approval of the minutes of previous meeting; discuss administrative matters; construction/renovation/maintenance update; property/leases; and establish date of next meeting.

Contact: Sandra Hille, P.O. Box 5218,

Austin, Texas 78763, (512) 451-6394 or 451-6143.

Filed: December 8, 1989, 2:32 p.m.

TRD-8911817

Board of Pardons and Paroles

Tuesday, December 12, 1989, 9 a.m. The Board of Pardons and Paroles met at 8610 Shoal Creek Boulevard, Austin. According to the emergency revised agenda the board deleted the following item: Intermediate Sanction Facility Contract. The emergency status was necessary because discussion and action was not required at this time.

Contact: Juanita Llamas, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-7249.

Filed: December 7, 1989, 11:14 a.m.

TRD-8911732

Monday-Friday, December 18-20, 1989, 1:30 p.m. daily except 11 a.m. on Friday. A Board Panel (3 Board Members) of the Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. According to the agenda, the board will receive, review and consider information and reports concerning prisoners/inmates and administrative releasees subject to the board's jurisdiction and initiate and carry through with appropriate action.

Contact: K. Armstrong, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-2713.

Filed: December 8, 1989, 11:14 a.m.

TRD-8911776

Tuesday, December 19, 1989, 1:30 p.m. The Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. According to the agenda, the board will consider executive clemency recommendations and related actions (other than out of country conditional pardons), including: full pardons/restoration of civil rights of citizenship; emergency medical reprieves; commutations of sentence; other reprieves, remissions and executive clemency actions.

Contact: Juanita Llamas, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-2749.

Filed: December 8, 1989, 11:14 a.m.

TRD-8911777

Public Utility Commission of Texas

Friday, December 8, 1989, 9 a.m. The Public Utility Commission of Texas met at 7800 Shoal Creek Boulevard, Suite 450N, Austin. According to the emergency revised agenda, the commission considered the ap-

peal of examiners' order number 62 in docket numbers 8585- and 8218-inquiry of the general counsel into the reasonableness of the rates and services of Southwestern Bell Telephone Company and inquiry of the general counsel into the WATS prorate credit. The emergency meeting was necessary to preserve jurisdiction over the subject matter of the appeal.

Contact: Mary Ross McDonald, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: December 7, 1989, 3:38 p.m.

TRD-8911748

Friday, January 5, 1990, noon. The Hearings Division of the Public Utility Commission of Texas will meet at 7800 Shoal Creek Boulevard, Suite 450N, Austin. According to the agenda, the division will conduct a prehearing conference on Docket Number 9182—Application of Southwestern Bell Telephone Company to add an optional feature to allow for the termination of a DS1 high capacity facility on the existing plexar (sm)-custom for National Oilwell in Houston.

Contact: Mary Ross McDonald, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: December 11, 1989, 3:03 p.m.

TRD-8911912

Railroad Commission of Texas

Monday, December 18, 1988, 9 a.m. The Railroad Commission of Texas will meet in the 12th Floor Conference Room, Room 12-126, William B. Travis Building, 1701 North Congress Avenue, Austin. Agendas follow.

The commission will consider and act on the Administrative Services Division director's report on division administration, budget, procedure, and personnel matters. Discussion of the development of a natural gas clearing house that would match companies that need gas to fuel new plants with producers that have gas to sell-possible action.

Contact: Roger Dillon, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7257.

Filed: December 8, 1989, 12:00 p.m.

TRD-8911795

The commission will consider and act on the Automatic Data Processing Division director's report on division administration, budget, procedures, equipment acquisitions, and personnel matters.

Contact: Bob Kmetz, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7251.

Filed: December 8, 1989, 12:00 p.m.

TRD-8911796

The commission will consider and act on the executive director's report on commission budget and fiscal matters, administrative and procedural matters, personnel and staffing, state and federal legislation, and contracts and grants. Consider reorganization of various commission divisions; consolidation of positions; and appointment, reassignment and/or termination of various positions, including division directors. Consideration of reorganization of the well plugging program. The commission will meet in executive session to consider the appointment, employment, evaluation, reassignment, duties, discipline and/or dismissal of personnel.

Contact: Cril Payne, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7274.

Filed: December 8, 1989, 11:58 a.m.

TRD-8911801

The commission will consider and act on the Office of Information Services director's report on division administration, budget, procedures, and personnel matters.

Contact: Brian W. Schaible, P.O. Drawer 12967, Austin, Texas 78753, (512) 463-6710.

Filed: December 8, 1989, 12:00 p.m.

TRD-8911794

The commission will consider and act on the Investigation Division director's report on division administration, investigations, budget, and personnel matters.

Contact: Mary Anne Wiley, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6828.

Filed: December 8, 1989, 11:58 a.m.

TRD-8911800

The commission will consider and act on the personnel division director's report on division administration, budget, procedures, and personnel matters. The commission will meet in executive session to consider the appointment, employment, evaluation, reassignment, duties, discipline and/or dismissal of personnel.

Contact: Mark Bogan, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6921.

Filed: December 8, 1989, 12:00 p.m.

TRD-8911797

The commission will consider category determinations under the Natural Gas Policy Act of 1978, §§102(c)(1)(B), 102(c)(1)(C), 103, 107, and 108.

Contact: Margie L. Osborn, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6755.

Filed: December 8, 1989, 12:00 p.m.

TRD-8911798

The commission will consider various matters within the regulatory jurisdiction of the commission. In addition, the commission

will consider items previously posted for open meeting and at such meeting verbally postponed or continued to this date. With regard to any item, the commission may take various actions, including but not limited to scheduling an item in its entirety or for particular action at a future time or date. The commission may consider the procedural status of any contested case if 60 days or more have elapsed from the date the hearing was closed or from the date the transcript was received. The commission will meet in executive session to receive legal advice regarding pending and/or contemplated litigation.

Contact: Cue D. Boykin, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6921.

Filed: December 8, 1989, 12:01 p.m.

TRD-8911802

Texas Southern University

Friday, December 15, 1989, 1:30 p.m. The Finance Committee and Board of Regents Meeting as a Committee of the Whole of the Texas Southern University will meet at the University Library, 5th Floor, Houston. According to the agenda, the committee will review and consider responses to requests for proposals issued by the board regarding a consulting computer analysis contract; to make recommendations and award a contract; and consideration of regents workshop/Keller and Associates.

Contact: Everett O. Bell, 3100 Cleburne Avenue, Houston, Texas 77004, (713) 529-8911.

Filed: December 8, 1989, 2:34 p.m.

TRD-8911811

Friday, December 15, 1989, 1:30 p.m. The Finance Committee and Board of Regents Meeting as a Committee of the Whole of the Texas Southern University will meet at the University Library, 5th Floor, Houston. According to the revised agenda, the committee will review and consider responses to requests for proposals issued by the board regarding a consulting computer analysis contract; to make recommendations and award a contract; to consider internal audit policy/procedures manual, and the financial report for fiscal year 1989; and consideration of regents workshop/Keller and Associates. Executive session.

Contact: Everett O. Bell, 3100 Cleburne Avenue, Houston, Texas 77004, (713) 529-8911.

Filed: December 11, 1989, 9:03 a.m.

TRD-8911841

Texas Woman's University

Thursday, December 14, 1989, 9:30 a.m.

The Board of Regents Committee on Institutional Advancement of the Texas Woman's University met in the Administration and Conference Tower, TWU, 16th Floor, Denton. According to the agenda, the board considered the approval of the minutes of the meeting of the August 30, 1989; a report on Texas Woman's University/Alumnae Association Annual Fund Campaign; report on the Texas Woman's University Endowment Stewardship program; and heard report of the chair.

Contact: Shirley S. Chater, Texas Woman's University, Denton, Texas 76204, (817) 898-3201.

Filed: December 8, 1989, 2:53 p.m.

TRD-8911810

Thursday, December 14, 1989, 9:50 a.m. The Board of Regents Student Affairs Committee of the Texas Woman's University met in the Administration and Conference tower, TWU, 16th Floor, Denton. According to the agenda, the board considered the approval of the minutes of the August 30, 1989 meeting; heard a report on the status of the student center basement renovation; report on the Houston Food Service; and report of the chair.

Contact: Shirley S. Chater, Woman's University, Denton, Texas 76204, (817) 898-3201.

Filed: December 8, 1989, 2:53 p.m.

TRD-8911808

Thursday, December 14, 1989, 10:10 a.m. The Board of Regents Academic Affairs Committee of the Texas Woman's University met in the Administration and Conference Tower, TWU, 16th Floor, Denton. According to the agenda, the board considered the approval of the minutes of the August 30, 1989 meeting; heard report from the University Strategic Planning Committee regarding program review; approval of the scientific dishonesty policy; the small class report; the elimination of references to the age of 70 in the TWU modification of employment policy for those who elect voluntary modification of employment after June 15, 1989; a TWU drug free workplace policy; and heard the report of the chair.

Contact: Shirley S. Chater, Texas Woman's University, Denton, Texas 76204, (817) 898-3201.

Filed: December 8, 1989, 2:54 p.m.

TRD-8911807

Thursday, December 14, 1989, 10:45 a.m. The Board of Regents Finance Committee of the Texas Woman's University met in the Administration and Conference Tower, TWU, 16th Floor, Denton. According to the agenda summary, the board considered approval of minutes of the August 30, 1989 meeting; personnel additions and changes, gifts and grants, agreements and contracts, allocation of federal funds, renewal and extension of insurance, sale of surplus proper-

ty, certificates of substantial completion, change orders; grant authorization for tuition to be paid in installments in accordance with Section 54.007(a), education code as amended by 71st Legislature and set incidental fees schedule re same effective spring semester 1990; grant authorization for waiver of tuition minimum for students enrolled in thesis or dissertation credit only in accordance with Section 54.051(e), education code, said students to pay hourly tuition rate and fees effective at time of their enrollment; grant re-authorization for vice president for fiscal affairs to sign contracts and other documents, and for vice president for academic affairs to sign faculty contracts and other documents, approve purchase of property, grant authorization for Kathryn Stream, Executive Director-Houston Center, to sign checks on "Texas Woman's University Houston Emergency Loan Funds", "the Leo M. Levy Memorial Student Loan Fund" and "Texas Woman's University Northwest Center Hospital Auxiliary Student Loan Fund" bank accounts; considered report on admissions-registration area renovation; and heard report of the chair.

Contact: Shirley S. Chater, Texas Woman's University, Denton, Texas 76204, (817) 898-3201.

Filed: December 8, 1989, 2:54 p.m.

TRD-8911806

Thursday, December 14, 1989, 1:30 p.m. The Board of Regents of the Texas Woman's University met in the Administration and Conference Tower, TWU, 16th Floor, Denton. According to the agenda summary, the board considered an executive session; approval of the August 30, 1989 meeting; heard report on TWU Alumnae Association Annual Fund Campaign; report on TWU endowment stewardship program; status of student center basement renovation; Houston Center Food Service; report from University Strategic Planning Committee; considered approval of scientific dishonesty policy; heard small class report; considered elimination of references to age of 70 in voluntary modification of employment policy; approval of TWU drug free workplace policy; approval of personnel additions and changes gifts and grant, agreements and contracts, allocations of federal funds, schedule of renewal and extension of insurance, sale of surplus property, certificates of substantial completion, change orders; considered granting authorization for tuition to be paid in installments re Section 54.007(a) Education Code as amended by 71st Legislature and set incidental fees schedule re same effective spring 1990; granting authorization for waiver of tuition minimum for students enrolled for thesis or dissertation credit only re Section 54.051(e) education code, said students to pay hourly tuition and fee rate effective at time of their enrollment; granting re-authorization for vice president for fiscal affairs to sign contracts and other documents and for vice president

for academic affairs to sign faculty contracts and other documents; granting approval for purchase of property, and authorization for Kathryn Stream, Executive Director-Houston center to sign checks on "TWU Houston Emergency Loan Funds", "The Leo M. Levy Memorial Student Loan Fund", and "TWU Northwest Center Hospital Auxiliary Student Loan Fund"; heard report on status of Administration-Registration Area renovation; report of the institutional advancement, student affairs, academic affairs, and finance committee chairs; report from board of regents chair; and the president.

Contact: Shirley S. Chater, Texas Woman's University, Denton, Texas 76204, (817) 898-3201.

Filed: December 8, 1989, 2:54 p.m.

TRD-8911805

University Interscholastic League

Wednesday, December 13, 1989, 1 p.m. The State Executive Committee of the University Interscholastic League met at the Red Lion Hotel, 6121 IH 35 North, Salon E, Austin. According to the agenda summary, the committee heard the appeal of District Executive Committee decisions regarding west Orange-Stark High School, Munday High School, Detroit High School and responses from school personnel from Crisco High School and Savoy High School.

Contact: Bonnie Northcutt, P.O. Box 8028, University Station, Austin, Texas 78713, (512) 471-5883.

Filed: December 8, 1989, 9:03 a.m.

TRD-8911755

Wednesday, December 13, 1989, 1:30 p.m. The Waiver Review Board of the University Interscholastic League met at the Red Lion Hotel, 6121 IH 35 North, Salon D, Austin. According to the agenda summary, the board heard appeals of student eligibility and waiver of UIL rules by Ian Ward, Irving High School and Jon Farr of Meridian High School.

Contact: Bob Young, P.O. Box 8028, University Station, Austin, Texas 78713, (512) 471-5883.

Filed: December 8, 1989, 9:04 a.m.

TRD-8911754

Texas Water Commission

Thursday, December 21, 1989, 10 a.m. The Texas Water Commission will meet at Room 543, Stephen F. Austin Building, 1700 North Congress Avenue, Austin. According to the agenda, the commission will consider the application for complaint by D.

R. Ellis, Docket Number 8144-E.

Contact: Jim Murphy, P. O. Box 1308, Austin, Texas 78711, (512) 463-7898.

Filed: December 7, 1989, 4:23 p.m.

TRD-8911782

Thursday, December 21, 1989, 10 a.m. The Texas Water Commission will meet in Room 618, Stephen F. Austin Building, 1700 North Congress Avenue, Austin. According to the agenda, the commission will conduct a hearing regarding application for rate increase by Tri-County Utilities, Docket Number 8245-R.

Contact: Kerry Sullivan, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: December 7, 1989, 4:23 p.m.

TRD-8911781

Thursday, December 21, 1989, 10 a.m. The Texas Water Commission will meet in Room 119, Stephen F. Austin Building, 1700 North Congress Avenue, Austin. According to the agenda, the commission will hold a hearing on application for rate increase by Beacon Utility Company, Docket Number 8212-G.

Contact: Leslie Limes, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: December 7, 1989, 4:23 p.m.

