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Texas Register

Volume 13, Number 50, June 28, 1988

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JUL, 2, 4, 1988,

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Texas Register

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Withdrawn Sections-sections withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the *Texas Register* six months after proposal publication date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

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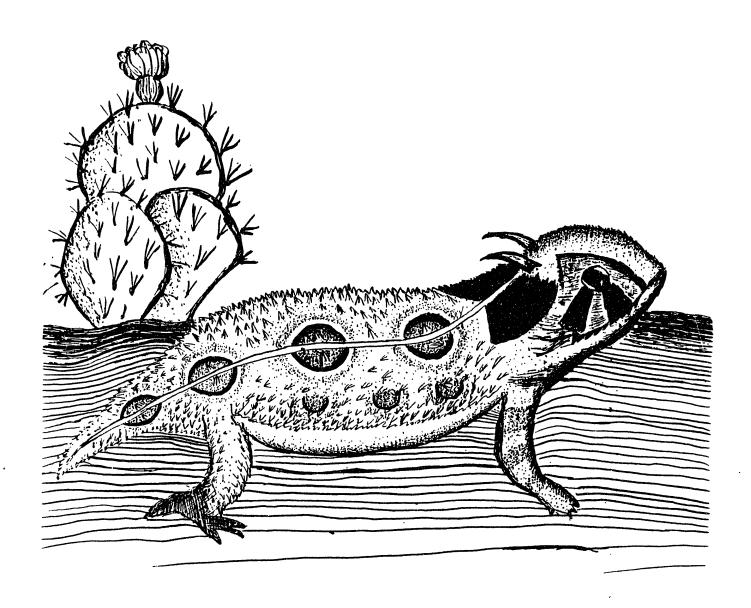
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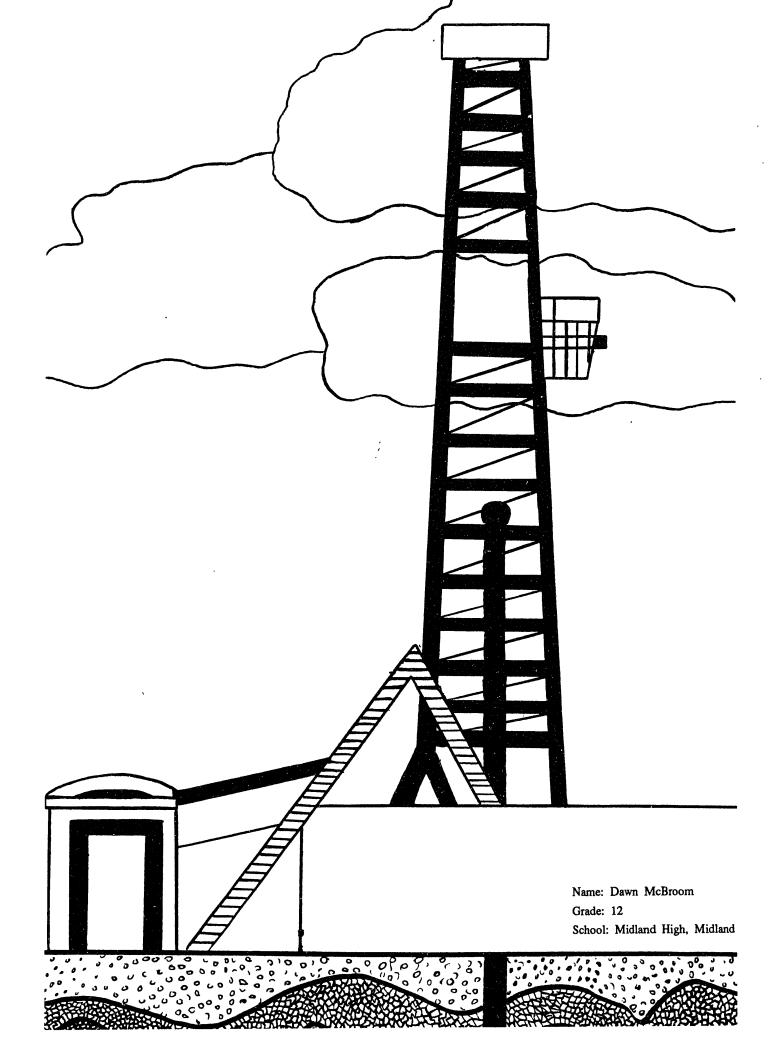
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40 TAC §46.2002—2911	40 TAC §141.81—3177						
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40 TAC §§46.2005, 46.2007, 46.2008—2905	40 TAC §\$299.1, 299.3, 299.5, 299.7, 299.9, 299.11, 299.13—3283						

The Governor

As required by Texas Civil Statutes, Article 6252-13a, §6, the *Texas Register* publishes executive orders issued by the Governor of Texas. Appointments and proclamations are also published. Appointments are published in chronological order. Additional information on documents submitted for publication by the Governor's Office can be obtained by calling (512) 463-1814.

Appointments Made June 17, 1988

To be a member of the Texas Water Development Board for a term to expire December 31, 1993: Wesley Edwin Pittman, P.O. Box 1714, Midland, Texas 79702. Mr. Pittman will be replacing George W. McCleskey of Lubbock whose term expired.

To be a member of the University System of South Texas Board of Regents for a term to expire August 31, 1993: J. Phillip McCormick, 300 West 15th Street, Suite 300, Austin, Texas 78701. Mr. McCormick will be replacing Clemente Garcia of Corpus Christi whose term expired.

To be a member of the Industrialized Building Code Council for a term to expire February 1, 1990: Jeffry B. Lewis, 10801 Villa Lea, Houston, Texas 77071. Mr. Lewis is being reappointed.

To be a member of the Industrialized Building Code Council for a term to expire February 1, 1989: Joseph A.C. Cote, 3002 Iron Stone Court, San Antonio, Texas 78230. Mr. Cote will be replacing Patrick G. Butler of Georgetown whose term expired.

To be a member of the Governor's Committee for Disabled Persons for a term to expire July 8, 1989, and at the pleasure of the governor: Charles W. Taylor, Jr., 58 Splitrock Road, The Woodlands, Texas 77380. Mr. Taylor will be replacing Philip D. Miller of San Antonio whose term expired.

To be a member of the Governor's Committee for Disabled Persons for a term to expire July 8, 1989, and at the pleasure of the governor: Gary L. Adrian, 807 West Lynn, Suite 118, Austin, Texas 78703. Mr. Adrian is being reappointed.

To be a member of the Governor's Committee for Disabled Persons for a term to expire July 8, 1989, and at the pleasure of the governor: Robert Frost, P.O. Box 321, Keller, Texas 76248. Mr. Frost is being reappointed.

To be a member of the Interagency Council on Mentally Retarded, Developmentally Disabled and Mentally III Offenders pursuant to Senate Bill 719, 70th Legislature, 1987, for a term to expire February 1, 1989: C. Anne Bishop, 2512 South Interstate Highway 35, Suite 330, Austin, Texas 78704.

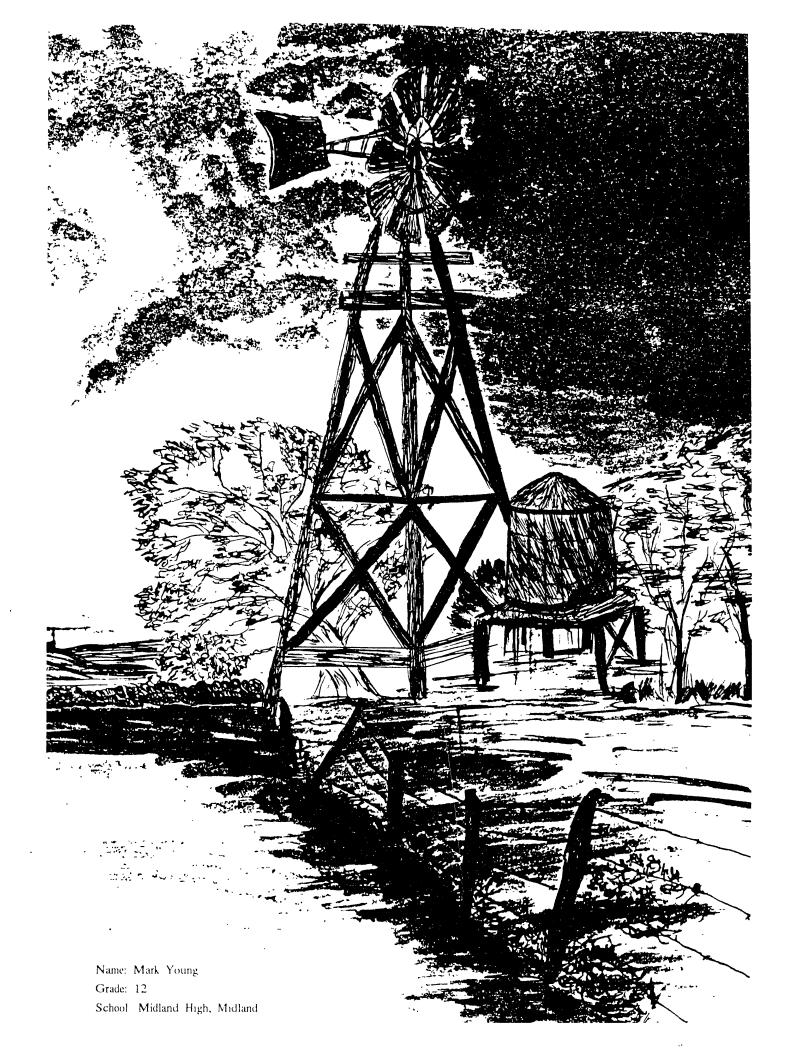
To be a member of the Interagency Council on Mentally Retarded, Developmentally Disabled and Mentally III Offenders pursuant to Senate Bill 719, 70th Legislature, 1987, for a term to expire February 1, 1993: John David Nottingham, Jr., 2060 Space Park Drive, #210, Houston, Texas 77058.

To be a member of the Interagency Council on Mentally Retarded, Developmentally Disabled and Mentally Ill Offenders pursuant to Senate Bill 719, 70th Legislature, 1987, for a term to expire February 1, 1992: Marshall D. Herklotz, P.O. Box 128, Tennessee Colony, Texas 75861.

To be a member of the Interagency Council on Mentally Retarded, Developmentally Disabled and Mentally III Offenders pursuant to Senate Bill 719, 70th Legislature, 1987, for a term to expire February 1, 1989: Jeffrey Craig Siegel, 9400 North Central Expressway, #1220, Dallas, Texas 75231.

Issued in Austin, Texas on June 20, 1988.

TRD-8806320 William P. Clements, Jr.
Governor of Texas



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 28. INSURANCE Part I. State Board of Insurance

Chapter 7. Corporate and Financial

Subchapter J. Examination Expenses and Assessments

• 28 TAC §7.1006

The State Board of Insurance adopts on an emergency basis new §7.1006, concerning rates of assessments and charges to meet the expenses of examining insurance companies in 1988. An imminent peril to the public welfare requires adoption of this new section on an emergency basis in order to provide rates of assessment and charges sufficient to meet the expenses of performing the board's statutory responsibilities for examining insurance companies. Under the new section, the board levies rates of assessment and collects from each domestic insurance company on the basis of admitted assets and gross premium receipts for the 1987 calendar year, and from each foreign insurance company under examination during the 1988 calendar year on the basis of a percentage of the gross salary the board paid to an examiner for each month or part of a month during the examination. The expenses and charges assessed under authority of this section are additional to and not in lieu of any other charge which may be made under law, including the Insurance Code, Article 1.16. The commissioner of insurance has certified the rates of assessment and charges set out in this section to be just and reasonable.

The new section is adopted on an emergency basis under the Insurance Code, Article 1.16, which authorizes and requires the State Board of Insurance to make assessments and charges to meet all the expenses and disbursements required by law and necessary to comply with the provisions of the Insurance Code, Articles 1.16-1.18, relating

to the examination of insurance companies. §7.1006. Domestic and Foreign Insurance Company Examination Expenses and Assessments, 1988.

- (a) Foreign insurance companies examined during the 1988 calendar year shall pay for examination expenses according to the overhead rate of assessment specified in this subsection in addition to all other payments required by law including, but not limited to, the Insurance Code, Article 1.16.
- (1) The actual salaries and expenses of the examiners allocable to such examination shall be paid. The annual salary of each examiner is to be divided by the total number of working days in a year, and the company is to be assessed that part of the annual salary attributable to each working day the examiner is examining the company. The expenses assessed shall be those actually incurred by the examiner to the extent permitted by law.
- (2) Each foreign insurance company examined shall pay 36% of the gross salary paid to each examiner for each month or partial month of the examination in order to cover the examiner's longevity pay, state contributions to retirement and social security matching expenses, and the state paid portion of employees social security contributions, insurance premiums, and vacation and sick leave accrual. The overhead assessment will be levied with each month's billing.
- (b) Domestic insurance companies shall pay according to this subsection and the rates of assessment herein for examination expenses as provided in the Insurance Code, Article 1.16.
- (1) The actual salaries and expenses of the examiners allocable to such examination shall be paid. The annual sal-

ary of each examiner is to be divided by the total number of working days in a year, and the company is to be assessed that part of the annual salary attributable to each working day the examiner is examining the company. the expenses assessed shall be those actually incurred by the examiner to the extent permitted by law.

- (2) An overhead charge to cover the cost of administrative departmental expenses attributable to examination of companies shall be paid and computed as follows:
- (A) 0.00639 of 1.0% of the admitted assets of the company as of December 31, 1987;
- (B) 0.01636 of 1.0% of the gross premium receipts of the company for the year 1987.
- (3) If the overhead charge, as computed under paragraph (2)(A) and (B) of this subsection, produces an overhead assessment of less than \$25, a minimum overhead assessment of \$25 shall be levied and collected.
- (4) The overhead assessments are based on the admitted assets and gross premium receipts reported in the annual statements, except where there has been an understanding of assets and/or premium receipts.

Issued in Austin, Texas, on June 22, 1988.

TRD-8806411

Nicholas Murphy Chief Clerk State Board of Insurance

Effective date: June 22, 1988

Expiration date: October 20, 1988

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

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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 4. AGRICULTURE Part I. Texas Department of Agriculture

Chapter 7. Pesticides

• 4 TAC §7.33

The Texas Department of Agriculture proposes an amendment to §7.33, concerning the classification and use of M-44 sodium cyanide. The Texas Department of Agriculture may regulate the conditions of purchase of a state limited-use pesticide under the Texas Agriculture Code, §76.003. To insure safe use of M-44 sodium cyanide, §7.33(c)(6), allows authorized dealers to sell M-44 sodium cyanide capsules in boxes of 10 each, or in boxes of 50 each. This requirement was imposed to facilitate record keeping and labeling requirements. In response to a request by the manufacturer, and for the convenience of livestock producers using M-44 sodium cyanide for predator control, the department proposes an amendment to §76.003(c)(6), to allow sale in boxes of 25 capsules.

Paul Martin, director, pest management division, has determined that for the first fiveyear period the proposed section is in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section

Dr. Martin 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 small reduction in cost of predator control, while maintaining essential regulatory safeguards. 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 Paul Martin, Director, Pest Management Division, Texas Department of Agriculture, P.O. Box 12847, Austin, Texas 78711.

The amendment is proposed under the Texas Agriculture Code, §76.003, which provides the Texas Department of Agriculture (the department) with the authority to classify a pesticide as state-limited-use (SLU), if the department has determined that the pesticide requires additional restrictions to prevent unreasonable risks to man or the environment, and authorizes the department to regulate the time and conditions of use or purchase of a SLU pesticide; and §76.004, which authorizes the department to adopt rules regarding the manner and method of pesticide applications. §7.33. M-44 Sodium Cyanide-State-Limited-Use Requirements.

(a)-(b) (No change.)

(c) Sale or transfer requirements. Dealers selling or transferring M-44 sodium cyanide must meet the following requirements.

(1)-(5) (No change.)

(6) Dealers must make sure than any sale or transfer of M-44 sodium cyanide is accompanied by a complete label. Authorized dealers must also provide to M-44 applicators the recordkeeping forms prescribed by the department. Authorized dealers may sell sodium cyanide capsules only in boxes of 10 each, in boxes of 25 each, or in boxes of 50 each.

(7)-(8) (No change.)

(d)-(e) (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 June 22, 1988.

TRD-8806403

Dolores Alvarado Hibbs Director of Hearings Texas Department of Agriculture

Earliest possible date of adoption: July 29, 1988

For further information, please call: (512) 463-7583

TITLE 16. ECONOMIC REGULATION

Part VIII. Texas Racing Commission

Chapter 313. Rules of Horse Racing

Subchapter A. Conduct of Races

• 16 TAC §§313.51, 313.53, 313.55, 313.57, 313.59, 313.61, 313.63, 313.65

The Texas Racing Commission proposes new §§313.51, 313.53, 313.55, 313.57, 313.59, 313.61, 313.63, and 313.65, concerning short distance racing regulations dealing with distance, registration position, whip restrictions, qualifications, official chart form, and penalties.

Nancy Fisher, deputy secretary, has determined that for the first five-year period the

proposed sections will be in effect, there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering these sections, since the sections are adjudicative procedures for matters committed by law to the commission's jurisdiction. However, since the Texas Racing Commission is a new state agency, normal expenditures associated with setting up the agency are anticipated including, but not limited to, hiring necessary employees and purchasing equipment.

At this time the Texas Racing Commission is unable to establish a cost compliance comparison for small businesses with large businesses.

Ms. Fisher 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 allow for an orderly and efficient operation of horse races. The horse race officials will be responsible for overseeing each race and will thereby ensure the integrity of racing in Texas. There is no anticipated economic cost to individuals who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to Nancy Fisher, Deputy Secretary, Texas Racing Commission, P.O. Box 12080, Austin, Texas 78711-2080, (512) 476-7223.

The new sections are proposed under the Texas Racing Act, Texas Civil Statutes, Article 179e, §3.02, which provides the Texas Racing Commission with the authority to adopt rules for conducting racing involving wagering and the adoption of other rules to administer the Texas Racing Act.

§313.51. Short Distance Racing. The rules of the commission shall govern short distance racing whenever applicable. When not covered or applicable, the stewards may enforce rules of the American Quarter Horse Association or the applicable association rules of any other short distance racing breed so long as they are not inconsistent with the rules of the commission. The commission shall take official notice of such rules

§313.53. Less Than One-Half Mile. Short distance racing shall be for a distance of less than one-half mile. Quarter horse racing shall be conducted on a straightaway for a distance not to exceed one-quarter mile. However, horses participating in quarter horse racing may participate in other short distance racing.

§313.55. Must be Registered. No horse shall be permitted to start in any race under the rules governing short distance racing unless duly registered by the Jockey Club or the American Quarter Horse Association

or an association for other short distance racing breeds.

\$313.57. Must Maintain Position. In any straightaway race, every horse must maintain position as nearly as possible in the lane in which it starts. If a horse is ridden or drifts out of its lane in such a manner that it interferes with or impedes another horse in any way, the stewards may declare a foul against the horse, the jockey, or both. In such cases the horse may be disqualified, and the jockey may be fined and suspended by the stewards.

§313 59. Whip Restrictions. Unless otherwise stated in the conditions of the race, no whip shall be carried on any two-year old in a race on the straightaway until June 1, and no whip shall be carried on any horse in any race when making a first start unless its use has been approved by the stewards. Thereafter, the decision as to when a horse is running true enough to permit the use of a whip shall be left to the discretion of the stewards.

§313.61. Must Qualify.

- (a) All horses which have not raced at a recognized meeting within the six months next prior to any race in which said horse is sought to be entered shall be required to qualify in at least two trial races. All such horses must meet a qualifying time to be eligible for entry to race. At least two qualifying times will be set, one for two-year-olds, and one for older horses, by the stewards.
- (b) The stewards for any reason may require a horse to run additional trial races.

§313.63. Official Chart Form. The quarter horse chart book shall be the official chart form for quarter horse racing.

§313 65. Penalties. A person found in violation of applicable short breed racing rules pursuant to §313.51 of this title (relating to Short Distance Racing) or rules of the commission during a short distance horse race meeting shall be subject to fine, suspension, revocation, or denial of his license in a proceeding held in accordance with Chapter 307 of this title (relating to Rules of Practice and Procedure).

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 June 21, 1988

TRD-8806409

Nancy Fisher Deputy Secretary Texas Racing Commission

Earliest possible date of adoption: July 29, 1988

For further information, please call: (512) 476-7223

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• 16 TAC §§313.77, 313.79, 313.81, 313.83, 313.85, 313.87, 313.89, 313.91, 313.93, 313.95, 313.97, 313.99, 313.101

The Texas Racing Commission proposes new §§313.77, 313.79, 313.81, 313.83, 313.85, 313.87, 313.89, 313.91, 313.93, 313.95, 313.97, 313.99, and 313.101, concerning description and eligibility of officials, stewards, racing secretary, paddock judge, horse identifier, clerk of the scales, starter, timer, patrol judges, placing judges, association veterinarian, jockey room custodian and valet attendants, and stable foreman. These proposed new sections describe the racing officials which every association must appoint and the qualifications for each official.

Nancy Fisher, deputy secretary, 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 or small businesses as a result of enforcing or administering the sections, since the sections are adjudicative procedures for matters committed by law to the commission's jurisdiction. However, since the Texas Racing Commission is a new state agency, normal expenditures associated with setting up the agency are anticipated, including, but not limited to, hiring necessary employees and purchasing equipment. At this time the Texas Racing Commission is unable to establish a cost compliance comparison for small businesses with large businesses.

Ms. Fisher also has determined that for each year of the first five years the proposed sections are in effect the public benefit anticipated as a result of enforcing the sections as proposed will be to allow for an orderly and efficient operation of horse races. The horse race officials will be responsible for overseeing each race and will thereby ensure the integrity of racing in Texas. There is no anticipated economic cost to individuals who are required to comply with the proposed sections.

Comments on the proposed sections may be submitted to Nancy Fisher, Deputy Secretary, Texas Racing Commission, P.O. Box 12080, Austin, Texas 78711-2080, (512) 476-7223. The new sections are proposed under the Texas Racing Act, Texas Civil Statutes, Article 179e, §3.02, which provide the Texas Racing Commission with the authority to adopt rules for conducting racing involving wagering and the adoption of other rules to administer the Texas Racing Act. §313.77. Description and Eligibility of Officials.

