

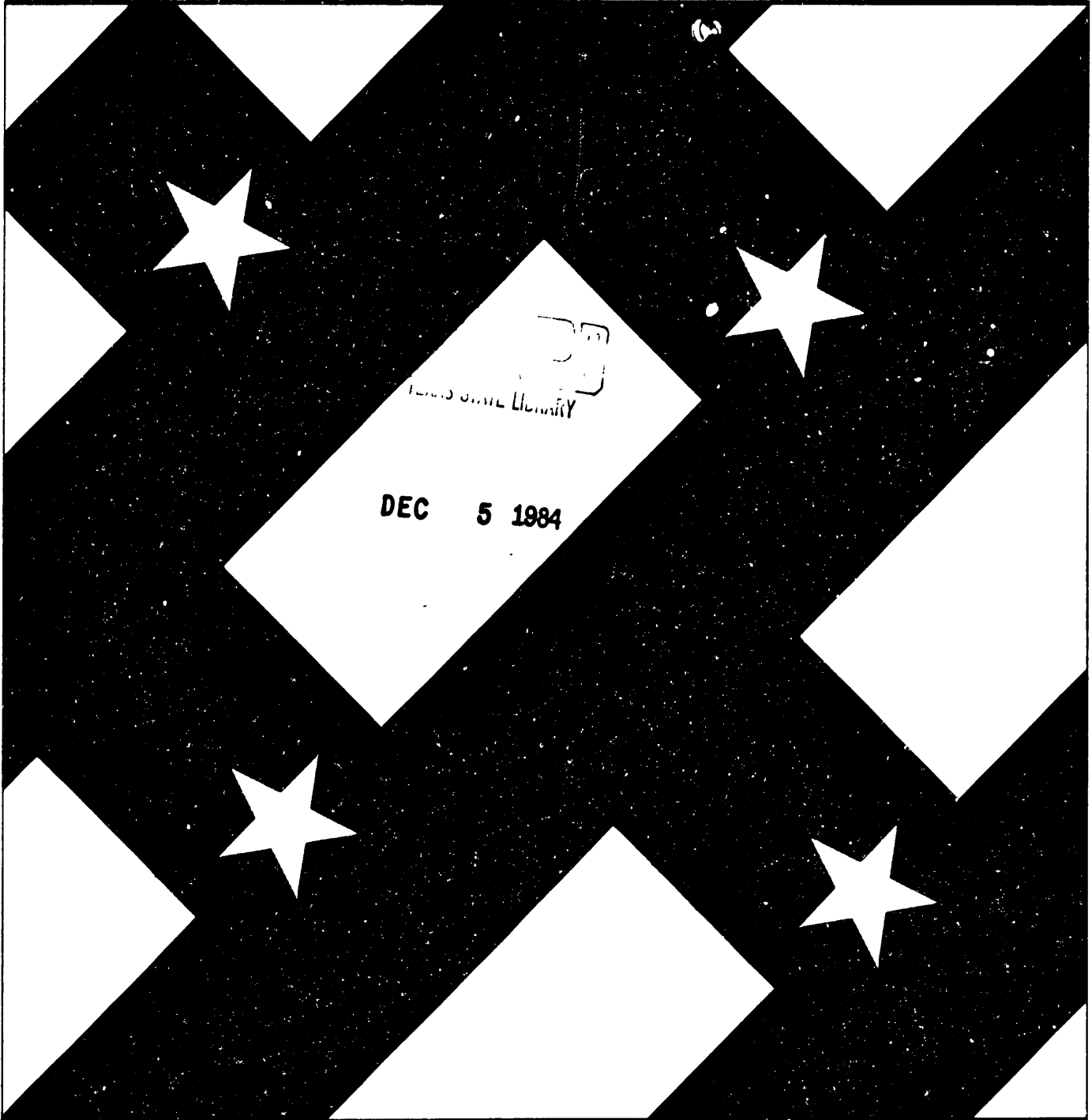
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Texas Register

Volume 9, Number 88, November 23, 1984

Pages 5979 - 6034



Highlights

The Automated Information Systems Advisory Council adopts on an emergency basis a new section concerning council guidelines
Effective date - November 16 page 5984

The Texas Health Facilities Commission adopts

on an emergency basis amendments concerning acquisition of major medical equipment
Effective date - November 16 page 5985

The Texas Department of Public Safety proposes amendments in a chapter concerning driver's license
Earliest possible date of adoption December 24 page 5992

**Office of
the Secretary
of State**

Texas Register

The *Texas Register* (ISN 0362-4781) is published twice each week at least 100 times a year. Issues will be published on every Tuesday and Friday in 1984 with the exception of January 28, July 10, November 27, and December 28, by the Office of the Secretary of State.

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Information Available: The ten sections of the *Register* represent various facets of state government. Documents contained within them include:

- Governor—appointments, executive orders, and proclamations
- Secretary of State—summaries of opinions based on election laws
- State Ethics Advisory Commission—summaries of requests for opinions and opinions
- Attorney General—summaries of requests for opinions, opinions, and open records decisions
- Emergency Rules—rules adopted by state agencies on an emergency basis
- Proposed Rules—rules proposed for adoption
- Withdrawn Rules—rules withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the *Texas Register* six months after proposal publication date
- Adopted Rules—rules 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 explanations on the contents of each section can be found on the beginning page of the section. The division also publishes monthly, quarterly, and annual indexes to aid in researching material published.

How To Cite: Material published in the *Texas Register* is referenced by citing the volume in which a document appears, the words "TexReg," and the beginning page number on which that document was published. For example, a document published on page 2402 of Volume 6 (1981) is cited as follows: 6 TexReg 2402.

In order that readers may cite material more easily, page numbers are now written as citations. Example: on page 2, in the lower left-hand corner of the page, would be written "9 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 9 TexReg 3."

How To Research: The public is invited to research rules and information of interest between 8 a.m. and 5 p.m. weekdays at the *Texas Register* office, 503E Sam Houston Building, Austin. Material can be found by using *Register* indexes, the *Texas Administrative Code*, rule number, or TRD number.

Texas Administrative Code

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

How To Cite: Under the TAC scheme, each agency rule is designated by a TAC number. For example, in the citation 1 TAC §27.15:

1 indicates the title under which the agency appears in the *Texas Administrative Code*.

TAC stands for the *Texas Administrative Code*.

27.15 is the section number of the rule (27 indicates that the rule is under Chapter 27 of Title 1, 15 represents the individual rule within the chapter).



Texas Register Publications

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As required by Texas Civil Statutes, Article 6252-13a, §6, the *Register* publishes executive orders issued by the Governor of Texas. Appointments made and proclamations issued by the governor 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) 475-3021

The Governor

Appointment Made October 31

355th Judicial District

To be judge of the 355th Judicial District, Hood County, until the next general election and until his successor shall be elected and duly qualified:

Ralph H. Walton
105 West Pearl Street
Granbury, Texas 76048

Mr. Walton is being appointed to this new district court effective January 1, 1985, pursuant to House Bill 1473, 68th Legislature, 1983.

Issued in Austin, Texas, on October 31, 1984.

TRD-8411601 Mark White
Governor of Texas

Appointment Made November 1

Governor's Commission on Physical Fitness

For a term to expire June 13, 1985:

Neal Spelce
P.O. Box 1905
Austin, Texas 78767

Mr. Spelce is replacing Gilbert E. Steinke of Kingsville, who resigned.

Issued in Austin, Texas, on November 1, 1984.

TRD-8411601 Mark White
Governor of Texas



Emergency Rules

An agency may adopt a new or amended rule, or repeal an existing rule on an emergency basis, if it determines that such action is necessary for the public health, safety, or welfare of this state. The rule 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.

An agency must submit written reasons, published in the *Register*, for emergency action on a rule. The submission must also include a statement of the legal authority under which the emergency action is promulgated and the text of the emergency adoption. Following each published emergency document is certification information containing the effective and expiration dates of the action and a telephone number from which further information may be obtained.

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

TITLE 1. ADMINISTRATION Part X. Automated Information Systems Advisory Council Chapter 203. Cost Allocation for Automated Information Systems

1 TAC §203.1

The Automated Information Systems Advisory Council (AISAC) adopts on an emergency basis new §203.1, concerning council guidelines.

The council has statutory authority to adopt guidelines to aid state governmental bodies in making economical and efficient use of automated information systems, the computers on which they are automated, or related services. Adopted rules effective April 2, 1982, accomplished the initial requirements pertaining to long-range plans and review of procurement proposals. An emergency rule, published June 29, 1984, amended the adopted rule to meet new mandates of the legislature. A proposed rule to replace the emergency rule has been published in the *Texas Register*. Texas Civil Statutes, Article 4413(32h), directs the AISAC to adopt guidelines on, but not limit itself to, common data bases, networking applications, shared software, security, and disaster planning. By recent statute, the AISAC was instructed to establish rules pertaining to cost accounting of automated information systems in governmental bodies, and in the same statute, state governmental bodies were instructed to abide by these rules.

A survey conducted under the auspices of the Texas Research League concluded on November 11, 1983, that two-thirds of state governmental bodies already had a cost allocation method for ADP. In preparing this rule, the AISAC held meetings with managers of automated information systems organizations and received their responses to a survey on the subject.

Since the state has no single chart of accounts or centralized accounting, and since there are countless ways of allocating data processing costs, rather than imposing one method, the AISAC is leaving the decision to each governmental body as to what is appropriate for it. The council will be glad to offer advice and consultation on request.

This section is adopted on an emergency basis because there is now so little time before the next legislative session, at which time the section is to be in place.

The new section is adopted on an emergency basis pursuant to the General Appropriations Bill for 1984-1985, Senate Bill 179, 68th Legislature, Article I, page I-40, Automated Information Systems Advisory Council, and Article V, §72, page V-61, which provides the Automated Information Systems Advisory Council with the authority to develop and publish cost accounting rules, and directs state governmental bodies to comply with such rules.

§203.1 Cost Allocation Guideline for Automated Information Systems.

(a) Purpose. The Automated Information Systems Advisory Council (AISAC) is to adopt guidelines to aid state governmental bodies in making economical and efficient use of automated information systems. The purpose of this rule is to promote effective use and management of automated data processing through allocation of costs of service. As a result, agency management, budget authorities, the governor, and the legislature will be in a position to wisely allocate money. Data processing managers will be able to match their resources to the needs of those they serve. The AISAC will have data to provide better service.

(b) Policy. Each governmental body must have a method for allocating automated data processing cost to users. Responsibility rests with the individual governmental body for determining the appropriate level of detail and cost of performing this allocation. Long-range plans

submitted to the AISAC, as required by §201.1 of this title (relating to Automated Information Systems Advisory Council Guidelines), must include a description of the cost allocation method employed and an estimate of the actual allocation of costs to areas of the governmental body for the current fiscal year. Procurement proposals filed under the previously referenced adopted rules must be documented with cost allocation data.

Issued in Austin, Texas, on November 16, 1984

TRD-8411644 Charles K. Winston, Jr.
Executive Director
Automated Information Systems
Advisory Council

Effective date: November 16, 1984
Expiration date: March 16, 1985
For further information, please call (512) 475-2362.

**TITLE 25. HEALTH SERVICES
Part V. Texas Health Facilities
Commission
Chapter 507. Certificate of Need
Requirements**

25 TAC §507.5

The Texas Health Facilities Commission (THFC) adopts on an emergency basis amendments to §507.5, concerning acquisition of major medical equipment. The THFC finds that imminent peril to the public health, safety, and welfare requires an emergency adoption of the amendments. Delay in adopting the amendments, which clarify the current rule, will result in necessary medical services being significantly delayed or not made available to the public.

The amendments are adopted on an emergency basis pursuant to Texas Civil Statutes, Article 4418h, §2.06 (2), which provide the Texas Health Facilities Commission with the authority to promulgate and adopt rules determined to be necessary for the administration and enforcement of the Texas Health Planning and Development Act

§507.5. Acquisition of Major Medical Equipment.

(a)-(d) (No change.)

(e) If a person who has previously acquired major medical equipment without a certificate of need or a notice of intent, except as provided in subsection (c) and subsection (d) of this section, [pursuant to the provisions of commission §§509.31, 509.133, and 509.135 of this title (relating to Notices of Intent to Acquire Major Medical Equipment; Forms for Notice of Intent to Acquire Major Medical Equipment; and Commission Review Procedures)] proposes, at any time, to use that equipment to serve inpatients of a health-care facility on other than a temporary basis, a certificate of need must be obtained prior to implementation of the service. In this instance, the certificate of need must be obtained by the owner of the equipment and by the facility whose inpatients would be served, unless the facility has previously received authorization to offer the service or the service is otherwise an existing service of the facility, in which case, the certificate of need must be obtained only by the owner of the equipment [if the facility has not previously received authorization to offer the service or the service is not an existing service for the health-care facility].

Issued in Austin, Texas, on November 16, 1984

TRD-8411656 W. G. Kirklin
Chairman
Texas Health Facilities
Commission

Effective date: November 16, 1984
Expiration date: March 16, 1985
For further information, please call (512) 475-6940.

Proposed Rules

Before an agency may permanently adopt a new or amended rule, or repeal an existing rule, a proposal detailing the action must be published in the *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 rule. A public hearing on the proposal may also be granted if such a procedure is requested by a governmental subdivision or agency, or by an association consisting of at least 25 members.

The proposal, as published in the *Register*, must include a brief explanation of the proposed action, a fiscal statement indicating effect on state and local government and small businesses, a statement explaining anticipated public benefits and possible economic costs to individuals required to comply with the rule, a request for public comments; a statement of statutory authority under which the proposed rule is to be adopted (and the agency's interpretation of the statutory authority), the text of the proposed action, and a certification statement. The certification information, which includes legal authority, the proposed date of adoption or the earliest possible date that the agency may file notice to adopt the proposal, and a telephone number to call for further information, follows each submission.

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

TITLE 1. ADMINISTRATION Part X. Automated Information Systems Advisory Council Chapter 203. Cost Allocation for Automated Information Systems

1 TAC §203.1

(Editor's note. The Automated Information Systems Advisory Council proposes for permanent adoption the new section it adopts on an emergency basis in this issue. The text of the new section is published in the Emergency Rules section of this issue.)

The Automated Information Systems Advisory Council (AISAC) proposes new §203.1, concerning cost allocation for automated information systems. Since the state has no single chart of accounts or centralized accounting, and since there are countless ways of allocating data processing costs, rather than imposing one method, the AISAC is leaving the decision to each governmental body as to what is appropriate for it. The council will be glad to offer advice and consultation on request.

Charles K. Winston, Jr., executive director, has determined that for the first five-year period the rule 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 the rule.

Mr. Winston also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is improvements in effective use and management of automated data processing in

state governmental bodies through allocation of costs of service and improved realization by the public sector, state executives, and users of costs of automated systems, thereby permitting more intelligent decision-making in state government. The anticipated economic cost to individuals who are required to comply with the rules as proposed is insignificant in that state governmental bodies will be expected to apply the rule.

Comments on the proposal may be submitted to Charles K. Winston, Jr., Executive Director, Automated Information Systems Advisory Council, P.O. Box 13564, Austin, Texas 78711. State governmental bodies authorized to use interagency mail may use this method of distribution.

The new section is proposed pursuant to the General Appropriations Bill for 1984-1985, Senate Bill 179, 68th Legislature, Article I, Page I-40, Automated Information Systems Advisory Council, paragraph 2, and Article V, §72, page V-61, which provides the AISAC with the authority to develop and publish cost accounting rules, and directs state governmental bodies to comply with such rules.

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 November 16, 1984

TRD-8411645 Charles K. Winston, Jr.
Executive Director
Automated Information Systems
Advisory Council

Earliest possible date of adoption
December 24, 1984

For further information, please call (512) 475-2362.

TITLE 19. EDUCATION
Part I. Coordinating Board, Texas
College and University System
Chapter 25. Administrative Council
Subchapter B. Administration of the
Texas State College and University
Employees Uniform Insurance Benefits
Program

19 TAC §25.34

The Administrative Council of the Coordinating Board, Texas College and University System proposes an amendment to §25.34, concerning basic procedural and administrative practices. The amendment stipulates that an institution may not require its employees or retirees to purchase Medicare Part A before providing benefits under its group insurance program.

James McWhorter, executive secretary to the Administrative Council, has determined that for the first five-year period the rule 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 the rule.

Mr. McWhorter also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is insurance that institutions, some of which have elected not to participate in Social Security, may not penalize their employees for not being eligible for Medicare benefits. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to James McWhorter, Executive Secretary to the Administrative Council, Coordinating Board, Texas College and University System, P.O. Box 12788, Austin, Texas 78711.

The amendment is proposed under the Insurance Code, Article 3.50-3, §4(b)(4)(G), which provides the Administrative Council with the authority to adopt rules and regulations consistent with the provisions of the Act to carry out its statutory responsibilities.

§25.34 Basic Procedural and Administrative Practices.

(a)-(m) (No change.)

(n) Any institution providing benefits under this plan may not require employees or retirees who have not purchased Medicare Part A to purchase such coverage before providing benefits.

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 November 14, 1984.

TRD-8411646 James McWhorter
 Executive Secretary
 Administrative Council
 Coordinating Board, Texas
 College and University System

Proposed date of adoption

January 16, 1985

For further information, please call (512) 475-2033

Subchapter C. Administration of
Retirement Annuity Programs

19 TAC §25.72

The Administrative Council of the Coordinating Board, Texas College and University System proposes amendments to §25.72, concerning Optional Retirement Program (ORP) eligibility standards. The amendments will provide guidelines to assist institutions in administering the ORP in accordance with applicable statutes and attorney general opinions.