TRD-8911780

Friday, December 29, 1989, 10 a.m. The Texas Water Commission will meet in Room 1149B, Stephen F. Austin Building, 1700 North Congress Avenue, Austin. According to the agenda, the commission will hold a hearing on application by C. S. Community Water Supply Corporation for a transfer of certificate of convenience and necessity, Docket Number 8145-S.

Contact: Deborah Parker, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: December 7, 1989, 4:23 p.m.

TRD-8911775

Wednesday, January 24, 1990, 9 a.m. The Office of Hearings Examiner of the Texas Water Commission will meet at Odessa City Hall-Council Chambers-5th Floor, 411 West 8th Street, Odessa. According to the agenda, the hearings examiner will review applications by the city of Odessa for renewal of permits numbers 10238-01 and 10238-02 authorizing discharge of treated domestic wastewater effluent to Monahans Draw; thence to Midland Draw; thence to Johnson's Draw; thence to Mustang Creek; thence to Beal's Creek; thence to the Colorado River in Segment Number 1412 of the Colorado River Basin, Midland and Ector Counties, Texas.

Contact: Leslie Limes, P. O. Box 13087, Austin, Texas 78711, (512) 463-7898, (512) 463-7875.

Filed: December 7, 1989, 2:46 p.m.

TRD-8911742

Regional Meetings

Meetings Filed December 7, 1989

The Ellis County Appraisal District met at 406 Sycamore Street, Waxahachie, December 13, 1989, at 9:30 a.m. Information may be obtained from Russell A. Garrison, P.O. Box 878, Waxahachie, Texas 75165, (214) 937-3552.

The High Plains Underground Water Conservation District Number 1, Board of Directors met with a revised agenda in the Conference Room located at 2930 Avenue Q, Lubbock, December 12, 1989, at 10 a.m. Information may be obtained from A. Wayne Wyatt, 2930 Avenue Q, Lubbock, Texas 79405, (806) 762-0181.

The Kendall County Appraisal District Board of Directors met at 207 East San Antonio Street, Boerne, December 13, 1989, at 7 p.m. Information may be obtained from Sue R. Wiedenfeld, P.O. Box 788, Boerne, Texas 78006, (512) 249-8012.

The Permian Basin Regional Planning Commission Board of Directors met at 2514 Pliska Drive, Midland, December 13, 1989, at 1:30 p.m. Information may be obtained from Terri Moore, P.O. Box 6391, Midland, Texas 79711, (915) 563-1061.

The Region V Education Service Center Board of Directors met at 2295 Delaware Street, Board Room, Beaumont, December 13, 1989, at 1:15 p.m. Information may be obtained from Fred J. Waddell, 2295 Delaware Street, Beaumont, Texas 77703, (409) 835-5212.

The Region V Education Service Center Board of Directors met at 2295 Delaware Street, Board Room, Beaumont, December 14, 1989, at 1:15 p.m. Information may be obtained from Fred J. Waddell, 2295 Delaware Street, Beaumont, Texas 77703, (409) 835-5212.

The Rio Grande Council of Governments Board of Directors will meet at the Westin Paso del Norte Hotel, Board Room, 101 South El Paso, El Paso, December 15, 1989, at 9:30 a.m. Information may be obtained from Cecile C. Gamez, 123 Pioneer Plaza, Suite 210, El Paso, Texas 79901, (915) 533-0998.

The South Plains Association of Governments Executive Committee met at 1323 58th Street, Lubbock, December 12, 1989, at 9 a.m. Information may be obtained from Jerry D. Casstevens, P.O. Box 3730, Freedom Station, Lubbock, Texas 79452.

The South Plains Association of Governments Board of Directors met at 1323 58th Street, Lubbock, December 12, 1989, at 10 a.m. Information may be obtained from

Jerry D. Casstevens, P.O. Box 3730, Freedom Station, Lubbock, Texas 79452.

The Tarrant Appraisal District Review Board met at 2309 Gravel Road, Fort Worth, December 12-13, 1989, at 8:30 a.m. Information may be obtained from Vernon Evans, 2309 Gravel Road, Fort Worth, Texas 76118, (817) 332-3151.

The Tarrant Appraisal District Review Board met at 2309 Gravel Road, Fort Worth, December 14, 1989, at 8:30 a.m. Information may be obtained from Vernon Evans, 2309 Gravel Road, Fort Worth, Texas 76118, (817) 332-3151.

The Texas Panhandle Mental Health Authority Board of Trustees met at 1200 Wallace Boulevard, Kilgore Atrium, Amarillo, December 14, 1989, at 10:30 a.m. Information may be obtained from Claire Rigler, P.O. Box 3250, Amarillo, Texas 79106, (806) 353-7235.

TRD-8911731

Meetings Filed December 8, 1989

The Austin-Travis County Mental Health Mental Retardation Center Finance and Control Committee met at 1430 Collier Street, Austin, December 12, 1989, at 7:30 a.m. Information may be obtained from Sharon Taylor, 1430 Collier Street, Austin, Texas 78704, (512) 447-4141.

The Austin-Travis County Mental Health Mental Retardation Center Finance and Control Committee met at 1430 Collier Street, Austin, December 13, 1989, at 12 noon. Information may be obtained from Sharon Taylor, 1430 Collier Street, Austin, Texas 78704, (512) 447-4141.

The Austin Travis County Mental Health Mental Retardation Center Executive Committee met at 1430 Collier Street, Boardroom, Austin, December 14, 1989, at 7 a.m. Information may be obtained from Sharon Taylor, P.O. Box 3548, Austin, Texas 78764, (512) 447-4141.

The Austin Travis County Mental Health Mental Retardation Center Board of Trustees met at 1430 Collier Street, Boardroom, Austin, December 14, 1989, at 7 a.m. Information may be obtained from Sharon Taylor, 1430 Collier Street, Austin, Texas 78704, (512) 447-4141.

The Bosque Central Appraisal District Board of Directors met at 104 West Morgan Street (District Office), Meridian, December 13, 1989, at 1:30 p.m. Information may be obtained from Don Whitney, P.O. Box 393, Meridian, Texas 76665, (817) 435-2304.

The Coastal Bend Council of Governments Membership will meet at 901 Leopard Street, Commissioners' Courtroom, Nueces County Courthouse, Third Floor, Corpus Christi, December 15, 1989, at 2

p.m. Information may be obtained from John P. Buckner, P.O. Box 9909, Corpus Christi, Texas 78469, (512) 883-5743.

The Comal Appraisal District Board of Directors met at 430 West Mill Street, New Braunfels, December 14, 1989, at 7:30 p.m. Information may be obtained from R. Richard Rhodes, Jr., P.O. Box 311222, New Braunfels, Texas 78130, (512) 625-8597.

The Dallas Area Rapid Transit Committee-of-the-Whole met at 601 Pacific Avenue, Board Room, Dallas, December 12, 1989, at 1 p.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6237.

The Dallas Area Rapid Transit Mobility Impaired Committee met at 601 Pacific Avenue, Board Room, Dallas, December 12, 1989, at 4 p.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6237.

The Dallas Area Rapid Transit Operations Committee met at 601 Pacific Avenue, Dallas, December 12, 1989, at 4 p.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Board Conference Room, Dallas, Texas 75202, (214) 658-6237.

The Dallas Area Rapid Transit Budget and Finance Committee met at 601 Pacific Avenue, Conference Room 7A, Dallas, December 12, 1989, at 4 p.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6237.

The Dallas Area Rapid Transit Board met at 601 Pacific Avenue, Board Room, Dallas, December 12, 1989, at 6:30 p.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6237.

The Deep East Texas Council of Governments Board of Directors met at the Rayburn Country Club, Sam Rayburn, December 14, 1989, at 10:30 a.m. Information may be obtained from Katie Bayliss, 274 East Lamar Street, Jasper, Texas 75951, (409) 384-5704.

The East Texas Council of Governments Executive Committee met at the Roy H. Laird Country Club, Green Room, Kilgore, December 14, 1989, at 2 p.m. Information may be obtained from Glynn Knight, 3800 Stone Road, Kilgore, Texas 75662, (214) 984-8641.

The Ellis County Appraisal District will meet at 406 Sycamore Street, Waxahachie, December 15, 1989, at 10 a.m. Information may be obtained from Russell A. Garrison, P.O. Box 878, Waxahachie, Texas 75165, (214) 937-3552.

The Golden Crescent Service Delivery Area Private Industry Council, Inc. met at 3901 Houston Highway, Victoria, December 13, 1989, at 6:30 p.m. rescheduled from

December 19, 1989. Information may be obtained from Sandy Heiermann, P.O. Box 164, Victoria, Texas 77902, (512) 578-0341.

The Gonzales County Appraisal District Board of Directors met at 928 St. Paul Street, Gonzales, December 14, 1989, at 5 p.m. Information may be obtained from Glenda Strackbein, P.O. Box 867, 928 St. Paul Street, Gonzales, Texas 78629, (512) 672-2879.

The Gulf Bend Mental Health Mental Retardation Center Board of Trustees met at 1404 Village Drive, Victoria, December 14, 1989, at 12 noon. Information may be obtained from Donald L. Polzen, 1404 Village Drive, Victoria, Texas 77901, (512) 575-0611.

The Hays County Appraisal District Board of Directors met at 632 "A" East Hopkins, Municipal Building, San Marcos, December 14, 1989, at 3:30 p.m. Information may be obtained from Lynnell Sedlar, 632 "A" East Hopkins, San Marcos, Texas 78666, (512) 754-7400.

The Heart of Texas Council of Governments Executive Committee met at 300 Franklin, Waco, December 14, 1989, at 10 a.m. Information may be obtained from Mary McDow, 300 Franklin, Waco, Texas 76701, (817) 756-6631.

The Jack County Appraisal District Board of Directors met at the Los Creek Office Building, 216-D South Main Street, Jacksboro, December 12, 1989, at 7 p.m. Information may be obtained from Gary L. Zeidler or Donna Hartzell, 216-D South Main, Jacksboro, Texas 76056, (817) 567-6301.

The Lampasas County Appraisal District Board of Directors met at 109 East Fifth, Lampasas, December 13, 1989, at 9:30 a.m. Information may be obtained from Dana Ripley, P.O. Box 175, Lampasas, Texas 76550, (512) 556-8058.

The Lower Colorado River Authority Planning and Public Policy and Natural Resources Committees met at 3700 Lake Austin Boulevard, Austin, December 12, 1989, at 1:30 p.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Planning and Public Policy Committee met at 3700 Lake Austin Boulevard, Austin, December 13, 1989, at 9 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Natural Resources Committee met at 3700 Lake Austin Boulevard, Austin, December 13, 1989, at 9 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Finance and Administration Committee met at

3700 Lake Austin Boulevard, Austin, December 13, 1989, at 9 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Energy Operations Committee met at 3700 Lake Austin Boulevard, Austin, December 13, 1989, at 9 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Audit and Budget Committee met at 3700 Lake Austin Boulevard, Austin, December 13, 1989, at 9 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Board of Directors met at 3700 Lake Austin Boulevard, Austin, December 14, 1989, at 8:30 a.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Colorado River Authority Energy Operations and Planning and Public Policy Committees of Board of Directors met at 3700 Lake Austin Boulevard, Austin, December 14, 1989, at 1:30 p.m. Information may be obtained from Glen E. Taylor, P.O. Box 220, Austin, Texas 78767, (512) 473-3250.

The Lower Neches Valley Authority Board of Directors Finance Committee met at the LNVA Office Building, 7850 Eastex Freeway, Beaumont, December 14, 1989, at 10 a.m. Information may be obtained from A. T. Hebert, Jr., P. O. Drawer 3464, Beaumont, Texas 77704, (409) 892-4011.

The North Central Texas Council of Governments Executive Board met at Centerpoint Two, 616 Six Flags Drive, Second Floor, Arlington, December 14, 1989, 12:45 p.m. Information may be obtained from Edwina J. Shires, P.O. Drawer COG, Arlington, Texas 76005-5888, (817) 640-3300.

The Rusk County Appraisal District Appraisal Review Board will meet at the Administrative Offices, 107 North Van Buren, Henderson, December 19, 1989, at 1:30 p.m. Information may be obtained from Melvin R. Cooper, P.O. Box 7, Henderson, Texas 75653-0007, (214) 657-9697.

The San Patricio County Appraisal District Board of Directors met at 1146 East Market, Sinton, December 14, 1989, at 9:30 p.m. Information may be obtained from Kathryn Vermillion, P.O. Box 938, Sinton, Texas 78387, (512) 364-5402.

TRD-8911752

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Meetings Filed December 11,
1989

The Ark-Tex Private Industry Council Board of Directors will conduct an emergency meeting at the Region VIII Education

Service Center, FM Road 1734, Mt. Pleasant, December 15, 1989, at 3 p.m. The emergency status was necessary because failure to take action until next meeting would result in loss of funding. Information may be obtained from Betty J. Parrish, P.O. Box 5307, Texarkana, Texas 75505, (214) 832-8636.

The Bastrop County Appraisal District Board of Directors met at the Bastrop County Appraisal District, 1200 Cedar Street, Bastrop, December 14, 1989, 7:30 p.m. Information may be obtained from Lorraine Perry, P.O. Box 578, Bastrop, Texas 78602, (512) 321-3925.

The Bexar Appraisal District Appraisal Review Board will meet at 535 South Main, San Antonio, December 15, 1989, 8:30. Information may be obtained from Bexar Appraisal District, 535 South Main, San Antonio, Texas 78204, (512) 224-8511.

The Dallas Central Appraisal District Appraisal Review Board will meet at 1420 West Mockingbird Lane, Suite 500, Dallas, December 15, 1989, at 10 a.m. Information may be obtained from Rick L. Kuehler, 1420 West Mockingbird Lane, Suite 500, Dallas, Texas 75247, (214) 631-0520.

The Dewitt County Appraisal District Board of Directors will meet in the Dewitt County Appraisal Office, 103 Bailey Street, Cuero, December 19, 1989, at 7:30 p.m. Information may be obtained from John Haliburton, P.O. Box 4, Cuero, Texas 77954, (512) 275-5753.

The Gillespie Central Appraisal District Board of Directors will meet in the City Hall Assembly Room, Fredericksburg, December 28, 1989, at 2:45 p.m. This meeting was rescheduled from December 14, 1989. Information may be obtained from Mary Lou Smith, P. O. Box 429, Fredericksburg, Texas 78624, (512) 997-9807.

The Gregg Appraisal District Board of Directors will meet at 2010 Gilmer Road, Longview, December 20, 1989, at 9 a.m. Information may be obtained from Wm. T. Carroll, P.O. Box 6700, Longview, Texas 75608, (214) 759-0015.