- (a) General Description. Every association conducting a race meeting shall appoint at least the following officials:
 - (1) the racing secretary;
 - (2) the paddock judge;
 - (3) the horse identifier;
 - (4) the clerk of the scales;
 - (5) the starter;
 - (6) timers, if needed;
 - (7) three or more patrol judges;
 - (8) three placing judges;
 - (9) the association veterinarian;

(10) jockey room custodian, valets, and attendants; and

(11) the stable foreman.

- (b) Eligibility. To qualify as a racing official the appointee must be licensed by the commission after a determination that he:
- (1) is of good moral character and reputation;
- (2) is experienced in horse racing;
- (3) is familiar with the duties to which he is appointed and with the commission's rules of horse racing;
- (4) possesses the mental and physical capacity to perform his duties; and
- (5) possesses natural or correctable eyesight sufficient to perform his duties
- (c) Officials, Prohibited Activities. No racing official or the racing official's assistants listed in subsection (a) of this section while serving during any meeting in the capacity of an official or assistant may engage in any of the following:
- (1) participate in the sale, purchase, or ownership of any horse racing at the meeting;
- (2) be involved in any way in the purchase or sale of any contract on any jockey racing at the meeting;
- (3) sell or solicit horse insurance on any horse racing at the meeting, or any other business sales or solicitation not a part of the official's duties;
- (4) wager on the outcome of any race; or
- (5) accept or receive money or anything of value for assistance in connection with his duties.
- (d) Report of Violations. All racing officials and officials, assistants are responsible to report immediately to the stewards of the meeting every observed violation of these rules and of the laws of this state that occur within their jurisdiction.
- (e) Single Official Appointment. No official appointed to any meeting may hold more than one official position listed in subsection (a) of this section unless, in the determination of the stewards or commission, the holding of more than one appointment would not subject the official to a conflict of interests and duties in the two appointments.

§313.79. Stewards.

- (a) Emergency authority.
- (1) Substitute officials. When in an emergency any official is unable to discharge his duties, the stewards may approve the appointment of a substitute. The stewards shall report that appointment immediately to the commission.
- (2) Substitute jockeys. The stewards have the authority in an emergency to place a substitute jockey on any horse in the event the trainer does not do so.

Before using that authority, the stewards shall in good faith attempt to notify the trainer of the emergency and to afford him the opportunity to appoint a substitute jockey. If the trainer cannot be contacted, or if the trainer is contacted but fails to appoint a substitute jockey and to inform the stewards by 30 minutes prior to post time, the stewards may appoint under this rule.

- (3) Substitute trainer. The stewards have the authority in an emergency to designate a substitute trainer for any horse.
- (4) Excuse horse. In case of accident or injury to a horse or any other emergency considered by the stewards before the start of any race, the stewards may excuse the horse from starting.
- (5) Exercise authority. No licensee may exercise a horse on the track between races unless on the approval of the stewards.
 - (b) Investigations and decisions.
- (1) Investigations. The stewards shall on direction of the commission conduct inquiries and shall recommend to the commission the issuance of subpoenas to compel the attendance of witnesses and the production of reports, books, papers, and documents for any inquiry. The commission stewards have the power to administer oaths and examine witnesses and shall submit a written report of every such inquiry made by them to the commission.
- (2) Cancel trifecta. The stewards have the authority to cancel trifecta wagering at any time they determine an irregular patter of wagering or determine that the conduct of the race would not be in the interest of the regulation of the pari-mutuel wagering industry or in the public confidence in racing. The stewards shall cancel trifecta wagering any time there are fewer than eight betting interests unless there is a late scratch, in which case there shall be a cancellation if there are fewer than seven betting interests.
- (3) Form reversal. The stewards shall take notice of any marked reversal of form by any horse and shall conduct an inquiry of the horse's owner, trainer, or other persons connected with the horse, including any person found to have contributed to the deliberate restraint or impediment of a horse in order to cause it not to win or finish as near as possible to first.
 - (4) Fouls.
- (A) Extent of disqualification. On any claim of foul submitted to

them, the stewards shall determine the extent of any disqualification and shall place any horse found to be disqualified behind others in the race which it interfered or may place the offending horse last in the race.

- (B) Coupled entry. When a horse is disqualified under this section, and where that horse was apart of a coupled entry, and where, in the opinion of the stewards, the act that led to the disqualification served to unduly benefit the other part of the coupled entry, the stewards may, at their discretion, disqualify the other part of the entry.
- (5) Protests and complaints. The stewards shall investigate promptly and render a decision in every protest and complaint made to them. They shall keep a record of all protests and complaints and any rulings made by the stewards and file such reports daily with the commission.
- (A) Involving fraud. Protests involving fraud may be made by any person at any time to the stewards.
- (B) Not involving fraud. Protests, except those involving fraud, may be filed only by the owner of a horse or his authorized agent, the trainer, or the jockey of the horse in the race over which the protest is made. The protest must be made thereon, unless the protest is entered before the time the first horse enters the gate.
- (C) Protest to clerk of the scales. A jockey who intends to enter a protest to the clerk of the scales following the running of any race, and before the race is declared official, shall notify the clerk of the scales of this intention immediately on the arrival of the jockey at the scales.
- (D) Prize money of protested horse. During the time of determination of a protest, any money or prize won by a horse protested or otherwise affected by the outcome of the race shall be paid to and held by the horsemen's accountant until the protest is decided.
- (E) Protest in writing. A protest, other than one arising out of the actual running of a race, must be in writing, signed by the complainant, and filed with the stewards one hour before post time of the race out of which the protest arises.
 - (F) Frivolous protests. No

person or licensee shall make a frivolous protest nor may any person withdraw a protest without the permission of the stewards.

§313.81. Racing Secretary.

- (a) General authority. The racing secretary is responsible for setting the conditions for each race of the meeting, regulating the nomination of entries, determining the amounts of purses and to whom they are due, and the recording of racing results.
- (b) Conditions. The secretary shall establish the conditions and eligibility for entering the races of the meeting and cause them to be published to owners, trainers, and the commission. Unless otherwise provided by the conditions, the winner of a certain sum means the winner of a single race of that sum. Corrections to the conditions must be made within 24 hours of publication.
- (c) Posting of entries. On the closing of entries each day, the secretary shall post a list of entries in a conspicuous location in his office and furnish that list to local newspapers, radio, and television stations.
- (d) Stakes and entrance money records. The secretary shall be caretaker of the permanent records of all stakes, entrance money, and arrears paid or due in a race meeting and shall keep permanent records of the results of each race of the meeting.
- (e) Record of racing. The secretary shall, no later than the day following each race, attach or endorse on the registration certificate of each horse winning in any race the fact of that winning performance and the distance, the date of the race, and the type or conditions of the race.
- (f) Record of jockeys. On entry of a horse in a race, the owner or trainer shall furnish to the secretary the name of the jockey who will ride the entry no later than scratch time of the day of the race unless unusual circumstances prevail and the stewards grant contrary permission but in no event not later than 45 minutes before post time.
- (g) Handicapping. The secretary, or a handicapper assigned by the secretary, shall assign the weight to be carried by each horse in a handicap, according to the following table, when weights are not stated in the condition of the race:
 - (1) Scale of Weights for Age.

		Jan	Mar							Nov
<u>Distance</u>	<u>Age</u>	Feb	Apr	May	Jun	Jul	Aug	Sep	0ct	Dec
	2	• • •	• • •	• • •		• • •	105	108	111	114
One-half	3	117	119	121	123	125	126	127	128	129
mile	4	130	130	130	130	130	130	130	130	130
	5 & up	130	130	130	130	130	130	130	130	130
Six	2	• • •	• • •	• • •		. • • •	102	105	108	111
furlongs	3	114	117	119	121	123	125	126	127	128
	4	129	130	130	130	130	130	130	130	130
	5 & up	130	130	130	130	130	130	130	130	130
One mile	2	•••	• • •	• • •	• • •	• • •	• • •	96	99	102
	3	107	111	113	115	117	119	121	122	123
	4	127	128	127	126	126	126	126	126	126
	5 & up	128	128	127	126	126	126	126	126	126
One mile	2	• • •	• • •	• • •	• • •	• • •	• • •	• • •	• • •	• • •
and a	3	101	107	111	113	116	118	120	121	122
quarter	4	125	127	127	126	126	126	126	126	126
	5 & up	127	127	127	126	126	126	126	126	126
One mile	2	•••	• • •	• • •	• • •	• • •	• • •	• • •	• • •	
and a	3	98	104	108	111	114	117	119	121	122
half	4	124	126	126	126	126	126	126	126	126
	5 & up	126	126	126	126	126	126	126	126	126
Two miles	3	96	102	106	109	112	114	117	119	120
	4	124	126	126	126	126	125	125	124	124
	5	126	126	126	126	126	125	125	124	124

- (2) Sex allowances. In all races except handicaps and races where the conditions expressly state to the contrary, two-year-old fillies are allowed three pounds; mares three years old and upward are allowed five pounds before September 1st and three pounds thereafter.
- (3) Texas-bred allowances. In all races except handicaps and races where the conditions expressly state to the contrary, Texas-bred horses are allowed three pounds.
- (h) Penalties not cumulative. Penalties and weight allowances are not cumulative unless so declared in the conditions of a race by the secretary.

(i) Winnings.

- (1) For the purpose of the setting of conditions by the secretary, winnings shall be considered to included all money and prizes won up to the time of the start of a race, including those races outside the United States. Foreign winnings shall be determined on the basis of the normal rate of exchange prevailing on the day of the win.
- (2) Winnings considered from January 1. Winnings during the year shall be reckoned by the secretary from the preceding January 1.
- (3) Winner of a certain sum. Winner of a certain sum means the winner of a single race of that sum unless otherwise expressed in the condition book by the secretary. In determining the net value to the winner of any race, the sums contributed by its owner or nominator shall be deducted from the amount won. In all stakes races, the winnings shall be computed on the value of the gross earnings.
- (4) Winner's award. Unless the conditions of a race provide otherwise, the entrance money, starting and subscription fees, and other contributions shall go to the winner of the race. If for any reason a race is not run, those entrance, starting, and subscription fees shall be returned to the nominators.
- (j) Cancellation of a race. The secretary has the authority to withdraw, cancel, or change any race that has not been closed. In the event the canceled race is a stakes race, all subscriptions and fees paid in connection with the race shall be refunded. §313.83. Paddock Judge.
- (a) General authority. The paddock judge shall:
- (1) be in charge of the paddock and shall have general responsibility for the saddling and mounting of horses and for the equipment used; and
- (2) attempt to maintain consistency in the use of equipment on individual mounts.

- (b) Duties. The paddock judge shall:
- (1) require that a plater be in the paddock before each race to ensure that all horses are properly shod;
- (2) exclude from the paddock all those persons who have no immediate business with the horses entered in a race, and report rule violations in the paddock area to the stewards;
- (3) permit horses competing in a race to be shod in special training shoes only with the express permission of the stewards; and
- (4) permit bar plates to be used or discontinued only with the consent of the stewards. §313.85. Horse Identifier.
- (a) General authority. The horse identifier shall be present for each race and shall inspect each horse before its departure from the paddock to the post to confirm the horse's proper identity.
- (b) Report violations. The horse identifier shall report to the stewards any horse not properly identified or whose foal papers are not in conformity with these rules.

§313.87. Clerk of The Scales.

- (a) General authority. The clerk of the scales shall be responsible to weigh out jockeys and their equipment after each race. The clerk shall record and publish any weight over or under the weight appearing on the official program.
- (b) Notice of change. The clerk, on determination that there has been a change in weight, jockey, or racing colors from those given in the official program, shall note the change immediately to officials of the association for immediate dissemination to the public.
- (c) Report of violations. The clerk shall report immediately to the stewards any violation of these rules respecting weight, weighing, or riding equipment.
- (d) Confirmation. After each race the clerk shall advise the stewards of any underweight or overweight carried by any jockey. The clerk shall report to the stewards any other information they may require.
- §313.89. Starter.
- (a) General authority. The starter is responsible to provide a fair start for each race. The starter may appoint assistants, but assistants may not handle or take charge of a horse in the starting gate except by the express permission of the starter.
- (b) Report violations. The starter shall report to the stewards any violations of these rules occurring in the starting of a race.
- (c) Horses locked in. When a door of the starting gate fails to open as the

- starter dispatches the field, it shall be reported immediately to the stewards by the starter. The stewards shall post the inquiry sign and have the announcer alert the public to hold all mutuel tickets. The stewards shall then determine if the gate or gates failed to open when the starter dispatched the field and rule accordingly.
- (d) Schooling list. The starter shall supervise the schooling of horses for the starting gate. The starter may require schooling for any horse he determines to be not sufficiently trained in starting gate procedures to ensure a fair start. He shall maintain a schooling list of horses designated for training, a copy of which shall be accessibly posted in the office of the racing secretary.
- (e) Starter's list. The starter shall maintain a list of every horse ineligible to start because of a determination by the starter that the horse is not sufficiently schooled for starting or is otherwise unable or unfit to start a race.
- (f) Striking and abusive language prohibited. The starter and his assistants are prohibited from striking a horse or using abusive language to a jockey.
- (g) Loading of horses. The starter shall ensure that the horses take their positions in the starting gate in order of post position from the inside rail out. §313.91. Timer.
- (a) General authority. Each association shall provide where necessary for each race an official timer who shall occupy the timers, stand or other appropriate place to observe the running of each race.
- (b) Recordings of time. The timer shall record permanently the time elapsed between the start and finish of each race. §313.93. Patrol Judges.
- (a) General authority. At least three patrol judges shall observe the running of the race and report to the stewards information concerning the running of the race.
- (b) Duty stations. Each patrol judge shall have a duty station assigned by the stewards.
- §313.95. Placing Judges.
- (a) General authority. It is the duty of the placing judges to determine the winner of each race and the order of finish for each of the remaining horses in the race. In case of a difference of opinion among the judges, the majority opinion shall govern. In determining places at the finish of a race, the placing judges shall consider only the noses of the placing horses.
- (b) Corrections. The placing judges, with approval of the stewards, may correct errors in their determination of the placing of horses at the finish before the display of the official sign, or if the official sign has been displayed in error, after that display. If the display is in error, no person shall be entitled to any proceeds of the parimutuel pool on account of such error.

- (c) Official placement report. At the conclusion of each racing day, the placing judges shall file with the commission a copy of the official placement of horses with the names of the first four horses finishing in each race of that day. Placing judges shall provide other racing information within their observation or records on the request of any official of the association or the commission.
- (d) Judges, decision The judges, decision on the race shall be final. §313.97. Association Veterinarian.
- (a) Prerace examination. The association veterinarian or his assistants shall give every horse entered in a race an examination on the day of the race to determine the horse's general fitness. During the examination all bandages shall be removed by the groom, and the horse may be exercised outside the stall to permit the examiner to determine the condition of the horse's legs and feet. The examining veterinarian shall report any unsoundness in a horse to the stewards.
- (b) Starting and finishing inspection. The association veterinarian shall inspect all of the horses in a race at the starting gate and after the finish of a race shall observe the horses on their leaving the track.

§313.99. Jockey Room Custodian and Valet Attendants.

- (a) General authority. The jockey room custodian shall have the following duties:
- (1) maintain order, decorum, and cleanliness in the jockey and scale rooms;
- (2) assist the clerk of the scales as required;
- (3) ensure that no person other than representatives of the commission, association, news media, jockey's guild, and jockey room attendants is admitted to the jockey room on a racing day except by permission of the stewards, and ensure that no unauthorized personnel are permitted in the jockey room after the final race on racing day;
- (4) supervise the care and storage of racing colors;
- (5) supervise the jockey attendants and arrange their rotation among jockeys for the weighing out;
- (6) ensure that jockeys are neat in appearance and properly attired when they leave the jockey room to ride in a race;
- (7) report any rule violation within the jockey room to the stewards; and
- (8) assign to each jockey a locker capable of being locked for the use of the jockey in storing clothing, equipment, and personal effects.
 - (b) Valet attendants.
- (1) No person or licensee except a valet-attendant provided by the associa-

tion shall assist jockeys in weighing out and weighing in.

- (2) No jockey room attendant or jockey valet on duty shall make a bet on any race or place a bet for another person.
- (3) No attendant or valet shall mingle with the public or loiter in public areas of the association premises during racing hours.

§313.101. Stable Foreman.

- (a) General authority. The jockey room custodian shall have the following duties:
- (1) maintain order, decorum, and cleanliness in the stables and immediately adjacent areas;
- (2) assist the stewards, trainers, owners, veterinarians, jockeys, or other licensees as necessary or required while conducting business in the stable areas;
- (3) ensure that no unauthorized personnel are permitted in the stable areas either before, during, or after the running of a race:
- (4) supervise the care and storage of stable equipment;
- (5) supervise such assistants as may be necessary to ensure the proper maintenance and running of the stable areas:
- (6) report any rule violation within the stable areas to the stewards; and
- (7) assign to each trainer or owner a stall or stalls within the stable area for an eligible horse.
 - (b) Eligibility and Prohibited Acts.
- (1) No person may perform the duties of stable foreman without having first received a license from the commission.
- (2) No stable foreman or assistant to the stable foreman on duty shall make a bet on any race or place a bet for another person.
- (3) No stable foreman or assistant to the stable foreman shall mingle with the public or loiter in public areas of the association premises during racing hours.

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 June 21, 1988.

TRD-8806408

Nancy Fisher Deputy Secretary Texas Racing Commission

Earliest possible date of adoption: June 22, 1988

For further information, please call: (512) 476-7223

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Chapter 323. Compliance and Law Enforcement Provisions

Subchapter C. Criminal Provisions

• 16 TAC §§323.51, 323.53, 323.55, 323.57

The Texas Racing Commission proposes new §§323.51, 323.53, 323.55, and 323.57, concerning action by district attorneys, criminal district attorneys, and county attorneys, reporting of arrests and convictions, persons with criminal backgrounds, and Department of Public Safety reports.

Nancy Fisher, deputy secretary, 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 or small businesses as a result of enforcing or administering the sections, since the sections are adjudicative procedures for matters committed by law to the commission's jurisdiction. However, since the Texas Racing Commission is a new state agency, normal expenditures associated with setting up the agency are anticipated, including, but not limited to, hiring necessary employees and purchasing equipment.

Ms. Fisher 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 a uniformity in the hearing process before the commission. The proposed sections will allow for an orderly and efficient procedure for administration of matters under the Texas Racing Commission's jurisdiction. There is no anticipated economic cost to individuals who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to Nancy Fisher, Deputy Secretary Texas Racing Commission, P.O. Box 12080, Austin, Texas 78711-2080, (512) 476-7223.

The new sections are proposed under the Texas Racing Act, Texas Civil Statutes, Article 179e, §3.02, which provides the Texas Racing Commission with the authority to adopt rules for conducting racing involving wagering, and the adoption of other rules to administer the Texas Racing Act.

§323.51. Action by District Attorneys, Criminal District Attorneys, and County Attorneys. If the commission, or appropriate section of the commission, issues an order pursuant to §323.17 of this title (relating to Commission Action) which contains an affirmative finding that the person who is the subject of the order knowingly or intentionally engaged in criminal conduct or committed a criminal offense under the Texas Racing Act, the executive secretary or his designee shall forward a copy of the order to the appropriate district attorney, criminal district attorney, or county attorney for prosecution.

§323.53. Reporting of Arrests and Convictions.

(a) An applicant or licensee of the commission shall report any arrest or conviction for a felony or for a misdemeanor, except a misdemeanor under the Uniform Act Regulating Traffic on Highways, Texas Civil Statutes, Article 6701d, or a similar misdemeanor traffic offense.

- (b) At the time application for an original or renewal license is submitted, the applicant or licensee shall report any arrests or convictions required by subsection (a) of this section, and shall certify the report as true and correct under penalty of perjury. \$323.55. Persons With Criminal Backgrounds.
- (a) The commission may revoke or suspend an existing valid license, disqualify a person from receiving or renewing a license, or deny to a person the opportunity to be examined for a license because of a person's conviction of a felony if the offense directly relates to the performance of the activities of a licensee, and the conviction directly affects such person's present fitness to perform as a licensee.
- (b) No person currently serving a sentence in prison for a felony is eligible to obtain or renew his license.
- (c) In determining whether a criminal conviction directly relates to the performance of a licensee, the commission shall consider the factors listed in Texas Civil Statutes, Article 6252-13c(4)(b).
- (d) Those crimes which the commission considers as directly related to the performance of a licensee include, but are not limited to:
- (1) any felony or misdemeanor of which fraud, dishonesty, or deceit is an essential element;
- (2) any criminal violation of the Texas Racing Act, or other statutes regulating or pertaining to horse or greyhound racing or pari-mutual wagering in this state or elsewhere;
- (3) any criminal violation of statutes regulating other gambling or racing professions;
- (4) any crime involving moral turpitude;
 - (5) murder;
 - (6) burglary;
 - (7) robbery;
 - (8) animal abuse;
 - (9) theft;
 - (10) child molesting;
 - (11) substance abuse;
 - (12) entry after ejection;
 - (13) touting;
- (14) illegal influence of race outcome
 - (15) illegal access; and
- (16) illegal racing on certain indian lands.
- (e) In determining whether a criminal conviction directly affects a person's

present activity, the commission shall consider the factors listed in Texas Civil Statutes, Article 6252-13c(4)(c)(1)-(6).

- (f) It shall be the responsibility of the applicant to secure and provide to the commission the recommendations of the prosecution, law enforcement, and correctional authorities regarding all offenses.
- (g) The applicant shall also furnish proof in such form as may be required by the commission that he maintained a record of steady employment, has supported his dependents, and has otherwise maintained a record of good conduct and has paid all outstanding court costs, supervision fees, fines, and restitution as may have been ordered in all criminal cases in which he has been convicted.

§323 57. Department of Public Safety Reports. The commission and its sections shall review the reports and recommendations of the Department of Public Safety regarding any organized crime activities in this state, and any illegal gambling which may be known to exist in this state, and shall initiate appropriate legal proceedings against any person, applicant, or licensee.

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 June 21, 1988.

TRD-8806407

Nancy Fisher Deputy Secretary Texas Racing Commission

Earliest possible date of adoption: July 29, 1988

For further information, please call: (512) 476-7223

TITLE 19. EDUCATION Part II. Texas Education Agency

Chapter 61. School Districts

Subchapter F. Responsibilities and Powers for Operation

• 19 TAC §61.174

The Texas Education Agency proposes an amendment to §61.174, concerning training for school board members. The amendment clarifies the deadline by which newly elected members must participate in an orientation session, requires newly appointed members to do so, and prohibits such training from occurring during a regular or called school board meeting, unless the meeting was called for that purpose.