James McWhorter, executive secretary to the Administrative Council, has determined that for the first five-year period the rule 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 the rule.

Mr. McWhorter also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is greater uniformity among the institutions in administering the ORP. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to James McWhorter, Executive Secretary to the Administrative Council, Coordinating Board, Texas College and University System, P.O. Box 12788, Austin, Texas 78711.

The amendments are proposed under the Insurance Code, Article 3.50-3, §4(b)(4)(J), which provides the Administrative Council with the authority to develop policies, practices, and procedures as necessary in accordance with applicable statutes to provide for greater uniformity in the administration of retirement annuity insurance programs available under the ORP.

§25.72 ORP [Eligibility] Standards.

(a) A person is eligible for participation in the Optional Retirement Program (ORP) who is employed by an institution of higher education on a full-time basis as a member of the faculty or staff and whose duties include teaching, research, administration, including professional librarians, or the performance of professional services, but does not mean a person employed in a position which is in the institution's classified personnel system or a person employed in a similar type of position if the institution does not have a classified personnel system. **Employment "on a full-time basis" may not be defined to mean "employment for one-half or more of the standard workload" for determining initial eligibility for participation in the ORP.**

(b) **A new employee who is eligible to participate in the ORP for the first time is automatically enrolled in the Teacher Retirement System (TRS) until an election to participate in the ORP is made.**

(c) **Election to participate in the ORP must be made before the 91st day after becoming eligible. Failure to elect the ORP during the 90-day period will require an individual to remain in the TRS for the remainder of his or her employment in Texas public higher education.**

(d) **An employee who elects to participate in the ORP may withdraw his or her accumulated contributions**

(plus interest) from the TRS. Contributions refunded by the TRS to ORP participants are not restricted as to their use by the employee. However, such refund may not be transferred to an ORP carrier.

(e) After electing the ORP, an ORP participant is not thereafter eligible for membership in the TRS (except as provided in subsection (g) of this section) unless the individual terminates employment covered by the ORP and becomes employed in the Texas public school system. Such an individual, upon becoming reemployed in Texas public higher education, may not resume participation in the ORP.

(f) An ORP participant who, after at least one year of participation in the ORP, becomes employed in an institution of higher education in a position not eligible for the ORP shall, nevertheless, continue to participate in the ORP and shall not be eligible for TRS membership.

(g) An ORP participant who, after less than one year of participation in the ORP, becomes employed in an institution of higher education in a position not eligible for the ORP, shall be required to return to membership in the TRS.

(h) Benefits in the ORP vest after one year of participation in one or more optional retirement plans operating in one or more institutions of higher education.

(i) An individual terminates participation in the ORP and benefits become available only upon death, retirement, or termination of employment in all public institutions of higher education in Texas.

(j) No contract issued under the ORP may provide for loans, cash surrender, or contain any other provision which permits the availability of benefits prior to a participant's termination as an employee in the public institutions of higher education in Texas.

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 November 13, 1984

TRD-8411647 James McWhorter
Executive Secretary
Administrative Council
Coordinating Board, Texas
College and University System

Proposed date of adoption

January 16, 1985

For further information, please call (512) 475-2033.

TITLE 22. EXAMINING BOARDS. Part I. Texas Board of Architectural Examiners

Chapter 1. Architects Subchapter F. Architect's Seal

22 TAC §1 102

The Texas Board of Architectural Examiners proposes an amendment to §1 102, concerning the architect's seal, to identify drawings, specifications, and other documents of service issued from the registrant's office for use in this state. This amendment is proposed to assure that all architects use the seal prescribed by the board

Robert H Norris, AIA, executive director, has determined that for the first five-year period the rule will be in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the rule. The cost of compliance for small businesses is the cost to purchase a rubber stamp or impression seal by each registered architect not currently in compliance with the rule. The cost per registered architect not currently in compliance with the rule is \$7 50 for a rubber stamp or \$18 50 for an impression seal

Mr Norris also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is the recognition of professional work performed by a registered architect, therefore protecting the health, safety, and welfare of the general public. The anticipated economic cost to individuals who are required to comply with the rule as proposed is \$7 50-\$18 50

Comments on the proposal may be submitted to Robert H Norris, AIA, Executive Director, Texas Board of Architectural Examiners, 8213 Shoal Creek Boulevard, Suite 107, Austin, Texas 78758, (512) 458-1363

The amendment is proposed under Texas Civil Statutes, Article 249a, which provide the Texas Board of Architectural Examiners with the authority to promulgate rules

§1 102 Type and Design

(a) (No change)

(b) The design of the seal shall be **exactly as reproduced in this section and bear only the words "Registered Architect, State of Texas"** [similar to that used by the Texas Board of Architectural Examiners, except that it shall bear the words "Registered Architect, State of Texas" instead of "Texas Board of Architectural Examiners"].



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 November 14, 1984

TRD-8411578 Robert H Norris, AIA
Executive Director
Texas Board of Architectural
Examiners

Earliest possible date of adoption

December 24, 1984

For further information, please call (512) 458-1363

**TITLE 34. PUBLIC FINANCE
Part I. Comptroller of Public
Accounts**

**Chapter 3. Tax Administration
Subchapter L. Motor Fuels Tax**

34 TAC §3.194

The Comptroller of Public Accounts proposes new §3.194, concerning credit or refund of diesel fuel tax used in power take-off or auxiliary power unit. The legislature determined during the recent special session that a credit or refund of tax on fuel used in these devices should be allowed in accordance with guidelines to be determined by the comptroller, and this section establishes those guidelines

Billy Hamilton, revenue estimating director, has determined that for the first five-year period the rule will be in effect there will be fiscal implications as a result of enforcing or administering the rule. The effect on state government, is an estimated revenue loss of \$776,000 for 1985, \$810,000 for 1986, \$846,000 for 1987, \$884,000 for 1988, \$923,000 for 1989, and \$964,000 for 1990. There is no anticipated effect on local government. This rule is promulgated under the Tax Code, Title 2, and no fiscal implications for small businesses are required.

Mr. Hamilton also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is that the taxpayers affected by this rule will pay diesel taxes based more nearly on their highway use of diesel. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to D. Carolyn Busch, P.O. Box 13528, Austin, Texas 78711.

This new section is proposed under the Texas Tax Code, §111.002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the motor fuels tax.

§3.194. Credit or Refund of Diesel Fuel Tax Used in Power Take-Off or Auxiliary Power Unit

(a) Credit or refund

(1) Permitted suppliers and users using diesel fuel in motor vehicles equipped with power take-off or auxiliary units mounted on the vehicle and using the fuel supply tank of the vehicle may claim a tax credit for fuel used in power take-off operations or by the auxiliary power unit.

(2) Users who are required to buy tax-paid diesel fuel for use in motor vehicles equipped with a power take-off or auxiliary power unit mounted on the vehicle may claim tax refund for fuel used in power take-off operations or by the auxiliary power unit.

(b) Methods for determining diesel fuel used in power take-off or auxiliary power unit operations.

(1) Direct measurement method. The use of a metering device, as defined by §3.176 of this title (relating to Fuel Used by Power Take-Off and Auxiliary Power Units) to measure fuel used in the auxiliary power unit or power take-off is an acceptable method for determining fuel usage.

(2) Mileage factor method. The nontaxable use may be determined by computing the taxable use at ¼ gallon for each mile traveled as recorded by the odometer or hubometer and subtracting that amount from the total fuel delivered into the motor vehicle fuel supply tanks. The remainder will be considered nontaxable and a tax credit or tax refund may be claimed on that quantity of fuel.

(3) Two-tank method. A motor vehicle may be equipped with two fuel tanks and an automobile switching device operated by a spring-activated air release parking brake that will switch from one tank designated for highway use to another tank designated not for highway use when the vehicle is stationary and power take-off equipment is in operation. The tax paid on fuel delivered to the tank designated not for highway use may be taken as a tax credit or claimed as a tax refund.

(4) Fixed percentage. In lieu of using one of the methods in paragraphs (1)-(3) of this subsection, the owner or operator of a motor vehicle equipped with a power take-off or auxiliary power unit mounted on the vehicle may claim a credit or refund of the tax paid on 5.0% of the total taxable diesel fuel used in this state by each vehicle so equipped.

(5) Certain ready mix concrete trucks. Operators of ready mix concrete trucks equipped with power take-off or auxiliary power units mounted on the vehicle and using the fuel supply tanks of the vehicle may take a tax credit or claim refund of 30% of the total taxable diesel fuel used in this state by each vehicle.

(6) Proposed alternate methods. Proposals for the use of methods not specifically covered by this section to determine the amount of fuel used in power take-off operations or auxiliary power units may be submitted to the comptroller for approval.

(c) Records

(1) Permitted suppliers, users, and users required to pay the diesel fuel tax must keep records required by the Texas Tax Code, §153.219 and §153.220.

(2) Accurate mileage records must be kept regardless of the method used.

(3) All fuel delivered into the fuel supply tanks of a vehicle equipped with an automatic switching device must be invoiced as taxable. Separate invoices must be issued for deliveries of fuel into each tank. A notation must be made on invoices indicating that fuel was delivered into the tank designated not for highway use.

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 November 19, 1984.

TRD-8411672 Bob Bullock
Comptroller of Public Accounts

Earliest possible date of adoption
December 24, 1984

For further information, please call (512) 475-1913.

Subchapter M. Inheritance Tax

34 TAC §3.225

The Comptroller of Public Accounts proposes amendments to §3 225, concerning estates for which a Texas tax return is required. The amendments clarify the instances in which a tax return must be filed and the means of obtaining extensions to file and pay taxes.

Billy Hamilton, revenue estimating director, has determined that for the first five-year period the rule will be in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the rule. This section is promulgated under the Tax Code, Title 2, and no fiscal implications for small businesses are required.

Mr. Hamilton also has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is that the public will be provided with new information regarding its tax responsibilities under changes made by the legislature. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to D. Carolyn Busch, P O Box 13528, Austin, Texas 78711

The amendments are proposed under the Texas Tax Code, §111 002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the inheritance tax.

§3.225. Estates for Which a Texas Tax Return Is Required (Date of Death on or After September 1, 1983 [1981])

(a) A Texas inheritance tax return[-federal estate tax credit] must be filed by the estate of every decedent which is required by federal law to file a federal estate tax return and which decedent was at [who on] the date of death [was]

(1)-(3) (No change.)

(b) The representative of a resident or nonresident decedent's estate must file a tax return if the gross estate exceeds:

- (1) \$275,000 and the date of death was in 1983;
- (2) \$325,000 and the date of death was in 1984;
- (3) \$400,000 and the date of death was in 1985;
- (4) \$500,000 and the date of death was in 1986;
- (5) \$600,000 and the date of death was in 1987.

(c)(b) A Texas generation-skipping transfer tax return must be filed by a trustee or distributee required to file a federal tax return pursuant to the Internal Revenue Code, §§2601-2622, after any taxable distribution or taxable termination with respect to a generation-skipping trust or trust equivalent of property located in Texas.

(d)(c) The returns are required to be filed [due] as specified as follows unless an extension of time has been granted [by the Internal Revenue Service]

(1) The inheritance tax return[-federal estate tax credit] is due nine months after the date of the decedent's death.

(2) (No change.)

(e)(d) The return and other documents required to be filed may be filed by either:

(1) mailing the return to the Comptroller of Public Accounts, [Inheritance] Tax Administration Division, Austin, Texas 78774, in which case the return will be considered filed as of the postmark date;

(2) delivering the return to the [Inheritance] Tax Administration Division, Austin, or

(3) (No change)

(f)(e) Other documents which must be filed:

(1) a copy of the United States estate tax return, Form 706, filed with the Internal Revenue Service (IRS) must be filed with the Texas inheritance tax return [if a federal return is required to be filed, or was filed, with the IRS].

(2) a copy of the United States Form 706-A, additional United States estate tax return, must be filed with the comptroller on the date it is required to be filed with the IRS.

(3)(2) a copy of the United States generation-skipping transfer tax return, Form 706-B, filed with the IRS must be filed with the Texas generation-skipping transfer tax return [if a federal return is required to be filed, or was filed, with the IRS]

(4)(3) Copies of any amendments or supplements to federal estate or generation-skipping transfer tax returns must be filed [with the Inheritance Tax Division] on the same date they are required to be filed with the IRS

(5) Copies of requests to extend the federal estate tax filing and/or payment deadlines and copies of documents relating to elections to pay all or part of the federal estate tax liability in installments, and copies of any taxpayer documents reflecting changes to, or cancellations of, an IRS payment agreement, must be filed with the IRS. Copies of any internal revenue documents reflecting changes to, or cancellations of, an IRS payment agreement must be filed with the comptroller within 10 days of issuance.

(6)(4) Copies of any IRS-approved extensions to file the federal return and/or to pay the tax [which were finally approved by the IRS] must be furnished to the comptroller. The person responsible for paying the tax must furnish a copy of the approved extension within 30 days after the extension has been granted

(7)(5) Within 30 days after receipt of information of the final assessment by the federal government, a copy of all federal audit changes, and a copy of the acceptance letter, closing letter, or comparable document issued by the IRS or federal courts (along with the remittance of any additional tax, interest, and penalty that may be due), must be furnished to the [Inheritance] Tax Administration Division. If more than one audit was conducted (such as a preliminary audit, a conference audit, or an appellate audit), copies of all these audit must also be furnished.

(8) Estates containing assets both in and out of Texas and filing the federal estate tax return using the IRS simplified format for small estates must identify and value all Texas property. Schedules from the federal tax return or an inventory and appraisal will suffice, so long as both probate and nonprobate assets are listed.

(9) It is not necessary to furnish copies of estate appraisals unless specifically requested by the comptroller.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rules as proposed are in effect the public benefit anticipated as a result of enforcing the rules as proposed is clarification for statutory uniformity and also the allowance of a person whose license is suspended to drive a motor vehicle in the performance of, and to and from such performance of, a licensee's occupation. The anticipated economic cost to individuals who are required to comply with the rules as proposed is an increase of the occupational license fee from \$3.00 to \$10, or \$7.00 each year from 1984-1988.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendments are proposed under Texas Civil Statutes, Article 6687b, §§ 1A, 2(a)-(c), and 23A, which provide the Texas Department of Public Safety with the authority to adopt rules necessary to effectively administer the Driver's License Act according to legislative intent.

§15.1. Who Must Be Licensed All persons, except those expressly exempt by law, who live in Texas and operate a motor vehicle upon a public street or highway, must have a valid driver's license [be licensed as an operator, commercial operator, or chauffeur]

(1) Any person holding a valid driver's [operator's, commercial operator's, or chauffeur's] license need not obtain any other state permit for the operation of a motor vehicle on the highway. Some cities, however, issue special city taxi driver permits by ordinance or state law.

(2)-(4) (No change.)

§15.7 Occupational License.

(a) (No change.)

(b) The basic requirements for the issuance of an occupational license are

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

[(3) fee of \$3.00 for one year.]

(c) (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 November 12, 1984

TRD-8411545 James B. Adams
Director
Texas Department of Public
Safety

Earliest possible date of adoption

December 24, 1984

For further information, please call (512) 465-2000.

pending, or canceled, as provided by law. The license may be renewed for an equivalent class of license without any further examination of the licensee, except as the Texas Department of Public Safety may require by statute.

Melvin C. Peoples, chief accountant III, has determined that for the first five-year period the rule will be in effect there will be fiscal implications as a result of enforcing or administering the rule. The effect on state government for the first five-year period the rule will be in effect is an estimated increase in revenue of \$6,377 million for 1984, \$9,565 million for 1985; \$5,599 million for 1986, \$3,506 million for 1987; and \$7,691 million for 1988. There are no anticipated fiscal implications for local government or small businesses.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is that the classified driver's license law will clearly define the type of driver's license required by an individual for the operation of certain types or general classes of vehicles. The anticipated economic cost to individuals who are required to comply with the rule as proposed varies from a savings of \$3.00 for the previous chauffeur license to an increase of \$3.00 per renewal for the previous operator license. The fee for any class of driver's license is \$10.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The new section is proposed under Texas Civil Statutes, Article 6687b, §4A, which provide the Texas Department of Public Safety with the authority to enforce the provisions of Texas laws relating to a driver's license.

§15.8. Classified Driver's Licenses The classified driver's license plan effective January 1, 1984, was established pursuant to the statutory authority promulgated to the Texas Department of Public Safety for the purpose of implementing and administering the Classified Driver's License Act.

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 November 12, 1984

TRD-8411546 James B. Adams
Director
Texas Department of Public
Safety

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December 24, 1984

For further information, please call (512) 465-2000

37 TAC §15.8

The Texas Department of Public Safety proposes new §15.8, concerning licensing requirements. The classified driver's license supersedes the previous operator, commercial operator, and chauffeur type license which continues in effect according to its terms for the period for which it was issued unless revoked, sus-



**Application Requirements—Original,
Renewal, Duplicate, Identification
Certificates**

37 TAC §§15 29, 15 32, 15 34, 15.38

The Texas Department of Public Safety proposes amendments to §§15 29, 15 32, 15 34, and 15 38, concerning application requirements—original, renewal, duplicate, identification certificate

Proposed amendments to §15 29(2) remove adoption by reference for the Texas driver education certificate form due to updates and the necessity to amend the section. Proposed amendments to §15.32 reformat the section and clarify the expiration date on renewal of an expired driver's license. Paragraph (2) is no longer applicable due to statutory amendments. Proposed amendments to §15 34(b) change the word "type" to "class" and add paragraph (3), requiring identification for renewal if the driver's license is not presented. Proposed amendments to §15 38 add paragraph (3), which states the proof of eligibility required on mail renewal for veteran fee exemption.