The Hickory Underground Water Conservation District # 1 Board and Advisors met at 2021 South Bridge, Brady, December 14, 1989, at 7 p.m. Information may be obtained from Vickie Roddie, Box 821, Brady, Texas 76825, (915) 597-2785.

The Jones County Appraisal District Board of Directors will meet in the district office at 1137 East Court Plaza, Anson, December 21, 1989, at 8 a.m. Information may be obtained from John Steele, 1137

East Court Plaza, Anson, Texas 79501, (915) 823-2422.

The Liberty County Central Appraisal District Board of Directors will meet at 1820 Sam Houston, Liberty, December 20, 1989, at 9:30 a.m. Information may be obtained from Sherry Greak, P.O. Box 10016, Liberty, Texas 77575, (409) 336-5722.

The Lower Neches Valley Authority Board of Directors will meet at 7850 Eastex Freeway, Beaumont, December 19, 1989, at 10:30 a.m. Information may be obtained from A. T. Hebert, Jr., P.O. Drawer 3464, Beaumont, Texas 77704, (409) 892-4011.

The Northeast Texas Municipal Water District Board of Directors will meet at Highway 250, South, Hughes Springs, December 18, 1989, at 10 a.m. Information may be obtained from J. W. Dean, P.O. Box 955, Hughes Springs, Texas 75656, (214) 639-7538.

The North Plains Water District Board of Directors will meet at the district office, 603 East First Street, Dumas, December 18, 1989, at 10 a.m. Information may be obtained from Richard S. Bowers, P.O. Box 795, Dumas, Texas 79029, (806) 935-6401.

The Panhandle Regional Planning Commission Board of Directors met at 2736 West Tenth, Board Room, Amarillo, December 14, 1989, at 1:30 p.m. Information may be obtained from Pamela Nielsen, P.O. Box 9257, Amarillo, Texas 79105-9257, (806) 372-3381.

The Region VIII Education Service Center Board of Directors will meet at the Mount Pleasant Country Club, Mount Pleasant, December 15, 1989, at 11:30 a.m. Information may be obtained from Scott Ferguson, FM Road 1734, Mt. Pleasant, Texas 75455, (214) 572-8551.

The Riceland Regional Mental Health Authority will meet at 3007 North Richmond Road, Wharton, December 21, 1989, at noon. Information may be obtained from Bascom Hodges, 3007 North Richmond Road, Wharton, Texas 77488, (409) 532-3098.

The San Antonio River Authority Board of Directors will meet in the General Offices, 100 East Guenther Street, San Antonio, December 20, 1989, at 2 p.m. Information may be obtained from Fred N. Pfeiffer, P.O. Box 830027, San Antonio, Texas 78283-0027, (512) 227-1373.

The South Plains Association of Governments Regional Review Committee met at 1323 58th Street, Lubbock, December 14, 1989 at 9 a.m. Information may be obtained

from Jerry D. Casstevens, P.O. Box 3730, Lubbock, Texas 79452, (806) 762-8721.

The Texas Council Risk Management Fund Executive Committee met at the Embassy Suites Hotel, Board Room, Downtown, Austin, December 14, 1989, at 7:30 p.m. Information may be obtained from Spencer McClure, Westpark Building 3, Suite 240, 8140 North Mopac Expressway, Austin, Texas 78759, (512) 794-9268.

The Texas Council Risk Management Fund will meet at the Embassy Suites Hotel, Topaz Room, Downtown, Austin, December 15, 1989, 8 a.m. Information may be obtained from Spencer McClure, Westpark Building 3, Suite 240, 8140 North Mopac Expressway, Austin, Texas 78759, (512) 794-9268.

The Wise County Appraisal District Agricultural Advisory Board will meet at 206 South State, Board Room, Decatur, December 20, 1989, at 9 a.m. Information may be obtained from Brenda Jones, 206 South State Street, Decatur, Texas 76234, (817) 627-3081, ext. 70.

TRD-8911827

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**Meetings Filed December 12,
1989**

The Capital Area Planning Council General Assembly will meet at the South Plaza Hotel, Austin, December 19, 1989, at 11:30 a.m. Information may be obtained from Richard G. Bean, 2520 IH 35 South, Suite 100, Austin, Texas 78704, (512) 443-7653.

The Central Texas Mental Health and Mental Retardation Center Board of Trustees will meet at 408 Mulberry Drive, Brownwood, December 18, 1989, at 5 p.m. Information may be obtained from Danny Armstrong, P.O. Box 250, Brownwood, Texas 76804, (915) 646-9574.

The Guadalupe-Blanco River Authority Board of Directors will meet at the Authority's Offices, 933 East Court Street, Seguin, December 21, 1989, at 10 a.m. Information may be obtained from John H. Specht, P.O. Box 271, Seguin, Texas 78156-0271, (512) 379-5822.

The Lee County Appraisal District Appraisal Review Board will meet at 218 East Richmond Street, Giddings, December 21, 1989, at 9 a.m. Information may be obtained from Delores Shaw, 218 East Richmond Street, Giddings, Texas 78942, (409) 542-9618.

TRD-8911911
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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, changes in interest rate and applications to install remote service units, and consultant proposal requests and awards.

To aid agencies in communicating information quickly and effectively, other information of general interest to the public is published as space allows.

State Banking Board Notice of Hearing

The hearing officer of the State Banking Board will conduct a hearing on January 12, 1990, at 9 a.m., at 2601 North Lamar Boulevard, Austin, on the change of domicile application for State Bank and Trust Company, Dallas.

Additional information may be obtained from William F. Aldridge, Director of Corporate Activities, Texas Department of Banking, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1200.

Issued in Austin, Texas on December 7, 1989.

TRD-8911819 William F. Aldridge
Director of Corporate Activities
Texas Department of Banking

Filed: December 8, 1989

For further information, please call: (512) 479-1200



Notice of Application

Texas Civil Statutes, Article 342-401a, requires any person who intends to buy control of a trust company to file an application with the banking commissioner for the commissioner's approval to purchase control of a particular trust company. A hearing may be held if the application is denied by the commissioner.

On December 7, 1989, the banking commissioner received an application to acquire control of the Crown Savings and Trust Company, Dallas, by FTC Holding Corporation, Dallas.

Additional information may be obtained from: William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1200.

Issued in Austin, Texas on December 7, 1989.

TRD-8911820 William F. Aldridge
Director of Corporate Activities
Texas Department of Banking

Filed: December 8, 1989

For further information, please call: (512) 479-1200



Notice of Continuance

The December 7, 1989 hearing for the alleged sale of checks without a license in violation of the Sale of Checks Act by East Texas Convenience Store, Jefferson, has been continued.

Additional information may be obtained from: Carlos J. Contreras, III, Assistant General Counsel, Department of Banking, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1200.

Issued in Austin, Texas, on December 6, 1989.

TRD-8911717 Carlos J. Contreras, III
Assistant General Counsel
Texas Department of Banking

Filed: December 6, 1989

For further information, please call: (512) 478-1200



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 Texas Civil Statutes, Title 79, Articles 1.04, 1.05, 1.11, and 15.02, as amended (Texas Civil Statutes, Articles 5069-1.04, 1.05, 1.11, and 15.02).

Type of Rate Ceilings	Effective Period (Dates are Inclusive)	Consumer ⁽³⁾ /Agri- cultural/Commercial ⁽⁴⁾ thru \$250,000	Commercial ⁽⁴⁾ over \$250,000
Indicated (Weekly) Rate - Art. 1.04(a)(1)	12/11/89-12/17/89	18.00%	18.00%
Monthly Rate ⁽¹⁾ Art. 1.04(c)	12/01/89-12/31/89	18.00%	18.00%
Standard Quarterly Rate - Art. 1.04(a)(2)	01/01/90-03/31/90	18.00%	18.00%
Retail Credit Card Quarterly Rate - Art. 1.11 ⁽³⁾	01/01/90-03/31/90	18.00%	N.A.

Lender Credit Card Quarterly Rate - Art. 15.02(d) ⁽³⁾	01/01/90-03/31/90	15.19%	N.A.
Standard Annual Rate - Art. 1.04(a) ⁽²⁾	01/01/90-03/31/90	18.00%	18.00%
Retail Credit Card Annual Rate - Art. 1.11 ⁽³⁾	01/01/90-03/31/90	18.00%	N.A.
Annual Rate Applicable to Pre-July 1, 1983 Retail Credit Card and Lender Credit Card Balances with Annual Implementation Dates from:	01/01/90-03/31/90	18.00%	N.A.
Judgment Rate - Art. 1.05, Section 2	12/01/89-12/31/89	10.00%	10.00%

- (1) For variable rate commercial transactions only.
- (2) Only for open-end credit as defined in Art. 5069-1.01(f) V.T.C.S.
- (3) Credit for personal, family or household use.
- (4) Credit for business, commercial, investment or other similar purpose.

Issued in Austin, Texas, on December 4, 1989.

TRD-8911708 Al Endsley
Consumer Credit Commissioner

Filed: December 6, 1989

For further information, please call: (512) 479-1280

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Texas Education Agency Request for Application

The Texas Education Agency is requesting an application (RFA #701-90-035) from school districts which have incurred capital expenditures since July 1, 1985, or which will incur capital expenditures in providing equitable Chapter 1 services to eligible children in private, religiously-oriented schools under the ESEA Chapter 1 Regulations, §200.57. Funds awarded under the capital expenses provision of Chapter 1 may be used to provide services to public or private school children depending upon how the capital expenditures were funded during the period July 1, 1985-June 30, 1989, or to purchase capital

expenses items, i. e., purchase, lease, and renovation of real and personal property; insurance and maintenance costs; transportation; and other comparable goods and services. They do not include the purchase or lease of instructional equipment such as computers.

Payments under capital expenses will be made to those school districts that apply on the basis of need. The total amount of funds available for Texas under the capital expense provision for 1989-1990 is \$537,764. Due to the limited amount of funds available, grants will be made on a competitive-need basis. In determining need, the Texas Education Agency will consider the extent to which payments made under capital expenses would be used to increase the number or percentage of private schools children served and the percentage of funds the LEA has paid for capital expenses in relation to its basic Chapter 1 grant.

To obtain a copy of the request for application, call (512) 463-9304 or write the Document Control Center, 1701 North Congress Avenue, Austin, Texas 78701-1494. Applications may be delivered by mail or in person to the Document Control Center, Room 6-108, Texas Education Agency. To be considered for funding, applications must be received no later than 5 p.m. on Wednesday, January

31, 1990.

Issued in Austin, Texas on December 8, 1989.

TRD-8911832

W. N. Kirby
Commissioner of Education

Filed: December 11, 1989

For further information, please call: (512) 463-9701

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**The Employees Retirement System of
Texas**
**Employees Retirement System Fiscal
Report**

Senate Bill 1105, 71st Legislature, requires that the Employees Retirement System of Texas publish a report in the *Texas Register* containing the following information: (1) the retirement system's fiscal transactions of the preceding fiscal year; (2) the amount of the system's accumulated cash and securities; and (3) the rate of return on the investment of the system's cash and securities during the preceding fiscal year.

The schedules in this report are presented by fund within fund type. They present more detailed information than would be required by generally accepted accounting principles (GAAP) and they do not include the note disclosures required by GAAP. They are presented in the following order, preceded by an explanation of the fund structure:

Schedule 1: Combining Balance Sheet—Pension Trust Funds;

Schedule 2: Combining Statement of Revenues, Expenses, and Changes in Fund Balances—Pension Trust Funds;

Schedule 3: Combining Balance Sheet—Expendable Trust Funds;

Schedule 4: Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Expendable Trust Funds;

Schedule 5: Combining Balance Sheet—Special Revenue Funds;

Schedule 6: Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Special Revenue Funds;

Schedule 7: Combining Balance Sheet Agency Funds;

Schedule 8: Detail of Additions and Deductions—Agency Funds;

Schedule 9: Investment Summary—Employees Retirement Fund;

Schedule 10: Investment Summary—Law Enforcement and Custodial Officer Supplemental Retirement Fund;

Schedule 11: Investment Summary—Judicial Retirement System Plan Two;

Schedule 12: Investment Summary—All Pension Funds;

Schedule 13: Investment Summary—Employees Life, Accident, and Health Insurance and Benefits Fund;

Schedule 14: Investment Summary—State Employees Cafeteria Plan Trust Fund.

Questions about the reports should be directed to Darrell J. Leslie, Director of Accounting, Employees Retirement System of Texas, P.O. Box 13207, Austin, Texas 78711, (512) 476-6431, extension 224, Wats number 1-800-238-5355.

FUND STRUCTURE

The financial statements presented herein are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. These accounts are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with applicable statutory guidelines or restrictions. The System's accounts fall under two basic fund types: Governmental Funds and Fiduciary Funds. The following is a brief description of the primary activity of each fund.

1. Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the System's proceeds from specific revenue sources that are legally restricted to expenditures for specified purposes.

(i) Social Security Administration Fund

The Social Security Administration Fund is the operating fund from which the expenses of administration and maintenance of the Social Security Program are paid.

(ii) Death Benefits Program for Commissioned Peace Officers, Firemen, etc. Fund

The Death Benefits Program for Commissioned Peace Officers, Firemen, etc., Fund is used to account for payments of death benefits and administrative fees funded by an appropriation from the State's General Revenue Fund.

(iii) Judicial Return to Work Fund

The Judicial Return to Work Fund is used to account for salaries and salary related costs for retired judges and justices called to service which are funded by an appropriation from the State's General Revenue Fund.

2. Fiduciary Funds

(a) Pension Trust Funds

The fund type, Pension Trust Fund, is used to account for public employee retirement system funds.

(i) Employees Retirement Fund and Judicial Retirement System Plan Two Fund

The following accounts of the Employees Retirement Fund and the Judicial Retirement System Plan Two Fund hold the reserves for future and current benefit payments. These reserves are included in the fund balance reserved for retirement trust funds.

o Employees Savings Account

The Employees Savings Account is the account in which members' contributions and interest credited to those contributions are accumulated.

o State Accumulation Account

The State Accumulation Account is the account in which retirement and death benefits contributions made by the State are accumulated.

o Retirement Annuity Reserve Account

The Retirement Annuity Reserve Account is the account in which reserves for annuities granted and in force are held, and from which annuities are paid.

o Interest Account

The Interest Account is the account in which interest, dividends, and gains and losses derived from investments of the Retirement System's funds are accumulated. At the close of each fiscal year, the annual investment revenues are transferred from the Interest Account to the other accounts as provided by statute.

o Investment Account

The Investment Account is the account through which available assets and monies of the Retirement Systems are invested.

o Benefit Increase Reserve Account

The Benefit Increase Reserve Account is the account in which reserves are held for post-retirement increases in annuities for appointive officer and employee members and their survivors.

o Expense Account

The Expense Account is the account from which the expenses of administration and maintenance of the Retirement System Programs are paid.