The amendment also increases Central Education Agency oversight of the training programs, specifies qualifications for program sponsors, sets minimum standards for training sessions, and provides that noncompliance with this section will be reviewed and addressed by the accreditation division as a governance problem.

Lynn M. Moak, duputy commissioner for research and information, 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 or small businesses as a result of enforcing or administering the section.

Mr. Moak and Beverly Bardsley, director for policy development, have 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 more knowledgeable and effective membership on local school boards. 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 Beverly Bardsley, Director for Policy Development, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9682. 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.

The amendment is proposed under the Texas Education Code, §23.33, which authorizes the State Board of Education to make rules concerning training for school board members.

§61.174. Training for School Board Mem-

(a)-(b) (No change.)

- (c) The training required in accordance with the Texas Education Code, §23.33, applies to each member of local school boards of trustees.
- [(1) All school board members elected prior to January 1, 1987, shall complete a minimum of 20 hours of training from approved sponsors to gain a working knowledge of all the statewide standards on duties of a school board member prior to the board meeting at which the 1988 call for election of school board members is normally scheduled.]
- (1)[(2)] All board members [elected after January 1, 1987,] shall participate in a local district orientation session within 60 days before or after [of] their election or appointment; and shall complete a minimum of 20 hours of training from approved sponsors to gain a working knowledge of all the statewide standards on duties of a school board member prior to the end of their first year of service.
- (2)[(3)] Board members, upon completion of the initial training required in paragraph[s] (1) [and (2)], of this subsection, shall annually participate in an assessment of their training needs. The assessment should consider the statewide standards on duties of a school board member, the State Board of Education's designated priority topics, local student achievement information, compliance/accreditation reports, and local district issues as affected by the statewide standards. The results of this assessment will be used to

establish a training plan to address the needs of individual school board members, as well as the local board as a whole. The training plan will identify the approved training activities each board member will complete during the year. At a minimum, local board members shall participate in six hours of training activities annually.

- (3) No training shall take place during a regular or called school board meeting, unless that meeting is called for the delivery of school board training.
- (d) Each regional education service center shall apply to the Central Education Agency for approval to sponsor and provide programs to support the training required in subsection (c) of this section. [Such programs shall be submitted to the State Board of Education or its designee for approval.] Registration for the regional education service center training programs will be open to all interested persons, including current and prospective board members.
 - (e) (No change.)
- (f) Private and professional organizations, school districts, government agencies, and colleges/universities may apply for approval to sponsor [submit training] programs to support the training required in subsection (c) of this section to the Central [State Board of] Education Agency [or its designee for approval].
- (g) Sponsor approval [of training program] will be based [on quality, the comprehensiveness of the program elements, and their] upon the sponsor's ability to deliver quality programs which are comprehensive and in compliance with the State Board of Education approved statewide standards on duties of a school board member. Sponsors are encouraged to consider a variety of delivery systems for their training programs in order to meet the varying needs of school board members. Programs are to be at least one hour in length, and may be delivered in segments of not less than 30 minutes.
- (h) The sponsoring agency will provide verification of completion to the individual participant and to the participant's school district.
- (i)[(h)] Program Instructors [trainers] must have documented training and/or experience in the subject areas in which they are delivering instruction.
- (j) Each education service center and other sponsors shall submit program dates to the Central Education Agency at least 30 days prior to delivery.
- (k)[(i)] Approved program [training] sponsors [programs] will be reviewed by the Central Education Agency [State Board of Education or its designee] at least every five [three] years, with audits scheduled at any time. The Central Education Agency may also request a program eval-

uation from the participating board members at any time. All sponsors [programs] will maintain approved status for five [three] years, unless notified by the agency.

- (I)[(j)] At least 50% of the required training in subsection (c) of this section should be designed and delivered in an interactive group setting by persons not employed or affiliated with the board member's local district.
- (m) Not more than 50% of the required training that is delivered by the local district may be preapproved self-instructional materials.
- (n)[(k)] Annually, at the meting at which the call for election of board members is normally scheduled, the current president of each local board of trustees shall cause the minutes of the local board to reflect the board members who have and have not completed the required training, and shall make this information available to the local media.
- (o) Noncompliance with school board member training requirements will be reviewed and dealt with by the accreditation division as a governance problem.
- (p)[(1)] Upon written request, the commissioner of education, in cases of extenuating circumstances, may grant an extension of time within which a local board member may complete the training requirement.

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 June 11, 1988.

TRD-8806356 W. N. Kirby Commissioner of Education

Earliest possible date of adoption: September 10, 1988

For further information, please call: (512) 463-9212

TITLE 22. EXAMINING BOARDS

Part X. Texas Funeral Service Commission

Chapter 203. Licensing and Enforcement-Specific Substantive Rules

• 22 TAC §203.20

The Texas Funeral Service Commission proposes an amendment to §203.20, concerning the location of retained records. This amendment will allow for exemptions to the section in specific circumstances.

Larry A. Farrow, executive director, 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 or small businesses as a result of enforcing or administering the section.

Mr. Farrow 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 set standards whereby the agency will be able to inspect establishments to discover violations of the law. There is no anticipated economic cost to individuals who are required to comply with the sections as proposed.

Comments on the proposal may be submitted to Larry A. Farrow, Executive Director, 8100 Cameron Road, Building B, Suite 550, Austin, Texas 78753.

The amendment is proposed under Texas Civil Statutes, Article 4582b, §5, which provide the Texas Funeral Service Commission with the authority to promulgate rules and regulations.

§203.20. Location of Retained Records.

- (a) All records required for retention by Texas Civil Statutes, Article 4582b, §3(H)(23) and (25), and §203.13 of this title (relating to Minimum Standards for Embalming), will be maintained for a minimum of two years within the physical confines of the licensed establishment where the funeral arrangements were made. The records must be made available to the Texas Funeral Service Commission through its staff and members, or to the next of kin or person authorized for the making of funeral arrangements during regular business hours, and copies must be provided upon request to the commission.
- (b) Any interested persons, as defined in §201.8, may submit a petition to the commission requesting an exemption to the portions of subsection (a) of this section which requires that retained records be kept within the physical confines of the licensed funeral establishment were the funeral arrangements were made.
- (c) Each petition will clearly state:
- (1) a brief explanation of the problem(s) created by that portion of the rules:
- (2) the rationale or justification for the granting of the exemption;
- (3) the specific remedy requested, including the alternative location selected;
- (4) assurances that the commission or its representative will be able to easily access all records by name of establishment, name of individual, or by date of service.
- (d) The executive director will advise the commission of all petitions submitted in accord with this procedure, along with his recommendations.
- (e) The commission will consider each petition submitted at its next scheduled meeting and may either grant, deny,

or modify the remedy requested. The executive director will advise interested parties in writing of the action taken by the commission.

(f) Each petition will be considered separately and upon its own merit. When considering the petition, the commission will take into account the proposed geographical location of the records, and the licensee's demonstrated ability to substantially comply with the mortuary laws and the rules and regulations of the Texas Funeral Service Commission as demonstrated in prior inspection reports and other documents submitted to the commission.

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 June 20, 1988.

TRD-8806371

Larry A. Farrow **Executive Director** Texas Funeral Service Commission

Earliest possible date of adoption: July 29,

For further information, please call: (512) 834-9992

TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part IV. School Land Board

Chapter 155. Land Resources

Coastal Public Lands • 31 TAC §155.4

(Editor's note: The text of the following section proposed for repeal will not be published. The section may be examined in the offices of the School Land Board or in the Texas Register office, Room 503, Sam Houston Building, 201 East 14th Street, Austin.)

The School Land Board proposes the repeal of §155.4, concerning structure permits. The repeal is proposed so that a new section may be substituted clarifying the requirements for obtaining and maintaining permits to cabins and other structures located on coastal public lands.

Sally Davenport, director of the coastal section of the land management division of the general land office, has determined that there will not be fiscal implications as a result of enforcing or administering the repeal.

Ms. Davenport also has determined that for each year of the first five years the repeal is in effect the public benefit anticipated as a result of enforcing the repeal will be that the general public will be enabled to more clearly understand the official rules and regulations of the agency. 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 Dan Miller, Assistant General Counsel, General Land Office, 1700 North Congress Avenue, Austin, Texas 78701.

The repeal is proposed under the Natural Resources Code, §33.064, which provides the School Land Board with the authority to adopt procedural and substantive rules for the implementation of the Coastal Public Lands Management Act. §155.4. Permits.

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 June 21, 1988.

TRD-8806388

Garry Mauro Chairman School Land Board

Earliest possible date of adoption: July 29,

For further information, please call: (512) 463-5009

The School Land Board proposes now §155.4, concerning structure permits. The new section clarifies the requirements for obtaining and maintaining permits to cabins and other structures located on coastal public lands and aligns the rules with current requirements of the program.

Sally Davenport, director of the coastal section of the land management division of the general land office, has determined that for each of the first five years that the new section will be in effect there will be no additional fiscal implications for state and local government and small businesses as a result of enforcing or administering the new section.

Ms. Davenport also has determined that the public benefit for each year of the first five years that the new section is in effect will be more efficiency and comprehensiveness and will insure more effective administration of the structure permit program. The anticipated economic cost to individuals who are required to comply with the proposed section will be an increase of approximately \$200 should the individual accept a transfer of a structure permit contract, and approximately \$7,500 should relocation of a structure be required under the new section.

Comments on the proposal may be submitted to Dan Miller, Assistant General Counsel, General Land Office, 1700 North Congress Avenue, Austin, Texas 78701.

The new section is proposed under the Natural Resources Code §33.064, which provides the School Land Board with the authority to adopt procedural and substantive rules for the implementation of the Coastal Public Lands Management Act. §155.4. Permits.

(a) Issuance. The board may issue permits authorizing limited continued use of previously unauthorized structures, as defined in §(b) below, on coastal public lands, where such use is sought by one claiming an interest in any such structure but is not incident to the ownership of littoral proper-

- (b) Definition. A structure under this section shall be defined as any housing, capable of residential use or which otherwise would typically be considered an improvement on real property, which is in any manner attached or affixed to coastal public land and is unassociated with the ownership of littoral property.
- Permits (c) Criteria. granted pursuant to this section shall be subject to the following policies, provisions, and conditions, in addition to those generally applicable in the act.
 - (1) The board may not:
- (A) grant any permit authorizing the continued use of any structure located within 1,000 feet of:
- (i) privately owned littoral property, without the written consent of the littoral owner:
- (ii) any federal or state wildlife sanctuary or refuge; or
- (iii) any federal, state, county, or city park bordering on coastal public lands;
- (B) grant any permit which would be in violation of the public policy of this state as expressed in these rules and regulations;
- (C) grant any permit for any structure not in existence on August 27, 1973; or
- (D) grant more than one permit per person, immediate family, organization, company, or group.
- (2) A permit authorizing continued use of a previously unauthorized structure on coastal public lands shall be deemed automatically revoked and terminated if the coastal public land where the structure is located is subsequently leased for public purposes or exchanged for littoral property, or if such land is conveyed to a navigation district as provided by law.
- (3) Every permit shall provide that in the event the terms of the permit are broken, the permit may, at the option of the board, be terminated.
- (4) Permitted structures may be used only for noncommercial recreational purposes. Acceptance of payment for use of a permitted structure, or for services connected with use of the structure, is expressly prohibited.
- (d) Nuisance. All structures now existing or which shall be built, for which a permit is required pursuant to this section, have been declared by law to be the prop-

- erty of, the state, and any construction, maintenance, or use of such structure except as authorized in this section is declared a nuisance per se and is expressly prohibited.
- (e) Interest Claim. Any person seeking to obtain an interest in a structure shall apply to the board for a permit. The application shall be accompanied by the appropriate fees, as set forth in §155.10, of this title (relating to Coastal Public Land Fees) and any documentation requested by the board.
- (f) Board Approval. The board may approve, deny, or approve with qualifications an application for a permit. If an application is approved by the board, the appropriate contract forms and related materials shall be forwarded to the applicant for completion. The board may include in its approval any provisions deemed necessary to protect the state's interest in coastal public lands and the public welfare.
- (g) Term. The board shall set the term of the permit, which shall not exceed five years. The term of a permit shall begin on the date of execution by the commissioner of the general land office, and no construction or other activities may commence at the site prior to such date.
- (h) Renewal. The board may, at its discretion, renew a permit upon receipt of a renewal request and the required fees from the current permit holder if all previous contractual conditions have been met.
- (i) Relocation. The board may require relocation of any structure permitted under this section if it is determined to be in the best interest of the state for environmental or land management reasons. The permit holder shall be provided written notice of the need for relocation. This written notice shall specify the reasons for relocation and a date by which relocation shall be accomplished. Failure to comply with terms of a relocation notice may be considered grounds for termination of a permit.
- (j) Transfer of Interest. Board approval is required for the transfer of any interest in a permit from a current permit holder to another person. To transfer a permit, the current permit holder shall notify the board in writing of intent to terminate the existing contract, and shall provide the name of a person who seeks to assume responsibility for that site. The prospective permittee shall be forwarded the appropriate forms, and shall submit a completed permit application request and required fees to the board. To accomplish the transfer of interest, the board shall then terminate the original permit and, during the same meeting, issue a new permit for the same site to the person specified by the original permit holder, providing all original contract requirements have been complied with and all fees have been paid.
- (k) Major Repairs. Any action which alters the square footage of an exist-

- ing permitted structure shall be considered a major repair and shall require prior approval from the board. The board may approve, deny, or approve with qualifications a request for major repairs to, or for the rebuilding of, a permitted structure. Examples of major repairs include, but are not limited to:
- (1) modification or renovation work which alters the dimensions of structures currently in existence;
- (2) the addition of any structure to an existing permitted facility;
- (3) the relocation of any structure or facility from its permitted location; or
- (4) any activity requiring dredging or filling.
- (1) Minor Repairs. Minor repairs may be made to a permitted structure without prior approval of the board. Minor repairs shall include routine repairs to existing docks, piers, and the structure, and other normal maintenance required to maintain a structure in a safe and secure manner but which does not alter the authorized dimensions. Examples of minor repairs include, but are not limited to:
- (1) replacement of tin or shingles on roofs, boards on floors, walls, walkways, or decks when the structural dimensions are not increased;
- (2) replacement of pilings or other structural members that does not require dredging or filling;
- (3) painting and maintenance activities; and
- (4) addition of windows, doors, or rails to an existing structure.
- (m) Abandoned Structures. Structures determined by the board to be abandoned may be removed from coastal public lands, renovated for the use of the general public, or permitted to an interested party. Structures may be considered abandoned if:
- (1) no response is received to a notice posted on the structure citing the act which requires board authorization for the structure, and containing a request that the interest holder contact the general land office within a specified period of time;
- (2) the interest holder in an unpermitted structure fails to complete the permit application process within 60 days once contact with the general land office has been made; or
- (3) all reasonable attempts to contact a permit holder at the last known address have failed.
- (n) Termination. Failure to comply with these rules and regulations shall be justification for termination of the permit by the board. A permit holder shall have 60 days from the date of termination by the board to remove all personal property from

- the structure provided all required fees have been paid. The board shall have discretionary authority to revise this time limit, to require permittee to remove any or all structures and manmade improvements, or to assess the costs for repair of any damage to state lands and/or for any necessary removal of debris at the permit site. Any personal property remaining at the site after the 60 days, or the prescribed period set by the board, shall become property of the state and may be disposed of at the board's discretion.
- (o) General Provisions. Each permit issued by the board shall be subject to the following general provisions.
- (1) The cabin permit number must be displayed on the structure in block numerals no less than 10 inches high. The numerals must be readily visible from the normal route of access and should be of a color that contrasts with the color of the structure. Decals, paint, or metal numerals may be used.
- (2) All structures on coastal public lands shall be subject to inspection at any time by the board or its authorized representatives without prior notice to the permit holder.
- (3) All structures shall be maintained in good repair and safe condition, and shall be kept in a clean and sanitary condition acceptable to the state.
- (4) No domesticated or wild animals of any type shall be permanently released upon state-owned islands. Domestic pets shall be prevented from disturbing nesting birds on these islands.
- (5) An applicant, by accepting a permit for a structure on coastal public land, agrees and consents to the following:
- (A) to comply with all regulations which the board determines to be necessary and proper for the protection, conservation, and orderly development of coastal public lands;
- (B) to indemnify the State of Texas against any and all liability for damage to life, person, or property arising from the permittee's occupation and use of the area covered by the interest granted; and
- (C) to keep the Commissioner of the General Land Office informed at all times of his or her current mailing address and telephone number.
- (6) The approval of a cabin permit by the board grants exclusive rights to the permit holder for the permitted structure only, and does not prevent the board from issuing other grants of interest for the same area or implementing specific land management practices at its discretion.

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 June 21, 1988.

TRD-8806389

Garry Mauro Chairman School Land Board

Earliest possible date of adoption: July 29, 1988

For further information, please call (512) 463-5009

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

Chapter 14. County Indigent Health Care Program

The Texas Department of Human Services (DHS) proposes the repeal of §14, 101 and new §14.101, and amendments to §§14.1, 14.103, 14.105, 14.108, and 14.202-14.204, concerning application processing, county program administration; household determination; resources; reviews; exclusions and limitations; payments for mandatory services; and services and payment liability, limitations, and options. The repeal, new section, and amendments are made in DHS' County Indigent Health Care Program rule chapter. During the first two years of the program's operation, counties requested additional quidance and clarification of the current sections. The repealed, new, and amended sections give counties more direction in operating their programs.

Section 14.101 is repealed and new §14.101 is proposed to clarify requirements and to establish new procedures for processing applications. The Indigent Health Care and Treatment (IHCT) Act disqualifies Medicaid recipients, or those who would qualify for Medicaid if they applied, from the county program. This means that the county must refer certain applicants to DHS or the Social Security Administration for a Medicaid or SSI eligibility determination. Determining SSI eligibility often takes six months or longer. If the county program applicant is subsequently determined ineligible for SSI/Medicaid, the current county program sections for case processing and establishing the beginning date of eligibility often do not allow a county to make eligibility retroactive to the months when the majority of services were received. The department believes that the act did not intend that providers and applicants be penalized because of program administrative processes beyond their control. Therefore, new application processing concepts and procedures are being established to permit counties to provide eligibility at an earlier date. These processes more closely parallel those used in the AFDC/Medicaid programs.

The amendment to §14.1(f)(1)(J) clarifies that all counties must report their general revenue tax levy (GRTL), as shown in county records on July 31 of each year, to the State Property

Tax Board by October 1 of the same year. The current section implies that this report is required by counties that are partially served by a hospital district; however, the intent is that all coun ties mandated to operate a program must provide this information.

Section 14.103(f) is amended to include a previous rule change that dis qualified household members who would qualify for Medicaid if they applied, and to clarify that a person appealing a Medicaid denial is not disqualified Paragraphs (g) and (h) of this section are amended to clarify that one or both par ents of Medicaid eligible children may possibly qualify for the county program Section 14.104(e)(4) is amended to clarify the processing of budgeting stepparent's income and to expand the process to include the income of one or both legal parents who are excluded from a Medicaid group. The amend ments to §14 105(a) and (b) add a definition for the term "countable resources" and clarify that total countable resources are used to determine eligibility. Some counties have been uncertain about whether the total value of a resource is the countable resource or only the equity value. This amendment clarifies that only the equity value is the countable portion

For clarification, the statement in §14.204(a)(3) that Medicaid recipients are ineligible for the county program is repeated in §14.103(f)(2). Some counties have inquired about continuing eligibility if a review has not been completed by the sixth month. The amendment to §14.108(a) explains that the county's failure to review a case by the sixth month does not automatically make a household ineligible.

Section 14.202(d)(6) is amended because the Medicaid Program has changed its policy for dental services. To conform with the county program section that defines physician services as those provided by an M.D. or D.O., the amendment permits dental services only if they are covered as a physician service and are provided by a physician.

Section 14.203(b) is amended to clarify that DHS may periodically update the program payment standards.

At the request of a number of counties, DHS is proposing the Medicaid DRG (Diagnostic Related Group) system as an alternative payment standard for inpatient hospital services. Section 14.203(c) is amended to give a county the option to use either the Medicaid inpatient hospital interim rate multiplied by the billed amount, or a payment computed using the Medicaid DRG prospective payment system, as adapted by DHS for county program use. Whichever inpatient hospital standard the county uses, it must use that one standard for the dura tion of the program operating year (state fiscal year). The requirement that one standard be used during the program year is necessary because a DRG system payment is based on averages. If both payment standards are simultaneously applied to a bill and the lower amount is paid, or if the DRG system is in place for less than a year, the hospital will not receive the payment it is entitled to receive. The hospital must be paid the DRG payment whether the actual bill for services is higher or lower than the DRG payment amount. To operate a DRG system internally, the county would need to independently purchase and learn to use a computer

software package (called Grouper), which was developed by Yale University with grant funds from the Department of Health and Human Services This software package is marketed by Health Systems International (HSI) at a cost of about \$2,000. The Grouper package assigns one of 475 DRG codes to the bill, based on the diagnosis and/or procedure codes contained on the hospital bill. Each DRG Code has a relative weight, and each hospital has a standard dollar amount. Once the DRG code is assigned, the DRG payment is computed by multiplying the hos pital's standard dollar amount by the relative weight for the assigned DRG code DHS will provide counties with the Medicaid standard dollar amount for each hospital, the Medicaid relative weight for each DRG code, and another factor, called the Medicaid mean length of stay, which is used to compute partial DRG payments in situations involving a patient transfer from one hospital to another DHS is unable, however, to train county staff in the use of the Grouper software package

Section 14.203(d)(4) is amended to clarify that retroactive eligibility is determined based on the application file date

Section 14.204(g) is added because numer ous counties have asked if they could pay providers who failed to comply with notification requirements. DHS believes the act intends that counties not be legally liable for paying for a service if the provider did not comply with notification requirements. However, if a county chooses to pay a provider in this situation, the payment is creditable as long as the service was mandated and received by an eligible resident.

Brian Packard, associate commissioner for budget, planning, and economic analysis, has determined that for the first five-year period the proposed repeal and sections will be in effect there will be no fiscal implications for state or local governments or small businesses as a result of enforcing or administering the repeal and sections.

Mr. Packard also has determined that for each year of the first five years the repeal and sections are in effect the public benefit anticipated as a result of enforcing the repeal and sections will be improved program operations. There is no anticipated economic cost to individuals who are required to comply with the proposed repeal and sections.