Melvin C. Peebles, chief accountant III, has determined that for the first five-year period the rules 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 the rules.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rules as proposed are in effect the public benefit anticipated as a result of enforcing the rules as proposed is clarification of requirements due to statutory changes. There is no anticipated economic cost to individuals who are required to comply with the rules as proposed.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendments are proposed under Texas Civil Statutes, Article 6687b, § 51A, 12(c), 18(b), 18, and 19A, which provide the Texas Department of Public Safety with the authority to adopt rules necessary to administer effectively the Driver's License Act according to legislative intent.

§15 29 Driver Education Forms [Form]. Driver education students, ages 15-17, must present the proper driver education form verifying that an approved driver education course has been satisfactorily completed.

(1) (No change.)

(2) The **prescribed driver education certificate** [attached form, Texas driver education certificate, DL-41A, as amended in October 1978, is adopted by reference and] contains applicable items for certification of classroom or laboratory training, a Texas State Board of Insurance plan statement, and an affidavit for use by the school when it is impossible to obtain the signature of the certified instructor. The **forms are** [form is] available from any DPS driver's license office.

§15 32 Expiration Date on Expired License. Expiration dates are computed from the last birthday when re-

newing an expired Texas license. **If the license has been expired two years or less, then it is dated to expire from the applicant's last birth date, except military renewal.** [Expired licenses are renewed as follows:

(1) If the license has been expired two years or less and the same or a lower fee is required for renewal, it is dated to expire from the applicant's last birth date.

(2) If the license has expired two years or less and a higher fee is required for renewal or the applicant holds a valid, unexpired Texas license of any type, it will be dated to expire from the applicant's next birth date.]

§15 34 Renewal Period Prior to Expiration

(a) (No change.)

(b) Any class [type] license, except as otherwise noted, may be renewed 12 months before expiration date. Earlier renewals will be accepted for good cause.

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

(3) **Applicants for renewal of licenses must present evidence of eligibility plus one other piece of personal identification if the license is not presented, if necessary to identify the applicant, prior to renewal.**

§15 38 Fee Exemption Veteran exemption from fee. Veterans desiring fee exemptions for driver's license must present proof of eligibility.

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

(3) **When renewing by mail, the proof of eligibility must be submitted with the renewal by mail invitation.**

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 November 12, 1984

TRD-8411547

James b. Adams
Director
Texas Department of Public
Safety

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December 24, 1984

For further information, please call (512) 465-2000.

Examination Requirements

37 TAC §§15.53, 15.54, 15.57, 15.58, 15.60

The Texas Department of Public Safety (DPS) proposes amendments to §§15 53, 15 54, 15 57, 15.58, and 15.60, concerning examination requirements.

The proposed amendment to §15 53 requires deleting the existing language and adding new language because the amended driver's license statute specifies the vehicle classes that may be operated for each class of driver's license. Proposed amendments to §15.54 (3)(A)(iii) delete listing of states and add reference to §3 72, relating to acceptance of out-of-state vehicle inspection certificates, and revise (3)(G) from motor-assisted bicycles to mopeds. Proposed amendments to §15 57(3)(A) and (B) revise restrictions on unusual vehicles and horsepower, which are defined in the driver's license statute. Proposed amendments to §15.58 convert specific type driver's licenses to the

class license referenced, move subparagraphs in paragraph (2), and change the time period of one year to two years in (2)(B)(iii) and (iv) and (2)(C)(ii) and (iii). Proposed amendments to §15 60 add and delete language defining advance in class license, change the word "type" to "class" license, delete paragraph (2) and paragraph (3), relating to fees which are statutory and expiration dates, and renumber the remaining paragraph, and add and delete language in paragraph (2) specifying the class vehicle to be used on road test for advance to a higher class license

Melvin C Peeples, chief accountant III, has determined that for the first five-year period the rules will be in effect there will be fiscal implications as a result of enforcing or administering the rules. The effect on state government for the first five-year period the rules will be in effect is an estimated increase in revenue of \$575,000 each year from 1984-1988. There is no anticipated effect on local government or small businesses.

Joe E Milner, traffic law enforcement chief, has determined that for each year of the first five years the rules as proposed are in effect the public benefit anticipated as a result of enforcing the rules as proposed is insurance to the citizens of Texas that the driver's license statute is administered in accordance with the legislative intent and that increased traffic safety results from an applicant's ability to operate the class of vehicle required for the class of driver's license for which he is applying. The anticipated economic cost to individuals who are required to comply with the rule as proposed is \$5.00 each year from 1984-1988 for an advance in class license.

Comments on the proposal may be submitted to John C West, Jr., Texas Department of Public Safety, P.O. Box 4087, Austin, Texas 78773, (512) 465-2000

The amendments are proposed under Texas Civil Statutes, Article 6687b, § 1A, 18(c) and (d), and 10, and Article 6701d, § 140, which provide the DPS with the authority to adopt rules that it determines are necessary to effectively administer this Act.

§15.53. Types of Vehicles for Road Test Road tests are required in the type or class of vehicle that may be driven for the class license being applied for. Applicants must furnish the vehicle. [The department classifies vehicles for road testing to determine the applicant's ability to operate that type vehicle.

(1) The off-street and on-street road tests for a motorcycle endorsement will be conducted on a two- or three-wheeled motorcycle. For an above 125 cubic centimeter piston displacement motorcycle license, the tests will be conducted on any motorcycle. For a 125 cubic centimeter piston displacement or under motorcycle license, the test will be conducted on any motorcycle of 125 cubic centimeter piston displacement or less. For the on-street tests, the applicant will demonstrate his ability as the trooper follows in an automobile. The applicant for a motorcycle license must furnish a car and licensed driver to convey the trooper for the test. License for motor-assisted bicycle does not require a road test unless requested by applicant.

(2) The road test for an operator's license will be conducted in any motor vehicle ordinarily used to transport passengers or property except a motorcycle.

(3) The road test for an unrestricted commercial operator's or unrestricted chauffeur's license must be conducted in any motor vehicle, except motorcycle, which has a manufacturer's rated carrying capacity exceeding 2,000 pounds. If a person applies for a chauffeur's license and wants to take the test in something smaller than a vehicle with a manufacturer's rated carrying capacity of one ton or less, the license will be restricted to "Vehicles not exceeding MRCC of 2,000 pounds." This will cover school bus drivers driving buses with a manufacturer's rated carrying capacity of one ton or less as well as taxi and ambulance drivers.]

§15.54. Vehicle Inspection The department inspects vehicles prior to road testing to determine if such vehicle meets the requirements of law and is safe to operate on a public street or highway.

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

(3) Vehicle inspection

(A) Inspection certificate:

(i) (No change)

(ii) **For valid out-of-state vehicle inspection certificates that are acceptable, refer to §3.72 of this title (relating to Acceptance of Out-of-State Vehicle Inspection Certificates)** [a valid out-of-state inspection certificate from one of the following states: Arkansas, Delaware, District of Columbia, Georgia, Hawaii, Louisiana, Maine, Massachusetts, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, Virginia, West Virginia]

(iii) (No change)

(B)-(F) (No change)

(G) **Mopeds** [Motor-assisted bicycles]. Equipment inspected on mopeds [motor-assisted bicycles] includes the following:

(i)-(iv) (No change)

§15.57. Restrictions, Physical. Performance on the driving test generally establishes what effect physical disabilities may have on an applicant's driving. To assist the examining officer in arriving at a competent judgment, disabilities that are often encountered and the aids that are generally considered applicable for such conditions are outlined as follows:

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

(3) Vehicle restrictions and endorsements.

(A) Unusual vehicles. If a motorcycle, **motor-driven cycle** [motor scooter], or other motor vehicle of unusual design which requires altogether different basic skills for driving is used for taking the road test, the applicant will be restricted to such vehicle.

(B) Horsepower. **Driver's** [Operator] licenses issued to minors ages 15 to 18 on the basis of parental authorization only are restricted to "Motorcycle only not to exceed 125 [100] cubic centimeter piston displacement" or "**Moped** [Motor-assisted bicycle] only of less than 50 [60] cubic centimeter piston displacement."

(4) (No change)

§15.58. Medical Advisory Board Referrals Persons applying for or holding a Texas driver's license and having a physical or mental condition, the extent of which cannot

be determined by the department, are referred to the Medical Advisory Board for further evaluation

(1) Guidelines for referral for physical conditions are as follows.

- (A) (No change)
- (B) Cardiovascular diseases
 - (i) Heart diseases.

(I) If applicant for **Class A or Class B license** [commercial operator's or chauffeur's license (unless restricted to single unit vehicle not to exceed 24,000 pounds gross or combination of vehicles of which the towing vehicle does not exceed 24,000 pounds gross, lower risk local areas, private chauffeur, or similar restrictions which do not permit regular cargo or passenger transport driving)] has had a heart attack within the past three years.

(II) If applicant for **Class C license** [operator's license, or commercial operator's or chauffeur's license with restrictions noted in subclause (I) of this clause] has had a heart attack during the past year or is under the care of a physician.

(ii) Cerebral vascular diseases—strokes, cerebral hemorrhage, or clots.

(I) If applicant for **Class A or Class B license** [commercial operator's or chauffeur's license with restrictions noted in subparagraph (B)(i)(I) of this paragraph] has had an episode of loss of consciousness with or without convulsions within the past three years, has "blacked out" for any reason within the past three years, or is under the care of a physician

(II) If applicant for **Class C license** [operator's license, or commercial operator's or chauffeur's license with restrictions noted in subparagraph (B)(i)(I) of this paragraph] has had a single episode, or recurrent episodes, of loss of consciousness with or without convulsions in the past year, has "blacked out" for any reason in the past year, or is under the care of a physician.

(iii)-(iv) (No change.)

(C) Diabetes Mellitus.

(i) If applicant for **Class A or Class B license** [commercial operator's or chauffeur's license with restrictions noted in subparagraph (B)(i)(I) of this paragraph] is taking insulin injections, has "blacked out" or lost consciousness within the past three years, or is under the care of a physician.

(ii) If applicant for **Class C license** [operator's license, commercial operator's, or chauffeur's license with restrictions noted in subparagraph (B)(i)(I) of this paragraph] has had an insulin or hypoglycemic reaction (insulin shock) in the past year, has "blacked out" or lost consciousness in the past year, or is under the care of a physician.

(D)-(E) (No change.)

(F) **Neurological disorders. All applicants who have had an epileptic seizure within the past three years or are under the care of a physician for any other seizure, dizzy spell, or similar disorder.**

(2) Guidelines for referral for mental or emotional disorders are as follows.

[(A) Neurological disorders. All applicants who have had an epileptic seizure within the past three years or are under the care of a physician for any other seizure, dizzy spell, or similar disorder.]

(A)[(B)] Mental patients. All applicants, as follows:

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

(B)[(C)] Alcoholism. All applicants, as follows:

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

(iii) a reliable report that applicant has had an active drinking problem within the past **two years** [year];

(iv) admits to an active drinking problem within the past **two years** [year];

(v) (No change.)

(C)[(D)] Drug abuse. All applicants, as follows:

(i) (No change.)

(ii) a reliable report that applicant has had an active drug problem in the past **two years** [year];

(iii) admits to an active drug problem in the past **two years** [year];

(iv) (No change.)

(D)[(E)] Multiple impairments, which in combination affect safe driving ability although a single impairment might not. All applicants, if under the care of a physician and a qualifying road test has confirmed considerable interference with safe driving ability.

(3)-(4) (No change.)

§15.60. *Advance in Class [Type] License.* Advance in class [type] license is defined as changing to a class [type] license **permitting the operation of a higher class vehicle** [requiring a higher fee].

(1) When advancing to a higher class [type] license, an applicant must meet the requirements for the new class [type] license that have not been met for the current class [type].

[(2) A new fee is always required with an advance in type license.

[(3) When advancing to a higher type license, the expiration date is computed from the licensee's next birth date]

(2)[(4)] An advance to a higher class [type] license requires a new road test **in the class vehicle to be driven** [unless the vehicle used for the current license is also applicable to the advance in type license].

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 November 12, 1984.

TRD-8411548 James B Adams
Director
Texas Department of Public
Safety

Earliest possible date of adoption.

December 24, 1984

For further information, please call (512) 465-2000.

Driver Improvement

37 TAC §15.81

The Texas Department of Public Safety proposes amendments to 15.81, concerning driver improvement. Proposed amendments to subsection (a) delete paragraph (5) and add a new paragraph (7), renumber as necessary, and add language to paragraph (12) and paragraph (13) to update criteria established by the department for driver improvement action. An

amendment to subsection (b)(1) adds and deletes language excluding violations exempt by statute. An amendment to subsection (c)(5) changes the word "re-examination" to "comprehensive examination" and removes "on reexamination" and "and for diagnostic purposes" in subsection (c)(6).

Melvin C. Peebles, chief accountant III, has determined that for the first five-year period the rule 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 the rule.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is ensurance to the citizens of Texas that the driver's license statute is administered in accordance with the legislative intent and that increased traffic safety results from driver improvement action.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendments are proposed under Texas Civil Statutes, Article 6687b, §§ 1A, 10, 21, 22, 24A, 25, 28, 29, and 30, which provide the Texas Department of Public Safety with the authority to adopt rules that it determines are necessary to effectively administer this Act.

§15.81 Criteria for Driver Improvement Action.

(a) When a licensee's traffic record indicates corrective action is needed to protect the motoring public, such action is based upon a predetermined criteria established by the department.

(1)-(4) (No change.)

[(5) Refused to take chemical breath test after arrest for driving while intoxicated.

File petition for administrative hearing.]

(5)[(6) Violates a term or condition of probation in an administrative case.

File petition for administrative hearing.

(6)[(7)] Incapable to safely operate a motor vehicle.

File petition for administrative hearing or deny issuance.

(7) Has not complied with the terms hearing of a citation issued by a jurisdiction that is a member of the Nonresident Violator Compact of 1977 for a violation to which the compact applies.

File petition for administrative hearing.

(8)-(11) (No change.)

(12) Has failed required examination.

Deny issuance of license or file petition for administrative hearing.

(13) Fails to complete required rehabilitation training.

Deny reinstatement or reissuance of license or file petition for administrative hearing.

(14)-(17) (No change.)

(b) Definition of terms.

(1) Moving violation is any act committed in connection with the operation of a motor vehicle on a public street or highway which constitutes a hazard to traffic and is prohibited by state law or city ordinance. Includes parking on pavement [and all equipment violations except overweight] **Does not include violations exempt by statute.**

(2)-(4) (No change)

(c) Reexamination of drivers. Guidelines for reexamination are based on traffic record and physical disability.

(1)-(4) (No change.)

(5) **Comprehensive examinations** [Reexaminations] will normally consist of the vision, rules, and signs tests and driving demonstration. Medical evaluation by the Medical Advisory Board may also be required.

(6) The driving demonstration conducted [on reexaminations] is [for diagnostic purposes and] to determine if restrictions or limitations should be imposed. The driving performance may be more extensive or intensive than on routine driving test so that persons whose ability appears in doubt are not deprived of license if they can demonstrate ability to drive safely under limited conditions.

(d) (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 November 12, 1984

TRD-8411549

James B. Adams
Director
Texas Department of Public Safety

Earliest possible date of adoption

December 24, 1984

For further information, please call (512) 465-2000.

Reciprocity in Driver Licensing

37 TAC §15.92

The Texas Department of Public Safety (DPS) proposes an amendment to §15.92, concerning reciprocity in driver licensing. The amendment adds paragraph (6), relating to the NATO agreement granting driver's license reciprocity with member countries. An applicant must have a driving permit or license or military driving permit issued by the sending state or a subdivision thereof to a member of a force or a civilian component.

Melvin C. Peebles, chief accountant III, has determined that for the first five-year period the rule 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 the rule.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is allowance of persons licensed by the NATO member countries to operate a motor vehicle in Texas without obtaining a Texas driver's license. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, P.O. Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendment is proposed under Texas Civil Statutes, Article 6687b, §3, which provide the DPS with the authority to grant like reciprocity for driver licensing to residents of other states and nonresident recognition in Texas of licenses held by persons from territories of the United States, provinces of Canada, and the U.S. military service.

§15.92. Interstate and Armed Forces Reciprocity The department grants like reciprocity for driver licensing to residents of other states

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

(6) **The department adheres to the NATO agreement signed in 1951 which provides that the receiving state shall either:**

(A) **accept as valid, without a driving test or fee, the driving permit or license or military driving permit issued by the sending state or a subdivision thereof to a member of a force or a civilian component; or**

(B) **issue its own driving permit or license to any member of a force or civilian component who holds a driving permit or license or military driving permit issued by the sending state or subdivision thereof, provided that no driving test shall be required. The NATO countries are Belgium, Canada, Denmark, Greece, Ireland, Italy, Luxemburg, Netherlands, Norway, Portugal, Turkey, West Germany, United Kingdom of Great Britain and Northern Ireland, and the United States of America.**

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 November 12, 1984

TRD-8411550 James B. Adams
Director
Texas Department of Public
Safety

Earliest possible date of adoption
December 24, 1984

For further information, please call (512) 465-2000.