(ii) Law Enforcement and Custodial Officer Supplemental Retirement Fund

The Law Enforcement and Custodial Officer Supplemental Retirement Fund was created for the purpose of receiving funds collected as part of the motor vehicle inspection fee and facilitating the payment of benefits as provided by the Commissioned Law Enforcement and Custodial Officer Supplemental Retirement Benefit Act. Available assets and monies of the fund are invested, and revenues accruing from the investments are deposited to the fund.

An annuity reserve fund balance account has been established to reserve the benefits payable for annuities granted and currently in force as determined by the System's actuarial consultants, Rudd and Wisdom, Inc.

(iii) Judicial Retirement System Plan One Fund

The Judicial Retirement System Plan One Fund receives appropriations from the State's General Revenue Fund for annuity and refund payments to judges who are members of this program.

(b) Expendable Trust Funds

An Expendable Trust Fund is used to account for assets held by the System in a trustee capacity related to the State's Uniform Group Insurance Program and Cafeteria Benefit Plan Program.

(i) Employees Life, Accident and Health Insurance and Benefits Fund (Group Insurance Fund)

The fund balance of this fund is reserved for future and current benefit payments and administrative costs. Two accounts have been established within this fund.

o Group Insurance Benefits Account

The Group Insurance Benefits Account receives contributions of participating employees, participating annuitants and the State of Texas. The account is also utilized to make payments to insurance carriers under the Group Insurance Program.

o Group Insurance Administration Account

The Group Insurance Administration Account functions as an operating account from which the expenses for administration and maintenance of the Group Insurance Program are paid. Supplemental payments for employee insurance premiums are also paid from the Administration Account.

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 1

COMBINING BALANCE SHEET - PENSION TRUST FUNDS

August 31, 1989
(With Comparative Totals at August 31, 1988)

	Employees Retirement Fund (955)	Law Enforcement and Custodial Officer Supplemental Retirement Fund (977)	Judicial Retirement System Plan One (001)	Judicial Retirement System Plan Two (993)	Totals August 31, 1988
ASSETS					
Current Assets					
Cash and Temporary Investments:					
Cash in State Treasury	3,600,697	106,717	269,060	294,194	19,375,666
Cash in Bank	10,500				10,500
Cash on Hand	229,234			229,234	742,825
Short Term Investments	137,530,000	670,003		2,090,737	97,800,000
Receivables	12,130,302	373	1,829	32,396	11,559,966
Accounts Receivable	2,876,030	1,853,373		4,736,561	3,255,690
Due From Other Funds	79,969,884	2,537,053		8,523	82,578,706
Interest and Dividends Receivable	79,000			79,066	92,052
Prepaid Expenses					
Total Current Assets	236,426,513	5,187,543	270,889	2,432,208	215,415,405
Long-Term Investments At Cost (Total Market, 1989 \$6,030,605,317; 1988 \$4,992,606,576)	5,244,648,465	175,839,559		5,420,487,054	4,857,837,846
Fixed Assets	8,385			8,385	8,385
Motor Vehicle	874,889			874,889	874,889
Land and Land Improvements	6,393,609			6,393,609	6,272,786
Building	1,674,374			1,674,374	1,505,991
Office Furniture and Equipment					
Subtotal Fixed Assets	8,951,257			8,951,257	8,662,051
Less Accumulated Depreciation	(2,208,467)			(2,208,467)	(1,995,106)
Net Fixed Assets	6,742,790			6,742,790	6,666,945
Total Assets	5,487,817,768	181,026,129	270,889	5,671,546,994	5,079,920,196

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EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 1

COMBINING BALANCE SHEET - PENSION TRUST FUNDS

August 31, 1989
(With Comparative Totals at August 31, 1988)
(concluded)

	Employees Retirement Fund (955)	Law Enforcement and Custodial Officer Supplemental Retirement Fund (977)	Judicial Retirement System Plan One (001)	Judicial Retirement System Plan Two (993)	Totals August 31, 1988
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Payables:					
Accounts Payable	5,582,660	1,487	19,011	1,326	4,853,839
Due To Other Funds	265,223	9,592	251,878	15,895	1,172,074
Interest and Dividends Received-Not Due	1,750				228,800
Compensable Leave Payable	308,315				261,471
Deferred Revenue	11,211			11,211	279
Total Current Liabilities	6,179,159	11,079	270,889	17,221	6,478,348
Long-Term Liabilities					
Leases Payable					1,496
Total Long-Term Liabilities					1,496
Total Liabilities	6,179,159	11,079	270,889	17,221	6,517,959
Fund Balances					
Reserved:					
For Annuity Reserves	1,072,754,093				1,562,798,593
For Encumbrances	180,422				157,297
Retirement Trust Funds	3,808,704,094			2,414,987	3,510,448,347
Total Fund Balances	5,481,638,609	181,015,050		2,414,987	5,073,402,237
Total Liabilities and Fund Balances	5,487,817,768	181,026,129	270,889	2,432,208	5,079,920,196

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited
SCHEDULE 2

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES - PENSION TRUST FUNDS
Year Ended August 31, 1989
(With Comparative Totals for the Year Ended August 31, 1988)

	Employees Retirement Fund (955)	Law Enforcement and Custodial Officer Supplemental Retirement Fund (977)	Judicial Retirement System Plan One (001)	Judicial Retirement System Plan Two (993)	Totals August 31,
	1989	1989	1989	1989	1988
Operating Revenues					
Contributions to Retirement System:					
Member Contributions	149,439,133			390,723	138,106,927
State Retirement Contributions	173,531,172			716,326	160,510,806
Membership Fees	1,383,684			1,370	1,332,178
Penalty Interest	895,807			885,807	1,082,357
Death Benefits	3,679,890	17,777,637		3,679,890	3,915,010
Motor Vehicle Inspection Fees				17,777,637	17,773,793
Transfer of Depository Interest from General Revenue Fund For S.B. 1					398,130
Investment Income:					
Interest	396,206,042	15,570,956		156,131	376,170,767
Dividends	47,491,528			47,491,528	38,176,412
Gain on Sale of Securities (Net)	32,828,468	67,523		32,895,991	113,742,565
Legislative Appropriations: For Judges' Retirement Annuity Payments For Refund of Judges' Contributions			7,654,471	84,426	7,080,763
For Administrative Expenditures			33,779	33,779	102,225
Rent - Office Space	364,583			364,583	32,286
Miscellaneous	321,522	352		321,874	402,390
Total Operating Revenues	806,131,029	33,416,468	7,772,676	1,264,550	859,998,731
Operating Expenses					
Retirement System Benefits Paid:					
Retirement Benefits	184,506,517	3,309,804	7,654,471		188,800,679
Death Benefits:					
Active Members	873,003			873,003	464,940
Retirees	3,918,446			3,918,446	4,227,851
Member Contributions Withdrawn	49,181,549		84,426	58,989	44,179,373
Administrative Expenses	7,157,651	60,282		47,938	8,131,106
Miscellaneous	860			860	278
Loss on Disposal of Fixed Assets	95,976			95,976	6,970
Total Operating Expenses	245,734,002	3,370,086	7,738,897	106,927	243,811,197

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EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 2

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES - PENSION TRUST FUNDS

Year Ended August 31, 1989

(With Comparative Totals for the Year Ended August 31, 1988)

(concluded)

	Employees Retirement Fund (955)	Law Enforcement and Custodial Officer Supplemental Retirement Fund (977)	Judicial Retirement System Plan One (001)	Judicial Retirement System Plan Two (993)	Totals August 31, 1988
Income Before Operating Transfers	560,397,827	30,046,322	33,779	1,157,623	615,187,534
Operating Transfers In (Out) Fee for Administering Programs	128,419	(63,842)	(33,779)		29,805
Net Operating Transfers	128,419	(63,842)	(33,779)		29,805
Net Income	560,526,246	29,982,540	-	1,157,623	615,217,339
Fund Balances - Beginning	4,921,112,363	151,032,510	-	1,257,364	4,458,184,898
Fund Balances - Ending	5,481,638,609	181,015,050	-	2,414,997	5,073,402,237

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 3

COMBINING BALANCE SHEET - EXPENDABLE TRUST FUNDS

August 31, 1989

(With Comparative Totals at August 31, 1988)

	Employees Life, Accident, and Health Insurance and Benefits Fund (973)	State Employees Catereria Plan Trust Fund (943)	Totals	
			1989	1988
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash and Temporary Investments:				
Cash in State Treasury	3,227,970	1,027,164	4,255,134	2,333,729
Cash on Hand	18,179		18,179	11,844
Short Term Investments	104,304,840	1,250,000	105,504,840	100,800,000
Receivables:				
Accounts Receivable	8,126,350	590,897	8,707,247	4,475,664
Due From Other Funds	1,293,499		1,293,499	1,365,744
Interest Receivable	189,012	10,317	199,359	400,965
Consumable Inventories	7,479	62	7,541	500
Total Assets	117,167,329	2,818,470	119,985,799	109,388,446
LIABILITIES AND FUND BALANCES				
Current Liabilities				
Payables:				
Accounts Payable	62,960,677	1,405,885	64,366,562	57,570,593
Due To Other Funds	1,610,477	12,396	1,622,873	1,241,524
Deferred Revenue	311,055	1,122	312,177	211,249
Total Liabilities	64,882,209	1,419,403	66,301,612	59,023,366
Fund Balances				
Reserved:				
For Encumbrances	6,000		6,000	15,223
For Consumable Inventories	7,479		7,479	500
For Permanent Contingency for the Group Insurance Program	45,978,715	62	45,978,715	43,173,361
For Supplemental Benefits for State Employees and Retirees Insurance Premiums and Administration	6,292,926	1,399,005	6,292,926	5,646,092
For State Employees Catereria Plan			1,399,005	1,529,904
Total Fund Balances	52,285,120	1,399,067	53,684,187	50,365,080
Total Liabilities and Fund Balances	117,167,329	2,818,470	119,985,799	109,388,446

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 4

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - EXPENDABLE TRUST FUNDS

Year Ended August 31, 1989

(With Comparative Totals for the Year Ended August 31, 1988)

	1989	1988	Totals August 31,
	\$	\$	\$
Revenues			
Legislative Appropriations			2,328,163
Interest			7,844,561
Insurance Premium Contributions from:			
State of Texas	188,059,448	188,059,448	157,510,319
State Employees and Retirees	91,728,520	91,728,520	75,143,514
Cobra Participants	1,807,981	1,807,981	1,343,553
Cafeteria Plan:			
Contributions	6,838,980	6,838,980	-
Fees	220,740	220,740	-
Miscellaneous	37,323	37,323	30,159
Total Operating Revenues	292,026,088	299,299,592	244,200,269
Expenditures			
Current:			
Claims and Premium Payments to Insurance Carrier	237,520,751	237,520,751	197,093,044
Claims Reimbursements-Cafeteria Plan		6,421,222	
Estimated Claims Incurred by State Employees and/or Retirees	48,579,511	417,758	36,869,000
Refund of Premiums for Prior Year Contracts	372	372	1,146
Bad Debt Expense-Uncollectible Insurance Premiums	113,677	113,677	-
Administrative Expenditures	2,350,488	561,372	3,158,584
Debt Service:			
Principal Payments on Capital Lease			2,651
Interest on Capital Lease			117
Capital Outlay	11,477	10,899	31,331
Total Operating Expenses	288,576,276	7,411,250	237,175,873
Excess (Deficit) of Revenues over Expenditures	3,449,812	(137,746)	7,024,396
Fund Balances - Beginning	48,828,161	1,536,919	43,343,680
Increases (Decreases) in Consumable Inventories	7,147	(106)	(2,956)
Fund Balances - Ending	52,285,120	1,399,067	50,365,080

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 5

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
Year Ended August 31, 1989

	1989	1988
ASSETS		
Current Assets		
Cash and Temporary Investments:		
Cash in State Treasury	385,358	498,560
Legislative Appropriations	1,344	492,640
Receivables:		
Accounts Receivable	344	25,690
Due From Other Funds		149,983
Consumable Inventories		436
Total Assets	385,702	1,167,309
LIABILITIES AND FUND BALANCES		
Current Liabilities		
Payables:		
Accounts Payable	4,514	440,565
Due To Other Funds	3,104	360,288
Total Liabilities	7,618	820,853
Fund Balances Reserved:		
For Consumable Inventories	344	436
Unreserved:		
Available for Subsequent Years' Expenditures	377,740	346,020
Total Fund Balances	378,084	346,456
Total Liabilities and Fund Balances	385,702	1,167,309

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 6

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - SPECIAL REVENUE FUNDS

Year Ended August 31, 1989

(With Comparative Totals at August 31, 1988)

	Social Security Administration Fund (929)	Death Benefits Program for Commissioned Peace Officers, Firemen, etc. (001)	Judicial Return To Work Program (001)	Totals August 31, 1989	1988
Revenues					
Legislative Appropriations Out of the State's General Revenue Fund:					
For Administrative Expenditures	30,798	848,656		30,798	29,805
For Death Benefits			1,394,419	848,656	617,683
For Salaries of Retired Judges Called to Service			106,403	1,394,419	1,258,247
For Salaries of Retired Justices Called to Service			166,206	106,403	88,099
For Social Security Matching Contributions			62,753	166,206	133,102
For Social Security Payments Made by the State	22			62,753	65,187
Social Security Fees				22	119
Penalty Interest	1,650			1,650	2,918
Miscellaneous	1,672			1,672	1,695
Total Revenues		879,454	1,729,781	2,610,907	2,196,655
Expenditures					
Current:					
Penalty Interest					139,079
Death Benefits:					
Lump Sum Payments for Surviving Spouses		420,000		420,000	200,000
Monthly Payments in Behalf of Minor Children		428,656		428,656	417,683
Salaries of Retired Judges Called to Service			1,394,419	1,394,419	1,267,860
Salaries of Retired Justices Called to Service			106,403	106,403	72,427
Payroll Related Costs of Judges/Justices					
Called to Service:					
Social Security Matching Contribution			166,206	166,206	136,434
Social Security Payments by the State			62,753	62,753	67,914
Administrative Expenditures	127,397			127,397	177,684
Total Expenditures		848,656	1,729,781	2,705,834	2,479,081
Excess (Deficit) of Revenues over Expenditures		30,798		(94,927)	(282,226)

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EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 6

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - SPECIAL REVENUE FUNDS

Year Ended August 31, 1989

(With Comparative Totals at August 31, 1988)

(concluded)