Comments on the proposal may be submitted to Cathy Rossberg, Administra tor, Policy Development Support Division-390, Texas Department of Human Serv ices 222-E, P.O. Box 2960, Austin, Texas 78769, within 30 days of publication in the *Texas Register*.

Program Administration

• 40 TAC §14.1

The amendment is proposed under the Human Resources Code, Title 2, Chap ters 22 and 32, which provides the department with the authority to administer public and medical assistance programs.

§14.1. County Program Administration.

(a)-(e) (No change.)

- (f) Eligibility requirements for counties applying for state assistance.
- (1) Each county that plans to credit expenditures towards eligibility for

the state assistance fund must:

(A)-(I) (No change.)

- (J) Report the county's GRTL, as shown in county records on July 31 of each year, to the State Property Tax Board no later than October 1 of the same year. If part of the county is served by a hospital district, request the county appraisal district to determine the GRTL of county property located outside the area served by a hospital district, if the county is partially served by a hospital district, and report this GRTL to the State Property Tax Board by July 31 of each year].
 - (2) (No change.)
 - (g)-(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 June 22, 1988.

TRD-8806422

Marlin W. Johnston Commissioner Texas Department of Human Services

Earliest possible date of adoption: September 1, 1988.

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



Program Services

• 40 TAC §14.101

(Editor's note: The text of the following section proposed for repeal will not be published. The section may be examined in the offices of the Department of Human Services or in the Texas Register office, Room 503, Sam Houston Building, 201 East 14th Street, Austin.)

The repeal is proposed 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.

§14.101. Application Processing.

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 June 22, 1988.

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Marlin W. Johnston Commissioner Texas Department of Human Services

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



The new section is proposed 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. §14.101. Application Processing.

- (a) The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise:
- (1) Application completion date-The date the county receives a complete Application for County Medical Assistance Form:
- (2) application file date-The date the county first received an identifiable application.
- (3) complete application—An application with:
- (A) the applicant's full name and address;
- (B) the applicant's Social Security number, if available;
- (C) the names of all other household members (excluding AFDC, Medicaid, or SSI recipients) and their relationship to the applicant;
- (D) the applicant's county of residence;
- (E) information about any medical insurance and hospital or health care benefits the household members receive;
- (F) the gross monthly income of each household member;
- (G) information about the assets and property that the household members own and the equity value of any vehicles or property;
- (H) the applicant's signature and the date the form is filled out; and
 - (I) all needed verifications.
- (4) Identifiable application-An application that minimally contains the applicant's name, address, signature, and the date signed.
- (b) The applicant for indigent health care or his representative may request an application form by contacting the office designated by the county or a provider participating in the program. If the applicant wants help in completing the form, he may request that eligibility staff assist him.
- (c) Eligibility staff must mail or give the Department of Human Services (DHS) Application for County Medical Assistance form to the applicant or his representative on the same day the request is

received. Eligibility staff must briefly explain the application process and applicant's responsibilities to the requestor.

- (d) The applicant is responsible for correctly filling out the form and providing all needed verification for all eligible household members. If the applicant is married and his spouse is a household member, the spouse must also sign the form. By signing the form, the applicant and spouse swear to the truth of the information supplied. Persons that intentionally misrepresent information to receive benefits they are not entitled to receive:
- (1) are responsible for reimbursing the county for the cost of benefits they were ineligible to receive; and
- (2) may be subject to prosecution under the Texas Penal Code.
- (e) If the applicant requests help in completing the application process, eligibility staff must assist the applicant in correctly filling out the form and completing the process. Anyone who helped fill out the application form must sign it.
- (f) If the applicant is not physically or mentally able to complete the application form, his spouse, relative, or other representative may complete and sign the form for him.
- (g) Eligibility staff may determine eligibility without interviewing the applicant. Interviews may be face-to-face or by telephone.
- (h) Eligibility staff must not accept an application for processing unless it is identifiable.
- (i) Eligibility staff must enter on the identifiable Application for County Medical Assistance Form the date they accept the form. This date is the application file date.
- (j) Eligibility staff must screen the application to determine any missing components. Eligibility staff must determine if the application is complete or incomplete.
- (k) If the application is complete, eligibility staff must determine if the applicant is eligible or ineligible within 14 days after the complete application is received. A provider may consider a patient automatically eligible if the 14-day processing limit is not met. By the 14th day, eligibility staff must give or send the applicant and any provider who assisted in the application process a notice of his eligibility or denial.
- (1) Eligibility staff must enter the application completion date on the Application for County Medical Assistance Form.
- (2) Eligibility staff must consider each eligibility factor and document the basis for the eligibility decision on the DHS Eligibility Worksheet.
 - (3) Notice of approval to the ap-

plicant must include information about the services he is entitled to receive and his rights and responsibilities.

- (l) If eligibility staff determine an identifiable application is incomplete because it is missing some components of a complete application, other than verification of ineligibility for AFDC, SSI, or Medicaid:
- (1) eligibility staff must give or mail the applicant the Eligibility Verification Form, identify the needed information, and request that the applicant provide the information within 14 days;
- (2) by the end of 14 days, eligibility staff must:
- (A) process the complete application if the applicant has provided the requested information in accordance with paragraph (k) of this section, or
- (B) give or send the Notice of Ineligibility Form to the applicant and any provider who assisted in the application process if the applicant did not provide the requested information.
- (m) If eligibility staff determine an identifiable application is incomplete only because verification of ineligibility for AFDC, Medicaid, or SSI is needed, eligibility staff must give or mail the applicant the Eligibility Verification Form and the Case Information Release Form. Eligibility staff must:
- (1) use the Eligibility Verification Form to:
 - (A) inform the applicant that:
- (i) his eligibility cannot be determined until his ineligibility for AFDC, Medicaid, or SSI is verified by the appropriate program; and
- (ii) he has 14 days to provide proof of application or appointment for application to the appropriate program; and
 - (B) refer the applicant to:
- (i) DHS for an AFDC or Medicaid application, if eligibility for these programs is likely; or
- (ii) the Social Security Administration for an SSI application if the applicant is seriously disabled or terminally ill.
- (2) deny the incomplete application if the applicant does not provide proof of application or appointment for application to the appropriate program by the 14th day, and give or send the applicant (and provider, if appropriate) the Notice of Ineligibility Form for failure to cooperate with the county application process. If the applicant provides the required proof, periodically check with the appropriate program to determine the status of the eligibility deci-

sion.

- (3) request the applicant to provide notice of eligibility or ineligibility when he receives it. If the applicant is:
- (A) ineligible for AFDC, Medicaid, or SSI, eligibility staff process the complete application for current and retroactive eligibility in accordance with paragraph (k) of this section;
- (B) eligible for AFDC, Medicaid, or SSI, eligibility staff give or send a notice of denial to the applicant and any provider who assisted in the application process.
- (n) An approved household is retroactively eligible for services beginning with the first calendar day in any one or all of the three months before the identifiable application was received if:
- (1) the household met all eligibility requirements;
- (2) the household received mandatory services; and
- (3) the bills for these services are urpaid.
- (o) Current eligibility begins on the first calendar day in the:
- (1) month an identifiable application was filed, if the applicant was otherwise eligible for that month; or
- (2) earliest month after the month the identifiable application was filed in which all eligibility requirements were met, if not eligible in the month the application was filed.

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 June 22, 1988.

TRD-8806424

Marlin W. Johnston Commissioner Texas Department of Human Services

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

• 40 TAC §§14.103, 14.104, 14.105, 14.108

The amendments are proposed under the Human Resources Code, Title 2, Chapters 22 and 32, which provides the department with the authority to admini ster public and medical assistance programs.

§14.103. Household Determinations.

- (a)-(e) (No change.)
- (f) The following persons are disqualified from inclusion in the household:
 - (1) (No change.)

- (2) a person who receives Medicaid, or would be eligible if he applied [including a person who exhausts his Medicaid benefits]. A person who is appealing a Medicaid denial is not a disqualified household member;
- (3) (No change.) (4) a Medicaid recipient who partially exhausts some component of his Medicaid benefit.
- (g) Eligibility staff must consider the following persons as a one-person household:
 - (1) (No change.)
 - (2) an adult living alone; [or]
- (3) a minor child living alone or with others who are not responsible for his support; or [.]
- (4) a male parent, ineligible for Medicaid, whose spouse and/or minor children are Medicaid eligible.
- (h) If the following persons are living together, they form a household group:
 - (1)-(2) (No change.)
- (3) a managing conservator and a minor child and the conservator's spouse and other legal minor children, if any; [or]
- (4) minor children who are siblings; or [.]
- (5) both Medicaid ineligible parents of Medicaid eligible children.
- (i)-(k) (No change.) §14.104. Income.
 - (a)-(d) (No change.)
 - (e) Budgeting.
 - (1)-(3) (No change.)
- (4) How to budget stepparent or legal parent income. The policy in this paragraph only applies to family units that include a stepparent[,] or one or both legal parents[, parent] who are excluded from a Medicaid group [and the legal parent's children if the legal parent and his children are Medicaid recipients]. Eligibility staff must:
- (A) determine the gross amount of the parent's [stepparent's] earned and unearned income;
- (B) deduct from the parent's [stepparent's] gross income an amount equal to the maximum income limit for the Medicaid household's size as specified in §14.109 of this title (relating to Monthly Maximum Countable Income Standards); [and]
- (C) subtract from the parent's earned income the deductions specified in paragraph (d)(2) of this section, and [consider the remainder as the stepparent's countable income to determine the

eligibility of his house hold];

- (D) add the remaining earned income to any countable unearned income, and consider this sum as the parent's countable income to determine the eligibility of his household.
- (f) (No change.) §14 105. Resources
- (a) Definitions. The following words and terms, when used in this see tion, shall have the following meanings, unless the context clearly indicates otherwise.
 - (1) (No change.)
- (2) Countable resources—The equity value of a resource.
- (3) [(2)]Fair market value-The amount a resource would bring if sold on the current local market.
- (4)[(3)] Equity—The amount of money that would be available to the owner after the sale of a resource. This amount is determined by subtracting from the fair market value any money owed on the item and the costs normally associated with the sale and transfer of the item.
- (5)[(4)] Inaccessible resources-Resources not legally available to the household.
- (6)[(5)] Personal possessions-Furniture, appliances, jewelry, clothing, livestock, farm equipment, and other items if the household uses them to meet personal needs essential for daily living.
- (b) Resource limit. Total countable household resources cannot exceed \$1000.
- (c)-(f) (No change.) §14.108. Reviews.
- (a) Eligibility staff must review an eligible household's [resident's] continuing eligibility for county health care assistance [must be redetermined once] every six months. Failure to review by the sixth month does not make an eligible household automatically ineligible.
 - (b)-(e) (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 June 22, 1988.

TRD-8806425

Marlin W. Johnston Commissioner Texas Department of Human Services

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

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Determining Eligibility

• 40 TAC §§14.202-14.204

The amendments are proposed under the Human Resources Code, Title 2, Chapters 22 and 32, which authorizes the department to administer public and medical assistance programs.

§14.202. Exclusions and Limitations.

- (a) (No change.)
- (b) General exclusions. Mandatory services do not include services and supplies that:
 - (1)-(4) (No change.)
- (5) Are not billed [claimed] by the provider and received by the county within 90 days from the date of:
- (A) service, for services provided after the date of the eligi bility decision; or
- (B) the eligibility decision for services provided before the house hold's eligibility was determined. [service, or 90 days from the date of eligibility if the patient is eligible in one or more of the three months prior to the month of application.]
 - (6)-(9) (No change.)
 - (c) (No change.)
- (d) Limited Services. The following services and supplies are excluded, unless the specified conditions are met:
 - (1)-(5) (No change.)
- (6) dental care, unless the service is covered as a physician service and is provided by a licensed physician [except for the reduction of a jaw fracture or the treatment of an oral infection when a physician determines that a life-threatening situation exists and refers the patient to a dentist!
 - (7)-(10) (No change.)
- (e)-(g) (No change.) §14.203. Payments for Mandatory Services.
 - (a) (No change.)
- (b) If a provider's charge exceeds the payment standard, the county is liable for paying no more than the amount established by the payment standard. The county may negotiate with a provider to pay an amount below the established payment standard. DHS may update the program payment standards periodically [annually].
- (c) The payment standards for the individual mandatory service are:
- inpatient and outpatient hospital care.
- (A) The county must choose one of the following two payment standards for inpatient hospital services

and use the one payment standard it selects for the duration of a state fiscal year:

- (i) the hospital's interim rate for allowable inpatient services multiplied by the billed amount; or
- (ii) a payment computed using the Medicaid DRG (Diagnostic Related Group) prospective payment system as adapted by DHS for the county program.
- (B) The payment standard for outpatient hospital services is the hospital's interim rate for allowable outpatient services multiplied by the billed amount. The hospital inpatient and outpatient interim rates are estab lished by DHS for the Medicaid program. [The payment standard is the hospital's interim rate for allowable services multiplied by the billed amount. The interim rate is established by the Department of Human Services (DHS) for the Medicaid program.]
 - (2)-(6) (No change.)
- (d) A county may enter into an agreement with one or more providers, health maintenance organizations (HMOs), or insurance companies to pay the provider a flat monthly payment for delivery of one or more of the types of mandatory services to each eligible county resident. This monthly payment method does not apply to rural health care clinic services.
 - (1)-(3) (No change.)
- (4) If the county resident is eligible in any of the three months before the [month of] application was filed and has unpaid bills for mandatory services received during those months, the provider must agree to reimburse other providers for the unpaid services. The county pays the provider the flat monthly payment for the month(s) of retroactive [prior] eligibility.
- (5)-(6) (No change.) §14.204. Services and Payment Liability, Limitations, and Options.
 - (a)-(f) (No change.)
- (g) Counties have the option to pay providers who delivered a mandatory service to an eligible resident if the provider failed to comply with the notification requirement in §14.205 of this title (relating to Providers). The payment is creditable towards the county's eligibility for the state assistance fund.

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 June 22, 1988.

TRD-8806426

Marlin W. Johnston Commissioner Texas Department of Human Services Earliest possible date of adoption: September 1, 1988

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

Part IV. Texas Department on Aging

Chapter 299. Ombudsman Service Standards

• 40 TAC §§299.1, 299.3, 299.5, 299.7, 299.9, 299.11, 299. 13

The Texas Department on Aging proposes new §§299.1, 299.3, 299.5, 299.7, 299.9, 299.11, and 299.13, concerning ombudsman service standards. The section defines ombudsman services and the objectives of those services, details the activities that state, area agency on aging staff ombudsmen, and volunteer ombudsmen will perform, where these services will be performed, and what activities are allowable in the performance of ombudsman duties.

Charles Hubbard, director of fiscal, 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 or small businesses as a result of enforcing or administering the sections.

Alex Guerra, director of programs, 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 the establishment of rules for the conduct of ombudsman activities at the state, area agency on aging, and volunteer ombudsman level. There is no anticipated economic cost to individuals who are required to comply with the sections as proposed.

\$299.1. Ombudsman Service Definition. Ombudsman service is defined as advocating for the rights of nursing home residents or their families.

\$299.3. Unit of Service. The unit of service for ombudsman activities is considered one in-person contact with a resident, or in behalf of a resident, of a nursing home. \$299.5. Service Objective. The service objectives of the state and local ombudsmen

- (1) to intervene on behalf of the elderly in nursing homes to assure quality of nursing care;
- (2) to support nursing home standards state-wide, so that a dependable and acceptable level of care is provided nursing home residents;
- (3) to serve as a link with the community to advocate for quality of life issues; and
- (4) to negotiate, mediate, or initiate the resolution of problems at the lowest possible level of intervention. \$299.7. Preferred Target Groups. Pre-

ferred target groups of individuals receiving ombudsman assistance and services are:

(1) elderly residents of nursing

home who are 60 years and older;

- (2) families of elderly residents of nursing homes;
- (3) persons 60 years and older needing assistance in gaining access to nursing home services. \$299.9. Service Activities.
- (a) State Office. The Texas Department on Aging (TDOA) will create and staff an office to be known as the State of Texas Long-Term Care Ombudsman Office, in accordance with the provisions of the Older Americans Act, Title III, as amended.
- (b) Activities of the State of Texas Long-Term Care Ombudsman Office. The State of Texas Long-Term Care Ombudsman will establish and conduct the following activities:
- (1) develop a procedure to investigate and resolve complaints made by or on behalf of the residents of long-term care facilities relating to action, inaction, or decisions of providers or their representatives of long-term care services, of public agencies, or of social service agencies which may adversely affect the health, safety, welfare, or rights of such resident;
- (2) establish procedures for appropriate access by the ombudsman to long-term care facilities and patients' records, including procedures to protect the confidentiality of such records and ensure that the identity of any complainant or resident will not be disclosed without the written consent of such complainant, resident, legal guardian, or upon court order;
- (3) monitor federal, state, and local laws, regulations, and policies dealing with long-term care;
- (4) provide information to public agencies, consumer groups, and advocacy organizations about problems of older people in long-term acre facilities;
- (5) train Texas Department on Aging and area agency on aging staff and volunteers to participate in the ombudsman program;
- (6) promote advocacy for quality long-term care services through the development of citizen organizations to participate in the ombudsman program;
- (7) identify and help to resolve problems of older people in long-term care facilities;
- (8) develop a reporting procedure to collect and analyze data relating to complaints and conditions in long-term care facilities and assure that complaint files at the state and regional level are safeguarded and confidential information is protected;
- (9) develop a mechanism to identify and remedy conflicts of interest; and
- (10) assure that resources are available at the state and regional levels to

pursue administrative, legal, and other appropriate remedies in obtaining benefits and care for residents.

- (c) Regional ombudsman activities. Area agencies on aging will conduct regional ombudsman activities as follows:
- (1) designate a staff person or the subcontractor to be responsible for the ombudsman program at the area agency level;
- (2) conduct the program as a direct service or as a subcontracted service (subcontracted and direct services are to be approved by TDOA and reviewed annually by the state ombudsman);
- (3) implement a procedure to receive and handle complaints and requests for information, insuring that confidentiality is maintained for the resident, family, and the complainant;
- (4) protect the confidentiality of residents, their families, complainants, and collaterals through the sue of procedures approved by the office of the state ombudsman;
- (5) develop a procedure for the area agency director to monitor and assess the operation of the regional ombudsman program and promote its effectiveness;
- (6) submit a program performance report to the state ombudsman on a monthly basis;
- (7) maintain individual complaint records and status of investigations (TDOA Form 309);
- (8) recruit, screen, and select for TDOA certification training, volunteers sufficient to monitor all licensed nursing home facilities in the region;
- (9) insure that newly certified ombudsmen are assigned to a facility following certification training;
- (10) maintain copies of signed certification applications for each certified volunteer and area agency staff person in the program (TDOA Form 609);
- (11) provide supervision and monitoring of volunteers and area agency on aging staff participating in the program, insuring that each volunteer contributes, on the average, two hours per week to the program, and that active relationships are developed with residents and facility staff;
- (12) conduct in-service volunteer training at least two hours per quarter;
- (13) coordinate with regional Texas Department of Health and Texas Department of Human Services Offices serving the area agency region at least quarterly to develop efficient referral, communication, and problem-solving procedures;
- (14) promote the acceptance and operation of the ombudsman program through coordination with community and

regional advocacy and membership groups and media organizations;

- (15) participate in Texas Department of Health open hearings and joint inspections of facilities in the area agency on aging region;
- (16) participate in citizen advocate unannounced inspections when invited by the Texas Department of Health;
- (17) provide recertification for existing volunteers on a biennial basis as directed by TDOA;
- (18) include, in the area agency on aging area plan, the goals, objectives, budget projection, and amount of staff time committed for the program period;
- (19) advocate for quality patient care, and the protection of resident rights through active coordination with membership, media organizations, and advocacy groups; and
- (20) develop a mechanism to identify and remedy conflicts of interest

involving volunteers, area agency on aging, and subcontractor staff.

§299.11. Location of Services. Ombudsman services may be conducted:

- (1) in the offices of the area agency on aging;
- (2) in the offices of service providers that have been subcontracted to provide this service:
- (3) in nursing homes where area agencies have the responsibilities to visit and monitor;
- (4) in the homes of individuals who have demonstrated need for the services of an ombudsman; and

(5) in the offices of organiza-

tions providing benefits, funding or regulation to nursing homes. §299.13. Prohibited Activities/Sanctions. Subject to prior evaluation and approval by the area agency on aging, ombudsmen will not be placed in homes

where:

- (1) there is a clear conflict of interest;
- (2) there is a personal or professional relationship with the staff member or owner of the facility; or
- (3) there is a family member or relative who presently resides, or was a former resident of the facility.

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 June 20, 1988.

TRD-8806354

O. P. (Bob) Bobbitt Executive Director Texas Department on Aging

Earliest possible date of adoption: July 29, 1988

For further information, please call: (512) 444-2727



Withdrawn Sections

An agency may withdraw proposed action or the remaining effectiveness of emergency action on a section by filing a notice of withdrawal with the *Texas Register*. The notice is effective immediately upon filing or 20 days after filing. If a proposal is not adopted or withdrawn within six months after the date of publication in the *Texas Register*, it will automatically be withdrawn by the office of the Texas Register and a notice of the withdrawal will appear in the *Texas Register*.

TITLE 16. ECONOMIC REGULATION

Part I. Railroad Commission of Texas

Chapter 3. Oil and Gas Division

Conservation Rules and Regulations

• 16 TAC §3.42

Pursuant to Texas Civil Statutes, Article 6252-13, §5(b), and 1 TAC §91. 24(b), the proposed amendment to §3.42, submitted by the Railroad Commission of Texas has been automatically withdrawn, effective June 23, 1988. The amendment as proposed appeared in the December 22, 1987 issue of the Texas Register (12 TexReg 4816).

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.

TRD-8806437

Filed: June 23, 1988

Part VIII. Texas Racing Commission

Chapter 309. Minimum Standards for Tracks

Subchapter A. Racetracks; Horse Facilities

• 16 TAC §§309.1, 309.3, 309.5, 309.7, 309.9, 309.11, 309.13, 309.15, 309.17, 309.19, 309.21,

309.23, 309.25, 309.27, 309.29, 309.31, 309.33, 309.35, 309.37, 309.39, 309.41, 309.43, 309.45.