A proposed amendment to subsection (c)(1) adds and deletes language. Records of original application, examination, and reports of convictions resulting in automatic suspension are kept on microfilm instead of hard copy form.

Melvin C. Peeples, chief accountant II, has determined that for the first five-year period the rule 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 the rule.

George Griffin, driver and vehicle records chief, has determined that for each year of the first five years the rule as proposed is in effect the public benefit anticipated as a result of enforcing the rule as proposed is improved management of the driver license record file and faster retrieval of records. There is no anticipated economic cost to individuals who are required to comply with the rule as proposed.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendment is proposed under Texas Civil Statutes, Article 6687b, §21, which provide the Texas Department of Public Safety with the authority to maintain driver's license records in alphabetical or numerical order, and the director with authority to substitute either microfilm or computer records in lieu of hard copies.

§15.101. Records Required

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

(c) The department shall not be required to maintain such records when, in the opinion of the director, they are no longer necessary for the purpose of suspension, revocation, cancellation, or denial of a driver's license.

(1) Records of original application, examination, and reports of convictions resulting in automatic suspension are kept on microfilm [in hard copy form]. History records on the licensee are kept in computer form.

(2)-(4) (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 November 12, 1984

TRD-8411551 James B. Adams
Director
Texas Department of Public
Safety

Earliest possible date of adoption
December 24, 1984

For further information, please call (512) 465-2000.

Regulations in Maintaining Driver Records

37 TAC §15.101

The Texas Department of Public Safety proposes an amendment to §15.101, concerning records required by law to be kept on each licensed driver.

Chapter 17. Commercial Driver Training Schools

37 TAC §17.18, §17.21

The Texas Department of Public Safety proposes amendments to §17.18 and §17.21, concerning com-

mercial driver training school regulations. A proposed amendment to § 17.18(4) deletes and adds language to update the vehicle liability insurance limits to read as specified by law. A proposed amendment to § 17.21 removes the driving examination requirement of an applicant for commercial driver training school instructor in subsection (c), deletes subsection (c)(1), and renumbers the remaining paragraphs.

Melvin C. Peeples, chief accountant III, has determined that for the first five-year period the rules 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 the rules.

Joe E. Milner, traffic law enforcement chief, has determined that for each year of the first five years the rules as proposed are in effect the public benefit anticipated as a result of enforcing the rules as proposed is assurance of compliance with minimum liability insurance required of all motor vehicle operators and elimination of the driving examination since applicants for commercial driver training school instructor must have a valid driver's license. The anticipated economic cost to individuals who are required to comply with the rules as proposed is the established rates for liability insurance.

Comments on the proposal may be submitted to John C. West, Jr., Texas Department of Public Safety, Box 4087, Austin, Texas 78773, (512) 465-2000.

The amendments are proposed under Texas Civil Statutes, Article 4413(29c), § 7, and Article 6701h, § 1 and § 2, which provide the Texas Department of Public Safety with the authority to determine the competency of the applicant to obtain a license to practice as a commercial driver training school instructor and administer and enforce the provisions of the Safety Responsibility Act and may make rules and regulations necessary for its administration.

§17.18 Commercial Driving School Motor Vehicles.

(a) All behind-the-wheel instruction of students in commercial driver training schools must be conducted in motor vehicles owned or leased by the commercial driver training school. All commercial school motor vehicles which are used for the purposes of demonstration or practice of driving lessons or both shall:

(1)-(3) (No change.)

(4) be issued by a company authorized to do business in Texas with a liability insurance policy in the amount specified in Texas Civil Statutes, Article 6701h [of at least \$10,000 for bodily injury to or death of one person in any one accident, \$20,000 for bodily injury to or death of two or more persons in any one accident, and \$5,000 for damage to property in any one accident].

(5)-(9) (No change.)

(b)[(10)] Instructions conducted on two- or three-wheeled self-propelled motor vehicles will require the instructor to be in such close proximity so as to direct the applicant in proper turning, stopping, and control of the vehicle.

§17.21. Application Requirements for Commercial Driver Training Instructors—License Requirements.

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

(c) Examination Upon determining that the applicant is otherwise eligible for licensing, the applicant must pass the written [and driving] examination required by the department for the type license applied for.

[(1) The driving test administered by the department will examine the applicant's ability to safely operate a motor vehicle and to instruct others in the proper techniques of driving.]

(1)[(2)] Each applicant will be given a maximum of three opportunities to pass the commercial driver training instructor's examination. Individuals who have failed at their first attempt must wait at least three days before applying for a second examination. Individuals who have failed the second examination must wait two weeks before applying for a third examination. After a third failure to qualify, an applicant must wait at least one year to file a new application for licensing and must pay an additional \$50 investigation and examination fee. However, no applicant will be given a fourth examination unless proof is submitted to the department that the applicant has participated in a course of instruction designed to educate the applicant and prepare him for the commercial driver training instructor's examination.

(2)[(3)] The written test shall consist of questions dealing with:

(A)-(F) (No change.)

(3)[(4)] Questions on driving procedures and physical forces affecting an automobile in motion will be taken from manuals of the same names which are available for a fee from general services of the department. Questions on operation and maintenance of motor vehicles will be taken from information found in the following books: *Sportsmanlike Driving*, American Halsey, Scott Foreman and Company, Chicago; and *Man and the Motor Car* by Center for Safety Education, New York University, Prentice Hall, Inc., New York.

(4)[(5)] The statute (Texas Civil Statutes, Article 4413(29c), § 6 and § 7) requires instructors to successfully complete course(s) in safety education and driver education totaling six semester hours or their equivalent. For accreditation of equivalency training under Texas Civil Statutes, Article 4413(29c), § 6, the following criteria will apply:

(A)-(C) (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 November 12, 1984

TRD-8411552

James B. Adams
Director
Texas Department of Public
Safety

Earliest possible date of adoption

December 24, 1984

For further information, please call (512) 465-2000.



TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Resources

Chapter 35. Pharmacy Services
Subchapter UUUU. Support Documents

40 TAC §35.9804

The Texas Department of Human Resources proposes amendments to §35.9804, concerning pharmacy services. The amendments change the reimbursement methodology for the pharmacy dispensing fee and include minor editorial changes.

David Hawes, programs budget and statistics director, has determined that for the first five years the rule 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 the rule.

Mr. Hawes also has determined that for each year of the first five years the rule is in effect the anticipated public benefit is that the Vendor Drug Program will be a more efficient operation. There is no anticipated economic cost to individuals required to comply with the rule.

Comments on the proposal may be sent to Cathy Rossberg, Administrator, Policy Development Support Division—680, Texas Department of Human Resources 153-E, P O Box 2960, Austin, Texas 78769, within 30 days of publication in this Register.

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

§35.9804. *Reimbursement Methodology for the Pharmacy Dispensing Fee*

(a) (No change.)

(b) Cost-finding methodology.

(1) Cost reports. Financial and statistical information reflecting the operations of pharmacy providers in dispensing prescriptions is obtained from annual cost reports.

(A) Number of cost reports required each year for dispensing expense cost-finding and dispensing fee determination. A sufficient number of cost reports are required each year to ensure statistical validity in cost-finding and dispensing fee determination. Cost reports are not required of [dispensing physicians,] hospital pharmacies[, or providers dispensing a low volume of Medicaid prescriptions].

(B) Providers required to file cost reports each year. A provider which has dispensed an average of at least 200 [350] Medicaid prescriptions per month in its base period is required to file a cost report each year. (The base period is a 12-month period ending three months before [prior to] the end of the provider's fiscal year.)

(C) Providers required [selected] to file cost reports are subject to on-site audit of the information submitted on the cost report [each year]. The provider is required to make available financial and other records necessary for audit verification of reported information. [A provider which has dispensed an average of at least

100, but less than 350, Medicaid prescriptions per month in its base period and is selected by the department on a random or on the basis of an exceptional profile, is requested to file a cost report on a voluntary basis. (The base period is a 12-month period ending three months prior to the end of the provider's fiscal year.)]

(D) (No change.)

(E) Statistical information required for each provider.

(i) Each provider is required to notify the department of its fiscal year used for federal income tax purposes when requested and [is required] to notify the department immediately when it changes its fiscal year.

(ii) (No change.)

(iii) Each provider is required to furnish other operational information that the department determines is germane to the cost-finding and fee determination process.

(F) Cost report forms. The format [form] of the cost report is prescribed by the Texas Department of Human Resources. Cost report forms are routinely furnished to providers required [or selected] to file

(G)-(J) (No change.)

(K) Provider failure to allow access to financial and other records. Failure by a provider to allow department representatives access to financial and other records required to verify cost report information results in the provider's vendor payments being placed on "hold." A "hold" remains in effect until access to the requested records is allowed. The contract of a provider required to file a cost report and selected for on-site audit may be canceled if access to the requested records is not provided within 31 days of the refusal to allow access to the records. The provider is notified of contract cancellation when the action is taken. [Provider electing not to file a voluntary cost report, in accordance with applicable instructions and within the prescribed time period, when selected to file a voluntary cost report, is assigned a dispensing fee which is the grand mean dispensing expense per prescription. Voluntary cost reports are requested of providers selected to file to ensure that the dispensing expenses used to determine dispensing fees are representative of all providers. The characteristics possessed by providers selected to file voluntary cost reports are characteristics which are not adequately represented in the provider group required to file cost reports. These provider characteristics must be represented in the sample of providers used to determine dispensing expenses to ensure that resulting dispensing fees are statistically valid. A provider electing not to file a voluntary cost report can only be assigned the additional dispensing fee for submitting claims in an automated format prescribed by the department. A provider will be assigned the basic dispensing fee plus any applicable additional dispensing fees at the beginning of the month following the department's receipt of an acceptable cost report, whether submitted in response to selection by the department or when initiated by the provider.]

(L) (No change.)

(M) Cost report on-site audit. A sufficient number of cost report on-site audits are performed each year to ensure compliance with federal regulations and [to ensure] the fiscal integrity of the Vendor Drug Programs's dispensing fee. The department determines the number of on-site audits to be annually performed.

(2) (No change)

(3) Unallowable costs Certain expenses tend to distort the true costs of dispensing. Cost distortions may result from business transactions which are not conducted at arms length, expenses which are prerequisites [perquisites] for owners, and expenses which are not related to the cost of dispensing [In order] To maximize the reasonableness and the reliability of the cost-finding analysis, cost-distorting expenses will be adjusted or excluded The following list is not intended to include [be exhaustive of] all possible unallowable costs. [Rather,] It is, rather, intended to be a general guide to unallowable costs which may not be considered in the cost-finding process

(A) (No change)

(B) Unallowable costs not to be included in cost finding as reimbursable expenses of dispensing (dispensing expenses do not include the cost of drugs).

(i) Advertising, except that [advertising] required for meeting [to meet] statutory or regulatory requirements, recruiting [and to recruit] employees, and publishing in the Yellow Pages.

(ii)-(xiv) (No change.)

(4)-(5) (No change.)

(c) Dispensing fee determination methodology.

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

(6) Assignment of dispensing fees.

(A) (No change)

(B) Exceptions to standard dispensing fees; hospital pharmacies. Hospital pharmacies are assigned a dispensing fee determined by multiplying the basic dispensing fee by 0.5. Hospital pharmacies cannot be assigned additional dispensing fees.

(i) Dispensing physicians and hospital pharmacies Dispensing physicians and hospital pharmacies are assigned a dispensing fee determined by multiplying the basic dispensing fee by 0.5 Dispensing physicians and hospital pharmacies cannot be assigned additional dispensing fees

(ii) Provider electing not to file a voluntary cost report when selected A provider electing not to file a voluntary cost report, in accordance with applicable instructions and within the prescribed time period, when selected to file a voluntary cost report is assigned a dispensing fee which is the grand mean dispensing expense per prescription A provider electing not to file a voluntary cost report cannot be assigned additional dispensing fees except for assignment of the additional dispensing fee for submitting claims in an automated format prescribed by the department The effective date for fee assignment under this provision is one month after the due date of the voluntary cost report.]

(7)-(10) (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 November 19, 1984

TRD-8411671

Marlin W Johnston
Commissioner
Texas Department of Human
Resources

Earliest possible date of adoption

December 24, 1984

For further information, please call (512) 450-3766.

Adopted Rules

An agency may take final action on a rule 30 days after a proposal has been published in the *Register*. The rule 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.

The document, as published in the *Register*, must indicate whether the rule is adopted with or without changes to the proposal. The notice must also include paragraphs which explain the legal justification for the rule, how the rule will function, contain comments received on the proposal, list parties submitting comments for and against the rule, explain why the agency disagreed with suggested changes, and contain the agency's interpretation of the statute under which the rule was adopted.

If an agency adopts the rule without any changes to the proposed text, only the preamble of the notice and statement of legal authority will be published. The text of the rule, as appropriate, will be published only if final action is taken with alterations to the proposal. The certification information, following the submission, contains the effective date of the final action, the proposal's publication date, and a telephone number to call for further information.

TITLE 25. HEALTH SERVICES Part VII. Texas Medical Disclosure Panel

Chapter 601. Informed Consent Medical Treatment and Surgical Procedures Established by the Texas Medical Disclosure Panel

25 TAC §601.1, §601.2

The Texas Medical Disclosure Panel adopts amendments to §601.1 and §601.2, with changes to the proposed text published in the May 25, 1984, issue of the *Texas Register* (9 TexReg 2857). The only change to the rules is the effective date.

The amendments update the lists of medical treatments and surgical procedures in §601.1 and §601.2. The list of eye treatments and procedures has been expanded in List A (see 601.1.6.1-9) and in List B (see 601.2.6.1-3), and the new treatment and procedure of splenoportography has been added under radiology in List A (see §601.1.14.5) and 32 new procedures have been added under radiology in List B (see §601.2.14.6-37).

No comments were received regarding adoption of the amendments.

The amendments are adopted under Texas Civil Statutes, Article 4590i, §6.04, which provide the Texas

Medical Disclosure Panel with the authority to prepare lists of medical treatments and surgical procedures that do and do not require disclosure and to revise existing lists.

§601.1. Procedures Requiring Full Disclosure (List A). The Texas Medical Disclosure Panel adopts by reference the list of medical treatments and surgical procedures requiring full disclosure, as amended January 1985. The list is indexed and filed in the office of the Texas Medical Disclosure Panel, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756, and is available for public inspection during regular working hours.

§601.2. Procedures Requiring No Disclosure (List B). The Texas Medical Disclosure Panel adopts by reference the list of medical treatments and surgical procedures requiring no disclosure, as amended January 1985. The list is indexed and filed in the office of the Texas Medical Disclosure Panel, Texas Department of Health, 1100 West 49th Street, Austin, Texas 78756, and is available for public inspection during regular working hours.

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 November 14, 1984.

TRD 8411589 James H. Duke, Jr., M.D.
Chairman
Texas Medical Disclosure Panel

Effective date: January 1, 1985
Proposal publication date: May 25, 1984
For further information, please call (512) 458-7245

**TITLE 28. INSURANCE
Part I. State Board of Insurance**

(Editor's note Because the State Board of Insurance's rules have not yet been published in the Texas Administrative Code (TAC), they do not have designated TAC numbers For the time being, the rules will continue to be published under their Texas Register numbers However, the rules will be published under the agency's correct title and part)

**Powers and Duties
Examination and Corporate Custodian
and Tax**

059 01.15.209, 213, .218

The State Board of Insurance adopts amendments to Rule 059 01 213, with changes to the proposed text published in the July 3, 1984, issue of the *Texas Register* (9 TexReg 3696) Rules 059 01 15 209 and 218 are adopted without changes and will not be republished

Rule 059 01 15 209 is amended to require that any outstanding form of indebtedness which is not a balance sheet liability be reported on a separate line in the capital and surplus section of the balance sheet on annual statements, financial statements, or examination reports, except that a contingent obligation which does not contain a minimum sum certain is required to be reported as a footnote immediately below the capital and surplus section This change conforms the rule to present board practices, including instructions on annual statement blanks

Rule 059 01 15 213 is amended to provide that the *National Association of Insurance Commissioners Examiners Handbook* and its amendments are to be used as a resource manual and minimum guideline by the State Board of Insurance when conducting examinations The existing rule deals with the valuation of subsidiaries and is being replaced

Rule 059 01 15 218 is amended to provide that the current *National Association of Insurance Commissioners Valuations of Securities Manual* will be used by the State Board of Insurance in the valuation of securities except where otherwise provided by law, including duly adopted rules of the State Board of Insurance This rule is not changed substantively A minor change is made in Rule 059 01.15 213.

No comments were received regarding adoption of the amendments

The amendments are adopted under the Insurance Code, Article 1 15, pursuant to which the State Board of Insurance is authorized to examine insurance companies, and the Insurance Code, Article 1.04, and Texas Civil Statutes, Article 6252-13a, pursuant to which the State Board of Insurance may enact procedural rules necessary or appropriate for it to carry out its statutory function

213 *National Association of Insurance Commissioners Examiners Handbook* Except as may be provided by law or where the board has adopted rules which pro-

vide otherwise for the examination of insurers licensed in this state, the *National Association of Insurance Commissioners Examiners Handbook* and its amendments may be used as a resource manual by the State Board of Insurance when conducting examinations of insurers licensed in Texas.