	1989	1988
Social Security Administration Fund (929)	\$	\$
Death Benefits Program for Commissioned Peace Officers, Firemen, etc. (001)	(30,798)	(29,805)
Judicial Return To Work Program (001)	-	-
Totals	(30,798)	(29,805)
Other Financing Sources (Uses)		
Fee for Administering Programs	(125,725)	-
Total Other Financing Sources (Uses)	(30,798)	(29,805)
Excess of Revenues Over Expenditures and Other Uses	(125,725)	(312,031)
Fund Balances - Beginning	346,456	658,634
Increase (Decrease) in Consumable Inventories	(92)	(147)
Adjustment of Beginning Fund Balance to Recognize the changes in Estimated Social Security Fees and Penalty Interest	157,445	-
Fund Balances - Ending	376,084	346,456

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 7

COMBINING BALANCE SHEET - AGENCY FUNDS
August 31, 1989
(With Comparative Totals at August 31, 1988)

	Unappropriated Receipts General Revenue Fund (001)	Social Security Trust Fund (913)	Employee Savings Bond Fund (901)	Totals August 31, 1989	1988
ASSETS					
Current Assets					
Cash in State Treasury		190,933	150	191,083	1,627,794
Cash on Hand	1,087		925	2,012	
Accounts Receivable	122,895	606,876		729,771	909,494
Due From Other Funds	6,585			6,585	
Total Assets	130,567	797,809	1,075	929,451	2,537,288
LIABILITIES					
Current Liabilities					
Accounts Payable	125,611	797,809	1,075	924,495	2,531,868
Due To Other Funds	4,956			4,956	5,400
Total Liabilities	130,567	797,809	1,075	929,451	2,537,288

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 8

DETAIL OF ADDITIONS AND DEDUCTIONS - AGENCY FUNDS

Year Ended August 31, 1989

(With Comparative for the Year Ended August 31, 1988)

	Unappropriated Receipts General Revenue Fund (001)	Social Security Fund (913)	Employee Savings Bond Fund (901)	Totals Year Ended August 31, 1989	Totals Year Ended August 31, 1988
Beginning Balances	\$ 132,278	\$ 2,404,185	\$ 825	\$ 2,537,288	\$ 12,813,199
Additions to Cash:					
Judges Retirement Contributions	1,419,238			1,419,238	1,503,395
Judges Service Purchases	67,985			67,985	32,493
Contributions from:					
Local Political Subdivisions		84,133		84,133	291,423
State Employees		44,713		44,713	85,745
State of Texas		50,344		50,344	200,282
Employee Savings Bond Contributions			10,800	10,800	9,225
Total Additions to Cash	1,487,223	179,190	10,800	1,677,213	2,122,563
Deductions From Cash	1,486,136			1,486,136	1,535,888
Deposits to the State Treasury					
Payments to Federal Social Security					
Administration of Contributions from:					
Local Political Subdivisions		34,051		34,051	190,280
State Employees		200		200	138,453
State of Texas		158,021		158,021	140,307
Refunds of Contributions to:					
Local Political Subdivisions		584,678		584,678	4,374,335
State Employees		1,477		1,477	2,858,845
State of Texas		839,499		839,499	2,752,202
Purchase of Savings Bonds			9,850	9,850	9,100
Total Deductions from Cash	1,486,136	1,615,926	9,850	3,111,912	11,999,420
Net Changes in Cash	1,087	(1,436,736)	950	(1,434,699)	(9,876,657)
Net Increase (Decrease) in Non-Cash Assets:					
Accounts Receivable	(9,383)	(169,640)	(700)	(179,723)	(365,402)
Due from Other Funds	6,585			6,585	(33,652)
Net Changes in Agency Fund	(1,711)	(1,606,376)	250	(1,607,837)	(10,275,911)
Ending Balance	130,567	797,809	1,075	929,451	2,537,288

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (827)

Unaudited
SCHEDULE 9

INVESTMENT SUMMARY - EMPLOYEES RETIREMENT FUND
Year Ended August 31, 1989

Type of Investment	September 1, 1988		August 31, 1989		Adjustments and Amortizations	Sales, Maturities, and Redemptions	Purchases	Yield at Market %
	Book Value	Market Value	Book Value	Market Value				
Fixed Income:								
U. S. Government Bonds	2,924,913,232	3,016,706,548	3,188,180,130	3,392,246,899	13,015,136	238,958,498	489,210,200	8.89
Corporate Bonds	795,124,963	761,397,253	789,150,423	815,823,754	2,096,942	10,878,518	2,807,034	9.25
Total Fixed Income	3,720,038,195	3,778,103,801	3,977,330,553	4,208,070,653	15,112,078	249,836,954	492,017,234	8.96
Common Stock:								
Passive	216,836,310	193,174,753	428,774,959	502,660,529		17,037,275		3.40
Active	775,533,666	872,244,471	838,542,953	1,143,336,562		158,289,335		3.30
Total Common Stock	992,369,976	1,065,419,224	1,267,317,912	1,645,997,091		175,326,610	450,274,546	3.33
Short Term Investments:								
Commercial Paper	95,000,000	95,000,000	137,530,000	137,530,000		3,037,720,000	3,080,250,000	9.13
Total Investments	4,807,408,171	4,938,523,025	5,382,178,465	5,991,597,744	15,112,078	3,462,883,564	4,022,541,780	7.42

Portfolio Rate of Return	Year Ended August 31,	
	1988	1989
Cash and Corporate Notes(Note B)	6.74	10.16
Corporate Bonds(Note C)	8.62	9.47
U. S. Government Securities(Note C)	10.18	10.10
Common Stock(Note C)	16.86	7.24
Composite Rate of Return	11.35	9.37

September 1, 1988	August 31, 1989
Types of Investment	Types of Investment
Fixed Income:	Fixed Income:
U. S. Government Bonds	U. S. Government Bonds
Corporate Bonds	Corporate Bonds
Total Fixed Income	Total Fixed Income
\$ 3,827,938,980	\$ 4,074,371,944

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = Net Interest (State Treasury) + Net Interest (Bank)

Average Collected Balance

Note C: Rate of Return = Net Interest or Dividends + Gain (Loss) on Sales

Average Book Value

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 10

INVESTMENT SUMMARY - LAW ENFORCEMENT AND CUSTODIAL OFFICER SUPPLEMENTAL RETIREMENT FUND
Year Ended August 31, 1989

Type of Investment	September 1, 1988		August 31, 1989		Yield at Market %
	Book Value \$	Market Value \$	Book Value \$	Market Value \$	
Fixed Income:					
U. S. Government Bonds	145,429,675	149,083,551	175,838,589	184,597,573	8.38
Short Term Investments:					
Commercial Paper	2,000,000	2,000,000	670,000	670,000	.36
Total Investments	147,429,675	151,083,551	176,508,589	185,267,573	8.38

Portfolio Rate of Return	Year Ended August 31,	
	1988	1989
Cash and Corporate Notes(Note B)	10.54	6.60
U. S. Government Securities(Note C)	8.93	9.60
Composite Rate of Return	8.97	9.58

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = Net Interest (State Treasury) + Net Interest (Bank)

Average Collected Balance

Note C: Rate of Return = Net Interest or Dividends + Gain (Loss) on Sales

Average Book Value

Type of Investment	September 1, 1988 Par Value \$	August 31, 1989 Par Value \$
Fixed Income: U. S. Government Bonds	152,670,507	180,925,543
Total Fixed Income	152,670,507	180,925,543

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (27)

Unaudited

SCHEDULE 11

INVESTMENT SUMMARY - JUDICIAL RETIREMENT SYSTEM PLAN TWO
Year Ended August 31, 1989

Type of Investment	September 1, 1988		August 31, 1989		Yield at Market %
	Book Value \$	Market Value \$	Book Value \$	Market Value \$	
Short Term Investments:					
Commercial Paper	800,000	800,000	1,500,000	1,500,000	8.87
U. S. Treasury Bills			590,737	590,850	8.10
Total Investments	800,000	800,000	2,090,737	2,090,850	8.65

Portfolio Rate of Return	Year Ended August 31, 1989	
	%	%
Cash and Corporate Notes (Note B)	9.18	7.08
U. S. Treasury Bills (Note C)	8.18	5.96
Composite Rate of Return	9.00	6.63

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = Net Interest (State Treasury) + Net Interest (Bank)
Average Collected Balance

Note C: Rate of Return = Net Interest or Dividends + Gain (Loss) on Sales
Average Book Value

Type of Investment	September 1, 1988 Par Value \$	August 31, 1989 Par Value \$
Short Term Investments: U. S. Treasury Bills		600,000
Total Investments Excluding Commercial Paper		600,000

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited
SCHEDULE 12

INVESTMENT SUMMARY - ALL PENSION FUNDS
Year Ended August 31, 1989

Type of Investment	September 1, 1988			August 31, 1989			Yield at Market %	
	Book Value \$	Market Value \$	Purchases \$	Sales, Maturities, and Redemptions \$	Adjustments and Amortizations \$	Book Value \$		Market Value \$
Fixed Income:								
U. S. Government Bonds	3,070,342,907	3,165,790,099	521,081,309	242,803,190	15,497,093	3,354,018,719	3,576,844,472	57.89
Corporate Bonds	795,124,963	761,397,253	2,807,034	10,878,516	2,096,942	789,150,423	815,823,754	13.20
Total Fixed Income	3,865,467,870	3,927,187,352	523,888,343	253,781,706	17,594,035	4,153,169,142	4,392,668,226	71.09
Common Stock:								
Passive	216,836,310	193,174,753	228,975,924	17,037,275		428,774,959	502,660,529	8.14
Active	775,533,656	872,244,471	221,298,622	158,289,335		836,542,953	1,143,336,562	18.50
Total Common Stock	992,369,976	1,065,419,224	450,274,546	175,326,610		1,265,317,912	1,645,997,091	26.64
Short Term Investments:								
Commercial Paper	97,800,000	97,800,000	3,172,570,000	3,130,670,000		139,700,000	139,700,000	2.26
U. S. Treasury Bills			1,809,542	1,221,452		590,737	590,850	.01
Total Short Term Investments	97,800,000	97,800,000	3,174,379,542	3,131,891,452	2,647	140,290,737	140,290,850	2.27
Total Investments	4,955,637,846	5,090,406,576	4,148,542,431	3,560,999,768	17,697,282	5,560,777,791	6,178,956,167	100.00

Note A

Note A

Note A

Note A

Portfolio Rate of Return	Year Ended August 31,	
	1988	1989
Cash and Corporate Notes(Note B)	%	%
Corporate Bonds(Note C)	10.16	6.74
U. S. Government Securities(Note C)	9.47	9.62
Common Stock(Note C)	10.04	10.16
Composite Rate of Return	4.29	16.86
	9.36	11.30

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = Net Interest (State Treasury) + Net Interest (Bank) / Average Collected Balance

Note C: Rate of Return = Net Interest or Dividends + Gain (Loss) on Sales / Average Book Value

Type of Investment	September 1, 1988 Par Value \$	August 31, 1989 Par Value \$
Fixed Income:		
U. S. Government Bonds	3,101,037,487	3,394,282,487
Corporate Bonds	879,572,000	871,015,000
Total Fixed Income	3,980,609,487	4,255,297,487
Short Term Investments:		
U. S. Treasury Bills	-	600,000
Total Short Term Investments	-	600,000
Total Investments Excluding Commercial Paper and Common Stock	3,980,609,487	4,255,897,487

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 13

INVESTMENT SUMMARY - EMPLOYEES LIFE, ACCIDENT AND HEALTH INSURANCE AND BENEFIT FUND
Year Ended August 31, 1989

Type of Investment	September 1, 1988		August 31, 1989		Adjustments and Amortizations	Sales, Maturities, and Redemptions	Purchases	Yield at Market %
	Book Value	Market Value	Book Value	Market Value				
Short Term Investments:								
Commercial Paper	100,000,000	100,000,000	75,260,000	75,260,000		1,337,070,000	1,312,330,000	72.15
U. S. Treasury Bills			29,044,840	29,050,125	130,046	28,878,600	57,793,394	27.85
Total Investments	100,000,000	100,000,000	104,304,840	104,310,125	130,046	1,365,948,600	1,370,123,394	8.65

Note A

Note A

Portfolio Rate of Return	Year Ended August 31, 1989	
	1989	%
Cash and Corporate Notes (Note B)	9.68	7.42
U. S. Treasury Bills (Note C)	7.42	7.42
Composite Rate of Return	9.34	7.42

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = $\frac{\text{Net Interest (State Treasury)} + \text{Net Interest (Bond)}}{\text{Average Collected Balance}}$

Note C: Rate of Return = $\frac{\text{Net Interest or Dividends} + \text{Gain (Loss) on Sales}}{\text{Average Book Value}}$

Type of Investment	September 1, 1988	August 31, 1989
	Per Value	Per Value
Short Term Investments:		
U. S. Treasury Bills		29,500,000
Total Investments Excluding Commercial Paper		29,500,000

EMPLOYEES RETIREMENT AND JUDICIAL RETIREMENT SYSTEMS OF TEXAS (327)

Unaudited

SCHEDULE 14

INVESTMENT SUMMARY - STATE EMPLOYEES CAFETERIA PLAN TRUST FUND
Year Ended August 31, 1989

Type of Investment	September 1, 1988		August 31, 1989		Yield at Market %
	Book Value \$	Market Value \$	Book Value \$	Market Value \$	
Short Term Investments:					
Commercial Paper	800,000	800,000	1,200,000	1,200,000	8.89
U. S. Treasury Bills					
Total Investments	800,000	800,000	1,200,000	1,200,000	8.89

Note A

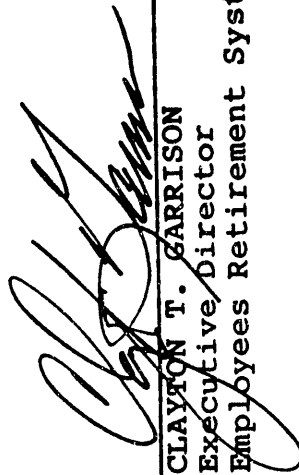
Portfolio Rate of Return	Year Ended August 31,	
	1988	1989
Cash and Corporate Notes(Note B)	9.56	7.29
U. S. Treasury Bills(Note C)	8.76	5.82
Composite Rate of Return	9.45	7.01

Note A: The investment portfolio listing is available for review at the System's office or the listing will be mailed upon request.

Note B: Rate of Return = $\frac{\text{Net Interest (State Treasury)} + \text{Net Interest (Bank)}}{\text{Average Collected Balance}}$

Note C: Rate of Return = $\frac{\text{Net Interest or Dividends} + \text{Gain (Loss) on Sales}}{\text{Average Book Value}}$

Issued in Austin, Texas on December 8, 1989.