The Texas Racing Commission has withdrawn from consideration for permanent adoption new §§309.1, 309.3, 309.5, 309.7, 309.9, 309.11, 309.13, 309.15, 309.17, 309.19, 309.21, 309.23, 309.25, 309.27, 309.29, 309.31, 309.33, 309.35, 309.37, 309.39, 309.41, 309.43, and 309.45, which appeared in the June 21, 1988, issue of the *Texas Register* (13 TexReg 3132). The effective date of this withdrawal is July 22, 1988.

Issued in Austin, Texas, on June 2, 1988

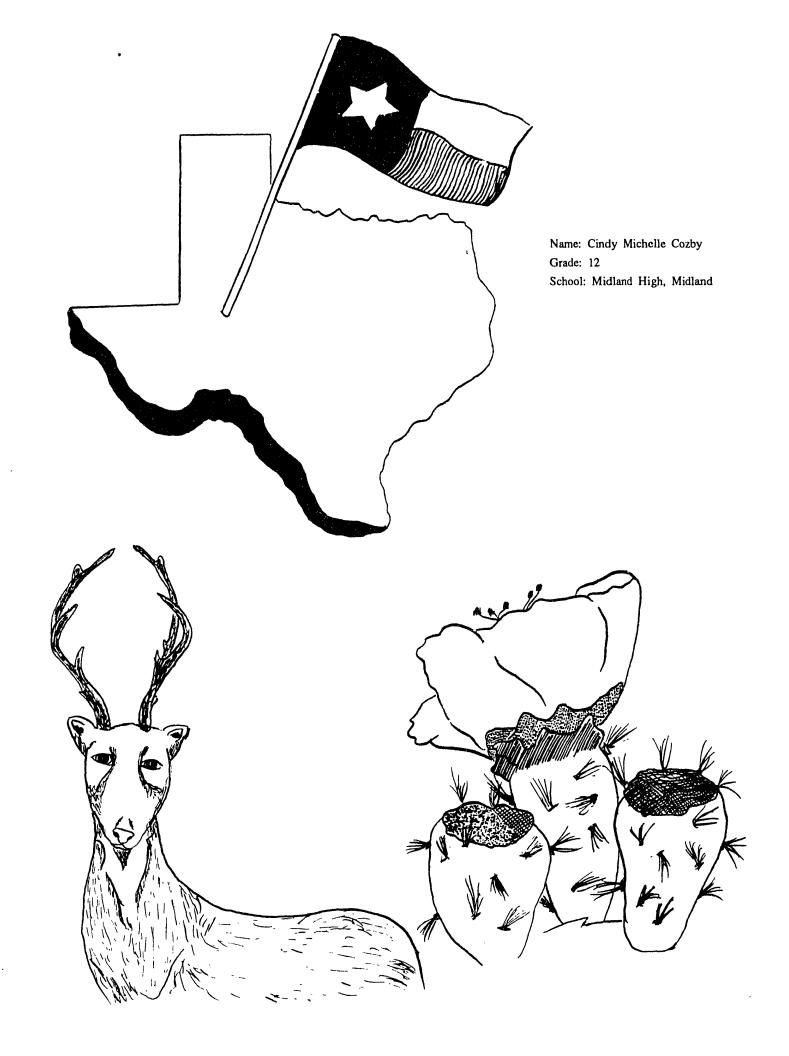
TRD-8806406

Nancy Fisher Deputy Secretary Texas Racing Commission

Effective date: July 22, 1988

For further information, please call. (512) 476-7223

Withdrawn Sections



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 1. ADMINISTRATION

Part V. State Purchasing and General Services Commission

Chapter 115. Building and Property Services Division

State Leased Property
• 1 TAC §115.32, §115.40

The State Purchasing and General Services Commission adopts amendments to §115.32 and new §115.40, without changes to the proposed text as published in the May 6, 1988, issue of the Texas Register (13

TexReg 2133).

The amendments provide the necessary definitions and procedures to allow the commission to delegate leasing authority to institutions of higher education where payments under the lease are from funds other than general revenue appropriations, therefore complying with the provisions of Texas Civil Statutes, Article 601b, §6.111. The amendments result in greater efficiency, reduced paperwork, and a reduction in costs for both the commission and institutions of higher education in entering into certain lease con-

The amendments allow the executive director to delegate leasing authority to these institutions after receiving a written request to do so from the institution's president or his designee. The written request must contain certifications that the institution will comply with applicable competitive bidding requirements, that the institution would have a procedure in place to resolve protests on such leases, that other than general revenue funds would be used to pay rental obligations, and that the institution would provide the commission with the lease records necessary for the commission to comply with Texas Civil Statutes, Article 601b, §6.10.

No comments were received regarding adoption of the amendment and new section.

The amendment and new section are adopted under Texas Civil Statutes, Article 601b, which provide the State Purchasing and General Services Commission with the authority to promulgate rules necessary for the administration and enforcement of the 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 June 21, 1988.

TRD-8806387

John R. Neel General Counsel State Purchasing and General Services Commission

Effective date: July 12, 1988

Proposal publication date: May 6, 1988

For further information, please call: (512) 463-3446

Chapter 125. Travel and Transportation Division

Travel Management Services

• 1 TAC §§125.1, 125.3, 125.5, 125.7, 125.9, 125.11, 125. 13, 125.15, 125.17, 125.19, 125.21

The State Purchasing and General Services Commission adopts new §§125.1, 125.3, 125.5, 125.7, 125.9, 125.11, 125.13, 125.15, 125.17, 125.19, and 125.21. Sections 125.3, 125.5, 125.7, 125.9, 125.13, 125.19, and 125.21 are adopted with changes to the proposed text as published in the May 6, 1988, issue of the *Texas Register* (13 TexReg 2133). Sections 125.1, 125.11, 125.15, and 125.17 are adopted without changes and will not be republished.

The new sections will allow the commission to comply with the provisions of Texas Civil Statutes, Article 601b, Article 14, in providing travel-related services to state agencies and in monitoring the travel activity of the state. Services provided to state agencies will reduce incremental expenses incurred for travel and will permit greater efficiency in obtaining travel and transportation services for state employees. In addition, monitoring of the travel activity of the state will result in increased opportunities to negotiate lower transportation costs with travel and transportation vendors and will also provide the capability, which does not currently exist, to report statewide travel statistics.

The new sections delineate the travel services available from the commission through the State Travel Management Program to state agencies and institutions of higher education. The new sections also describe the state agency participation process, commission capabilities and responsibilities, selection procedures for contracted travel services managed by the commission on behalf of the State of Texas, and reporting requirements for state agencies that do not participate in certain portions of the program.

Twenty-five (25) comments were received in response to the proposed sections. Comments were made in seven basic subject categories, as follows:

The greatest number of comments addressed the use of Texas-based travel agencies. The

primary reason set forth in support of this view is the need to retain travel revenues within the State of Texas so a not to economically damage Texas-based travel agencies that generally support the Texas economy. An almost equal number of comments addressed the use of national chain travel agents. These comments supported the view that independently-owned travel agents can provide the same services to the state as a national chain with or without its fee-paid affiliates.

Another comment subject category relates to the reporting requirements for state agencies which choose not to participate in both the travel agency services and the charge card services portions of the program. Commenters pointed out the costs which may be incurred by state agencies in compiling the required types of information. Commenters also questioned the availability of information in the timeframe prescribed by the proposed rules, the overall necessity of that information, the sources available from which to compile it, and the accuracy of the data compiled.

A number of comments requested clarification of the proposed rules. These clarifications related to the procedures required to complete travel service requisitions; the procedures required in the use and distribution of charge cards to state employees; the relationship of the charge card program to existing methods of addressing travel expenses; the availability of negotiated rates to state agencies; the definition of charges allowed to be billed directly as well as the correct procedure in initiating payment for these charges; the use or control of airline frequent flier programs; and the definition of a state employee.

Four comments requested specific exemptions from the proposed rules. One commenter pointed out that due to its unique nature of operation and funding, it is not subject to the provisions of Texas Civil Statutes, Article 601b, Article 14. The remaining commenters requested exemption due to either having alternative travel programs already in place or due to the burden placed upon them under the reporting requirements of the proposed rules.

Comments addressed the service level which will be provided under the travel agent services portion of the program and the operating procedures in administering the program. Suggestions were submitted regarding the need to provide toll free telephone services, certain guidelines for delivery of travel documents, and locally-based travel offices for state employees located/officed outside of Austin or other metropolitan areas. Other comments addressed the type of office operation or the prerogative of a travel agent to provide certain services through purchase of automation capabilities. One commenter

presented reasons for the use of alternative automation technology in providing ticketing and reservation for state travelers such as the use of remote ticket printers, known as satellite ticket printers, and the use of local reservations information systems.

Comments regarding competitive bidding procedures not detailed in the proposed rules were also received. Commenters requested either inclusion of certain travel vendors to receive invitations to respond to certain requests for proposals which may be issued or the opportunity to submit proposals in alternative formats.

One commenter requested a change in the qualification standards to compete for travel agent services contracts to allow for certain entities who are not subject to accreditation by the Airlines Reporting Corporation or the International Airlines Travel Agent Network to compete for such contracts as well.

Groups commenting against the sections included: QSA Automated Travel Services Division; Scheduled Airlines Traffic Offices Inc.; Reed Travel; The Texas Travel Industry Coalition: Consolidated Travel Group Ace Travel House, Inc.; Venture Travel Service; Adventure Travel; New Braunfels Travel Agency; Lones Travel Service of Odessa, Inc.; Shands Consolidated Travel; Mason Evans Travel; Harwood Tours and Travel, Inc.; Lubbock Travel, Inc.; State Department of Highways and Public Transportation; Texas Department of Human Services; Comptroller of Public Accounts; Texas Department of Mental Health and Mental Retardation; Texas Turnpike Authority; Texas Agricultural Extension Service; Texas Department of Health; Texas A&M University; The University of Texas System; University of Houston System; and the University of North Texas.

The commission agrees that changes to the proposed sections are necessary to allow for qualified entities which are not subject to accreditation by the Airlines Reporting Corporation or the International Airlines Travel Agent Network to contract to provide ticketing and reservation services under the travel agent services portion of the rules. It was not the intention of the commission to exclude by definition or other stated requirements any entity which is qualified to provide such services to the state. Accordingly §125.3 (relating to Definitions) has been revised to expand the definition of a travel agent to include other qualified entities. Also, §125.7(c) has been revised to be consistent with this new defini-

The Commission disagrees with comments which stated that it is too costly to compile the necessary data required by the reporting requirements of the sections. This data is generally available through automation systems of travel agencies, charge card vendors, and other travel vendors and should, therefore, be readily available to state agencies which have taken the initiative to process their travel requirements through their own designated travel agents, charge card providers, and/or travel vendors.

Regarding those comments which questioned the necessity of the travel activity information required by the proposed sections, the commission believes this data is necessary to fulfill its statutory obligation in Texas Civil Statutes, Article 601b, Article 14, which requires the commission to monitor the travel of

the state. A major reason for the commission to monitor the travel activity of the state is to identify and to effect economies which may be presented in statewide travel data. The commission will compile this readily available information for those state agencies that participate in both the travel agent services and charge card services portions of the program. In order to fully monitor all travel activity of the state, however, the commission must obtain such data from those state agencies which choose not to participate in both the travel agent and charge card portions of the program, since these are the primary sources of information.

The commission agrees with comments which questioned whether data could be available to be reported to the commission in prescribed timeframe. Accordingly, §125.21(b) has been changed to extend the timeframe for data submission to 30 days following the end of the month in which the data has been compiled. This change will increase the timeframe for data submission by 50% and will also clarify to state agencies that data need not be strictly related to a specific time period, but only that it cover a one-month reporting period. The commission is more interested in how much activity occurs in a set timeframe (i. e., one month) rather than what specific trips took place in that particular month.

The commission understands that various sources of information are available to state agencies to compile data to be reported. The commission is also well aware that data available through these sources is not fully comprehensive. By nature, data reported from travel agency sources tends to be slightly less reflective of actual activity since it is based on travel bookings only, as opposed to actual travel use. This characteristic is not such a concern as to cause the commission to discount data compiled from travel agents. On the contrary, the accuracy level of this data source more than adequately meets the needs of the commission in performing its duties.

The commission also agrees with suggestions for certain clarifications that were presented by commenters. The wording of proposed §125.9(c)(2) could have been interpreted as allowing for direct billing of charges which are not allowed to be directly billed under current statutes and guidelines of the Comptroller of Public Accounts. In addition, this proposed section could have been interpreted to allow for payment to charge card companies without the need to follow established voucher payment procedures. Thus, modifications have been made §125.9(c)(2).

Clarification was also in order to prevent any erroneous interpretation allowing persons to be reimbursed for travel expenses incurred contrary to current statutes. Accordingly, §125.3, relating to the definition of a "state employee," has been changed to prevent this confusion. Clarification as to eligibility to use negotiated discount rates and whether or not a travel service requisition is required has also been made at §125.19(c). Also, clarification as to the circumstances under which a state agency must submit monthly reports to commission has been made the §125.21(a).

The commission also agrees that clarification of the relationship of the charge card services

portion of the program to existing methods of making payment for travel expenses was necessary so that state agencies are not under the belief that other means of addressing travel expenses are not available if the charge card program is utilized. Therefore, §125.9(a) has been changed accordingly. Clarifications regarding specific procedures to be followed in completing travel service requisitions and in using and distributing charge cards are more appropriately handled through operating procedures to be agreed upon rather than addressing such issues in these sections. Specifically, the commission believes that state agencies are better suited to specify who within an agency is allowed to approve travel service requisitions and to specify which employees may or may not receive a charge card.

In regard to the request to clarify the handling of frequent flier program benefits, the commission will take under advisement the comments submitted, but will withhold any action on this subject until such time as further studies are conducted on the feasibility of attempting to effectively and efficiently control frequent flier awards earned at state expense.

The commission disagrees with those commenters who requested exemption from these rules. The commission believes that the commenter that stated that it is not subject to the provisions of Texas Civil Statutes, Article 601b, Article 14, is in error. Based upon the commenter's enabling statutes and in accordance with Texas Civil Statutes, Article 601b, §1.02, the commenter's agency does, in fact, meet the definition of an agency of the State of Texas contained therein and is, therefore, subject to these rules. Because of §1.02, and due to the fact that the commission possesses no authority to exempt state agencies from the provisions of these rules, the exemption requests can not be honored.

All other comments received are believed by the commission to be more appropriately addressed under the the provisions of any requests for proposals to be issued by the commission to obtain travel agency services. Such comments that are subject to this belief are those regarding use of alternate technology; use of Texas-based travel agents; specific services to be provided by travel agents to state agencies and their employees; alternate bidding procedures to be submitted by those responding to requests for proposals; and the use of national chain travel agents.

Finally, the commission is taking this opportunity to revise §125.5 and §125.13 to remove other ambiguities which have been discovered during further commission review of the proposed rules. The commission believes that the convention and meeting planning service portion of the program should more debe referred to as scriptively group/meeting services portion. This reference better describes the true function of this portion in servicing any group travel in addition to that travel undertaken to attend a convention or meeting.

The new sections are adopted under Texas Civil Statutes, Article 601b, §14. 01, which provides the State Purchasing and General Services Commission with the authority to adopt rules necessary to implement the provisions of Texas Civil Statutes, Article 601b, Article 14.

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

Airlines Reporting Corporation (ARC)—The organization of participating airlines which provides a common method of approving authorized agency location for the sale of domestic air transportation for the account of the participating airlines.

Award-The official act of the commission which results in a contract with a bidder whose response to a request for proposal is successfully accepted by the commission.

Charge card—A method of payment for travel services that does not involve actual cash, but entails credit and payment processes.

Commission-The State Purchasing and General Services Commission.

Competitive bidding-Shall have the same meaning as this term is defined in §113.2 of this title (relating to Definitions).

Director-The director of the Travel and Transportation Division of the State Purchasing and General Services Commission.

Executive director-The executive director of the State Purchasing and General Services Commission.

Facility-The specific building, lodging establishment, meeting hall or convention center used for the purpose of meetings, conventions, conferences and seminars.

International Airlines Travel Agent Network (IATAN)-The organization of participating airlines which provides a common method of approving authorized agency locations for the sale of international air transportation for the account of the participating airlines.

Location-A specific city, town, municipality or other geographic point where a meeting, convention, conference or seminar is held.

Negotiated rate—A price for a travel service negotiated by the commission.

Non-participating state agency-Any state agency that is not approved to utilize the services of the State Travel Management Program and/or that has not submitted a properly completed travel service requisition setting forth its desire to participate.

Official business travel-The travel undertaken by state employees to conduct

official state business or to represent the state in an official capacity.

Participating state agency-A state agency which has been approved to utilize the services of the State Travel Management Program upon submission of a properly completed travel service requisition.

Program-The State Travel Management Program.

Proposal-The response made by a bidder to provide goods or services in accordance with the terms and conditions of a previously issued request for proposal.

Proposal evaluation team—The group of individuals selected by the commission to discuss and evaluate proposals made in response to a previously issued request for proposal.

Rental car—A vehicle that is not owned by the State of Texas, but is utilized by state employees for a use or rental fee.

Request for proposal-An official solicitation to receive proposals from competitive sources in accordance with delineated specification terms and conditions contained in the solicitation documents.

Site selection—The act of determining a specific location and facility for conducting a planned meeting, convention, conference or seminar, taking into account various factors affecting cost and service levels.

State agency:

- (A) Any department, commission, board, office, council, or other agency in the executive branch of state government created by the constitution or by a statute of this state:
- (B) The Supreme Court of Texas, the Court of Criminals Appeals of Texas, a court of civil appeals, or the Texas Civil Judicial Council;
- (C) A university system or an institution of higher education as defined in the Texas Education Code, §61.003, other than a public junior college. (Pursuant to Texas Civil Statutes, Article 601b, §14.05, institutions of higher education located in Travis County are excluded from the provisions of Texas Civil Statutes, Article 601b, §14.02, until the services provided by the State Travel Management Program become of statewide applicability.)

State employee-A person employed by a state agency, elected state officials, and appointed state officials.

State travel directory-The directory published by the Travel and Transportation Division, at least annually, which lists travel vendors and applicable current rates.

State Travel Management Program-One of the programs developed and administered by the Travel and Transportation Division of the commission.

Travel agent-Any individual, corporation, association, partnership, association, company or firm which has been designated as a duly appointed industry agent of the airlines by the Airlines Reporting Corporation and the International Airlines Travel Agent Network, or an airline, company, corporation, association, partnership or firm owned by an airline or group of airlines which provides travel reservations and ticketing services and is not subject to appointment and certification by the Airlines Reporting Corporation or the International Airlines Travel Agent Network to provide such services.

Travel service requisition-The method recognized by the commission for state agencies to request services provided by the State Travel Management Program.

Travel and Transportation Division—A division of the State Purchasing and General Services Commission as created by Texas Civil Statutes, Article 601b, §2.09.

Travel vendor-A provider of any travel or transportation service. §125.5. Delineation of Available Services. The program consists of four component parts as follows:

- (1) Travel agent services—By way of service contracts established between the commission and private travel agents, services provided to state employees include reservation and ticketing services for airline, hotel and rental car requirements.
- (2) Charge card services—State sponsored charge cards are available to state employees for the purpose of paying for expenses incurred on official business travel. Payment of expenses billed to charge card accounts are paid through individual billing to cardholders or through billing to central locations at the option of participating state agencies with the concurrence of the commission.
- (3) Negotiated rate services—Discount rates are negotiated by the commission with travel vendors for use by state employees during official business travel. Notification of available rates is given to state employees through provision of the State Travel Directory which is published by the commission.

- "(4) Group/meeting services—Assistance is provided to state agencies sponsoring or conducting meetings, conventions, conferences and seminars. Such assistance includes, but is not limited to, site selection, rate negotiation, and contract formulation. §125.7. Travel Agent Services.
- (a) Except as otherwise provided in subsection (d) of this section, airlines, lodging, and rental car reservation and ticketing services are obtained from travel agents. Travel agency employees as well as state agency employees may be used to process reservation and ticketing requests.
- (b) Travel agent services are provided under contract between selected travel agents and the commission on behalf of the state. The commission represents the state in the formulation of such contracts.
- (1) Contracted services are available to all participating state agencies.
- (2) The length of contracts are determined by agreement between contracting travel agents and the commission. Emphasis is placed upon securing contract terms which correspond to predetermined state bienneum periods.
- (3) State agencies may request to begin participation in the travel agent services portion of the program at any time during the term of any travel agency contract, with the concurrence of the commission.
- (c) Those travel agencies awarded contracts with the commission on behalf of the state must meet all of the following basic qualifications, which should not be construed to comprise the complete vendor specifications for requests for proposals:
- (1) be a travel agent as defined in §125.3, of this chapter (relating to Definitions); and
- (2) have automated systems in place to make reservations and to capture travel data for management reporting purposes.
- (d) In accordance with Texas Civil Statutes, Article 601b, §14.02(b), the commission, at its discretion, may obtain travel and transportation services through sources other than travel agents including obtaining such services via direct negotiation with travel vendors.
- (e) Funds which are returned to the commission through the administration of this portion of the program are deposited in the State Treasury to the credit of the General Revenue Fund.
- §125.9. Charge Card Services.
- (a) Charge cards are provided to employees of participating state agencies for the purpose of providing alternative means of paying for expenses incurred on official business travel in addition to other payment mechanisms which may already be in place. Charge card accounts may be es-

- tablished for individual state employees and/or for participating state agencies as single entities.
- (b) Charge card services are provided by way of a written contract established between the commission and the selected charge card company.
- (1) Contracted services are available to all participating state agencies.
- (2) State agencies may initiate participation in the charge card services portion of the program at any time during the term of a contract with the selected charge card company with the concurrence of the commission.
- (c) Participating state agencies may choose how they wish to have charges billed as follows.
- (1) Individual billing-All official business travel charges incurred by individual state employees are billed directly to them. Payments for such charges billed are initiated by individual account holders with funds reimbursed through normal travel voucher procedures.
- (2) Central billing-All charges allowed by the General Appropriations Act, Article V, are billed to one specified address. Payment is initiated by the specified participating state agency to the charge card company through established voucher payment procedures processed through the Comptroller of Public Accounts. §125.13 Group/Meeting Services.
- (a) General assistance is provided to state agencies in the planning of meetings, conventions, conferences and seminars which are sponsored by state agencies. Assistance is provided for aspects of such functions which are related to travel. The commission does not provide assistance in regard to program content or the operation of programs at such
- (b) All group/meeting services as provided by the commission are available to all state agencies.
- (c) Basic services provided by the commission are as follows.
- (1) Site Selection-The commission provides assistance, as requested, in selecting locations and facilities for specific meetings. The commission shall take into consideration such aspects as transportation costs for attendees; availability of facilities on those dates requested; the ability of facilities to meet space, equipment and catering needs; costs for obtaining meeting space and lodging accommodations, as required; and other factors deemed to be imthe commission Ъy portant recommending sites to state agencies requesting such assistance.
- (2) Cost/Rate Negotiation—The commission provides assistance in negotiating on behalf of the state for the most favorable travel and/or facility related costs

- and rates with travel vendors for specified meetings or other group functions.
- (3) Contract Formulation—The commission assists state agencies in formulating contracts, when required, with travel vendors in support of any costs and rates negotiated for specified meetings or other group functions. The commission signs such contracts on behalf of requesting state agencies in accordance with subsection (e) of this section whereby the state agency has already certified availability of funds for payment of services pursuant to the contract.
- (d) Convention and meeting services are provided at no cost by the commission as a result of travel service requisitions received from state agencies. Travel service requisitions must be submitted on forms prescribed by and approved by the commission.
- (e) Travel service requisitions for group/meeting services submitted by requesting state agencies must be duly signed and must certify as to the availability of funds for the payment of services received for specified meetings.
- §125.19 Participation by State Agencies.
- (a) Participation in the program is at the option of a state agency. Participation is encouraged in accordance with the intent of the legislature in utilizing the services provided by the program to the maximum extent consistent with improved economy and efficiency, as set forth in Texas Civil Statutes, Article 601b, §14.02(a).
- (b) A state agency may participate in the program at different levels of service whereby only selected portions of the program may be utilized, at the option of the state agency, to the exclusion of the other portions. However, a state agency that requests participation in the travel agent services portion of the program must also participate in the charge card portion as well.
- (c) Participation in the program is initiated by a state agency by way of a travel service requisition, duly completed and signed by an authorized representative of the state agency and sent to the commission on a form prescribed by the commission. A travel service requisition is submitted only once by a state agency to request participation in the travel agent services and/or charge card services portions of the program. An individual travel service requisition is required to group/meeting planning services for each separate group or meeting. Submission of a travel service requisition by a state agency to the commission is not required to utilize negotiated rate services.
- (d) The commission shall receive a travel service requisition from a requesting state agency and shall approve participation by such state agency in the program upon a determination that the program is capable of providing those services requested. If the

commission determines that the program cannot provide those services requested, then the commission shall not approve the travel service requisition and shall so notify the requesting state agency in writing as to the reasons for this determination.