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 November 14, 1984

TRD-8411608 James W Norman
Chief Clerk
State Board of Insurance

Effective date: December 6, 1984
Proposal publication date: July 3, 1984
For further information, please call (512) 475-2950.

**Life, Health, and Accident Insurance
Order of Benefit Determination for
Insured Dependent Children in a
Coordination of Benefits Provision**

059.03.48.001, .002

The State Board of Insurance adopts new Rules 059 03.48.001 and .002, with changes to the proposed text published in the May 18, 1984, issue of the *Texas Register* (9 TexReg 2738)

These rules provide an order of benefits determination for insured dependent children in policies, contracts, certificates, endorsements, or riders filed pursuant to the Insurance Code, Article 3 42, which contains a coordination of benefits provision. Article 3 42(j) provides generally that contracts must provide for the order of benefits determination for insured dependent children. The board has determined that guidelines for a reasonable standardization defining an order of benefits determination for insured dependent children in a coordination of benefits provision is necessary The rules track National Association of Insurance Commissioner (NAIC) model regulations on the same subject.

Blue Cross Blue Shield of Texas suggested that the rules be conformed to changes in the NAIC model regulations adopted subsequent to the publication of the proposed rules The board agreed with this comment, and Rule 059 03.48.002(2) is changed accordingly.

Blue Cross Blue Shield suggested that the effective date be delayed until 12 months following the date of adoption so that there would be sufficient time to prepare and print contract amendments and to educate group policy holders as to changes The board agreed with this comment, and the rules are made effective on and after November 1, 1985

Blue Cross Blue Shield also expressed a concern that the words "financial responsibility" in Rule 059.03.48.002(2)(C) could be interpreted to mean responsibility to pay the insurance premiums. This

could result in the parent with the medical bills not being paid for insurance claims. The company suggested that the rules be interpreted to mean an obligation by the noncustodial parent for total responsibility for payment of medical bills. With this interpretation, the company believes mere obligation to maintain insurance coverage would not shift the primary/secondary rules. Although the board agrees with the foregoing interpretation of the rules, it has determined to track NAIC guidelines until a change in these guidelines, if any, is adopted.

Upon the staff's recommendation, Rule 059.03.48.001 is changed in two places, the word "determination" is replaced with "provision."

The new rules are adopted under the Insurance Code, Article 3.42(j), pursuant to which the board may promulgate and enforce reasonable rules and regulations and order such provision as is necessary in the accomplishment of the purpose of the Insurance Code, Article 3.42(j).

.001 Purpose and Scope The purpose of these rules is to provide guidelines for a reasonable standardization defining an order of benefits determination for insured dependent children in a coordination of benefits provision. The rules apply to all policies, contracts, or certificates of accident or health insurance, group accident or health insurance, hospitalization insurance, group hospitalization insurance, medical or surgical insurance, and group medical or surgical insurance containing a coordination of benefits provision filed for approval with the State Board of Insurance. These rules control such coordination of benefits provision notwithstanding the provisions of any other rule of the State Board of Insurance.

.002 Determination of Order of Benefits For the purposes of these rules, the order of benefits determination is as follows:

(1) the benefits of a plan which covers the person on whose expenses claim is based other than as a dependent shall be determined before the benefits of a plan which covers such person as a dependent,

(2) the benefits of a plan which covers the person on whose expenses claim is based as a dependent of person whose date of birth, excluding year of birth, occurs earlier in a calendar year, shall be determined before the benefits of a plan which covers such person as a dependent of a person whose date of birth, excluding year of birth, occurs later in a calendar year. If either plan does not have the provisions of this paragraph regarding dependents, which results either in each plan determining its benefits before the other, or in each plan determining its benefits after the other, the provisions of this paragraph shall not apply, and the rule set forth in the plan which does not have the provisions of this paragraph shall determine the order of benefits, except that in the case of a person for whom claim is made as a dependent child:

(A) when the parents are separated or divorced and the parent with custody of the child has not remarried, the benefits of a plan which covers the child as a dependent of the parent with custody of the child will be determined before the benefits of a plan which covers the child as a dependent of the parent without custody;

(B) when the parents are divorced and the parent with the custody of the child has remarried, the benefits of a plan which covers the child as a dependent of the parent with custody shall be determined before the benefits of a plan which covers that child as a dependent of the step-parent, and the benefits of a plan which covers that child as a dependent of the step-parent will be determined before the benefits of a plan which covers that child as a dependent of the parent without custody;

(C) notwithstanding subparagraphs (A) and (B) of this paragraph, when the parents are divorced or separated and there is a court decree which would otherwise establish financial responsibility for the medical, dental, or other health care expenses with respect to the child, the benefits of a plan which covers the child as a dependent of the parent with such financial responsibility shall be determined before the benefits of any other plan which covers the child as a dependent child;

(3) when paragraphs (1) and (2) do not establish an order of benefits determination, the benefits of a plan which has covered the person on whose expenses claim is based for the longer period of time shall be determined before the benefits of a plan which has covered such person the shorter period of time, except that:

(A) the benefits of a plan covering the person on whose expenses claim is based as a laid-off or retired employee or as the dependent of such person shall be determined after the benefits of any other plan covering such person as an employee other than as a laid-off or retired employee or a dependent of such person; and

(B) if either plan does not have a provision regarding laid-off or retired employees, and, as a result, each plan determines its benefits after the other, then the provisions of subparagraph (A) of this paragraph do not apply.

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 November 13, 1984

TRD-8411581 James W. Norman
Chief Clerk
State Board of Insurance

Effective date November 1, 1985
Proposal publication date May 18, 1984
For further information, please call (512) 475-2950

Rating and Policy Forms Maximum Rate Fixed and Deviations Therefrom

059.05.26.003

The State Board of Insurance adopts the repeal of Rule 059.05.26.003, without changes to the proposal published in the July 3, 1984, issue of the *Texas Register* (9 TexReg 3699).

The rule addresses various arrangements, contracts, and other devices and practices by insurers to evade the uniform and standard rate provisions for rate-

regulated insurers subject to the Insurance Code, Article 5.26. This rule is superseded by Rule 059.05.26.004 (Board Order 26043) and should therefore be repealed. No present practice or requirement of the board is changed as a result of this repeal.

No comments were received regarding adoption of the repeal

The repeal is adopted under the Insurance Code, Article 5.25 and Article 5.26, which provides the State Board of Insurance with the authority to fix and promulgate maximum rates of premiums to be charged and collected by certain companies authorized to write fire and allied lines insurance, and which requires such companies to write insurance at rates promulgated by the board except as permitted by the Insurance Code, Article 5.26. It is also adopted under the board's authority to repeal any rule it has previously adopted

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 November 13, 1984

TRD-8411609 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date July 3, 1984
For further information, please call (512) 475-2950.



Duty of Fire Marshal

059.05.43.003

The State Board of Insurance adopts the repeal of Rule 059.05.43.003, without changes to the proposal published in the July 20, 1984, issue of the *Texas Register* (9 TexReg 3918)

Rule 059.05.43.003 adopted by reference certain rules pertaining to the safe movement and operation of mobile service units. This rule is replaced by Rules 059.41.92.701-711, which set out substantively the same rules in regular *Texas Register* format. There is no change in board practices or requirements resulting from the simultaneous repeal of Rule 059.05.43.003 and its replacement with Rules 059.41.92.701-711

No comments were received regarding adoption of the repeal

The repeal is adopted under the Insurance Code, Article 1.04, and Texas Civil Statutes, Article 9201, which provide the State Board of Insurance with the authority to formulate, adopt, and promulgate rules

necessary and appropriate to fulfill its duties in regulating the safe movement and operation of mobile service units in Texas.

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 November 14, 1984.

TRD-8411610 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date July 20, 1984
For further information, please call (512) 475-2950.

General Provisions Liquidation, Rehabilitation, Reorganization, or Conservation of Insurers

059.21.28.002

The State Board of Insurance adopts the repeal of Rule 059.21.28.002, without changes to the proposal published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4250)

Rule 059.21.28.002 primarily recites previous action by the board in approving members of the board of directors of the Texas Property and Casualty Insurance Guaranty Association and indicates approval of subsequent appointees. These provisions are not in the nature of a rule. Other provisions of the rule are controlled by statutory law. The rule is therefore not necessary.

No comments were received regarding adoption of the repeal

The repeal is adopted under the Insurance Code, Article 21.28-C, §14, which creates the Texas Property and Casualty Insurance Guaranty Association, and the Insurance Code, Article 21.28-C, §17, pursuant to which the board may issue such reasonable rules as are necessary to carry out the purposes of that Article.

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 November 14, 1984

TRD-8411611 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950

059.21.28.003

The State Board of Insurance adopts the repeal of Rule 059.21.28.003, without changes to the proposal pub-

lished in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4250)

Rule 059 21 28 003 addresses the method of handling certain administrative expenses by the liquidator-receiver. The rule contains material which is not of a rule-type nature, and it is being replaced by new Rules 059 27 01 001 and 002, which more specifically embody present agency practices.

No comments were received regarding adoption of the repeal.

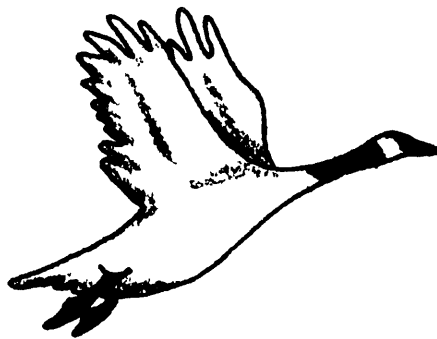
The repeal is adopted under the Insurance Code, Article 21 28, §12 and §12A, which govern the expenses of the liquidator-receiver, and pursuant to the board's authority to repeal any rule it has previously adopted.

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 November 14, 1984

TRD-8411612 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950



Liquidation Certain Administrative Expenses

059.27.01 001, 002

The State Board of Insurance adopts new Rules 059 27.01 001 and 002, without changes to the proposed text published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4251).

These rules concern the allocation of salaries and administrative expenses of the Liquidation Division in excess of those paid from appropriated funds, and also certain record-keeping practices. The specified procedure generally sets forth present practices.

No comments were received regarding adoption of the new rules.

The new rules are adopted under the Insurance Code, Article 21 28, §12 and §12A, which govern expenses and appropriations of the liquidator-receiver, and under Texas Civil Statutes, Article 6252-13a, §4, pursuant to which any agency may adopt procedural rules necessary or appropriate to carry out its statutory function.

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 November 14, 1984

TRD-8411613 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950

State Fire Marshal Fire Extinguishers

059.41.43.100-.107, .109-.113, .115, .116,
.118-.122, .124-.127

The State Board of Insurance adopts new Rule 059.41.43 105, with changes to the proposed text published in the July 24, 1984, issue of the *Texas Register* (9 TexReg 3992). Rules 059 41 43 100-.104, 106, 107, 109-113, 115, 116, 118-122, and .124-127 are adopted without changes and will not be republished.

These rules concern the leasing, renting, selling, installing, and servicing of portable fire extinguishers and fixed fire extinguisher systems in Texas. These rules are in regular *Texas Register* format and are proposed to replace Rule 059 05 43 005, which concerns the same subject matter but is an adoption by reference. The new rules certify firms and license persons that engage in the business of leasing, renting, selling, installing, and servicing portable fire extinguishers and fixed fire extinguisher systems in the interest of safeguarding lives and property pursuant to the Insurance Code, Article 5 43-1. The leasing, renting, and selling of portable extinguishers are new areas of regulation which were added to the provisions of Article 5 43-1 by Senate Bill 353, 68th Legislature, 1983. The new rules reflect substantial reorganization and editorial change to present Rule 059 05.43 005. Rule 059 41 43 106 adopts by reference in their entirety certain current copyrighted standards published by the National Fire Protection Association, Inc. (NFPA). There is no substantial change in board practices or requirements as a result of the new rules.

Three comments on the proposed text were received by letter. The first commenter, Starr Fire and Safety Equipment, objected to the time limitation in Rule 059.41 43 120(g), which requires that the new service tag format be followed after July 1, 1985. It was contended that a two-year grace period would be a more reasonable time frame in which to exhaust stocks of present service tags. The board agrees that more time should be provided and that a full one-year grace period from the effective date of the new rules is reasonable. These rules go into effect on or about December 1, 1984. Accordingly, December 1, 1985, is substituted in Rule 059 42 43 120(g) in place of July 1, 1985.

The second commenter, Fire Protection Service, Inc., also in regard to Rule 059 41 43 120(g), suggested that the words "service" on the face of the service tag should be changed to "maintained," that "installation" should be "new equipment," and that a place is needed to reflect an apprentice's permit number. The board disagrees with these comments. The word "service" follows its use in the Insurance Code, Article 5 43-1, "new equipment" would be restrictive and therefore not applicable to all installations, and only the number of the licensee under whose supervision the apprentice works is desirable. The same commenter, in regard to Rule 059 41 43 121, suggested that the red tag needs the words "do not use" or a similar phrase on it to avoid having the public being confused with the service tag. The board also disagrees with this comment. It has determined that requiring the color for the tag to be red and to have the words "Do not remove by order of the State Fire Marshal" in 10-point boldface type are sufficient to alert the public.

The third commenter, Jasper Wood Fire Extinguishers, maintained that the new format on the reverse side of the service tag required by Rule 059 41 43 120(g) as to the location of an extinguisher and the owner's address will require more time on the job and the verbalization of the type of service performed is unnecessary duplication. The board disagrees with this comment. Providing the information as to an extinguisher's location and its owner's name and address gives the owner assurance that service has been rendered, thereby outweighing the additional time involved. Further, verbalization of the service performed is beneficial to both the owner and inspectors. The additional act of marking or punching out the box on the face of the service tag next to the word "service" is not considered a burdensome duplication. The only other change in the rules from the proposal is in Rule 059 41 43 107, where a comma in the name of Underwriters' Laboratories Inc. is removed.

These new rules are adopted under the Insurance Code, Article 5 43-1, which establishes procedural and substantive requirements for the regulation of the portable and fixed fire extinguisher industry. Article 5 43-1 authorizes the State Board of Insurance to issue rules which it considers necessary to its administration through the state fire marshal regulating the portable fire extinguisher and the fixed fire extinguisher system business in Texas.

.105. Definitions. The following words and terms, when used in these rules, shall have the following meanings, unless the context clearly indicates otherwise:

Apprentice—A person to whom a permit has been issued by the state fire marshal to perform various acts of service or installation while under the direct supervision of a person working for the same firm and holding a valid fire extinguisher service license to perform such acts.

Board—The State Board of Insurance.

Branch office—A location other than a firm's main office from which the acts authorized by the certificate of registration are performed.

Business—Leasing, renting, selling, charging, filling, inspecting, installing, maintaining, recharging, refilling, repairing, servicing, testing, and hydrostatic testing of portable fire extinguishers and fixed fire extinguisher systems.

Certificate—The certificate of registration issued by the state fire marshal to a person, firm, corporation, or association authorizing same to engage in the business.

Certify—To attest to the proper charging, filling, inspecting, installing, maintaining, recharging, refilling, repairing, servicing, testing, or hydrostatic testing of portables and systems by attaching a completed service tag.

Certified firm—A person, partnership, corporation, or association holding a current certificate.

Department of Transportation (DOT) cylinder—All fire extinguisher cylinders manufactured and tested in compliance with specifications and requirements of the United States Department of Transportation (DOT regulations place a 21-year age restriction on drivers who transport certain DOT-regulated cylinders.)

Firm—A person, partnership, corporation, or association.

Fixed fire extinguisher system (fixed systems)—Those listed or approved systems installed in compliance with the manufacturer's installation manuals, specifications, and the applicable adopted NFPA standards.

Hydrostatic testing—Pressure testing cylinders by approved hydrostatic methods.

(A) High pressure—Service pressure of 900 psi or greater.

(B) Low pressure—Service pressure of less than 900 psi.

Impairment—Condition(s) that exist with a portable or fixed system which would not permit it to operate in a manner consistent with its original design and installation as approved by the authority having jurisdiction.

Inspection—The act of checking portables or fixed systems against the applicable engineered specifications, manufacturer's manuals, and adopted standards.

Installation—The initial placement of a portable system or an extension, or alteration after initial placement.

License—The license issued by the state fire marshal to a person or a certified firm authorizing same to engage in the business.

Nationally recognized testing laboratory—A nationally recognized testing company concerned with the product and service evaluation, which after conducting successful examinations, inspections, tests, and reexaminations, reflects approval by various labeling, listing, and classification actions.

NFPA—The National Fire Protection Association, Inc., a nationally recognized standards-making organization.

Person—A natural person, including any owner, manager, officer, or employee of any firm.

Portable fire extinguisher (portable)—A portable device containing powder, liquid, or gases which can be expelled under pressure for the purpose of suppressing or extinguishing a fire and bearing the label or mark of an approved testing laboratory.

Recharge—The replacement of either the extinguishing agent, expellant, or both.

Service and servicing—The act of charging, filling, maintaining, recharging, refilling, repairing, or testing portable and fixed systems.

Shop—A facility of a certified firm where installing, servicing, repairing, or hydrostatic testing is performed and where parts and equipment are maintained.

Standards—Those standards adopted herein.

Test—The act of subjecting a portable or fixed system to any procedure necessary to ensure its proper operation or installation

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 November 14, 1984.