CLAYTON T. GARRISON
Executive Director
Employees Retirement System of Texas

Issued in Austin, Texas on December 8, 1989.

TRD-8911799

Clayton T. Garrison
Executive Director
Employees Retirement System of Texas

Filed: December 8, 1989

For further information, please call: (512) 478-6431, ext. 213

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Governor's Office of Budget and Planning

Consultant Proposal Requests

This request for consulting services is filed pursuant to the provisions of Texas Civil Statutes, Article 6252-11c.

Notice of Invitation. The Energy Management Center (EMC) in the Governor's Office of Budget and Planning invites proposals from qualified firms, institutions of higher education, or individuals to collect and analyze data to measure energy savings that derive from programs implemented under the State Energy Conservation Program (SECP). In order to comply with the Energy Policy and Conservation Act (Public Law 94-163, 42 United States Code 6321 et. seq.) and SECP regulations for states receiving financial assistance, a calculation of energy savings resulting from SECP programs is conducted annually. The estimated energy savings are reported in two ways: to the United States Department of Energy (DOE) on DOE-prescribed CE-462 forms and in a separate written report submitted to EMC.

Program activities of the SECP include seminars/workshops, technical assistance, information dissemination, and a statewide retrofit demonstration and revolving loan program.

Services to be Performed. The successful proposer will be expected to perform, at a minimum, the following services:

I. Data Collection

1. Interview EMC staff to identify data needs.
2. Develop questionnaires, determine sample sizes, and conduct telephone surveys of participants receiving services during calendar year 1989.

II. Data Analysis

1. Measure accumulated energy savings derived from SECP programs by utilizing prescribed methodologies.
2. Develop methodologies to measure energy savings from new programs in 1989.
3. Calculate energy savings by project, program, target audience, and SECP aggregate.
4. Calculate accumulated energy savings since 1978 by project, program, target audience, and SECP aggregate.

III. Reporting

1. Report the estimates of energy savings to the United States Department of Energy (DOE) on DOE-prescribed CE-462 forms.
2. Prepare and submit a separate report, for use by the EMC and the public, documenting the methodology and calculations, and describing the findings.

The report should cover, at a minimum, the following topics:

1. Executive Summary

2. Introduction

3. Discussion of Methodology

- 1) Data collection,
- 2) Sample size calculations, and
- 3) Formulas and methodologies utilized to determine savings for each program.

4. Findings

- 1) Summary tables and discussion of energy savings by project, program, target audience, and SECP aggregate, expressed in British Thermal Units (Btu's). Separate tables should demonstrate Btu's saved in 1989 and accumulated savings since 1978.

- 2) Include a discussion of Btu's converted to barrels of oil, cubic feet of natural gas, and dollars.

5. Appendices

- 1) Detailed calculations of energy savings for each program.
- 2) Examples of questionnaires.

Contact Person. To obtain more detailed information concerning this project, contact Ellen Walker, Energy Management Center, Governor's Office of Budget and Planning, P.O. Box 12428, Austin, Texas 78711, (512) 463-1931.

Closing Date. Interested parties should submit proposals following the outline of work stated in the Services to be Performed. Six copies of the sealed proposals should be sent to: Kim Munyon, Energy Management Center, Governor's Office of Budget and Planning, P.O. Box 12428, Austin, Texas 78711.

If the proposals are sent by overnight mail or are hand delivered, the street address is Sam Houston Building, Room 620, 201 East 14th Street, Austin, Texas 78701.

Proposals must be received no later than 3 p.m. on January 16, 1990. Proposals received after that time will not be considered.

Selection Criteria. A staff review committee will evaluate proposals and select one for funding, based on the following criteria:

1. Proposer's knowledge of energy savings evaluation methodologies and techniques (30%);
2. Proposer's demonstrated experience in developing questionnaires and conducting telephone surveys (20%);
3. Proposer's ability to effectively prepare a report of the findings and methodology as demonstrated by submitting a writing sample prepared by the staff assigned to this project (30%);
4. The reasonableness of the proposed budget in relation to services provided (20%).

Award will not necessarily be made to the bidder offering the lowest price; selection will be based on the proposer's ability to satisfy the criteria listed above. The Governor's Office reserves the right to negotiate both budget and scope of work with the finalist(s). The Governor's Office reserves the right to reject any or all proposals and is under no legal requirement to execute a contract on the basis of this consultant proposal request.

Final selection of the contractor will be based on the recommendation of the review committee. If two or more proposals are ranked so closely that a decision cannot be made, the review committee may request finalists to pro-

vide additional information or to meet with EMC staff in Austin prior to final selection of the contractor. No respondent will be reimbursed for any costs incurred in the preparation, submission, or clarification of a proposal.

Issued in Austin, Texas on December 11, 1989.

TRD-8911833 Sheila W. Beckett
Director
Governor's Office of Budget and Planning

Filed: December 11, 1989

For further information, please call: (512) 463-1931

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Notice of Invitation. The Energy Management Center in the Governor's Office of Budget and Planning invites proposals from qualified firms, institutions of higher education, and individuals to design and conduct energy manager training sessions for Texas school districts. The purpose of the service is to provide technical training to new and prospective school energy managers, as well as to teach the administrative and people skills necessary to build a successful school energy program.

Training topics will include basic energy terminology and concepts, energy accounting, utility rate schedules, fundamental maintenance and operations procedures, major electrical and mechanical systems found in school facilities, building operation characteristics and schedules, and techniques for communicating energy data to decision makers and for gaining districtwide support for an energy program.

The Energy Management Center is particularly interested in receiving proposals from firms with wide-ranging expertise in school energy management and from individuals currently managing school energy programs. Proposers are strongly encouraged to include the services of a successful school energy manager in their proposals.

Services To Be Performed. The contractor will be expected to perform, at a minimum, the following services

1. update existing school energy management materials and integrate them into a training session notebook;
2. prepare a two-day energy management training program which will address, at a minimum, the training topics listed in the "Notice of Invitation";
3. provide 12 two-day training workshops at sites around the state to be determined by the Energy Management Center; and
4. provide follow-up energy counseling to workshop participants.

Contact Person. To obtain more detailed information concerning this project, contact Richard Taylor, Energy Management Center, Governor's Office of Budget and Planning, P.O. Box 12428, Austin, Texas 78711, (512) 463-1931.

Closing Date. Six copies of the sealed proposals should be sent to: Kim Munyon, Energy Management Center, Governor's Office of Budget and Planning, P.O. Box 12428, Austin, Texas 78711.

If the proposals are sent by overnight mail or are hand delivered, the street address is Sam Houston Building, Room 620, 201 East 14th Street, Austin, Texas 78701.

Proposals must be received by 3 p.m. on January 16, 1990. Proposals received after that time will not be considered.

Selection Criteria. Final selection of a contractor will be based on the recommendations of a review committee selected by the Governor's Energy Management Center. Final selection of the contractor will be based on the following criteria:

1. the proposer's general knowledge of utility bill components and specific knowledge of rate schedules available to school districts;
2. the proposer's general knowledge of manual and computerized energy tracking systems appropriate for school use;
3. the proposer's familiarity with the operational patterns, operational staff capabilities, and special energy needs of Texas school districts;
4. the proposer's experience in providing energy training sessions for public school personnel;
5. the proposer's ability to offer a training staff with proven experience in successfully providing energy management services to Texas school districts;
6. the specific qualifications of the proposed training staff in relation to the needs of the training program;
7. innovative training techniques suggested by proposer to insure training will meet real world needs; and
8. the reasonableness of the proposed budget in relation to the work to be performed.

Proposals should address the stated criteria in the order listed.

Award will not necessarily be made to the bidder offering the lowest price. Selection will be based on the proposer's ability to satisfy the criteria listed above and the reasonableness of the proposed budget in relation to the work to be performed. The EMC reserves the right to negotiate both budget and scope of work with the finalist(s). The EMC reserves the right to reject any or all proposals and is under no legal requirement to execute a contract on the basis of this Consultant Proposal Request.

If two or more proposals are ranked so closely that a final selection cannot be made, the review committee may request finalists to provide additional information or to meet with Energy Management Center staff in Austin prior to final selection of the contractor. No respondent will be reimbursed for any costs incurred in the preparation, submission, or clarification of a proposal.

The Energy Management Center reserves the right to award multiple contracts for this service if more than one contractor is needed to assemble the strongest training team.

Issued in Austin, Texas on December 11, 1989.

TRD-8911834 Sheila w. Beckett
Director
Governor's Office of Budget and Planning

Filed: December 11, 1989

For further information, please call: (512) 463-1931

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Texas Department of Health 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 table below. The subheading labeled "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:

<u>Location</u>	<u>Name</u>	<u>License#</u>	<u>City</u>	<u>Amend- ment #</u>	<u>Date Ad</u>
Houston	Larry Kuo, M.D.	L04353	Houston	0	11/22,
Pasadena	Ming K. Jeang, M.D.	L04345	Pasadena	0	11/15,
San Antonio	BioTech Resources, Inc.	L04352	San Antonio	0	11/20,

AMENDMENTS TO EXISTING LICENSES ISSUED:

<u>Location</u>	<u>Name</u>	<u>License#</u>	<u>City</u>	<u>Amend- ment #</u>	<u>Date c Action</u>
Abilene	Hendrick Medical Center	L02433	Abilene	25	11/20,
Amarillo	The Don and Sybil Harrington Cancer Center	L03053	Amarillo	10	11/20,
Beaumont	St. Elizabeth Hospital	L00269	Beaumont	47	11/22,
Bruni	Malapai Resources Company	L02436	Bruni	23	11/17,
Burnet	Shepperd Memorial Hospital	L03515	Burnet	9	11/22,
Clute	J. S. McKinney, Inc.	L02220	Freeport	6	11/10,
Corpus Christi	Spohn Hospital	L02495	Corpus Christi	23	11/20,
Corpus Christi	Memorial Medical Center	L00267	Corpus Christi	19	11/22,
Dallas	Dallas Nephrology Associates	L02604	Dallas	9	11/16,
Dallas	Woodhill Medical Imaging Center	L04256	Dallas	2	11/21,
Dallas	Doctors Hospital	L01366	Dallas	26	11/22,
Dallas	The U.T. Southwestern Medical Center at Dallas	L00384	Dallas	50	11/22,
Denton	Texas Woman's University	L00304	Denton	32	11/22,
El Paso	Radiology Consultants of El Paso, P.A.	L00071	El Paso	45	11/22,
Houston	Molecular Diagnostic Associates, Inc.	L04297	Houston	1	11/22,
Houston	University of Texas M.D. Anderson Cancer Center	L02972	Houston	6	11/22,
Houston	University of Texas M.D. Anderson Cancer Center	L00466	Houston	44	11/22,
Lockhart	Community Hospital, Lockhart, Inc.	L03259	Lockhart	6	11/20,
Longview	Good Shepherd Medical Center	L02411	Longview	27	11/20,
Marshall	Memorial Hospital	L02572	Marshall	6	11/16,
New Braunfels	The McKenna Memorial Hospital	L02429	New Braunfels	15	11/20,
Orange	Polysar Gulf Coast Inc.	L00976	Orange	29	11/16,
Texarkana	Wadley Regional Medical Center	L02486	Texarkana	15	11/15,
Throughout Texas	Texas Nuclear Corporation	L03524	Austin	16	11/01,
Throughout Texas	H & G Inspection Company, Inc.	L02181	Houston	44	11/10,

AMENDMENTS TO EXISTING LICENSES ISSUED CONTINUED:

Throughout Texas	Daniel Industries, Inc.	L03456	Houston	8	11/11,
Throughout Texas	The Dow Chemical Company	L00451	Freeport	48	11/11,
Throughout Texas	Great Guns, Inc.	L01990	Sour Lake	17	11/11,
Throughout Texas	Trinity Testing Laboratories, Inc.	L04190	Laredo	1	11/11,
Throughout Texas	W.H. Henken Industries, Inc.	L00967	Arlington	22	11/11,
Throughout Texas	Tru-Tec, Inc.	L03913	La Porte	23	11/11,
Throughout Texas	Southwestern Laboratories, Inc.	L00299	Houston	61	11/11,
Woodville	S & T International, Inc.	L03652	Woodville	12	11/11,

RENEWALS OF EXISTING LICENSES ISSUED:

<u>Location</u>	<u>Name</u>	<u>License#</u>	<u>City</u>	<u>Amend- ment #</u>	<u>Date</u>
Houston	University of Houston	L01886	Houston	33	11/11,
Throughout Texas	Midland Inspection and Engineering Incorporated	L03724	Midland	17	11/11,

In issuing new licenses and amending and renewing existing licenses, the Texas Department of Health, 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 *Texas Regulations for Control of Radiation* 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 license(s) will not be inimical to the health and safety of the public or the environment; and the applicants satisfy any applicable special requirements in the *Texas Regulations for Control of Radiation*.

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 is resident of a county, or a county adjacent to the county, in which the radioactive materials are or will be located, including any person who is doing business or who has a legal interest in land in the county or adjacent county, and any local government in the county; and who can demonstrate that he has suffered or will suffer actual injury or economic damage due to emissions of radiation. A licensee, applicant, or "person affected" may request a hearing by writing David K. Lacker, Chief, Bureau of Radiation Control (Director, Radiation Control Program), 1100 West 49th Street, Austin, Texas 78756-3189.

Any request for a hearing must contain the name and address of the person who considers himself affected by Agency action, identify the subject license, specify the reasons why the person considers himself affected, and state the relief sought. If the person is represented by an agent, the name and address of the agent must be stated.

Copies of these documents and supporting materials are available for inspection and copying at the office of the Bureau of Radiation Control, Texas Department of Health, 1212 East Anderson Lane, Austin, from 8 a.m. to 5 p.m. Monday-Friday (except holidays).

Issued in Austin, Texas, on December 5, 1989.

TRD-8011750 Robert A. MacLean, M.D.
Deputy Commissioner for Professional
Services
Texas Department of Health

Filed: December 7, 1989

For further information, please call (512) 835-7000.

Radioactive Material License Amendment

Notice is hereby given by the Texas Department of Health that it has granted an amendment to the following radioactive material license:

Radioactive Material License Number L01937, issued to Iso-Tex, Inc., located in Friendswood (mailing address: Iso-Tex, Inc., P. O. Box 909, Friendswood, Texas 77546).

The amendment to this license involves the following: 1. changes the schedule for shipment of radioactive waste as specified in Condition 16.F of the license; 2. changes the procedures previously submitted in a letter dated March 20, 1987; and 3. adds correspondence from the licensee to Condition 39 of the license specifying changes in previously submitted material.