(e) A state agency wishing to terminate participation in the program shall so notify the commission in writing at least 60 days prior to its desired last day of participation.

§125.21. Reporting Requirements for State Agencies.

- (a) A state agency that chooses not to participate, or is not approved by the commission to participate, in both the travel agency services and charge card services portion of the program, shall submit periodically, as specified by subsection (b) of this section, certain travel data for the purposes of the commission monitoring travel for the state as required by Texas Civil Statutes, Article 601b, §14.02(a). Data will be analyzed and compiled with travel data already provided to the commission through the contracted travel agencies and other available sources in order to provide statewide travel cost analysis and management reports. Data is also utilized in rate negotiations with travel vendors on behalf of the state. State agency travel data required to be submitted to the commission under this section shall include, but not be limited to, the following information:
- (1) number of commercial airline trips, and total expenses incurred for commercial air fares;
- (2) number of lodging reservations and room nights, and total expenses incurred for overnight lodging;
- (3) number of commercial rental car rentals, days rented, and total expenses incurred for commercial rental car usage;
- (4) a listing of the five most frequently visited destinations and total visits made to each; and
- (5) a listing of all travel vendors used (e.g. airlines, lodging and rental car vendors) and number of times each was utilized.
- (b) Information required by this section shall be submitted monthly by the thirtieth (30th) day following the end of the month in which the data has been compiled, beginning September, 1988.
- (c) A state agency which enters into a written contract or agreement with a travel vendor separate from those contracts and agreements arranged by the commission shall provide a copy of such contract or agreement to the commission.

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 June 21, 1988.

TRD-8806386

John R. Neel General Counsel State Purchasing and General Services Commission

Effective date: July 12, 1988

Proposal publication date: May 6, 1988

For further information, please call: (512) 463-3446

Part XII. Advisory
Commission on State
Emergency
Communications

Chapter 252. Administrative Definitions

• 1 TAC §252.1

The Advisory Commission on State Emergency Communications adopts new §252. 1, without changes to the proposed text published in the April 19, 1988, issue of the Texas Register (13 TexReg 1902).

The Advisory Commission on State Emergency Communications adopts §252.1 to define "state agency" for the billing purposes of the 9-1-1 service fees and surcharges by the telephone company service providers.

In compliance with Texas Civil Statutes, Article 1432f, §6, the Advisory Commission may not impose a 9-1-1 service fee or surcharge on the state or an agency in any branch of state government. This section defines "state agency" in order to provide for accurate computer programming and billing of the 9-1-1 fees and surcharges by the telephone company service providers.

No comments were received regarding adoption of the section.

The new section is adopted under Texas Civil Statutes, Article 1432f, §6, which provide the Advisory Commission on State Emergency Communications with the authority to administer the implementation of statewide 9-1-1 emergency telephone service.

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 June 1, 1988.

TRD-8806357

Jay Stanford Chairman Advisory Commission on State Emergency Communications

Effective date: July 11, 1988

Proposal publication date: April 19, 1988

For further information, please call: (512) 463-1812

Chapter 255. Finance

• 1 TAC §255.4

The Advisory Commission on State Emergency Communications adopts new §255. 4, with changes to the proposed text published in the April 19, 1988, issue of the *Texas Register* (13 TexReg 1902).

The Advisory Commission on State Emergency Communications adopts this section with changes for clarification in order to provide uniformity of billing an approved 9-1-1 fee. This section more clearly defines an equivalent local access line for the telephone service providers in order to accurately assess the 9-1-1 service fee.

Upon the approval of a 9-1-1 regional plan, the Texas Civil Statutes, Article 1432f, provide a funding mechanism for the implementation of 9-1-1 emergency telephone services by an assessment of a 9-1-1 service fee on local access lines. This section defines an equivalent local access line.

Southwestern Bell Telephone Company requested the proposed definition of "equivalent local access line" be modified to provide better clarification in the definition.

Southwestern Bell Telephone Company commented in favor of the section.

The new section is adopted under Texas Civil Statutes, Article 1432f, §6, which provide the Advisory Commission on State Emergency Communications with the authority to administer the implementation of statewide 9-1-1 emergency telephone service.

§255.4. Definition of Equivalent Local Access Line. The term "equivalent local access line" means any telephone line or service for which a federal subscriber line charge is assessed by the local exchange service provider on the customer's bill.

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 June 1, 1988.

TRD-8806358

Jay Stanford Chairman Advisory Commission on State Emergency Communications

Effective date: July 11, 1988

Proposal publication date: April 19, 1988

For further information, please call: (512) 463-1812

TITLE 7. BANKING AND SECURITIES

Part VII. State Securities Board

Chapter 117. Administrative Guidelines for Registration of Real Estate Programs

• 7 TAC §§117.1, 117.5, 117.6

The State Securities Board adopts amendments to §§117.1, 117.5, and 117.6. Section 117.5 is adopted with changes to the proposed test as published in the April 22, 1988, issue of the *Texas Register* (13 TexReg 1965). The changes are contained in §117.5(e)(2) and reflect that the word "no" was incorrectly omitted in the proposal as published, and §117.5(m)(5) in which the word "spell" was included mistakenly. Also, the additional phrase "the total amount of indebtedness" in §117.5(n)(2)(B) has been

removed. Sections §117.1 and §117.6 are adopted without changes and will not be republished.

The amendments allow Texas to remain uniform with other states in regard to the criteria which must be met for registered public offerings of securities representing interests in these programs.

The sections reflect the most recent amendments to the North American Securities Administrator's Association's real estate guidelines and put issuers on notice as to those requirements.

No comments were received regarding adoption of the amendments.

The amendments are adopted under Texas Civil Statutes, Article 581, §28-1, which provide that the board may make or adopt rules of regulations governing registration statements, applications, notices, and reports, and in the adoption of rules and regulations, may classify securities, persons, and matters within its jurisdiction, and prescribe different requirements for different classes.

§117.5. Conflicts of Interest and Investment Restrictions.

(a) Sales, leases, and related program transaction.

(1)-(2) (No change.)

(3) Dealing with related programs. A program shall not acquire property from a program in which the sponsor has an interest.

(b)-(d) (No change.)

- (e) Services rendered to the program by the sponsor.
 - (1) (No change.)
- (2) Other services. Except as provided in §117.4 of this title (relating to Fees, Compensation, and Expenses), and paragraph 1 this subsection no other services may be performed by the sponsor for the program except in extraordinary circumstances fully justified to the securities commissioner. As a minimum, self-dealing arrangements must meet the following criteria:

(A)-(D) (No change.)

(f)-(g) (No change.)

- (h) Investments in other programs.
- (1) Investments in limited partnership interests of another program shall be prohibited; however, nothing herein shall preclude the investment in general partnerships or joint ventures which own and operate a particular property provided the program acquired a controlling interest in such other joint ventures or general partnerships (except as permitted by paragraph (3) of this subsection). In such event, duplicate property management or other fees shall not be permitted.
- (2) Nothing in paragraph (1) of this subsection shall preclude an investment in limited partnerships which own and operate a particular property to be qualified

pursuant to the Internal Revenue Code of 1986, \$42(g), as amended. Such a two-tiered partnership shall provide for its limited partners at both tiers all of the rights and obligations required to be provided by \$117.7 of this title (relating to Rights and Obligations of Participants) of these guidelines. Duplicate fees shall not be permitted.

(3) (No change.)

(i) Lending practices.

- (1) No loans may be made by the program to the sponsor or an affiliate, except as provided in §117.5(i)(2) of this title (relating to Conflicts of Interest and Investment Restrictions).
- (2) Programs which make or invest in mortgage loans may provide such loans to programs formed by or affiliated with the sponsor in those circumstances in which such activities have been fully justified to the securities commissioner. These affiliated transactions must at the minimum meet the following conditions:
- (A) the circumstances under which the loans will be made and the actual terms of the loans must be fully disclosed in the prospectus:
- (B) an independent and qualified adviser must issue a letter of opinion to the effect that any proposed loan to an affiliate of the program is fair and at least as favorable to the program as a loan to an unaffiliated borrower in similar circumstances. In addition, the sponsors will be required to obtain a letter of opinion from the independent adviser in connection with any disposition, renegotiation, or other subsequent transaction involving loans made to a sponsor or an affiliate of the sponsor. The adviser's compensation must be paid by the sponsor and not reimbursable by the program; and
- (C) loans made to third parties, the proceeds of which are used to purchase or refinance property in which the sponsor or an affiliate has an equity or security interest, must meet the requirements of subparagraph (A) or (B) of this paragraph.
- (3) On loans made available to the program by the sponsor, the sponsor may not receive interest or similar charges or fees in excess of the amount which would be charged by unrelated lending institutions on comparable loans for the same purpose, in the same locality of the property if the loan is made in connection with a particular property. No prepayment charge or penalty shall be required by the sponsor on a loan to the program secured by either a first or junior or all-inclusive trust deed, mortgage, or encumbrance on the property, except to the extent that such prepayment charge or penalty is attributable to the underlying encumbrance.

- (4) The sponsor shall be prohibited from providing financing except:
- (A) as permitted by paragraph (2) of this subsection, in which case there will be independent advisers for each publicly registered party to the transaction;
- (B) as permitted by paragraph (5) of this subsection.
- (5) An all-inclusive or wraparound note and deed of trust (the allinclusive note herein) may be used to finance the purchase of property by the program only if the following conditions are complied with:
- (A) the sponsor under the all-inclusive note shall not receive interest on the amount of the underlying encumbrance included in the all-inclusive note in excess of that payable to the lender on that underlying encumbrance;
- (B) the program shall receive credit on its obligation under the allinclusive note for payments made directly on the underlying encumbrance; and
- (C) a paying agent, ordinarily a bank, escrow company, or savings and loan, shall collect payments (other than any initial payment of prepaid interest or loan points not to be applied to the underlying encumbrance) on the all-inclusive note and make disbursements therefrom to the holder of the underlying encumbrance prior to making any disbursement to the holder of the all-inclusive note, subject to the requirements of subparagraph (A) of this paragraph or, in the alternative, all payments on the all-inclusive and underlying note shall be made directly by the program.
 - (j)-(l) (No change.)
 - (m) Mortgage loan programs.
 - (1)-(2) (No change.)
- (3) The program may not invest in or make mortgage loans on unimproved real property in an amount in excess of 25% of the capital contributions to be raised by the program.
- (4) The program shall not invest in real estate contracts of sale otherwise known as land sale contracts unless such contracts of sale are in recordable form and are appropriately recorded in the chain of title.
- (5) The program shall not make or invest in mortgage loans on any one property if the aggregate amount of all mortgage loans outstanding on the property, including the loans of the program, would exceed an amount equal to 85% of the appraised value of the property as determined by an independent appraisal, unless

substantial justification exists because of the presence of other underwriting criteria. For purposes of this paragraph the aggregate amount of all mortgage loans outstanding on the property, including the loans of the program, shall include all interest (excluding contingent participations in income and/or appreciation in value of the mortgaged property), the current payment of which may be deferred pursuant to the terms of such loans, to the extent that deferred interest on each loan exceeds 5.0% per annum of the principal balance of the loan.

- (6) (No change.)
- (n) Program indebtedness.
- (1) Except as contained in paragraph (2) of this subsection, following the termination of the offering, the total amount of indebtedness incurred by the program shall at no time exceed the sum of 85% of the aggregate purchase price of all properties which have not been refinanced, and 85% of the aggregate fair market value of all refinanced properties, as determined by the lender as of the date of refinancing.
- (2) For programs which own properties financed by:
- (A) loans incurred or guaranteed by the full faith and credit of the United States government, or of a state or local government, or by an agency or instrumentality of any of them; and/or
- (B) loans received from any of the foregoing entities, following the termination of the offering the total amount of indebtedness incurred by the program shall at no time exceed the sum of 100% of the aggregate fair market value of all refinanced properties as determined by the lender as of the date of refinancing.
- (3) For any program subject to the limitations of both paragraphs (1) and (2) of this subsection, the maximum percentage of indebtedness for the entire program shall be calculated as follows:
- (A) divide the total value of properties as determined under paragraph (2) of this subsection by the total value of properties as determined under paragraphs (1) and (2) of this subsection;
- (B) multiply the number 15 by the quotient of subparagraph (A) of this paragraph; and
- (C) add the product from subparagraph (B) of this paragraph to the number 85.
- (4) For purposes of this subsection only, indebtedness shall include the principal of any loan together with any interest that may be deferred pursuant to the terms of the loan agreement which exceeds

5.0% per annum of the principal balance of such indebtedness (excluding contingent participations in income and/or appreciation in the value of the program property); and shall exclude any indebtedness incurred by the program for necessary working capital.

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 June 20, 1988.

TRD-8806343

Richard D. Latham Securities Commissioner State Securities Board

Effective date: July 11, 1988

Proposal publication date: April 22, 1988

For further information, please call: (512) 474-2233

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Chapter 121. Administrative Guidelines for Registration of Oil and Gas Programs

• 7 TAC §§121.6, 121.8, 121.10

The State Securities Board adopts amendments to §§121.6, 121.8, and 121. 10. The amendment to §121.8 is adopted with changes to the proposed text as published in the April 22, 1988, issue of the Texas Register (13 TexReg 1967). The change is contained in §121.8(f)(3) and is a substitution of the word "subsection" for the word "subscription", which was a mistake in the proposal as published. The amendments to §121.6 and §121.10 are adopted without changes and will not be republished.

The amendments allow Texas to remain uniform with other states in regard to the criteria which must be met registered public offerings of securities representing interests in these programs.

The sections reflect the most recent amendments to the North American Securities Administrator's oil and gas guidelines and put issuers on notice as to those requirements.

No comments were received regarding adoption of the amendments.

The amendments are adopted under Texas Civil Statutes, Article 581, §28-1, which provide that the board may make or adopt rules or regulations governing registration statements, applications, notices, and reports, and in the adoption of rules and regulations, may classify securities, persons, and matters within its jurisdiction, and prescribe different requirements for different classes.

§121.8. Rights and Obligations of Participants.

(a)-(e) (No change.)

(f) Voting rights of limited partners.

(1)-(2) (No change.)

(3) If the general partner(s) withdraw as general partner(s) and the limited partners elect to continue the partnership, the valuation procedure outlined in paragraph (2) of this subsection applies.

The general partner(s) may not voluntarily withdraw from the partnership prior to the partnership's completion of its primary drilling and acquisition activities, and then only after giving 120 days' written notice. The withdrawing general partner(s) shall pay all expenses incurred as a result of his withdrawal.

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 June 20, 1988.

TRD-8806341

Richard D. Latham Securities Commissioner State Securities Board

Effective date: July 11, 1988

Proposal publication date: April 22, 1988

For further information, please call: (512) 474-2233

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Chapter 133. Forms

• 7 TAC §133.31

The State Securities Board adopts an amendment to the repeal of §133.31, without changes to the proposed text as published in the April 22, 1988, issue of the *Texas Register* (13 TexReg 1964), and will not be republished.

The amendment reflects amendments to the administrative guidelines for the registration of real estate programs, which amendments are adopted simultaneously.

The amendment enables the review of real estate programs to be quicker than would otherwise be the case since the cross-reference sheet enables securities analysts to review such programs and process applications more efficiently.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 581, §28-1, which provide that the board may make or adopt rules or regulations governing registration statements, applications, notices, and reports, and in the adoption of rules and regulations, may classify securities, persons, and matters within its jurisdiction, and prescribe different requirements for different classes.

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 June 20, 1988.

TRD-8806342

Richard D. Latham Securities Commissioner State Securities Board

Effective date: July 11, 1988

Proposal publication date: April 22, 1988

For further information, please call: (512) 474-2233

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TITLE 22. EXAMINING BOARDS

Part XXIII. Texas Real Estate Commission

Chapter 535. Provisions of the Real Estate License Act

• 22 TAC §535.164

The Texas Real Estate Commission adopts new §535.164, with changes to the proposed text as published in the April 5, 1988, issue of the *Texas Register* (13 TexReg 1595).

The new section adopts by reference a disclosure form which contains basic information about agency representation in Texas real estate transactions. Texas real estate licensees will be required to provide a potential buyer or tenant with a copy of the form before discussing any position the buyer or tenant will take in negotiating a contract to buy or lease specific real property, or before preparing a written offer to purchase or lease real property.

In response to comments received, the new section was modified to clarify that a licensee may generally discuss financing and prices, or qualify a potential buyer or tenant to a price range of properties prior to making disclosure in accordance with the section. Language was added to indicate that the section was applicable only to face-to-face dealings between licensees and prospective buyers or tenants.

As proposed, the section was not applicable to residential leases of less than one year where no sale was contemplated. In response to several comments, the section was modified to exclude leases of one year or less where no sale was contemplated.

Nonsubstantive changes were made to the disclosure form for clarity of expression.

The new section is adopted under Texas Civil Statutes, Article 6573a, §5(e), which authorize the Texas Real Estate Commission to make and enforce all rules and regulations necessary for the performance of its duties. §535.164. Disclosure of Agency.

- (a) The Texas Real Estate Commission adopts by reference Agency Disclosure Form, approved by the Texas Real Estate Commission in 1988. This document is published by and available from the Texas Real Estate Commission, P. O. Box 12188, Austin, Texas 78711.
- (b) A real estate licensee dealing face-to-face with a prospective buyer or tenant shall provide the prospective buyer, tenant, or its representative with a copy of the Agency Disclosure Form signed by the licensee before the time the first of the following events occurs:
- (1) discussing any position the prospective buyer or tenant may wish to take in negotiating a contract to purchase, rent, or lease a specific property, such as the amount or terms to be offered; provided, however, that a real estate licensee may qualify a prospective buyer or tenant to a price range or generally discuss prices and

financing prior to making disclosure in accordance with this section; or

- (2) preparing a written offer to purchase, rent, or lease real property.
- (c) The licensee should retain a copy of the Agency Disclosure Form signed by the prospective buyer, tenant, or its representative in order to demonstrate compliance with this section.
- (d) This section does not apply to a real estate licensee who enters into a written agreement to represent a prospective buyer or tenant prior to the occurrence of either of the two preceding events, or to a real estate licensee acting as a principal and not as an agent, or to residential leases for one year or less where no sale is contemplated.

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 June 16, 1988.

TRD-8806334

Mark A. Moseley Legal Counsel Texas Real Estate Commission

Effective date: September 1, 1988

Proposal publication date: April 5, 1988

For further information, please call: (512) 465-3960

TITLE 25. HEALTH SERVICES

Part XII. Texas Council on Alzheimer's Disease and Related Disorders

Chapter 801. Procedures and By-laws

• 25 TAC §§801.1-801.4

The Texas Council on Alzheimer's Disease and Related Disorders adopts new §§801.1-801.4. Section 801.2 is adopted with a minor change to the proposed text as published in the March 18, 1988, issue of the *Texas Register*. Sections 801.1, 801.3, and 801.4 are adopted without changes and will not be republished.

The new sections will inform the general public of the procedures and by-laws of the council. The sections cover the council's statutory obligations, the duties and functions of council officers, and council meetings.

No public comments were received; however, the council made a minor change to §802.1(a) in order to clarify the provision and make it consistent with enabling legislation.

The new sections are adopted under Texas Civil Statutes, Article 4477-80, §4 and§9, and Article 6252-13a, §4, which provide the council with the authority to adopt rules concerning its practices and procedures.

§801.1. Statutory Requirements. The council is created under authority of Texas Civil Statutes, Article 4477-80 (House Bill

1066, 70th Texas Legislature, Regular Session, 1988). The statute covers the following areas concerning the council; definitions; creation of the council, initial appointments; terms and compensation; meetings; functions; duties and powers of the Texas Department of Health; gifts and grants; required reports; and application of other laws.

§8012. Officers and Their Duties.

- (a) The members of the council shall elect a chairperson from the council, except that a state agency representative may not serve as chairperson. The chairperson, in general, shall perform all duties dependent or relating to the office of chairperson and such other duties as may be prescribed by the council. The chairperson shall appoint such committees and task forces as authorized by the council.
- (b) The officers of the council shall be chairperson, vice-chairperson and secretary, and shall serve for one year.
- (c) The secretary shall authenticate the minutes of all council meetings and perform such other duties as may be assigned by the chairperson of the council.
- (d) A parliamentarian may be appointed to advise the chairperson and the council on parliamentary procedures upon the request of the chair or any member of the council.