TRD-8411582 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 5, 1984

Effective date for Rule 059 41 43 127 only.

December 10, 1984

Proposal publication date July 20, 1984

For further information, please call (512) 475-2950.

Mobile Service Units

059.41.92.701-.712

The State Board of Insurance adopts new Rules 059 41 92 701- 712, without changes to the proposed text published in the July 24, 1984, issue of the *Texas Register* (9 TexReg 4016)

These rules address the safe movement and operation of mobile service units. The rules are in regular *Texas Register* format and are adopted to replace Rule 059 05 43 003, which adopted substantively the same rules by reference. There is no change in board practices or requirements as a result of the adoption of Rules 059 41 92 701- 712 as a replacement to Rule 059 05 43 003

No comments were received regarding adoption of the new rules

The new rules are adopted under the Insurance Code, Article 1 04, and Texas Civil Statutes, Article 9201, which provide the State Board of Insurance with the authority to formulate, adopt, and promulgate rules necessary and appropriate to fulfill its duties in regulating the safe movement and operation of mobile service units in Texas

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 November 14, 1984

TRD-8411614 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984

Proposal publication date July 24, 1984

For further information, please call (512) 475-2950

Health Maintenance Organizations Name Reservation Procedure

059.51.02.002

The State Board of Insurance adopts an amendment to Rule 059.51.02.002, without changes to the proposed text published in the July 20, 1984, issue of the *Texas Register* (9 TexReg 3919).

This rule addresses name reservation procedures for health maintenance organizations. A reference to a fee for a name reservation is deleted because no fee is prescribed by statutory law, the rule is otherwise clarified.

No comments were received regarding adoption of the amendment

The amendment is adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may promulgate such reasonable rules as are necessary and proper to carry out the purposes of that 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 November 14, 1984

TRD-8411615 James W Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984

Proposal publication date July 20, 1984

For further information, please call (512) 475-2950

Application for a Certificate of Authority

059.51 03.004- 006

The State Board of Insurance adopts amendments to Rule 059 51 03 004, with changes to the proposed text published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4257). Rules 059 51 03.005 and 006 are adopted without changes and will not be republished

These rules adopt procedures for proposed health maintenance organizations to apply for a certificate of authority. Rule 004 is changed in several respects. Paragraph (7) is changed to delete certain material that is mostly repetitious of statutory provisions. The word "surety" is also deleted because the appropriate bond form is a fidelity bond. Paragraph (9) is deleted since the material specified is no longer required by the Texas Health Facilities Commission (THFC). The remainder of the paragraphs are renumbered. Paragraph (12) is renumbered and is changed to specify the period for which the rates must be filed. This change will make it possible to track rates with enrollment and financial projections. The change tracks the requirements of the Texas Health Maintenance Organization Act, §4(a)(9). In renumbered paragraph (16)(D), a requirement of describing target groups expected to offer the health maintenance organization to employees is

changed from three years to one year after the health maintenance organization expects a net income. This makes it certain that this information will be received well beyond the period the health maintenance organization expects to break even. This change tracks the Act, §4(a)(9). In renumbered paragraph (20)(B), the time for projected financial statements is changed to require that financial statements are projected until the health maintenance organization has had a net income for one year. This change makes the rules consistent with the Texas Health Maintenance Organization Act, §4(a)(9). In renumbered paragraph (20)(C), a reference to waiver of initial capital and surplus requirements is deleted because it is moved to Rule 059 51 09 002. A requirement that the most recently audited financial statement of any sponsoring organization to be submitted is added. Paragraph (21)(B) is renumbered and is changed also to require the filing of a conversion insurance policy offered in case of a health maintenance organization's insolvency. The paragraph is also clarified. Rule 005 is amended to delete language which does not track statutory requirements and to clarify the time when a review period begins. Rule 006 is amended to delete language respecting a fee for filing an application. The statute controls this question. The only change from the rules as proposed is a minor correction to a cite in Rule 059 51 03-004(11).

No comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules and regulations as are necessary to carry out the provisions of the Act.

004 Contents. Contents of the application must include the following items in the order listed:

- (1)-(6) (No change.)
- (7) bonds for officers and employees who may have access to funds. These bonds must be written by a corporate surety company authorized to write bonds in Texas as prescribed by the Insurance Code, Article 20A 30. Bond forms approved by the State Board of Insurance must be used. In addition to the copies of the bonds submitted in the application, one duplicate original copy of each bond must be submitted in an envelope marked to identify its contents. These copies will be file-marked and returned to the applicant if a certificate of authority is granted.
- (8) (No change.)
- (9) a complete description of the complaint resolution procedure to be used in handling both informal and formal complaints and samples of any forms to be used in the procedure. The complaint procedure must
- (A)-(F) (No change.)
- (10) a description of the procedure by which enrollees are afforded the opportunity to participate in matters of policy and operation. The description must explain the methods used to select enrollee representatives to serve on the health maintenance organization (HMO) board of directors or on any standing committees or advisory panels. The minutes of all meetings of such enrollee com-

mittees or panels must be retained for review during examinations and site visits.

(11) the evidence of coverage to be issued to enrollees, any group agreement which is to be issued to employers, unions, trustees, or other organizations as described in Rules 059 51 06 001- 008 of this title (relating to Forms Which Must Be Approved Prior to Use; Health Maintenance Organizations Subject to the Insurance Code, Articles 21 21 and 21 21-2, and Related Rules; Filings Subsequent to Certificate of Authority, Disapproval of an Evidence of Coverage, Specifications for the Evidence of Coverage, Mandatory Provisions Group and Nongroup Agreement and Group Certificate; Additional Mandatory Provisions—Nongroup Agreements; and Additional Mandatory Provisions—Group Agreement Only). In addition to the bound copies, two copies of each evidence of coverage, group agreement, and all related forms must be submitted in an envelope marked to show its contents.

(12) the schedule of charges to be used through one year following break even. Adequate supporting information and certification by a qualified actuary must be included, as specified in Rule 059 51 08 002 of this title (relating to Actuarial Certification).

(13) any advertising or sales material. In addition to the bound copies, two copies of each piece must be submitted in an envelope marked to show its contents;

(14) a brief but complete general narrative description of the applicant, its health care plan or plans, facilities, and personnel. The following specific information shall be included:

(A)-(F) (No change.)

(15) a map of the service area, with key and scale, which shows county lines and appropriate major streets. The map must show the location of the applicant's administrative offices and sufficient physician and other health care delivery sites to demonstrate adequate availability of and accessibility to health care in the service area.

(16) a description of the proposed marketing plan, including the following information:

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

(D) HMO Form 7 describing the target groups expected to offer the HMO to employees in order by expected date of initial enrollment for the period from the start of operations until the organization has had a net income for 12 consecutive months.

(17) a copy of any contract executed or to be executed between the applicant and

(A)-(E) (No change.)

(18) a list of physicians, hospitals, and other providers to be used by the applicant inside the service area indicating for each physician

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

(19) a description of the quality assurance program, including a peer review program to meet the quality of health care requirements outlined in the Insurance Code, Article 20A 05(a)(2)(B). Arrangements for sharing pertinent medical records between physicians and providers within the HMO and assuring the record's confidentiality must be explained.

(20) financial information

(A) (No change.)

(B) projected financial statements for the period from the start of operations until the organization has had a net income for 12 consecutive months, including balance sheet projections, capital expenditures, loans and cash flow schedules, a breakdown of administrative expenses, and the projected maximum cumulative loss. The identity and credentials of the person making the projections must be included,

(C) the most recent audited financial statements of any sponsoring organization,

(21) insurance and other protection against insolvency,

(A) (No change.)

(B) the conversion policy or policies which will be offered by an insurer to an HMO enrollee in the event he or she leaves the HMO, or leaves the service area, or in the event of the HMO's insolvency,

(C) (No change.)

(22) authorization for disclosure to the commissioner of the financial records of the applicant. Disclosure of financial records of affiliates may also be required. The individual to be contacted for a qualifying examination must be identified,

(23) such other information as the commissioners may require for proper consideration

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 November 14, 1984.

TRD-8411616 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950

Regulatory Requirements of Health Maintenance Organizations Subsequent to Issuance of a Certificate of Authority

059.51.04.001- 006

The State Board of Insurance adopts amendments to Rule 059 51 04 002, with changes to the proposed text published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4259). Rules 059 51 04.001 and 003- 006 are adopted without changes and will not be republished.

These rules specify certain regulatory requirements for a health maintenance organization subsequent to the issuance of a certificate of authority. Rule 059 51 04 .001 is amended to clarify the procedure for filing certain information as required by the rule, either for informational purposes or for approval. Rule 059 51 04 .001(1)(M) and (N) is amended to reflect more appropriately changes in requirements under the Texas Health Planning Act. A requirement in Rule 059 51 04 001(2)(F) that all advertising and sales material be

filed with the board prior to use is deleted as being overly burdensome and not consistent with the general scheme of regulation by the board. Rule 059 51 04 001(7) is redesignated Rule 059 51 04 002, and the rule is renumbered and relettered.

Other changes are made to bring this rule into conformity with current statutory law. Changes in relettered and renumbered subsection (b)(4) and (8) make the rule consistent with the Texas Health Maintenance Organization Act, §4(a)(9). Additional requirements in new subsection (b)(7) put present practices in rule form. A provision relating to "annual information to enrollees" is deleted as no longer being in conformity with the Act, §11. Rules 059.51.04 002- 005 are redesignated as Rules 059 51 04 003- 006 respectively. Rule 059.51 04 004(b)(2) is amended to require certain reports until the health maintenance organization has experienced a net operating income for 12 months. This makes the provision consistent with the Act, §4(a)(9). The only change in the rules from the proposal is in Rule 059 51 04 002(c), which is clarified.

No comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules and regulations as are necessary and proper to carry out the purposes of the Act.

.002 Service Area Expansion Requests

(a) For contiguous service area expansion requests, the health maintenance organization (HMO) must provide the commissioner with the following information to support the request:

(1) if prior action of the HMO's board is required, minutes of the board meeting at which expansion was authorized and any related amendments to the basic organizational document or bylaws,

(2) a map of the new service area showing locations of primary care physicians, hospitals, and emergency care facilities,

(3) any contracts or agreements with physicians and other providers in the new area,

(4) a list of all physicians and other providers who have agreed to provide services in the new area.

(b) If the new area is not contiguous with the previously approved area, the following additional information must be provided:

(1) a brief narrative description of the administrative arrangements and other pertinent information;

(2) biographical data sheets for the management staff assigned to the new area,

(3) enrollee participation plan for the new area,

(4) marketing information about the new area, including demographic material, enrollment projections for the period from the beginning of operations until operations in the new service area have produced a net income for 12 consecutive months using HMO Form 7, and proposed advertising and sales material,

(5) evidence of coverage to be used in the new area;

(6) rates to be charged and actuarial certification,

(7) copies of leases, loans, and contracts to be used in the proposed new area, and

(8) sources of financing and financial projections until operations in the new area will have produced a net income for 12 consecutive months

(c) The HMO shall provide such other information as the commissioner may consider necessary to adequately describe the proposal

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

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 November 14, 1984

TRD-8411617 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984

Proposal publication date August 7, 1984

For further information please call (512) 475-2950.

Licensing and Regulation of Agents

059.51.05.006

The State Board of Insurance adopts an amendment to Rule 059 51 05 006, without changes to the proposed text published in the July 20, 1984, issue of the *Texas Register* (9 TexReg 3920)

This rule relates to written examinations for the licensing and regulation of health maintenance organization agents. Paragraph (1) of the rule is amended to provide that questions for the examination will also be taken from rules adopted by the Texas Department of Health and from certain additional rules of the State Board of Insurance, such as advertising, which are applicable to health maintenance organization agents.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Health Maintenance Organization Act, §15(g), pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules as are necessary to provide for the licensing of health maintenance organization agents.

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 November 14, 1984

TRD-8411618 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984

Proposal publication date July 20, 1984

For further information, please call (512) 475-2950.

Evidence of Coverage

059 51.06 001, 004- 008

The State Board of Insurance adopts amendments to Rules 059 51 06 001 and .004- 008, without changes to the proposed text published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4261)

These rules address evidences of coverage for health maintenance organizations. Rule 059 51 06 001 is clarified, in paragraph (2) it is specifically made clear that the same form may be used as both the group agreement and group certificate. Rule 059 51 06 004(a)(3) is clarified, and it is also made clear that evidences of coverage must comply with applicable law. The Insurance Code, Article 21.21-2, is added to the rule, that statute is specifically made applicable to evidences of coverage by the Texas Health Maintenance Organization Act, §14. In Rule 059 51 06.005(e), it is made clear that each page of a form shall be identified with a suitable form number. This makes the rule consistent with subsequent portions of the rules.

Rule 059 51 06 006 is changed in several respects. Paragraph (6) is amended so that additional relevant information respecting a complaint procedure is provided in evidences of coverage. A requirement that the description of the procedure be identical to the description filed as part of the application for a certificate of authority is added for consistency. Paragraph (9) is amended to require a statement of the effective date requirements for different kinds of enrollees instead of dependents only. Paragraph (10) is clarified. A new paragraph (12) is added to require a provision that the written forms and attachments constitute the entire contract. The provision makes it clear that only an officer of the health maintenance organization may change the contract. This replaces "entire contract" language elsewhere in the rules and is not a substantive change. Old paragraph (12) is made new paragraph (13). Requirements respecting a grace period are moved to this rule as paragraph (14). This provision was heretofore contained in Rules 059 51 06 007 and 008. Old paragraphs (13)-(17) (15), language regarding an incontestability clause is moved to this rule. "Entire contract" language is removed and replaced in new paragraph (12). A requirement is added that the written application must be furnished if the terms of the application or enrollment form will be applied. Paragraph (18), respecting termination of coverage, is amended to apply only to the attainment of a limiting age, a statement as to the effect of becoming eligible for Medicare is required. A requirement for a statement of the conditions under which coverage may be terminated is eliminated. This requirement is contained in Rule 059 51 06 006(4).

In Rule 059 51 06 007, provisions respecting amendments to contracts and a grace period are deleted. These provisions are moved to Rule 059 51 06 006. The remaining paragraphs are renumbered. In Rule 059 51 06 008, provisions respecting amendments and a grace period are deleted. These provisions are

moved to Rule 059.51.06.006. The remaining paragraphs are renumbered. In addition, it is made clear that a provision respecting group certificates is not applicable if the same form is used for the group agreement and group certificate.

No comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules as are necessary to carry out the provisions 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 November 14, 1984.

TRD-8411619 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950.

059.51.06.011

The State Board of Insurance adopts the repeal of Rule 059.51.06.011, without changes to the proposal published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4261).

This rule is no longer appropriate. It provided a time limit within which previously approved forms would be required to comply with earlier amendments to these rules. That time limit has long since expired.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules as are necessary to carry out the provisions 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 November 14, 1984.

TRD-8411620 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950.

Advertising and Sales Material

059.51.07.002

The State Board of Insurance adopts an amendment to Rule 059.51.07.002, with changes to the proposed

text published in the July 20, 1984, issue of the *Texas Register* (9 TexReg 3920).

This rule relates to advertising and sales material for health maintenance organizations. The amendment provides that health maintenance organizations are subject to the Insurance Code, Article 21.21-2. This change causes the rule to simply track the provisions of the Texas Health Maintenance Organization Act, §14. The rule as adopted is rewritten for clarity. However, there is no substantive change from the proposal.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Health Maintenance Organization Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules as are necessary to carry out the purposes of the Act.

002 Health Maintenance Organizations Subject to the Insurance Code, Article 21.21 and Article 21.21-2, and Related Rules Health maintenance organizations must comply with the Insurance Code, Article 21.21 and Article 21.21-2, and all advertising guidelines and rules promulgated by the State Board of Insurance pursuant to the Insurance Code, Article 21.21 and Article 21.21-2, to the extent these rules may be applied, in the same manner as insurance companies.

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 November 14, 1984.

TRD 8411621 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date July 20, 1984
For further information, please call (512) 475-2950.

Schedule of Charges

059.51.08.002, .006

The State Board of Insurance adopts amendments to Rules 059.51.08.002 and .006, without changes to the proposed text published in the August 7, 1984, issue of the *Texas Register* (9 TexReg 4263).

These rules concern the schedule of charges to be used by health maintenance organizations. Amendments to Rule 059.51.08.002 delete a provision which permits an actuarial certification by a person who has passed a special examination given by the State Board of Insurance. The new standards adopted in the rule are more appropriate. Other changes to Rule 059.51.08.002 are editorial only.

Amendments to Rule 059.51.08.006 delete a requirement that the proposed schedule of charges for the first three years of operations be submitted as part of the application for a certificate of authority. Henceforth, the requirement is that a proposed schedule of

charges must be submitted with no definite time for projection into the future. This change makes the rule more realistic and also makes the rule consistent with other rules deleting a requirement for projections three years into the future.