The Division of Licensing, Registration, and Standards has determined that the licensee has met the standard(s) appropriate to this amendment: a) the licensee is qualified by reason of training and experience to use the material in question for the purpose requested in accordance with these regulations in such a manner as to minimize danger to public health and safety or property; b) the licensee's equipment, facilities, and procedures are adequate to minimize danger to public health and safety or property; c) that there is reasonable assurance that the radioactive waste facility is sited, designed, operated, and will be decommissioned and closed in accordance with the rules in Part 44 of the *Texas Regulations for Control of Radiation* (TRCR); d) the issuance of the license amendment will not be inimical to the health and safety of the public or the environment; e) the licensee satisfies any applicable special requirements of the *Texas Regulations for Control of Radiation* (TRCR); and/or f) the licensee has provided reasonable assurance that the radioactive waste facility is sited, designed, operated, and will be decommissioned and closed in accordance with the rules in Part 44 of the TRCR.

This notice affords the opportunity for a public hearing upon written request within 30 days of the date of publication of this notice by a person affected as required by the Health and Safety Code, §401.116, and as set out in TRCR 13.6. A "person affected" is defined as a person who is a resident of a county, or a county adjacent to a county, in which the radioactive materials are or will be located, including any person who is doing business or who has a legal interest in land in the county or adjacent county, and any local government in the county; and who can demonstrate that he has suffered or will suffer actual injury or economic damage. A person affected may request a hearing by writing David K. Lacker, Chief, Bureau of Radiation Control (Director, Radiation Control Program), 1100

West 49th Street, Austin, Texas 78756. Any request for a hearing must contain the name and address of the person who considers himself affected by agency action, identify the subject license, specify the reasons why the person considers himself affected, and state the relief sought. If the person is represented by an agent, the name and address of the agent must be stated. Should no request for a public hearing be timely filed, the amendment will remain in effect.

A copy of all material submitted is available for public inspection at the Bureau of Radiation Control, 1212 East Anderson Lane, Austin. Information relative to the amendment of this specific radioactive material license may be obtained by contacting David K. Lacker, Chief, Bureau of Radiation Control (Director, Radiation Control Program), 1100 West 49th Street, Austin, Texas 78756. For further information, please call (512) 835-7000.

Issued in Austin, Texas, on December 5, 1989.

TRD-8911749 Robert A. MacLean, M.D.
Deputy Commissioner for Professional
Services
Texas Department of Health

Filed: December 7, 1989

For further information, please call: (512) 835-7000

◆ ◆ ◆
**Texas Department of Human Services
Public Notice**

The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-08, Amendment Number 228. The amendment establishes an occupancy adjustment for ICF-MR providers and definitions of allowable and unallowable costs for ICF-MR facilities. If additional information is needed, contact Carolyn Pratt, (512) 450-4057.

Issued in Austin, Texas on December 11, 1989.

TRD-8911859 Cathy Rossberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

◆ ◆ ◆
The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-09, Amendment Number 229. The amendment establishes an occupancy adjustment for ICF/SNF providers and definitions of allowable and unallowable costs for ICF/SNF facilities. If additional information is needed, contact Carolyn Pratt, (512) 450-4057.

Issued in Austin, Texas on December 11, 1989.

TRD-8911860 Cathy Rossberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-15, Amendment Number 235. The amendment revises the ICF-MR reimbursement methodology to include reimbursement for dental services. If additional information is needed, contact Trey Berndt, (512) 450-3169.

Issued in Austin, Texas on December 11, 1989.

TRD-8911881 Cathy Rossberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

◆ ◆ ◆
The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-20, Amendment Number 240. The amendment restores 3.0% of the 10% budgetary reduction factor in state fiscal year 1990, restores an additional 1.5% in state fiscal year 1991, raises the minimum standard dollar amount from \$1,500 to \$1,600, and eliminates per diem pricing when an individual loses his/her eligibility or exceeds the 30-day inpatient hospital benefit. If additional information is needed, contact Joe Branton, (512) 338-6505.

Issued in Austin, Texas on December 11, 1989.

TRD-8911882 Cathy Rossberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

◆ ◆ ◆
The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-24, Amendment Number 244. The amendment adds provisions for spousal impoverishment under the Medicare Catastrophic Coverage Act of 1988. If additional information is needed, contact Dee Church, (512) 450-3226.

Issued in Austin, Texas on December 11, 1989.

TRD-8911883 Cathy Rossberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

◆ ◆ ◆
The Texas Department of Human Services (DHS) has received approval from the Health Care Financing Administration (HCFA) to amend the Title XIX Medical Assistance Plan by Transmittal Number 89-25, Amendment Number 245. The amendment stipulates delegation of authority to the state Medicaid director to submit Medicaid state plan amendments on behalf of the Medicaid single state agency. If additional information is needed, contact Kathy Hall, (512) 450-3702.

Issued in Austin, Texas on December 11, 1989.

TRD-8911864 Cathy Rosenberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 11, 1989.

For further information, please call: (512) 450-3765

Public Notice of Closed Solicitation

Pursuant to 40 TAC §16.1513 as amended in the September 29, 1989, issue of the *Texas Register* (14 TexReg 5099); and the Human Resources Code, Title 2, Chapter 22 and 32, the Texas Department of Human Services is closing the solicitation for new Medicaid beds in Gillespie County, County Number 086, effective the date of this public notice. Gillespie County was listed in the open solicitation for Medicaid beds, which appeared in the November 21, 1989, issue of the *Texas Register* (14 TexReg 6144).

Issued in Austin, Texas on December 6, 1989.

TRD-8911711 Cathy Rosenberg
Agency Liaison, Policy Communication
Services
Texas Department of Human Services

Filed: December 6, 1989.

For further information, please call: (512) 450-3765

State Board of Insurance Company Licensing

The following applications have been filed with the State Board of Insurance and are under consideration.

1. Application for name change in Texas of Eureka Life Insurance Company of America, a domestic life insurance company. The home office is in Fort Worth. The proposed new name is Financial Services Life Insurance Company.
2. Application for name change in Texas of Copenhagen Reinsurance Company of America, a foreign casualty insurance company. The home office is in New York, New York. The proposed new name is Sorema North America Reinsurance Company.
3. Application for incorporation in Texas of Republic National Life Insurance Company, a domestic life insurance company. The home office is in Houston.
4. Application for incorporation in Texas of Lindsey and Lindsey, Inc., a domestic third party administrator. The home office is in Beaumont.
5. Application for admission to do business in Texas of Southeast Financial Group of Louisiana, Inc., a foreign third party administrator. The home office is in Shreveport, Louisiana.
6. Application for admission to do business in Texas of Insurance Management Administrators of Louisiana, Inc., a foreign third party administrator. The home office is in Shreveport, Louisiana.
7. Application for admission to do business in Texas of Quorum Insurance Administrators, Inc., a foreign third party administrator. The home office is in Diamond Bar, California.

Issued in Austin, Texas, on December 5, 1989.

TRD-8911751 Nicholas Murphy
Chief Clerk
State Board of Insurance

Filed: December 7, 1989

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

Railroad Commission of Texas Invitation for Bids-ALCOA Area 11b Regrade

The Railroad Commission of Texas, Surface Mining and Reclamation Division, is soliciting bids for the reclamation of approximately 450 acres at the ALCOA Area 11b Abandoned Mine Lane (AML) site. Earthwork volumes are estimated at 3.5 million cubic yards. The site is located in Milam County, 9.5 miles southwest of Rockdale. Sealed bids will be received until 2 p.m. on February 7, 1990, at which time the bids will be publicly opened and read.

Construction shall include: 1. Site preparation and grading; 2. Water and erosion control; 3. Culvert installation; 4. Lime incorporation; 5. Dewatering.

Copies of the specifications, drawings, and other contract documents are on file in Austin at the address shown as follows and at the Commission Field Office, 1021 C Street, Floresville, Texas 78114-2248. The complete bid package may be obtained at cost (\$75) from the mailing address given as follows. Bid documents must be purchased 24 hours prior to the pre-bid conference. Address is: ALCOA AML Area 11b AML Project, Surface Mining and Reclamation Division, Railroad Commission of Texas, 1701 North Congress Avenue, Austin, Texas 78701.

All interested parties are required to attend a pre-bid conference followed by an on-site inspection at 1 p.m. on January 17, 1990, at the ALCOA Lake Training Facility, located on FM 2116 approximately three miles northeast of the intersection with FM 1786.

The Texas AML fund currently has \$16 million available (100% federal funds) solely for abandoned mine reclamation.

Issued in Austin, Texas on December 8, 1989.

TRD-8911809 Cril Payne
Assistant Director, Legal Division-General
Law
Railroad Commission of Texas

Filed: December 8, 1989

For further information, please call: (512) 463-7313

Teacher Retirement System of Texas Report of Fiscal Transactions, Accumulated Cash and Securities, and Rate of Return on Assets

Chapter 929, §4 (Senate Bill 1105), Acts of the 71st Texas Legislature, 1989, requires the Teacher Retirement System of Texas (TRS) to publish a report in the *Texas Register* no later than December 15 of each year containing the following information: (1) the retirement system's fiscal transactions for the preceding fiscal year; (2) the amount of the system's accumulated cash and securities; and (3) the rate of return on the investment of the systems cash and securities during the preceding fiscal year.

TRS is publishing the following report as required by statute.

-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT A

**COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES
AUGUST 31, 1989**

	PENSION TRUST FUND (960)	EXPENDABLE TRUST FUND (989)	AGENCY FUND (001)	TOTALS - MEMORANDUM ONLY
	TEACHERS' RETIREMENT	RETIRED EMPLOYEES GROUP INSURANCE	COLLECTIONS ON BEHALF OF THE STATE'S GENERAL REVENUE FUND	AUGUST 31, 1989
ASSETS				
CURRENT ASSETS:				
CASH IN BANK	\$ 2,745,300			2,745,300
CASH IN STATE TREASURY	207,954,282	12,895,612		220,849,894
SHORT-TERM INVESTMENTS	125,503,507	41,975,563		167,479,070
ACCOUNTS RECEIVABLE				
SALE OF INVESTMENTS	5,281,014			5,281,014
MEMBER CONTRIBUTIONS	20,123,929	1,223,376		21,347,305
STATE CONTRIBUTIONS - SCHOOL DISTRICTS	1,140,410			1,140,410
OTHER	840,757	14,104		854,861
DUE FROM GENERAL REVENUE FUND - STATE CONTRIBUTIONS	41,479,032	5,099,345		46,578,377
DUE FROM SCHOOL DISTRICTS			5,505,974	5,505,974
DIVIDENDS RECEIVABLE	47,112,728			47,112,728
INTEREST RECEIVABLE	222,358,255	3,303,064		225,661,319
PREPAID ASSETS	146,410			146,410
TOTAL CURRENT ASSETS	\$ 674,685,624	64,511,064	5,505,974	744,702,662
LONG-TERM INVESTMENTS:				
FIXED INCOME				
U.S. TREASURY	\$ 3,541,125,845			3,541,125,845
U.S. GOVERNMENT AGENCY-MORTGAGES	3,231,698,128			3,231,698,128
U.S. GOVERNMENT AGENCY-OTHER	950,677,429			950,677,429
MUNICIPALS	10,000,000			10,000,000
MORTGAGES OTHER	175,730,807			175,730,807
CORPORATE	2,718,658,806	66,455,606		2,785,114,412
REAL ESTATE				
DIRECT PARTICIPATING MORTGAGES	1,399,716,883			1,399,716,883
FIXED RATE MORTGAGES	512,791,558			512,791,558
EQUITIES	6,339,058,485			6,339,058,485
TOTAL LONG-TERM INVESTMENTS	\$ 18,879,457,941	66,455,606	0	18,945,913,547
FIXED ASSETS:				
LAND - HOME OFFICE	\$ 1,658,310			1,658,310
LAND - SUBSIDIARIES	30,977,012			30,977,012
BUILDING - HOME OFFICE	3,368,785			3,368,785
BUILDING - SUBSIDIARIES	91,977,173			91,977,173
BUILDING-CONSTRUCTION IN PROGRESS	19,572,442			19,572,442
FURNITURE AND EQUIPMENT - HOME OFFICE	3,931,925			3,931,925
FURNITURE AND EQUIPMENT - SUBSIDIARIES	16,090			16,090
SUBTOTAL	\$ 151,501,737	0	0	151,501,737
LESS ACCUMULATED DEPRECIATION	(6,136,612)			(6,136,612)
NET FIXED ASSETS	\$ 145,365,125	0	0	145,365,125
DEFERRED ASSETS	\$ 14,216,222	0	0	14,216,222
TOTAL ASSETS AND OTHER DEBITS	\$ 19,713,724,912	130,966,670	5,505,974	19,850,197,556

-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT A

**COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES
AUGUST 31, 1989**

	PENSION TRUST FUND (960)	EXPENDABLE TRUST FUND (989)	AGENCY FUND (001)	TOTALS - MEMORANDUM ONLY
	TEACHERS' RETIREMENT	RETIRED EMPLOYEES GROUP INSURANCE	COLLECTIONS ON BEHALF OF THE STATE'S GENERAL REVENUE FUND	AUGUST 31, 1989
LIABILITIES, DEFERRED CREDITS, AND FUND EQUITY				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	\$ 7,065,873	443,497		7,509,370
BENEFITS PAYABLE	4,171,036			4,171,036
DUE TO STATE'S GENERAL REVENUE FUND			5,505,974	5,505,974
TOTAL CURRENT LIABILITIES	\$ 11,236,909	443,497	5,505,974	17,186,380
DEFERRED CREDITS:				
CONTRIBUTION FEES	\$ 2,436,125	0	0	2,436,125
FUND EQUITY:				
FUND BALANCES RESERVED FOR:				
MEMBER SAVINGS ACCOUNT	\$ 5,635,262,208			5,635,262,208
STATE CONTRIBUTION ACCOUNT	5,893,390,537			5,893,390,537
RETIRED RESERVE ACCOUNT	7,848,967,884			7,848,967,884
BENEFIT INCREASE RESERVE ACCOUNT	302,225,064			302,225,064
EXPENSE ACCOUNT	20,206,185			20,206,185
CLAIMS INCURRED BUT UNREPORTED		18,534,000		18,534,000
FUTURE RETENTION, CLAIMS, AND ADMINISTRATIVE EXPENDITURES		111,989,173		111,989,173
TOTAL FUND EQUITY	\$ 19,700,051,878	130,523,173	0	19,830,575,051
TOTAL LIABILITIES, DEFERRED CREDITS, AND FUND EQUITY	\$ 19,713,724,912	130,966,670	5,505,974	19,850,197,556

-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT B

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
EXPENDABLE TRUST FUND (989)