§801.3. Meetings.

- (a) The council shall meet at least two times in each calendar year at the call of the chairperson. At least one meeting may be designated as an annual meeting. The chairperson may call special meetings.
- (b) The council shall follow Robert's Rules of Order for the conduct of its meetings.
- (c) Notice of meetings shall state the time, place, and agenda to be considered at the meeting.
- (d) A majority of the members of the council constitute a quorum.
- (e) Any action taken by the council must be approved by a majority of the members on the following issues: resolutions; financial decisions; and any changes in the by-laws. All other business may be approved by a majority of the quorum. §801.4. Amendment of By-laws. A majority of the council members may amend or replace the council by-laws.

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 June 22, 1988. TRD-8806333 J. Thomas Hutton, M.D.,

Ph.D.
Chairman
Texas Council on
Alzheimer's Disease
and Related Disorders

Effective date: July 11, 1988.

Proposal publication date: March 18, 1988.

For further information, please call: (806) 743-2719

TITLE 28. INSURANCE Part I. State Board of Insurance

Chapter 3. Life, Accident, and Health Insurance and Annuities

Subchapter T. Minimum Standards for Medicare Supplement Policies

• 28 TAC §3.3308

The State Board of Insurance adopts an amendment to §3.3308, with changes to the proposed text as published in the February 16, 1988, issue of the *Texas Register* (13 TexReg 832)

Section 3.3308 concerns required disclosure provisions in Medicare supplement insurance policies. This amendment is necessary to curtail abuses in the marketing of Medicare supplement insurance, and to educate consumers about unnecessary and costly duplicate coverage by providing a warning to consumers, prior to the purchase of Medicare supplement insurance, to consider the need for such coverage. In response to a comment, a change to the proposed text adds subsection (d) in order to permit insurers for a limited period of time to furnish the required language as a conspicuous attachment to the outline of coverage.

The amendment requires that an outline of coverage in each Medicare supplement policy must include language which advises consumers that duplicate coverage is costly and unnecessary.

One commenter recommended that, in lieu of an amendment to the evidence of coverage, insurers be permitted to furnish the notice through an attachment. The board agree that this would be appropriate for a limited period of time, and has added subsection (d) to the section to allow for the use of an attachment. One commenter objected to the required placement of the language in the outline of coverage on the basis that the requirement detracts from the intended purpose of the butline of coverage, which is to provide a simple, understandable, and brief description of the policy. The board responds that the notice provides essential information to consumers, and the statutory requirement of delivery of an outline of coverage to all applicants will help assure that the information is imparted to them. This commenter also objected to adoption of the section, because there are circumstances where more than

one Medicare supplement policy may be advantageous to a consumer. In response, the board notes that the section cautions only against duplicate coverage, which is generally unnecessary.

Union Fidelity Life Insurance Company and Bankers Commercial Life Insurance Company submitted comments against the section.

The amendment is adopted under the Insurance Code, Article 3.74, which authorizes the State Board of Insurance to adopt rules regarding Medicare supplement insurance, including rules establishing standards for policy provisions and rules providing for disclosure, respecting specific Medicare supplement policies and respecting Medicare in general. §3.3308. Required Disclosure Provisions.

- (a) (No change.)
- (b) Outline of coverage requirements for Medicare supplement policies.
 - (1)-(2) (No change.)
- (3) The outline of covrage provided to applicants pursuant to paragraph (1) of this subsection shall be in the following form: (Company name), Outline of Medicare, Supplement Coverage.
 - (1)-(9) (No change.)
- (10) Duplicate Medicare Supplement Coverage is costly and unnecessary. A single Medicare supplement policy is usually better than several Medicare supplement policies with overlapping or duplicate coverage. (Drafting Note: The term "certificate" should be substituted for the word "policy" throughout the outline of coverage where appropriate.)
 - (c) (No change.)
- (d) The language provided in subsections (b)(3) and (10) of this section must be included in the outline of coverage, or attached thereto in a conspicuous manner in at least 10-point type in all capital letters. Commencing on August 1, 1988, the language must be incorporated on the printed form of the outline of coverage.

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 June 20, 1988.

TRD-8806318

Nicholas Murphy Chief Clerk State Board of Insurance

Effective date: July 11, 1988

Proposal publication date: February 16, 1988 For further information, please call: (512)

463-6327

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TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part III. Texas Air Control Board

Chapter 103. Procedural Rules

• 31 TAC §103.87

The Texas Air Control Board (TACB) adopts new §103.87, with changes to the proposed text as published in the April 12, 1988, issue of the *Texas Register* (13 TexReg 1705).

The new section establishes procedures for the receipt and management of any gift or grant to the TACB. It also provides guidelines defining the relationship between TACB staff and donors in order to eliminate the potential for any conflict of interest. The Regulation Development Committee of the board requested one change to the proposal prior to adoption. The committee recommended deletion of a parenthetical clause in subsection (f) of this section to clarify the intent of the language. The parenthetical clause has been deleted in this adopted section.

No oral or written comments were presented to the TACB regarding this new section. Copies of the hearing transcript are available for inspection at the TACB Central Office, 6330 Highway 290 East, Austin, Texas 78723.

The new section is adopted under Texas Civil Statutes, Article 4477-5, §3. 09(a), which provide the TACB with the authority to make rules and regulations consistent with the general intent and purposes of the Texas Clean Air Act, and to amend any rule or regulation the TACB makes.

§103.87. Gifts and Grants.

- (a) Authorization. The Texas Clean Air Act, Texas Civil Statutes, Article 4477-5, §2.11, establishes the authority of the Texas Air Control Board (TACB) to apply for, request, solicit, contract for, receive, and accept money and other assistance from any source for use in carrying out its duties.
- (b) Distribution of funds. Gifts. or grants of money or other items of value awarded to the TACB shall be processed through the fiscal section after delivery. Any funds derived from such gift or grant shall be deposited in the state treasury and credited to a special fund established for that purpose. The TACB may use this fun for salaries, wages, professional and consulting fees, travel expenses, equipment, and other necessary expenses in carrying out its duties, as provided by legislative appropriation, but money shall be disbursed from this fund only for the purposes and in accordance with any terms of the various gifts and grants.
- (c) Accounting. Accounting shall be made of a gift or grant as required by statute and the terms of the grant. The TACB must show in its records the source of all monies or items of value it receives from such sources. If the gift or grant is non-monetary, the fiscal section must assess its dollar value.

- (d) Administration of funds of an organization. The TACB will not authorize any organization to receive, administer, or invest any funds that are designated for the benefit of the TACB without the prior approval of the board, or the executive director, and without a written agreement between the organization and the TACB specifying the organization's responsibilities in receiving, administering, or investing the funds.
- (e) Use of TACB employees or property. An employee shall not provide any service for which the employee is being compensated by the TACB to any organization or donor who is providing funds or other items of value to the TACB, or from whom the TACB is seeking funds or other items of value, except as part of a written contract between the organization or donor and the TACB. Property of the TACB shall not be used for the benefit of any such organization or donor, except as part of a written contract between the organization or donor and the TACB. However, TACB employee services and property may be used in preparing and submitting grant and gift applications, and in any other manner reasonably relating to the administration of a gift or grant.
- (f) Service by TACB member or employee in organization. TACB members or employees shall not serve, for compensation other than payment or repayment of expenses connected to such service, as an officer or director of any organization that is providing funds or other items of value to the TACB or from whom the TACB is seeking funds or other items of value. Any member or employee who serves without compensation as an officer or director of an organization must disqualify himself or herself from service to the organization during its consideration of any matter in which the TACB may be directly or indirectly involved. Any member who serves without compensation as an officer or director of such an organization must also disqualify himself or herself when the board considers any matter involving that organization.
- (g) Enrichment of TACB member or employee. TACB members or employees shall not accept any monetary or other enrichment from any organization or donor that is providing funds or other items of value to the TACB, except:
- in accordance with the terms and conditions of a grant, if the board or executive director has approved those terms and conditions;
- (2) in accordance with a written contract between the TACB and the organi-

zation or donor;

- (3) as payment or repayment of expenses connected to service performed for the organization or donor for which the TACB has not compensated the member or employee; or
- (4) as payment of a bona fide honorarium, consultation fee, or other fee customarily paid for services rendered to the organization or donor for which the TACB has not compensated the member or employee.
- (h) Interpretation not to conflict. Nothing in this section shall be interpreted to conflict with or supersede a requirement of any statute regulating the conduct of any employee of the TACB or regulating the procedures of the TACB.

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 June 21, 1988.

TRD-8806385

Allen Eli Bell Executive Director Texas Air Control Board

Effective date: July 12, 1988

Proposal publication date: April 12, 1988

For further information, please call: (512) 451-4711, ext. 354

State Board of Insurance Exempt Filing Notification Pursuant to the Insurance Code, Chapter 5, Subchapter L

(Editor's note: As required by the Insurance Code, Article 5.96 and Article 5.97, the Register publishes notices of actions taken by the State Board of Insurance pursuant to Chapter 5, Subchapter L, of the Code. Board action taken under these articles is not subject to the Administrative Procedure and Texas Register Act, and the final actions printed in this section have not been previously published as proposals.

These actions become effective 15 days after the date of publication or on a later specified date.

The text of the material being adopted will not be published, but may be examined in the offices of the State Board of Insurance, 1110 San Jacinto Street, Austin.)

This filing was approved to become effective July 13, 1988.

The State Board of Insurance has adopted amendments to the *Texas Automobile Manual* II and III.

The board has adopted physical damage rating symbols for certain 1986, 1988, and 1989 mode private passenger automobiles.

The symbols were developed from manufacturers F.O.B. list price data, and adjusted in accordance with the prescribed vehicle series rating rules.

The F.O.B. list price symbol chart from which the appropriate symbols are derived is on Page 2 of the symbol and identification section of the Texas Automobile Manual.

If applicable, the appropriate symbol has been raised or lowered, based on the experience thresholds set out in the vehicle series rating rules in the symbol and identification section of the Texas Automobile Manual.

The amendment is effective at 12:01 a.m., on the fifteenth day after notice of this action is published in the *Texas Register*.

This notification is made pursuant to the Insurance Code, Article 5.97, which exempts it from the requirements of the Administrative Procedure and Texas Register 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 June 22, 1988.

TRD-8806410

Nicholas Murphy Chief Clerk State Board of Insurance

Effective date: July 13, 1988

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

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 billeting board outside the Office of the Secretary of State on the firs 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 Board of Chiropractic Examiners

Thursday-Saturday, July 7-9, 1988, 8 a.m., 9 a.m., and 8:30 a.m. The Texas Board of Chiropractic Examiners will meet in the Driskill Hotel, Sixth and Brazos Streets, Austin. According to the agenda, the board will hold exams at the Driskill Hotel, Sixth and Brazos Streets, Austin, on July 7 at 8 a.m., and continue exams on July 8 at 9 a.m., as well as hold administrative hearings, conduct board action to amend §71.6(a), repeal §75.1(1)(6) and 77.2(1), adopt \$78; reassign board committees; restructure peer review executive committee; consider approval of discontinuing the filing fee for peer review; discuss definition of "subluxation", "adjustment", and "applied kinesiology" and other board related items; hear executive officers reports from Texas Chiropractic Association; hear board committee reports; board recommendations for legislation; interview reciprocity applicants; any unfinished or new business; and meet in executive session to discuss legal and personnel matters in compliance with the Open Meetings Act, Article 6252-17, §(e), hear comments from those attending the meeting, and certify licenses.

Contact: Bobbye Ferris, 1300 East Anderson Lane, Building C-245, Austin, Texas.

Filed: June 22, 1988, 2 p.m.

TRD-8806431

Texas State Board of Dental Examiners

Saturday, June 25, 1988, 9 a.m. The Texas State Board of Dental Examiners met at the Hershey Hotel, 900 North Shoreline Boulevard, Corpus Christi for an emergency agenda revision. According to the agenda, the board added executive session (meeting with assistant attorney general Don Branson, regarding new developments in litigation suits), and discussion of personnel matter, regarding agency's private legal counsel, to the agenda. The emergency status was necessary as this was the last meeting the board had for the fiscal year and these matters had to be taken care of before the end of the year.

Contact: William S. Nail, (512) 834-6021.

Filed: June 21, 1988, 1:19 p.m.

TRD-8806381

Advisory Commission on State Emergency Communications

Wednesday, June 29, 1988, 10 a.m. The Public Information for the Advisory Commission on State Emergency Communications will meet at the North Central Texas Council of Governments, 616 Six Flags Drive, Arlington. According to the agenda, the commission will review all public information committee materials; discuss the status of public information material currently being developed and additional materials needed by the Councils of Governments.

Contact: Mary A. Boyd, P.O. Box 13206, Austin, Texas 78711.

Filed: June 21, 1988, 2:30 p.m.

TRD-8806394

Texas Employment Commission

Wednesday, June 29, 1988, 2 p.m. The Advisory Council for the Texas Employment Commission will meet in Room 304T, TEC-Trinity Building, 12th and Trinity Streets, Austin. According to the agenda, the council will hear opening and welcome remarks; elect subcommittee chairperson; hear staff report on trust fund update; hear UI tax equity study report with Robert McPherson of the LBJ School; additional discussion as necessary; and set the date and agenda items for the next meeting.

Contact: C. Ed Davis, 101 East 15th Street, Austin, Texas 78778, (512) 463-2291.

Filed: June 21, 1988, 2:03 p.m.

TRD-8806382

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Governor's Committee on Water Resources Management

Friday, July 1, 1988, 9 a.m. The committee will meet in Room 105, John H. Reagan Building, 105 West 15th Street, Austin, Texas 78701. According to the agenda summary, the committee will hold a public hearing to receive oral and written testimony on the effectiveness of the current statewide organization for management of Texas water resources, and hear other business.

Contact: Ralph Boeker, Jr., 7th Floor, Sam Houston Building, Austin, (512) 463-1778.

Filed: June 23, 1988, 8:18 a.m.

TRD-8806436

Guaranty Fund Advisory Council

Thursday, June 30, 1988, 9 a.m. The Guaranty Fund Advisory Council will meet at 2601 North Lamar Boulevard, Austin. According to the agenda, the council will hear a report on assessment collections; and discuss actuarial study, possible procedures for making claims against the fund, rules relating to withdrawal of prepaid funeral trust earnings, and personnel matters. The board also will meet in executive session to discuss pending or contemplated litigation.

Contact: Harold L. Rose, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 459-4101.

Filed: June 22, 1988, 3:24 p.m.

TRD-8806434

Texas Historical Commission

Monday, July 25, 1988, 10 a.m. The Division of Architecture of the Texas Historical Commission will meet in Room 107, Reagan Building, 105 West 15th Street, Austin. According to the agenda, the division will invite the general public to discuss grant rankings and methods of evaluations

for the Texas Historical Preservation Grant program.

Contact: Curtis Tunnell, P.O. Box 12276, Austin, Texas 78711, (512) 463-6094.

Filed: June 22, 1988, 10:30 a.m.

TRD-8806420

Monday, July 25, 1988, 1 p.m. The Division of Architecture of the Texas Historical Commission will meet in the Library, El Rose Building, 108 West 16th Street, Austin. According to the agenda, the division will discuss grant rankings and make grant allocations for the 1989 Texas Historical Preservation Grant program.

Contact: Curtis Tunnell, P.O. Box 12276, Austin, Texas 78711, (512) 463-6100.

Filed: June 22, 1988, 10:30 a.m.

TRD-8806419

Friday, July 29, 1988, 7:30 a.m. The Division of Architecture of the Texas Historical Commission will meet in the Library, El Rose Building, 108 West 15th Street, Austin. According to the agenda, the division will hear quarterly report of activities; consider update on significant projects; review budget and state grant.

Contact: Curtis Turmell, P.O. Box 12276, Austin, Texas 78711, (512) 463-6100.

Filed: June 22, 1988, 10:30 a.m.

TRD-8806416

Texas Department of Human Services

Thursday, July 7, 1988, 11 a.m. The Texas Board of Human Services for the Texas Department of Human Services will meet in the Public Hearing Room, First Floor, East Tower, 701 West 51st Street, Austin. According to the agenda, the board will consider employment services; day care for foster parents; nursing home income eligibility cap; family planning pregnancy prevention initiatives; service enhancements in response to the select committee on Medicaid and family services.

Contact: Bill Woods, P.O. Box 2960, Austin, Texas 78769, (512) 450-3047.

Filed: June 22, 1988, 1:45 p.m.

TRD-8806430

Tuesdsay, July 26, 1988, 9:30 a.m. The Church Relations Advisory Committee for the Texas Department Human Services will meet in Conference Room 6W, West Tower, 701 West 51st Street, Austin. According to the agenda, the committee will conduct introductions; approve minutes; discuss other business; hear report on AIDS resources; discuss Medicaid enhancement status; report on legislative appropriations request and meeting of chairs of advisory groups; united way report on the future of Texas; and consider issues and concerns of

CRAG members.

Contact: Lucy Todd, P.O. Box 2960, Austin, Texas 78769, (512) 450-3129.

Filed: June 22, 1988, 1:43 p.m.

State Preservation Board

Tuesday, June 21, 1988, 3 p.m. The State Preservation Board met for an emergency agenda revision in Lieutenant Governor's Committee Room 220, Capitol, Austin. According to the agenda, the board approved minutes; heard staff reports; considered rules for use of capitol for social events and for film and video production; amended rules for use of capitol for exhibitions and events; heard emergency items report; discussed bond issue; agreement between SPB and Capitol Committee, Inc.; and met in executive session to select an architect for the Capitol, and discuss new matters that required immediate attention by the board.

Contact: Michael Schneider, P.O. Box 13286, Austin, Texas 78711, (512) 463-5495.

Filed: June 21, 1988, 12:55 p.m.

TRD-8806378

Public Utility Commission of Texas

The Public Utility Commission of Texas will meet in Suite 450N, 7800 Shoal Creek Boulevard, Austin. Dates, times, and agendas follow.

Wednesday, June 29, 1988, 9 a.m. The Hearings Division will consider Dockets 7989, 7195, 6755, 8058, 8121, 7786, 8054, 7726, 7781, 7807, 7927, 7964, 8039, 7811, 7962, 7963, 8004, 8005, 8085, and 8108; consider substantives rules §§23.52, 23.53 and 23.27; and consider staff proposal for review and commission approval of tariff filings.

Contact: Phillip A. Holder, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: June 21, 1988, 3:02 p.m.

TRD-8806392

Wednesday, June 29, 1988, 11 a.m. The Administrative Division will approve minutes of the previous meeting; hear reports; discuss action on budget and fiscal matters; hear presentation of revised application for transmission line certificates of convenience and necessity; and set time and place for next meeting. The division will also meet in executive session to consider personnel and litigation matters.

Contact: Phillip A. Holder, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: June 21, 1988, 3:02 p.m.

TRD-8806390

Thursday, July 7, 1988, 10 a.m. The Hearings Division will consider Docket 8042-Complaint of International Telecharge, Inc. against AT&T Communications of the Southwest, Inc.

Contact: Phillip A. Holder, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: June 21, 1988, 3:01 p.m.

TRD-8806393

Wednesday, July 13, 1988, 10 a.m. The Hearings Division will consider Docket 8094-Request of Paycom Systems Corporation for reconsideration of restrictions imposed in Docket 7180 on use of linesaver devices.

Contact: Phillip A. Holder, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: June 21, 1988, 3:02 p.m.

TRD-8806391

Texas Rehabilitation Commission

Thursday-Friday, June 23-24, 1988, 1 p.m. The Board for the Texas Rehabilitation Commission met in emergency session in the Sam Houston Room (A-B), The Tremont House, 2300 Ships Mechanic Row, Galveston, rescheduled from June 23, 1988, at 10 a.m. According to the agenda, the board introduced guests; approved minutes of March 26, 1988, meeting; reviewed commission program, administration, and disability determination division activities and programs. The board also met in executive session to confirm deputy commissioner for disability determination; and reviewed commission program, administration, and disability determination division activities and programs. The emergency status was necessary for rescheduling, as two board members were unavailable for the quorum.

Contact: Charles Schiesser, 118 East Riverside Drive, Austin, Texas 78704, (512) 445-8124.

Filed: June 21, 1988, 11:23 a.m.

TRD-8806373

Special Committee on Organization of State Agencies

Thursday, June 30, 1988, 9 a.m. The Subcommittee on Public Protection, Criminal Justice, and Corrections for the Special Committee on Organization of State Agencies will meet in Room 105, John H. Reagan Building, Austin. According to the agenda, the subcommittee will consider the

organization, responsibilities, and operation of Texas state agencies involved with public protection, criminal justice, and corrections activities. The subcommittee may discuss and consider potential alternative organization structures for carrying out some or all of these functions.

Contact: Susan Hadley, P.O. Box 13206, Austin, Texas 78711, (512) 463-1812.

Filed: June 21, 1988, 11:14 a.m.

TRD-8806374

University System of South Texas

Tuesday, June 28, 1988. The Board of Directors for the University System of South Texas will meet in the Founders' Room, Lewis Hall, Texas A&I University, Kingsville. Times and agendas follow.

9 a.m. The Finance and Development Committee will consider appropriation requests for 1990-1991 biennium for all components of the University System of South Texas, rescheduled from June 24, 1988.

Contact: Frederick D.C. Bigelow, P.O. Box 1238, Kingsville, Texas 78363, (512) 595-2208.

Filed: June 22, 1988, 10:42 p.m.

TRD-8806418

9:30 a.m. The board will take oath of office; consider appropriation requests for the 1990-1991 biennium for all components of the University System of South Texas; meet in executive session to discuss legal matters including LULAC v. Clements, et al. Case and Sharon George, et al. v. Texas A&I University, et al. cases; and open session to discuss time and place of next meeting.

Contact: Frederick D.C. Bigelow, P.O. Box 1238, Kingsville, Texas 78363, (512) 595-2208.

Filed: June 22, 1988, 10:42 p.m.

TRD-8806417

Texas Water Commission

The Texas Water Commission will meet in the Stephen F. Austin Building, 1700 North Congress Avenue, Austin, unless otherwise noted. Dates, times, rooms, and agendas follow.