No comments were received regarding adoption of the amendments

The amendments are adopted under the Texas Health Maintenance Organization Act, §9, which requires an actuarial certification to the appropriateness of a health maintenance organization's charges, and pursuant to the Act, §22, which authorizes the State Board of Insurance, after notice and hearing, to promulgate such reasonable rules as are necessary and proper to carry out the provisions 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 November 14, 1984

TRD-8411622 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date August 7, 1984
For further information, please call (512) 475-2950

Financial Requirements

059.51 09.001, 002

The State Board of Insurance adopts amendments to Rule 059 51 09 001, with changes to the proposed text published in the September 18, 1984, issue of the *Texas Register* (9 TexReg 4907) Rule 059 51 09 002 is adopted without changes and will not be republished

These rules address certain financial requirements for health maintenance organizations. Rule 059 51 09 001(a) is amended to require initial capitalization of unencumbered assets in excess of all liabilities equal to or greater than \$200,000. The board believes this amount is more appropriate than the present rule because it will cause applicants to be financially stronger when first starting operations. Subsection (b) specifies the types of permissible assets for a prospective health maintenance organization before it is licensed. Subsection (c) is added to specify the minimum surplus requirements for a health maintenance organization applicant and licensed health maintenance organization. Subsection (d) is deleted as not being consistent with current statutory law.

Rule 059 51 09 002 is amended to delete current language respecting the establishment of a reserve liability. The rule is amended to make it consistent with the Texas Health Maintenance Organization Act, §13, as amended in 1981, and to provide a uniform procedure respecting deposits under that section.

The only changes from the rules as proposed are minor grammatical changes to Rule 059 51.09 001(c).

No comments were received regarding adoption of the amendments

The amendments are adopted under the Texas Health Maintenance Organization Act, §5(b)(2)(C), pursuant to which the commissioner must be satisfied that the prospective health maintenance organization may reasonably be expected to meet its obligations to enrollees; the Act, §13, which sets forth certain requirements respecting the financial soundness of health maintenance organizations, and the Act, §22, pursuant to which the State Board of Insurance may, after notice and hearing, promulgate such reasonable rules as are necessary and proper to carry out the provisions of the Act

.001 Capitalization

(a) At the time of the qualifying examination, an applicant for a certificate of authority to operate a health maintenance organization (HMO) must have assets in excess of all of its liabilities equal to or greater than \$200,000

(b) The types of assets acceptable for an applicant to possess at the time of the qualifying examination are cash, demand or time deposits which qualify for coverage under the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, obligations of the United States government, and obligations of the State of Texas

(c) After the qualifying examination, the applicant must maintain unencumbered assets equal to or greater than \$200,000 in excess of all of its liabilities, until it receives its certificate of authority, and thereafter, the HMO must meet the minimum capital and surplus requirements of the Insurance Code, Article 20A 13(g), by maintaining acceptable unencumbered assets in excess of its uncovered liabilities equal to or greater than \$200,000. A liability may not be considered a covered liability until the applicant receives its certificate of authority and becomes a certified HMO.

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 November 14, 1984

TRD-8411623 James W. Norman
Chief Clerk
State Board of Insurance

Effective date December 6, 1984
Proposal publication date September 18, 1984
For further information, please call (512) 475-2950

TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part X. Texas Water Development Board

Chapter 331. Edwards Aquifer

The Texas Water Development Board adopts new §§331 1- 331 11, and the repeal of §§331 1-

331 19, 331 31-331 49, 331 61-331 79, 331 91-331 109, 331 121-331 130, 331 141-331 159, and 331.171 331 180, without changes to the proposal published in the July 13, 1984, issue of the *Texas Register* (9 TexReg 3787)

The repeal of §§331 1-331 19, 331 31-331 49, 331 61-331 79, 331 91-331 109, 331 121-331 130, 331 141-331 159, and 331 171-331 180 and the adoption of new §§331 1-331.11 result in revisions to regulations for protection of the quality of water in the Edwards Aquifer in Medina, Bexar, Comal, Kinney, Uvalde, and Hays Counties to incorporate the knowledge and expertise developed by the Texas Department of Water Resources during the course of administering the Edwards Aquifer regulatory program. Regulatory provisions have been consolidated for all the relevant counties, and the language has been clarified, duplicate regulatory requirements have been eliminated, and regulation has been extended to include portions of northern Hays County that had been unregulated previously.

Most of the comments received were in support of adoption of the sections as finally proposed. Dr. John M. Sweeten, Ph.D., P.E., agricultural engineer with the Texas Agricultural Extension Service of Texas A&M University, commented favorably on the proposed new sections, expressing specific support for the prohibition of new confined animal feeding operations and the regulation of private sewage facilities over the recharge zone. Dr. Sweeten also commented that the construction standards for private sewage facilities promulgated by the Texas Department of Health may be revised in response to advances in technical knowledge. The department notes that any such revised standards will be made applicable under the Edwards Aquifer sections adopted by the board.

A number of comments have been provided at public hearings, including written comments provided by State Representative Gonzalo Barrientos and Eileen M. Conley on behalf of the Hays-Travis Water and Growth Council, supporting extension of Edwards Aquifer regulatory protections to cover the area of Hays County north of the Balcones fault line. This has been accomplished by amendment to the definition of recharge zone under §331 2 and appropriate revisions to the department's official map delineating the regulated recharge zone in Hays County.

Thomas P. Fox, general manager for the Edwards Underground Water District, San Antonio, commented favorably on the proposed sections. Mr. Fox indicated, however, that the board of directors for the district recommended the addition of a buffer zone to extend regulatory protections beyond the designated recharge zone. The department has not included a buffer zone in the current sections, but will continue to evaluate the technical aspects involving inclusion of a buffer zone and intends to work actively with the district in exchanging technical information on matters affecting the Edwards Aquifer, including considering the addition of a buffer zone. Mr. Fox also requested that the department clarify that §331 11 does not impose any limitation on the district's legal rights and responsibilities for regulation of the Edwards

Aquifer as provided by Texas Water Code Auxiliary Laws, Article 8280-19. The department states that nothing contained in §331 11 limits the authority of the Edwards Underground Water District to discharge its responsibilities and to exercise its rights as provided by law, and nothing recited in §331 11 should be construed as providing any such limitation.

Stuart M. Henry, chairman of the Water Resources Committee of the Lone Star Chapter of the Sierra Club, commented in support of the proposed sections, with several exceptions. First, Mr. Henry suggested that the executive director of the department be provided discretion to include areas not designated on the department's maps as lying within the recharge zone. The department's technical evaluation is that there is little, if any, additional area that would be affected by such a provision. Moreover, the department feels that it would be more appropriate to include previously unregulated areas through rule making, by revising the department's maps as appropriate on the basis of new data. Mr. Henry disagreed with revisions to §331 31(e)(1), suggesting that the revised procedures for deed recordation of approved pollution abatement plans will not provide effective notice to subsequent purchasers. The department feels that the revised procedures provide sufficient notice and also accommodate existing practices relating to transfers of real property in real estate development transactions. Mr. Henry suggested that revisions to §331 4(b)(6), which make the owner of the sewage collection system responsible for repairs, will create situations where no party will provide repairs when the owner is not responsible for damage to the collection system. The department disagrees. Under the sections, the owner is responsible and cannot disclaim legal liability.

Mr. Henry commented that the department's clarification to §331 6(b), prohibiting the installation of new pit privies, cesspools, and other similar sewage disposal systems over the recharge zone, will eliminate the authority of the department to proceed against an individual who may have constructed such a facility in violation of similar prohibitions under the prior Edwards Aquifer sections. This section is not intended to excuse previous violations of the department's sections, and where such violations are demonstrated to have occurred, the department will undertake appropriate enforcement action.

Mr. Henry commented that §331 6(g) should provide the executive director with express authority to revoke licenses for private sewage facilities in the event of noncompliance. The department does not believe that properly authorized licensing authorities have demonstrated any inadequacies in administering these licensing activities under previous sections. Moreover, the department notes that §331 6(g) specifically provides that neither revocation of license nor any other provision of this subchapter shall preclude the executive director from acting to prevent or curtail pollution of the Edwards Aquifer, to abate a nuisance, or to protect the public health. The department feels this provision confers adequate authority on the executive director to conduct enforcement actions necessary to

protect the Edwards Aquifer in the event of infractions of the sections

Finally, Mr. Henry commented that the department has authority to regulate municipal solid waste disposal facilities where these facilities adversely affect the quality of water in the state. Unless actual or threatened pollution of the waters in the state is occasioned by the operation of such a facility, regulation is vested in the Texas Department of Health, under the provisions of the Texas Solid Waste Disposal Act, Texas Civil Statutes, Article 4477-7. In the event of actual or threatened pollution from such a facility, the department has clearly reserved the authority to act to prevent such pollution under the provisions of §331.1.

R. Kinnan Golemon, attorney with Brown, Maroney, Rose, Barber, and Dye, Austin, provided detailed comments on revisions of the Edwards Aquifer sections proposed previously. Some of these comments were included in further revisions to republished sections as finally adopted by the board in the July 13, 1984, issue of the *Texas Register* (9 TexReg 3787). Three areas of concern raised in Mr. Golemon's comments, not previously responded to, are summarized herein.

Mr. Golemon suggested that the department should recite the technical justification for the proposed sections in the text of the sections. The department disagrees. It is inappropriate to recite technical evidence in the text of regulatory provisions. The department is prepared to share its technical information with interested individuals and does so on a regular basis. Staff of the department knowledgeable about the department's technical concerns and evaluations have been present at all public hearings.

Mr. Golemon also suggested that the sections specifically require the executive director to fully support his regulatory decisions, since regulated individuals are required to do so. The board has the requisite statutory authority for rule making, and the Administrative Procedure and Texas Register Act has been complied with in full.

Finally, Mr. Golemon suggested that regulatory requirements having to do with the department's District 8 office in San Antonio are inappropriate for the area newly regulated in northern Hays County, since this area of Hays County overlies a portion of the aquifer hydrologically distinct from the aquifer underlying Kinney, Uvalde, Medina, Bexar, Comal, and southern Hays Counties. All decisions and regulatory actions are supervised by the executive director, and the decision to specify the department's San Antonio district office for certain regulatory activities under these sections is administratively appropriate.

Louis T. Fox, San Antonio city manager, commented in support of the proposed sections. While recognizing that additional research and technical evaluation are needed, Mr. Fox requested that the department continue to study the possibility of including a buffer zone in addition to the currently designated recharge zone.

Finally, Lowry M. Carpenter, executive vice-president, Texas LP Gas Association, Austin, suggested that

regulation of hydrocarbon storage facilities be specifically addressed to static hydrocarbons. This recommendation has been incorporated in the sections previously and was approved by the board in its adoption of the current sections.

Subchapter A. Bexar County

31 TAC §§331.1-331.19

The repeal is adopted pursuant to the Texas Water Code, §§26.011, 5.131, and 5.132, which provides the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state.

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 November 14, 1984

TRD-8411562 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date: December 5, 1984
Proposal publication date: July 13, 1984
For further information, please call (512) 475-7845.

Subchapter A. Edwards Aquifer in Medina, Bexar, Comal, Kinney, Uvalde, and Hays Counties

31 TAC §§331.1-331.11

The new sections are adopted pursuant to the Texas Water Code, §§26.011, 5.131, and 5.132, which provide the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state.

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 November 14, 1984

TRD-8411561 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date: December 5, 1984
Proposal publication date: July 13, 1984
For further information, please call (512) 475-7845.

Subchapter B. Comal County

31 TAC §§331.31-331.79

The repeal is adopted pursuant to the Texas Water Code, §§26.011, 5.131, and 5.132, which provides the Texas Water Development Board with the authority

to promulgate rules to protect the quality of water in the state

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 November 14, 1984

TRD 8411563 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845.

Subchapter C. Hays County

31 TAC §§331 61-331 79

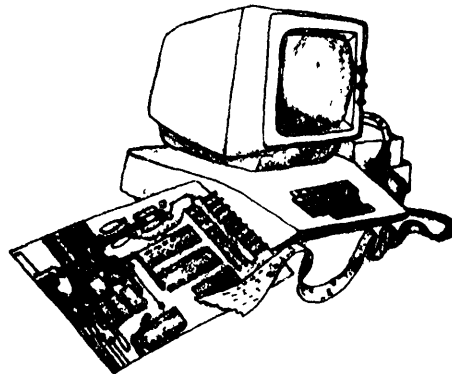
The repeal is adopted pursuant to the Texas Water Code, §§26 011, 5 131, and 5 132, which provides the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state

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 November 14, 1984

TRD 8411564 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845.



Subchapter D. Kendall County

31 TAC §§331 91-331 109

The repeal is adopted pursuant to the Texas Water Code, §§26 011, 5 131, and 5 132, which provides the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state

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 November 14, 1984.

TRD-8411565 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845.

Subchapter E. Kinney County

31 TAC §§331 121-331.130

The repeal is adopted pursuant to the Texas Water Code, §§26 011, 5 131, and 5 132, which provides the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state

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 November 14, 1984

TRD-8411566 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845.

Subchapter F. Medina County

31 TAC §§331 141-331.159

The repeal is adopted pursuant to the Texas Water Code, §§26 011, 5 131, and 5 132, which provides the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state

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 November 14, 1984

TRD-8411567 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845.

Subchapter G. Uvalde County

31 TAC §§331.171-331.180

The repeal is adopted pursuant to the Texas Water Code, §§26.011, 5.131, and 5 132, which provides

the Texas Water Development Board with the authority to promulgate rules to protect the quality of water in the state

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 November 14, 1984

TRD 8411568 Susan Plettman
General Counsel
Texas Department of Water
Resources

Effective date December 5, 1984
Proposal publication date July 13, 1984
For further information, please call (512) 475-7845

TITLE 34. PUBLIC FINANCE
Part I. Comptroller of Public
Accounts
Chapter 3. Tax Administration
Subchapter O. State Sales and Use Tax
34 TAC §3 294

The Comptroller of Public Accounts adopts amendments to §3 294, concerning rentals and leases of taxable items, with changes to the proposed text published in the October 5, 1984, issue of the *Texas Register* (9 TexReg 5146)

The amendments reflect the legislative changes regarding the time sales tax is to be reported on financing leases and the taxability of transportation charges related to lease property. The change in subsection (f)(3)(C) explains when a lessee is to report the tax under a financing lease when the lessor fails to collect it.

No comments were received regarding adoption of the amendments.

The amendments are adopted under the Texas Tax Code, §111.002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the sales tax.

§3 294 Rental and Lease of Taxable Items

(a) Definitions. The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise:

(1)-(3) (No change.)

(4) Taxable item—Tangible personal property and taxable services.

(5) Service contract—An agreement providing both nontaxable services (labor) and taxable items for a lump-sum amount and with the element of nontaxable service being the essence of the transaction. To qualify as a service contract, the services provided must be clearly evident from the terms of the contract and the providing of property maintenance and repair services to a lessee does not convert a lease contract into a service contract.

(b) (No change.)

(c) Service contracts. The charges for services provided under a service contract will not be subject to sales or use tax. The person providing the service is liable for tax on all taxable items used or consumed in providing the service. See §3 308 of this title (relating to Computers—Hardware, Software, Services, and Sales), §3 344 of this title (relating to Mobile Telephone and Telephone Paging Services) and §3 324 of this title (relating to Oil, Gas, and Related Well Service).

(d) (No change.)

(e) Other charges in a lease agreement. Operating and financing lease agreements may contain a variety of charges in addition to the basic rental/lease payment. These charges and their tax consequences are as follows:

(1) Separately stated charges for labor or services rendered in remodeling, maintaining, or repairing the item being leased are included in the lease price and are subject to tax.

(2) Separately stated charges for labor or services rendered in installing or applying the item being leased are not included in the lease price and are not subject to tax.

(3) Separately stated charges by the lessor for the transportation of the leased property from the lessor to the lessee are included in the lease price and are subject to tax. Separately stated charges by the lessor for the transportation of the leased property from the lessee back to the lessor are not included in the lease price and are not taxable. Charges for transportation of the property from a supplier to the lessor are included in the lease price and are taxable. Separately stated charges for transportation of property from the supplier directly to the lessee are taxable. See §3 303 of this title (relating to Transportation and Delivery Charges).

(4) A charge imposed for the early termination of the lease is included in the lease price and is taxable.

(5) Under an operating lease, any interest charges will be taxable whether or not separately stated unless the interest charge is clearly imposed for late payment or other defaults under the lease.

(6) Under a financing lease, charges for interest by the lessor to the lessee will be taxable unless the rate of interest or the actual interest charged is separately stated in the contract to the customer.

(f) Imposition of taxes, time for filing, credits:

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

(3) Method and time for filing reports:

(A) (No change.)

(B) Under a financing lease, tax must be collected at the time the purchaser takes possession of the property or when first payment is due from the customer, whichever is earlier. Tax must be reported on or before the 20th day of the month following the reporting period in which the tax is collected.

(C) Under an operating lease, the use tax must be reported by the lessee when the lessor is not engaged in business within this state as prescribed by the Texas Tax Code, §151.107. The tax must be reported by the lessee based upon the lessee's accounting method used for regular books and records. Under a financing lease, the use tax must be reported by the lessee when the lessee takes possession of the property or when first payment is due, whichever is earlier.

(g) Sales of leased property under operating leases, credit allowed

(1)-(2) (No change)

(h)-(j) (No change)

(k) Other taxes. For information pertaining to tax on motor vehicle rental receipts, refer to sections promulgated under the Motor Vehicle Sales and Use Tax 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 November 12, 1984

TRD-8411584 Bob Bullock
Comptroller of Public Accounts

Effective date: December 5, 1984
Proposal publication date: October 5, 1984
For further information, please call (512) 475-1913

Subchapter O. State Sales and Use Tax 34 TAC §3 310

The Comptroller of Public Accounts adopts new §3 310, without changes to the proposed text pub-

lished in the October 12, 1984 issue of the *Texas Register* (9 TexReg 5266).