	<u>YEAR ENDED</u> <u>AUGUST 31,</u> <u>1989</u>
REVENUES:	
MEMBER CONTRIBUTIONS	\$ 20,789,215
STATE CONTRIBUTIONS FROM STATE OF TEXAS	37,420,711
RETIREE CONTRIBUTIONS	25,428,632
INTEREST	8,802,914
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TOTAL REVENUES	\$ 92,441,472
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EXPENDITURES:	
INSURANCE RETENTION PAID	\$ 4,650,730
INSURANCE CLAIMS PAID	51,529,034
OPERATING EXPENDITURES	561,343
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TOTAL EXPENDITURES	\$ 56,741,107
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EXCESS OF REVENUES OVER EXPENDITURES	\$ 35,700,365
FUND BALANCE - SEPTEMBER 1, 1988	94,822,808
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FUND BALANCE - AUGUST 31, 1989	\$ 130,523,173
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-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT C

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCE
PENSION TRUST FUND (960)**

	YEAR ENDED AUGUST 31,
	1989
REVENUES:	
MEMBER CONTRIBUTIONS	\$ 627,536,746
STATE CONTRIBUTIONS FROM STATE OF TEXAS	684,702,849
STATE CONTRIBUTIONS FROM LOCAL SCHOOL DISTRICTS	19,941,598
INTEREST	1,186,910,371
DIVIDENDS	352,868,763
NET GAIN ON DISPOSITION OF SECURITIES	416,097,274
REINSTATEMENT OF WITHDRAWALS	10,442,271
REINSTATEMENT FEES	9,052,120
MEMBERSHIP FEES	5,034,817
INCOME FROM RETIRED EMPLOYEES GROUP INSURANCE	60,015
INCOME FROM TRS SUBSIDIARIES	9,559,847
UNCLAIMED SCHOOL DISTRICT DEPOSITS	926
REQUESTS & DONATIONS	2,500
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TOTAL REVENUES	\$ 3,322,210,097
	<hr/>
EXPENSES:	
BENEFITS PAID	\$ 935,943,118
WITHDRAWAL OF MEMBER ACCOUNTS	118,507,638
TRANSFER TO EMPLOYEES RETIREMENT SYSTEM	899,352
OPERATING EXPENSES	20,399,555
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TOTAL EXPENSES	\$ 1,075,749,663
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NET INCOME	\$ 2,246,460,434
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FUND BALANCE - SEPTEMBER 1, 1988	17,453,591,444
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FUND BALANCE - AUGUST 31, 1989	\$ 19,700,051,878

-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT D

STATEMENT OF CHANGES
IN FINANCIAL POSITION
PENSION TRUST FUND (960)

	YEAR ENDED AUGUST 31, 1989
SOURCES OF FUNDS:	
OPERATIONS:	
NET INCOME	\$ 2,246,460,434
EXPENSES NOT REQUIRING WORKING CAPITAL	
DEPRECIATION	497,374
LOSS ON SALES/DISPOSITIONS OF FIXED ASSETS	3,254
DEPRECIATION AND AMORTIZATION FROM SUBSIDIARIES	1,576,491
TOTAL WORKING CAPITAL PROVIDED BY OPERATIONS	\$ 2,248,537,553
PROCEEDS FROM SALES OF FIXED ASSETS	638
TOTAL SOURCES	\$ 2,248,538,191
APPLICATIONS OF FUNDS:	
INCREASE IN LONG-TERM INVESTMENT HOLDINGS	\$ (2,300,414,700)
PURCHASES OF FIXED ASSETS	(464,582)
BUILDING CONSTRUCTION IN PROGRESS	(9,618,928)
INCREASE IN FIXED ASSETS FROM SUBSIDIARIES	(54,676,608)
DEFERRED ASSETS	(13,917,303)
TOTAL APPLICATIONS	\$ (2,379,092,121)
NET DECREASE IN WORKING CAPITAL	\$ (130,553,930)
WORKING CAPITAL - SEPTEMBER 1, 1988	791,566,519
WORKING CAPITAL - AUGUST 31, 1989	\$ 661,012,589
INCREASE (DECREASE) IN CURRENT ASSETS:	
CASH IN BANK	\$ 1,648,743
CASH IN STATE TREASURY	124,976,856
SHORT-TERM INVESTMENTS	(305,496,493)
ACCOUNTS RECEIVABLE:	
SALE OF INVESTMENTS	4,680,072
MEMBER CONTRIBUTIONS	3,692,101
STATE CONTRIBUTIONS-SCHOOL DISTRICTS	(197,117)
INVESTMENT INCOME	25,430,221
OTHER	642,483
DUE FROM GENERAL REVENUE-STATE CONTRIBUTIONS	16,217,678
PREPAID ASSETS	(15,361)
DECREASE (INCREASE) IN CURRENT LIABILITIES:	
ACCOUNTS PAYABLE	(4,018,571)
BENEFITS PAYABLE	109,630
COMMITMENT FEES	1,775,828
NET DECREASE IN WORKING CAPITAL	\$ (130,553,930)

-UNAUDITED-

TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT E

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS - YEAR ENDED AUGUST 31, 1989**

UNAPPROPRIATED RECEIPTS

**COLLECTIONS ON BEHALF OF THE STATE'S
GENERAL REVENUE FUND (001)**

**BALANCES
SEPTEMBER 1,
1988**

ADDITIONS

DEDUCTIONS

**BALANCES
AUGUST 31,
1989**

ASSETS

CASH DUE FROM REPORTING DISTRICTS	\$	4,952,938	72,286,183 5,505,974	72,286,183 4,952,938	5,505,974
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TOTAL ASSETS	\$	4,952,938	77,792,157	77,239,121	5,505,974
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LIABILITIES

DUE TO STATE'S GENERAL REVENUE FUND	\$	4,952,938	5,505,974	4,952,938	5,505,974
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TEACHER RETIREMENT SYSTEM OF TEXAS (323)

EXHIBIT F

**RATE OF RETURN ON ASSETS
FISCAL YEAR 1989
PENSION TRUST FUND (960) AND EXPENDABLE TRUST FUND (989)**

	<u>TOTAL</u>	<u>PENSION TRUST FUND</u>	<u>EXPENDABLE TRUST FUND</u>
BEGINNING BOOK VALUE - SEPTEMBER 1, 1988	\$ 17,562,307,221	17,465,131,365	97,175,856
NET CONTRIBUTIONS ADDED	317,705,039	292,717,139	24,987,900
INTEREST AND DIVIDEND INCOME	1,548,582,048	1,539,779,134	8,802,914
NET REALIZED GAINS	416,097,274	416,097,274	0
ENDING BOOK VALUE - AUGUST 31, 1989	\$ 19,844,691,582	19,713,724,912	130,966,670
RETURN FROM INTEREST AND DIVIDEND INCOME	8.74%	8.74%	8.03%
RETURN FROM NET REALIZED CAPITAL GAINS	2.35%	2.36%	0.00%
CASH RETURN ON BOOK VALUE	11.09%	11.10%	8.03%

Issued in Austin, Texas on December 8, 1989.

TRD-8911804 Bruce Hineman
Executive Secretary
Teacher Retirement System of Texas

Filed: December 11, 1989

For further information, please call: (512) 397-6400

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**Texas Water Development Board
Applications Received**

Pursuant to the Texas Water Code, §6.195, the Texas Water Development Board provides notice of the following applications received by the board.

City of Wichita Falls, P.O. Box 1431, Wichita Falls, Texas 76307, received November 20, 1989, request for financial assistance in the amount of \$100,000 from the research and planning fund.

Brazoria County Flood Control/Water Supply Corporation, 131 East Live Oak, Room 105, Angleton, Texas 77515,

received November 20, 1989, request for financial assistance in the amount of \$50,000 from the research and planning fund.

City of Longview, P.O. Box 1952, Longview, Texas 75606, received November 17, 1989, request for financial assistance in the amount of \$125,000 from the research and planning fund.

City of Bay City, 1901 Fifth Street, Bay City, Texas 77414, received November 20, 1989, request for financial assistance in the amount of \$25,000 from the research and planning fund.

Sabine River Authority, P.O. Box 579, Orange, Texas 77630, received November 20, 1989, request for financial assistance in the amount of \$50,000 from the research and planning fund.

Guadalupe-Blanco River Authority, P.O. Box 271, Seguin, Texas 78156, received November 20, 1989, request for financial assistance in the amount of \$50,000 from the research and planning fund.

Harris County Water Control and Improvement District and Harris County Municipal Utility District, 1301 Mc-

Kinney, Houston, Texas 77010, received November 20, 1989, request for financial assistance in the amount of \$30,000 from the research and planning fund.

Harris-Galveston Coastal Subsidence District, 1660 North Bay Area Boulevard, Friendswood, Texas 77546-2640, received November 1, 1989, request for an increase in financial assistance in the amount of \$54,000 from the research and planning fund.

City of Reno, Route 4, Box 270, Azle, Texas 76020, received November 16, 1989, request for financial assistance in the amount of \$225,000 from the water supply account of the Texas water development fund.

City of Denver City, P.O. Box 1539, Denver, City, Texas 79323, received September 27, 1989, request for financial assistance in the amount of \$1,825,000 from the water quality enhancement account of the Texas water development fund.

City of Clyde, P.O. Drawer TT, Clyde, Texas 79510, received February 28, 1989, request for financial assistance in the amount of \$1,365,000 from the state water pollution control revolving fund.

City of Mount Pleasant, P.O. Box 231, Mount Pleasant, Texas 75455, received March 6, 1989, request for financial assistance in the amount of \$5,975,000 from the state water pollution control revolving fund.

Additional information concerning this matter may be obtained from G. E. Kretzschmar, Executive Administrator, P.O. Box 13231, Austin, Texas 78711.

Issued in Austin, Texas on December 6, 1989.

TRD-8911737 G. E. Kretzschmar
Executive Administrator
Texas Water Development Board

Filed: December 7, 1989

For further information, please call: (512) 463-7855

Texas Youth Commission Request for Proposals

The Texas Youth Commission (TYC) is requesting written proposals for secure residential treatment services to hard to place youth in Dallas County.

Description. The program will provide secure 24-hour care and treatment services to 12 youth ages 14-17 years who are multiply disabled and who have not been successful in home placement or other community placements. These youth are those being placed from residential treatment, Texas Youth Commission training schools, or from dysfunctional family settings. The program must deliver a variety of services including a clinical component, group and individual counseling, education and vocational programs, behavior management, recreation, food services, health services, and transportation.

Eligible applicants include corporations, private non-profit agencies, private for profit agencies, and individuals. Bids must be received no later than 5 p.m. on December 20, 1989.

Contract Limitations. The contract period will be from January 8, 1990-January 7, 1992. Start-up funds will be available for this program. The program is to be operational on or before March 15, 1990 at 8 a.m.

Evaluation and Selection. Proposals will be evaluated and a selection made based on the program description of

services; staff qualifications and experience; site specifications; daily operations; operational specifications; and financial information.

Contact Person. Bid packets and additional information may be obtained from Michael C. Harrison, Administrator of Contract Services, Texas Youth Commission, P. O. Box 4260, Austin, Texas 78765, (512) 483-5091.

Closing Date. The closing date for receipt of proposals is December 20, 1989 at 5 p.m.

Issued in Austin, Texas, on November 16, 1989.

TRD-8911695 Ron Jackson
Executive Director
Texas Youth Commission

Filed: December 6, 1989

For further information, please call: (512) 483-5244

The Texas Youth Commission (TYC) is requesting written proposals for nonresidential chemical dependency/substance abuse day treatment in Dallas County.

Description. The program will provide chemical dependency/substance abuse day treatment services for 18 male and/or female youth ages 10-21 years in a home like atmosphere. These youth are typically chemically dependent/substance abuse youth who are on parole and part of a dysfunctional family system which contributes to continued delinquency, who have completed residential programs but who still require more treatment and supervision (than what is considered to be age appropriate) in a structured, therapeutic environment to prevent regression to the use of drugs/alcohol and revocation or transfer to a TYC institution. The program must deliver a variety of services including a clinical component with clear direction, group and individual counseling as indicated, educational and vocational programs, behavior management, recreation, food services, health services, and transportation.

Eligible applicants include corporations, private non-profit agencies, private for profit agencies, and individuals. Bids must be received no later than 5 p.m. on January 2, 1990.

Contract Limitations. The contract period will be from January 31, 1990-January 30, 1992. Start-up funds will be available for this program. The program is to be operational on or before April 2, 1990 at 7 a.m.

Evaluation and Selection. Proposals will be evaluated and a selection made based on the program description of services; staff qualifications and experience; site specifications; daily operations; operational specifications; and financial information.

Contact Person. Bid packets and additional information may be obtained from Michael C. Harrison, Administrator of Contract Services, Texas Youth Commission, P. O. Box 4260, Austin, Texas 78765, (512) 483-5091.

Closing Date. The closing date for receipt of proposals is January 2, 1990 at 5 p.m.

Issued in Austin, Texas, on November 16, 1989.

TRD-8911706 Ron Jackson
Executive Director
Texas Youth Commission

Filed: December 6, 1989

For further information, please call: (512) 483-5244

The Texas Youth Commission (TYC) is requesting written proposals for short term crisis management services for hard to manage youth in Bexar County.

Description. The program will provide secure 24-hour crisis and behavior management treatment services to 16 male youth 12 in treatment and four in the secure emergency shelter ages 14-17 years who are multiply disabled and who are not succeeding in home placement or other community placements. These youth are those being placed from community residential placements, Texas Youth Commission facilities, or from dysfunctional family settings. The program must deliver a variety of services including secure emergency shelter services, a clinical component, ground individual counseling, educational and vocational programs, behavior management, food services, health services, and transportation.

Eligible applicants include corporations, private non-profit agencies, private for profit agencies, and individuals. Bids must be received no later than 5 p.m. on January 2, 1990.

Contract Limitations. The contract period will be from January 31, 1990-January 30, 1992. Start-up funds will be

available for this program. The program is to be operational on or before April 2, 1990 at 8 a.m.

Evaluation and Selection. Proposals will be evaluated and a selection made based on the program description of services; staff qualifications and experience; site specifications; daily operations; operational specifications; and financial information.

Contact Person. Bid packets and additional information may be obtained from Michael C. Harrison, Administrator of Contract Services, Texas Youth Commission, P. O. Box 4260, Austin, Texas 78765, (512) 483-5091.

Closing Date. The closing date for receipt of proposals is January 2, 1990 at 5 p.m.

Issued in Austin, Texas, on November 16, 1989.

TRD-8911707

Ron Jackson
Executive Director
Texas Youth Commission

Filed: December 6, 1989

For further information, please call: (512) 483-6244