Tuesday, July 5, 1988, 9 a.m. The commission will meet in Room 118, to consider hearing on TA-5965 of City of Gordon for a permit to divert and use 250 acre-feet of water for a one-year period from a reservoir on Palo Pinot Creek, tributary Brazos River, Brazos River Basin, for municipal purposes in Palo Pinto County.

Contact: Beverly De La Zerda, P.O. Box 13087, Austin, Texas 78711, (512) 4637909.

Filed: June 21, 1988, 4:25 p.m.

TRD-8806402

Wednesday, July 13, 1988, 10 a.m. The commission will meet in Room 118, to consider conversion of Wimberly Water Supply Corporation to a special utility district, containing 5,484 acres of land.

Contact: Karen A. Phillips, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: June 21, 1988, 4:23 p.m.

TRD-8806401

Thursday, July 28, 1988, 10 a.m. The Office of Hearings Examiner will meet in the Council Room, Second Floor, Tyler City Hall, 212 North Bonner Avenue, Tyler. According to the agenda, the office will consider application of Tyler Pipe Industries, Inc., P.O. Box 2027, Tyler, Texas 75710 to the commission for a permit (Proposed Permit HW-50141-000) to authorize the continued operation of a Class I hazardous industrial solid waste management facility associated with its cast iron soil pipe and fittings manufacturing plant near Tyler. The permit will authorize a landfill with a maximum capacity of 238,000 cubic yards. The wastes to be managed at this facility are Class I hazardous industrial solid wastes which are classified as EP toxic generated at this facility as a result of the manufacture of cast iron pipe and fittings. The applicant is to secure and maintain, in full force at all times, a bond or other financial assurance to provide for proper and adequate closure of this facility.

Contact: Alex Schmandt, P.O. Box 13087, Austin, Texas 78711, (512) 463-7875.

Filed: June 21, 1988, 4:24 p.m.

TRD-8806404

Thursday, August 11, 1988, 10 a.m. The Office of Hearings Examiner will meet in the Basement, El Paso City Hall, at the corner of Santa Fe and Missouri Streets in El Paso. According to the agenda summary, the office will hear from Tedd F. Richardson, 11851 North Loop Drive, Socorro, Texas 79927, who has applied to the commission for a permit number 13410-01 to authorize a discharge of treated domestic wastewater effluent at a volume not to exceed an average flow of 2,300 gallons per day. The applicant proposes to construct the Socorro Center Sewage Treatment Plant to service a shopping center.

Contact: Bill Zukauckas, P.O. Box 13087, Austin, Texas 78711, (512) 463-7875.

Filed: June 22, 1988, 4:11 p.m.

TRD-8806438

Tuesday, August 23, 1988, 9 a.m.The commission will meet in Room 118. According to the agenda summary, the Xerox Realty Corporation seeks a permit to construct and maintain three on-channel reservoirs (Numbers 1, 2A, and 4) with a total impoundment capacity of not to exceed 837.3 acrefeet on two unnamed tributaries of Timber Creek, tributary of Elm Fork Trinity River, tributary of the Trinity River. Trinity River Basin. The three reservoirs will be used for recreational purposes (aesthetics) approximately 17.1 miles southeast of Denton, Denton County.

Contact: Gloria A. Vasquez, P.O. Box 13087, Austin, Texas 78711, (512) 463-*7*875.

Filed: June 22, 1988, 4:10 p.m.

TRD-8806439

Thursday, August 23, 1988, 9 a.m. The committee will meet in Room 118. According to the agenda summary, the City of League City seeks a permit to authorize the realignment and channel modification of an unnamed tributary (Power Street Ditch) of Benson Bayou, tributary of Dickinson Bayou, and the modification of a portion of Robinson Bayou, tributary of Clear Creek, in order to provide flood control and to facilitate drainage, approximately 23 miles northwest of Galveston, Galveston County. Dickinson Bayou and Clear Creek are tributaries of Galveston Bay, San Jacinto-Brazos Coastal Basin.

Contact: Gloria A. Vasquez, P.O. Box 13087, Austin, Texas 78711, (512) 463-7875.

Filed: June 22, 1988, 4:10 p.m.

TRD-8806440

Texas Woman's University

Wednesday, June 29, 1988. Various committees for the Board of Regents for Texas Woman's University will meet in Room 928, Mary Gibbs Jones Building, TWU. Houston. Times and agendas follow.

9:30 a.m. The Fund Raising/Public Relations Committee will consider the approval of March 30, 1988, meeting minutes; and hear reports from chair and TWU founda-

Contact: Shirley S. Chater, TWU, Denton, Texas 76204, (817) 898-3201.

Filed: June 21, 1988, 11:09 a.m.

TRD-8806377

9:50 a.m. The Student Affairs Committee will consider approval of March 30, 1988, meeting minutes; hear an oral report on plans to renovate the Student Center basement; follow-up report on food service operation; and hear report from the chair.

Contact: Shirley S. Chater, TWU, Denton, Texas 76204, (817) 898-3201.

Filed: June 21, 1988, 11:09 a.m.

TRD-8806376

10:15 a.m. The Academic Affairs Committee will approve minutes of the March 30, 1988, meeting; tenure and promotion overview; approve changes to the TWU faculty handbook; and hear report from the chair.

Contact: Shirley S. Chater, TWU, Denton, Texas 76204, (817) 898-3201.

Filed: June 21, 1988, 11:09 a.m.

TRD-8806375

10:50 a.m. The Finance Committee will approve minutes of the March 30, 1988, meeting; gifts and grants; agreements and contracts; allocation of federal funds; sale of surplus property; insurance; certificate of substantial completion; change orders; revision of laboratory fee schedule; publication fee and computer usage fee; preliminary operating budget for fiscal year 1989 and salary contracts; hear state auditor's report and report from the chair; and ratify opening of bank account.

Contact: Shirley S. Chater, TWU, Denton, Texas 76204, (817) 898-3201.

Filed: June 21, 1988, 11:09 a.m.

TRD-8806379

1:30 p.m. The Board of Regents will meet in executive session; consider minutes of the March 30, 1988, meeting; personnel additions and changes; gifts and grants; agreements and contracts; allocation of federal funds; sale of surplus property; insurance; certificate of substantial completion; change orders; revision of laboratory fee schedule; publication fee and computer usage fee; preliminary operating budget for fiscal year 1989 and salary contracts; hear state auditor's report and report from the chair; ratify opening of bank account for health insurance purposes; hear an oral report on plans to renovate the Student Center basement; follow-up report on food service operation; hear report on TWU foundation; faculty tenure and promotions; and reports from fund raising/public relations committee, student affairs committee, academic affairs committee, and president.

Contact: Shirley S. Chater, TWU, Denton, Texas 76204, (817) 898-3201.

Filed: June 21, 1988, 11:09 a.m.

TRD-8806380

Joint Select Committee on Workers' Compensation

Friday, July 1, 1988, 10 a.m. The committee will meet in the Senate Chamber, Austin. According to the agenda, the committee will call to order the State Board of

Insurance, discuss assigned risk pool, hold an insurance panel, and will hold a plaintiff's attorney panel.

Contact: Bobby Gierisch, Room 224, Reagan Building, Austin, (512) 463-0814.

Filed: June 23, 1988, 9:15 a.m.

TRD-8806445

Regional Meetings

Meetings Filed June 21, 1988

The Bastrop County Appraisal District, Appraisal Review Board, met at 1200 Cedar Street, Bastrop, on June 27, 1988, at 7 p.m. Information may be obtained from Lorraine Perry, 1200 Cedar Street, Bastrop, Texas 78602, (512) 321-3925.

The Central Texas MHMR Center, Board of Trustees, met at 408 Mulberry, Brownwood, on June 27, 1988, at 5 p.m. Information may be obtained from Nelda Andrews, P.O. Box 250, Brownwood, Texas 76804, (915) 646-9574, ext. 102.

The Deep East Texas Regionals MHMR Services, Board of Trustees, will meet in the Ward R. Burke Community Room, Administration Facility, 4101 South Medford Drive, Lufkin, on June 28, 1988, at 5:30 p.m. Information may be obtained from Jim McDermott, 4101 South Medford Drive, Lufkin, Texas 75901.

The Edwards Underground Water District, Board of Directors, met at the Fresh Horizons, 6514 North New Braunfels, San Antonio, on June 24, 1988, at 9 a.m. The Conservation Committee will meet at 1615 North St. Mary's, San Antonio, on June 28, 1988, at 9 a.m. Information may be obtained from Thomas P. Fox, 1615 North St. Mary's, San Antonio, Texas 78215, (512) 222-2204.

The Lower Colorado River Authority, Board of Directors, met at 3700 Lake Austin Boulevard, Austin, on June 22, 1988, at 11 a.m. Information may be obtained from Thomas G. Mason, P.O. Box 220, Austin, Texas 78767, (512) 473-3283.

The South Texas Private Industry Council, Inc., met at I.B.O.C. Mini Bank, Highway 83 and 10th Street, Zapata, on June 23, 1988, at 4 p.m. Information may be obtained from Ruben M. Garcia, P.O. Box 1757, Laredo, Texas.

TRD-8806372

Meetings Filed June 22, 1988

The Brazos Higher Education Authority,

Inc., Executive Committee, will meet in Room 4728, Fulbright and Jaworski Office, 1301 McKinney Street, Houston, on June 29, 1988, at 10 a.m. Information may be obtained from Murray Watson, Jr., 2600 Washington Avenue, Waco, Texas 76710, (817) 753-0913.

The Colorado River Municipal Water District, Board of Directors, will meet in the Stacy Dam Field Office, Coleman County, on June 29, 1988, at 11 a.m. Information may be obtained from O.H. Ivie, P.O. Box 869, Big Springs, Texas 79721, (915) 267-6341.

The South Texas Development Council, Border Area Nutrition Council, will meet in the Wing Conference Room, 600 South Sandman, Laredo, on June 29, 1988, at 10 a.m. Information may be obtained from Judith M. Garcia, P.O. Box 2909, Laredo, Texas 78044-2909, 722-3995.

The Tarrant Appraisal District, Appraisal Review Board, met at 2309 Gravel Road, Fort Worth, on June 24, 1988, at 8:30 a.m. Information may be obtained from Linda R. Freeman, 2309 Gravel Road, Fort Worth, Texas 76118, (817) 284-8384.

TRD-8806399

Meetings Filed June 29, 1988

The Brazos River Authority, Lake Management Committee, will meet in the Lake Supervisor's Office, Possum Kingdom Lake, on June 29, 1988, at 10 a. m. Information may be obtained from Mike Bukala, P.O. Box 7555, Waco, Texas 76714, (817) 776-1441.

The Grayson Appraisal District, Appraisal Review Board, will meet at 205 North Travis, Sherman, on July 5-27, 1988, at 9 a.m. Information may be obtained from Deborah Reneau, 205 North Travis, Sherman, Texas 75090, (214) 893-9673.

The Henderson County Appraisal District, Appraisal Review Board, will meet at 1751 Enterprise, Athens, on June 27-July 1, 1988, at 9 a.m. daily. Information may be obtained from Helen Marchbanks, 1751 Enterprise, Athens, Texas, (214) 675-9296.

The South Texas Development Council, Board of Trustees, will meet in the Commissioners Courtroom, Courthouse Annex, Zapata, on June 30, 1988, at 10 a.m. Information may be obtained from Robert Mediola, P.O. Box 2187, Laredo, Texas 78044, (512) 722-3995.

TRD-8806435

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.

Texas Department of Banking

Notice of Application

Texas Civil Statutes, Article 342-401a requires any person who intends to buy control of a state bank to file an application with the banking commissioner for the commissioner's approval to purchase control of a particular bank. A hearing may be held if the application is denied by the commissioner.

On May 18, 1988, the banking commissioner received an application to acquire control of the First State Bank, Dime Box, by Frank Riske, Dime Box; L. A. Hill, Jr., Lexington; and Emest Hulon Bay, Anderson.

On June 17, 1988, notice was given that the application would not be denied.

Additional information may be obtained from William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1200.

Issued in Austin, Texas on June 17, 1988.

TRD-8806369

William F. Aldridge

Director of Corporate Activities Texas Department of Banking

Filed: June 21, 1988

For further information, please call (512) 479-1200.

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Texas Civil Statutes, Article 342-401a, requires any person who intends to buy control of a state bank to file an application with the Banking Commissioner for the Commissioner's approval to purchase control of a particular bank. A hearing may be held if the application is denied by the commissioner.

On May 12, 1988, the banking commissioner received an application to acquire control of the D'Hanis State Bank, D'Hanis, by John C. Winkler, Larry W. Winkler and Winkler Partners of Hondo.

Additional information may be obtained from: William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Issued in Austin, Texas, on May 31, 1988.

TRD-8805607

William F. Aldridge Director of Corporate Activities Texas Department of Banking

Filed: June 1, 1988

For further information, please call (512) 479-1200.

Notice of Hearing

The hearing officer of the State Banking Board will conduct a hearing on August 2, 1988, at 9 a.m., at 2601 North Lamar Boulevard, Austin, on the charter application for Crown Bank, San Antonio. Application is a conversion application from Crown Bank, N.A., San Antonio, to a state-chartered bank.

Additional information may be obtained from William F. Aldridge. Director of Corporate Activities, State Banking Department, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1200.

Issued in Austin, Texas on June 20, 1988.

TRD-8806395

William F. Aldridge

Director of Corporate Activities State Banking Department

Filed: June 21, 1988

For further information, please call (512) 479-1200

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)	06/27/88-07/03/88	18.00%	18.00%
Monthly Rate (1) Art. 1.04(c)	06/01/88-06/30/88	18.00%	18.00%
Standard Quarterly Rate - Art. 1.04(a)(2)	07/01/88-09/30/88	18.00%	18.00%
Retail Credit Card Quarterly Rate - Art. 1.11 ⁽³⁾	07/01/88-09/30/88	18.00%	N.A.
Lender Credit Card Quar- terly Rate - Art. 15.02(d) (3)	07/01/88-09/30/88	14.00%	N.A.
Standard Annual Rate - Art. 1.04(a)(2)	07/01/88-09/30/88	18.00%	18.00%
Retail Credit Card Annual Rate - Art. 1.11 (3)	07/01/88-09/30/88	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:	07/01/88-09/30/88	18.00%	N.A.
Judgment Rate - Art. 1.05, Section 2	07/01/88-07/31/88	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.

⁽⁺⁾ Credit for business, commercial, investment or other similar purpose.

Issued in Austin, Texas, on June 20, 1988.

TRD-8806405

Al Endsley Consumer Credit Commissioner

Filed: June 22, 1988

For further information, please call: (512) 479-1280

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Texas School for the Deaf

Consultant Proposal Request

Pursuant to Texas Civil Statutes, Article 6252-11c, the Texas School for the Deaf (TSD) serves notice of invitation for bids for consulting services based on specifications detailed in the *Federal Register* dated Friday, October 30, 1987, titled, "Asbestos Containing Materials in Schools: Final Rules and Notices."

Description. The consultant will provide a project team consisting of AHERA certified inspectors, management planners, and laboratory analysts to inspect approximately 445,000 square feet; will inspect the floors, walls, and ceilings, spray-on materials, thermal systems, and other potential asbestos-containing materials (ACBM); inspect all areas of suspected asbestos-containing building materials; perform bulk sampling pursuant to AHERA regulations, §763.86; analyze samples for asbestos content by polarized light microscopy (PLM) in accordance with the EPA regulations; prepare an inspection report containing information as detailed in AHERA regulations, §763.85; submit assessment reports, as detailed in AHERA regulations, §763.88, stating conditions of ACM and ACBM and provide suggested response actions; provide initial management plan pursuant to specifications in AHERA regulations, §763. 93, to meet approval of Texas Department of Health; provide re-inspections of all known or assumed ACBM/ACM as detailed in §763.85(6) of AHERA regulations; and provide a training course for maintenance and custodian personnel as required by AHERA regulations, §763.92(A).

Closing Date. Sealed bid proposals will be received by the Texas School for the Deaf until 2 p.m. on July 12, 1988.

Contact Person. Prospective bidders may contact Richard DeKing, Plant Maintenance Manager, Texas School for the Deaf, 1102 South Congress Avenue, P.O. Box 3538, Austin, Texas 78764-3538, (512) 440-5355.

Issued in Austin, Texas on June 22, 1988.

TRD-8806415

Sheila O'Leary Administrative Assistant Texas School for the Deaf

Filed: June 22, 1988

For further information, please call (512) 440-5335.

Governor's Office-Criminal Justice Division

Crime Stoppers Assistance Program

Under provision of House Bill 309 (Chapter 589, 2, 69th Legislature, 1985), the Criminal Justice Division (CJD) of the Office of the Governor has been designated as the agency responsible for the administration of funds allocated for use by local crime stoppers programs. CJD is now accepting applications from eligible applicants for grant funding available for fiscal year 1988/89 under the Crime Stoppers Assistance Program.

Eligible applicants for these funds are restricted to existing local crime stoppers programs. Local crime stoppers program is defined as a private nonprofit organization that is operated on less than a statewide level, that accepts and expends donation for rewards to persons who report to the organization information concerning criminal activity, and that forwards the information to the appropriate law enforcement agency. At the time of application, new applicants will be required to submit articles of incorporation, bylaws, copy of State Charter, 501(c)(3) tax status from the Internal Revenue Service, and letter of endorsement from each law enforcement agency covered by the crime stoppers program.

Activities to be funded include crime stoppers training, equipment, and innovative projects.

Application forms and the 1989 Plan for Application and Implementation will be provided to all active local crime stoppers programs in Texas. All applications must comply with the program criteria and applicable rules of the CJD.

The deadline for submission of applications is 5 p.m. on Friday, July 29, 1988. The CJD reserves the right to accept or reject any or all applications submitted, and to negotiate modification to improve the quality and cost effectiveness of any proposed program.

Additional information may be obtained from David Cobos, Program Coordinator, Texas Crime Stoppers Advisory Council, P.O. Box 12428, Austin, Texas 78711, (512) 463-1784.

Issued in Austin, Texas on June 22, 1988.

TRD-8806412

Duke Millard Assistant General Counsel Governor's Office

Filed: June 22, 1988

For further information, please call (512) 463-1788

Texas Higher Education Coordinating Board

Notice of Meeting

The Commissioners' Advisory Committee on Teacher Induction met on Tuesday, June 21, 1988, at 10:30 a.m. The meeting will be held in the Bevington Reed Building, Room 255 (Board Room), 200 East Riverside Drive, Austin.

For further information please contact Dr. Frances K. Sage (University and Health Affairs) at (512) 462-6485.

Issued in Austin, Texas on June 14, 1988.

TRD-8806384

James McWhorter
Assistant Commissioner for Planning and
Administration
Texas Higher Education Coordinating Board

Filed: June 21, 1988

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

Texas Department of Human Services Public Notice

The Texas Department of Human Services (DHS) has published a report outlining its proposed intended use of federal block grant funds during fiscal year 1989 for Title XX social services programs. To obtain free copies of the report, send written requests to: Cathy C. Rossberg, Ad-

In Addition June 28, 1988 13 TexReg 3303

ministrator Policy Development Support Division, Mail Code 222-E, Texas Department of Human Services, P.O. Box 2960, Austin, Texas 78769.

DHS is seeking written comments from representatives of both public and private sectors regarding the proposed use of Title XX block grant funds. Written comments will be accepted through July 27, 1988. Please mail comments to Cathy C. Rossberg, Administrator Policy Development Support Division, Mail Code 222-E, Texas Department of Human Services, P.O. Box 2960, Austin, Texas 78769.

Issued in Austin, Texas on June 21, 1988.

TRD-8806368

Martin W. Johnston Commissioner

Texas Department of Human Services

Filed: June 21, 1988.

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



Consultant Contract Award

In accordance with Texas Civil Statutes, Article 6252-11c, §6(b), the State Board of Insurance files this report announcing the award of a contract for consultant service to Touche Ross and Company, One State Street, Suite 2100, Hartford, Connecticut 06103-3195. The consultant proposal request was published in the March 8, 1988, issue of the Texas Register (13 TexReg 1207).

Touche Ross and Company is to conduct a study of selected aspects of workers' compensation insurance rating. The total value of the contract is \$80,000. The contract period begins June 2, 1988, and ends December 15, 1989. A draft report will be required on or before September 15, 1988. A final report will be required on or before December 1, 1988.

Issued in Austin, Texas on June 20, 1988.

TRD-8806359

Nicholas Murphy Chief Clerk State Board of Insurance

Filed: June 20, 1988

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

Texas Water Commission

Notice of Bid Award

The following statement of an award for consultant services is filed by the Texas Water Commission under the provisions of Texas Civil Statutes, Article 6252-11c. The consultant proposal request appeared in the July 17, 1987, Texas Register.

The work to be performed is the verification and updating of map features for the Coastal Spill Response Maps.

The consultant award was to Woodward-Clyde Consultants, 7330 Westview Drive, Houston, Texas 77055.

The total value of the contract is not to exceed \$52,570 and shall begin no later than June 17, 1988, and end August 31, 1988. Status reports are due monthly. All draft text and maps are to be submitted for review on or before August 12, 1988. The final maps and documentation, both hard copy and on floppy diskettes, are due on or before August 31, 1988.

Issued in Austin, Texas on June 21, 1988.

TRD-8806397

William G. Newchurch Director, Legal Division Texas Water Commission

Filed: June 21, 1988

For further information, please call (512) 463-7727

Public Meeting Notice

Texas Water Commission will conduct a public meeting at 9:30 a.m., July 27, 1988, Room 512, Stephen F. Austin State Office Building, 1700 North Congress Avenue, Austin, Texas 78711, to discuss the draft Federal Fiscal Year 1989 Water Quality Management Annual Work Program. The work program is a key management document which sets forth the commission's resource allocation and project commitments for programs funded by a federal grant under the Clean Water Act, §106, as amended.

It is the state's primary management planning document for programs to control and abate water pollution. The commission invites comment and participation in the development of the work program. The work program shall be reviewed by the State Advisory Task Force on water quality management.

Draft copies of the work program will be available to the general public after July 1, 1988, from Richard L. McVay, Texas Water Commission, P.O. Box 13087, Austin, Texas 78711, (512) 463-8103 and may be obtained for review at all Texas Water Commission district offices. Final copies will be available for a fee after September 1, 1988. Public comment on the work program will be accepted for 15 days after the meeting date.

Issued in Austin, Texas on June 20, 1988.

TRD-8806396

William G. Newchurch Director, Legal Division Texas Water Commission

Filed: June 21, 1988

For further information, please call (512) 463-8103