The new section was necessary for the administration of changes made in the law during the special legislative session. The law change became effective October 2, 1984. On that date laundry, cleaning, and garment services were taxed. The section explains which personal services are subject to tax and the tax responsibilities of persons performing those services.

No comments were received regarding adoption of the new section.

The new section is adopted under the Texas Tax Code, §111.002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the sales tax.

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 November 19, 1984

TRD 8411680 Bob Bullock
Comptroller of Public Accounts

Effective date: December 10, 1984
Proposal publication date: October 12, 1984
For further information, please call (512) 475-1913

State Board of Insurance Exempt Filings

State Board of Insurance 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.

The State Board of Insurance has approved a filing by the Insurance Services Office of a revision in rates for Glass Insurance, Division Seven, *Commercial Lines Manual*.

The rate level changes presented in this filing were determined from a review of the latest available experience through calendar accident year 1982 for all companies reporting to the Insurance Services Office. The indicated rate level changes developed of +38.9% has been capped at +10.4% overall for all classes of glass insurance which are subject to ter-

ritorial multipliers. This change in statewide premium level has been distributed as follows: Classes A-D - +14.4%, Class E - 42.8%.

The review indicated that Class E glass requires a substantial rate reduction relative to the rates for Classes A-D. Rate level changes have been selected so that the resulting Class E territorial multiplier is 50% of the multiplier for Classes A-D.

It is proposed that this revision become effective March 1, 1985, under the following rule of application:

These changes are applicable to all policies effective on or after March 1, 1985. No policy effective prior to March 1, 1985, shall be endorsed or canceled and rewritten to take advantage of or to avoid the application of these changes except at the request of the insured and using the cancellation procedures applying on the date of such request.

This filing is effective March 1, 1985.

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.

Issued in Austin, Texas, on November 14, 1984

TRD 8411625 James W. Norman
Chief Clerk
State Board of Insurance

Effective date: March 1, 1985
For further information, please call (512) 475-2950

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. Although some notices may be received too late for publication before the meeting is held, all those filed are published in the *Register*. Notices concerning state agencies, colleges, and universities must contain the date, time, and location of the meeting, and an agenda or agenda summary. Published notices concerning county agencies include only the date, time, and location of the meeting. These notices are published alphabetically under the heading "Regional Agencies" according to the date on which they are filed.

Any of the governmental entities named above must have notice of an emergency meeting or 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. However, notices of emergency additions or revisions to a regional agency's agenda will not be published since the original agenda for the agency was not published.

All notices are posted on the bulletin board outside the Office of the Secretary of State on the first floor of the East Wing in the State Capitol. These notices may contain more detailed agendas than space allows to be published in the *Register*.

Open Meetings

Texas Department of Agriculture

Tuesday, November 27, 1984, 7 p.m. The Texas Department of Agriculture will meet at the Roundup Inn, Will Rogers Memorial Center, 3400 West Lancaster, Fort Worth. According to the agenda, the department will conduct a public hearing to receive comments regarding proposed new 4 TAC §§7 25-7 31, concerning pesticide application standards, as published in the October 23, 1984, issue of the *Texas Register* (9 Tex-Reg 5468).

Contact: Ron White, P.O. Box 12847, Austin, Texas 78711, (512) 475-6346

Filed: November 16, 1984, 4 01 p.m.
TRD 8411667

Texas Animal Health Commission

Friday, November 30, 1984, 9:30 a.m. The Texas Animal Health Commission will meet in the conference room, first floor, 210 Barton Springs Road, Austin. Items on the agenda summary include a picture taking session for the commissioners, approval of the previous meeting minutes, approval of actions of the executive director for the period October 12-November 29, 1984, a hearing to adopt proposed amendments to the Texas bovine brucellosis regulations, and

discussion of the release of the avian influenza poultry quarantine and a report of the Finance Committee.

Contact: Jo Anne Conner, P.O. Box 12966, Austin, Texas 78711, (512) 475-4111

Filed: November 19, 1984, 10.49 a.m.
TRD-8411688

State Banking Board

Friday, November 16, 1984, 3 p.m. The State Banking Board met in emergency session via telephone conference call originating at 2601 North Lamar Boulevard, Austin. According to the agenda, the board considered applications for interim charters for new Willis State Bank, Willis, new First Texas Bank, Vidor, new Conroe State Bank, Conroe, and new Congress Bank, Austin. The emergency status was necessary because applicants for interim charters would suffer detrimental tax consequences if proposed bank holding company formation were not completed by the end of the year.

Contact: William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas, (512) 475-4451

Filed: November 15, 1984, 2 20 p.m.
TRD-8411626

State Board of Barber Examiners

Tuesday, December 4, 1984. The State Board of Barber Examiners will meet in Suite C-275, 1300 East Anderson Lane, Austin. Times and agendas follow.

8 a.m. The board will consider the previous meeting minutes, sign teacher and school certificates, interview out-of-state applicants, and review letters and reports to the board by the executive director. The board also will meet in executive session.

1 p.m. The board will conduct a hearing on a complaint against Martin Barber College, Longview.

Contact: Jo King McCrorey, 1300 East Anderson Lane, C-275, Austin, Texas 78752, (512) 835-2040

Filed: November 19, 1984, 10 46 a.m.
TRD-8411693, 8411692

Battleship Texas Advisory Board

Monday, November 26, 1984, 5:30 p.m. The Battleship Texas Advisory Board will meet at Kuntz Insurance Company, 4439 Spencer Highway, Pasadena. Items on the agenda include approval of the minutes; a report on the Texas Parks and Wildlife Commission meeting held November 8,

Texas Register

1984, discussion on the upcoming legislative session in Austin, publicity for a fund-raising campaign, and forming subcommittees and their duties, and adoption of plans for the legislative session, publicity, fund raising, and subcommittees

Contact: Denny G Hair, 1003 Eastlake, Houston, Texas 77034, (713) 947-8090 or (713) 230-2300, ext 361

Filed: November 15, 1984, 11 05 a m
TRD-8411603

Saturday, December 15, 1984, 1 p.m. The Battleship Texas Advisory Board will meet at 3527 Battleground Road, La Porte Items on the agenda include approval of the minutes, a report on plans, an open discussion from the advisory board meeting on support of the choosing, discussion of the next advisory board meeting, and a tour of the ship with invited guests for the state legislative session

Contact: Denny G Hair, 1003 Eastlake, Houston, Texas 77034, (713) 947-8090 or (713) 230-2300, ext 361

Filed: November 15, 1984, 11:06 a.m
TRD-8411604

Texas Coastal and Marine Council

Thursday, November 29, 1984, 8:30 a.m. The Texas Coastal and Marine Council will meet at the Ramada Inn, 3801 Highway 73, Port Arthur Items on the agenda include approval of the October meeting minutes, election of officers, consideration of an amendment to the rules of procedure regarding donations, committee and staff reports, past and future council projects, public testimony, and the date and location of the February council meeting

Contact: Charles I Branton, P O Box 13407, Austin, Texas 78711, (512) 475-4578.

Filed: November 16, 1984, 4 38 p m.
TRD-8411670

Texas Education Agency

Committees of the State Board of Education of the Texas Education Agency (TEA) will meet in the TEA North Building, 1200 East Anderson Lane, Austin Days, times, rooms, and committees follow

Monday, November 26, 1984, 10 a.m. In the boardroom, the Committee for Finance and Programs will conduct a public hearing concerning the price differential index. Copies of the report from the Price Differential Index Advisory Committee have been sent to all school districts. Additional copies are available from the Publications and Distribution Office, Texas Education Agency, 201 East 11th Street, Austin, Texas 78701, (512) 475-2268 Persons who wish to testify can sign up in advance by calling Valerie Wright at (512) 475-5601 Time for testimony will be set by the chairman of the committee. All persons testifying are requested to bring 17 copies of their testimony for distribution to board members

Contact: Valerie Wright, 201 East 11th Street, Austin, Texas 78701, (512) 475-5601.

Filed: November 15, 1984, 3:33 p.m.
TRD-8411637

Tuesday, November 27, 1984, 8:30 a.m. In Room 101-E, the Committee for Finance and Programs will discuss the price differential index and econometric model and review and discuss testimony received from the public hearing on the price differential index held on November 26, 1984

Contact: Beverly J Bardsley, 201 East 11th Street, Austin, Texas 78701, (512) 475-7077.

Filed: November 15, 1984, 3.33 p m
TRD-8411638

Saturday, December 1, 1984, 9 a.m. In the boardroom, the Committee for Personnel will conduct a public hearing to receive public opinions on issues related to promotion, absences, and participation in extracurricular activities Persons wishing to reserve a time for presenting testimony may contact Walter Rambo at (512) 475-6838 Specific blocks of time have been set aside for testimony in three areas as follows

9 a m -noon—promotion and alternatives to social promotion.

2 p m -5 pm —student participation in extracurricular or other activities.

7 p m -9 p m —student absences

Contact: Walter Rambo, 201 East 11th Street, Austin, Texas 78701, (512) 475-6838

Filed: November 16, 1984, 4.19 p m.
TRD-8411668

Sunday, December 2, 1984, 8:30 a.m. In Room 101-E, the Committee for Students will review public testimony received at the December 1, 1984, hearing before the State Board of Education Committee for Personnel concerning promotion, absences, and participation in extracurricular activities

and develop proposed rules for board action

Contact: Tom Anderson, 201 East 11th Street, Austin, Texas 78701, (512) 475-4324.

Filed: November 16, 1984, 4:19 p.m.
TRD-8411669

Texas Employment Commission

Tuesday, November 27, 1984, 9 a.m. The Texas Employment Commission (TEC) will meet in Room 644, TEC Building, 15th Street and Congress Avenue, Austin. Items on the agenda summary include prior meeting notes, internal procedures of the Office of Commission Appeals, consideration and action on higher level appeals in unemployment compensation cases in Docket 48, and the date of the next meeting

Contact: Courtenay Browning, TEC Building, Room 608, 15th Street and Congress Avenue, Austin, Texas 78711, (512) 397-4415.

Filed: November 19, 1984, 4:02 p.m.
TRD-8411722

Finance Commission of Texas

Thursday, November 29, 1984, 3 p.m. The Savings and Loan Section of the Finance Commission of Texas will meet in the Ruby Room, Level I, Tower Section Loews Anatole Hotel, 2201 Stemmons Freeway, Dallas According to the agenda summary, the section will review and discuss final adoption of regulations on the use of approved forms, interim charter, fees for charter and bylaws amendments, general provisions (loans and investments), fee for a charter application for supervisory merger, and abeyance of other applications, propose amendments to regulations on establishment, operation, and types of additional offices, branch office applications; filing another application, notice, publication, hearing, and decision, use of approved forms, findings necessary for approval of branch offices; mobile facilities, applications and operations, notice, publication, hearing, and decision, propose the repeal of regulations on contents of loan office applications, notice, and findings for approval; Chapter 55 agencies, and discuss proposed legislative amendments and an update on the building program The section also will

meet in executive session regarding personnel and supervisory matters

Contact: L. L. Bowman III, 1004 Lavaca Street, Austin, Texas 78701, (512) 475-7991.

Filed: November 19, 1984, 4:12 p.m.
TRD-8411723

Texas Health and Human Services Coordinating Council

Wednesday, November 28, 1984. Entities of the Texas Health and Human Services Coordinating Council will meet in the Senate Reception Room, State Capitol, Austin. Times, entities, and agendas follow.

9 a.m. The Planning and Goals Subcommittee will consider goals and 1985 objectives and tasks, review and consider criteria set for the council, and consider the state health plan and a proposal for a catalog of recommendations to the Texas legislature.

11 a.m. The Finance Committee will consider 1985-1987 funding

Contact: Lynn H. Leverty, P O Box 12428, Austin, Texas 78711, (512) 475-1306.

Filed: November 16, 1984, 8:23 a.m.
TRD-8411641, 8411642

Texas Health Facilities Commission

Thursday, November 29, 1984, 1:30 p.m. The Texas Health Facilities Commission will meet in Suite 305, Jefferson Building, 1600 West 38th Street, Austin. According to the agenda summary, the commission will consider the following applications.

Certificates of Need

St. Jude Hospital, Brenham
AH84-0815-527

Retirement Care Center of Katy, Katy
AN84-0503-281

Kirbyville Nursing Home, Kirbyville
AN84-0110-022

Kirbyville Nursing Center, Kirbyville
AN84-0103-006

Charter Garland Hospital, Garland
AH83-0506-472

St. Paul Hospital, Dallas
AH83-1227-466

Brookhaven Psychiatric Pavilion, Dallas
AH83-1230-485

Doctor's Hospital, Houston
AH84-0820-536

Manda Ann-Cullen-Convalescent Center, Houston
AN84-0702-435

Hillcrest Baptist Medical Center, Waco
AH84-0712-456

One Broadway Plaza, Fort Worth
AN84-0521-307

Autumn Years Lodge, Inc., Fort Worth
AN84-0725-485

Nan Travis Memorial Hospital, Jacksonville
AH84-0614-389

Leisure Lodge-Overton, Overton
AN84-0718-470

Town and Country Manor, Boerne
AN84-0710-453

Texarkana Nursing Center, Texarkana
AN84-0831-554

New Boston Nursing Center, New Boston
AN84-0601-353

Amendments of Certificate of Need Orders
Harris Hospital Methodist, Fort Worth
AH82-0628-050A(092884)

High Plains Baptist Hospital, Amarillo
AH83-0114-032A(092884)

Heritage Manor Care Center of Hondo, Hondo
AN82-1116-191A(100984)

Notices of Intent to Acquire Major Medical Equipment
Medical Center Diagnostic Limited Partnership, Houston
AO84-1016-659

William A. and Elizabeth B. Moncrief Radiation Center, Fort Worth
AO84-1002-643

Notices of Intent to Acquire Existing Health Care Facilities

Cook-Fort Worth Children's Medical Center, a to-be formed nonprofit corporation, Fort Worth
AH84-1011-653
AH84-1011-654

Jack R. Littell, individually and as trustee, Houston
AH84-1003-646
AH84-1003-647

St. Jo Nursing Center, Inc., a to-be formed Missouri Corporation, Clayton, Missouri
AH84-1011-652

Petition for Reissuance
Leisure Lodge-Bryan, Bryan
AN83-0706-023R(100984)

Motions for Rehearing/Reconsideration
Fondren Dialysis Clinic, Houston
AS84-0103-005

A routine business meeting will be held following consideration of applications

Contact: Judith A. Monaco, P O Box 50049, Austin, Texas 78763

Filed: November 19, 1984, 9:16 a.m.
TRD-8411683

Texas Historical Commission

Tuesday, November 27, 1984, 10:30 a.m. The State Marker Committee of the Texas Historical Commission will meet in the Tower Club, Thanksgiving Tower, 1601 Elm, Dallas. According to the agenda, the committee will consider the marker book; update the budget, and consider programs for 1985-1986 and the Sesquicentennial

Contact: Dan K. Utley, P O Box 12276, Austin, Texas 78711, (512) 475-3092

Filed: November 16, 1984, 2:05 p.m.
TRD-8411657

Texas Department of Human Resources

Tuesday, December 4, 1984, 9 a.m. The Advisory Council on Child Care Administration of the Texas Department of Human Resources will meet in the fourth floor conference room, West Tower, 701 West 51st Street, Austin. According to the agenda summary, the council will introduce the assistant commissioner for licensing, discuss a meeting held in Dallas, the department's legislative initiatives, and the administrator's licensing examination, and hear the director's report and a summary

Contact: Michael Doughty, P O Box 2960, Austin, Texas, (512) 450-3255

Filed: November 16, 1984, 10:18 a.m.
TRD-8411653



State Board of Insurance

Tuesday, November 27, 1984, 9 a.m. The Commissioner's Hearing Section of the State Board of Insurance will conduct a public hearing in Room 342, 1110 San Jacinto Street, Austin. According to the agenda, the section will consider Docket 7840—whether the Group II health and accident insurance agent's license held by David Grass, Kountz, should be canceled or revoked

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-4353.

Filed: November 19, 1984, 2:09 p.m.
TRD-8411702

Tuesday, November 27, 1984, 10 a.m. The State Board of Insurance will meet in Room

Texas Register

414, 1110 San Jacinto Street, Austin. According to the agenda summary, the board will consider a joint motion for dismissal of the appeal of Heyward Knox and John C. Nettles from action of the Texas Catastrophe Property Insurance Association, the commissioner's and fire marshal's reports, both including personnel matters, and board orders.

Contact: Pat Wagner, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2950

Filed: November 19, 1984, 1:42 p.m.
TRD-8411698

The Commissioner's Hearing Section of the State Board of Insurance will meet in Room 342, 1110 San Jacinto Street, Austin. Days, times, and dockets follow.

Tuesday, November 27, 1984, 1:30 p.m. Docket 7841—whether the Group II health and accident insurance agent's license held by Jack Eugene Boyles, Vidor, should be canceled or revoked.

Contact: John Brady, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2287

Filed: November 19, 1984, 2:09 p.m.
TRD-8411703

Tuesday, November 27, 1984, 1:30 p.m. Docket 7867—application for approval of the articles of agreement of SIR Lloyd's Insurance Company, Richardson.

Contact: John Brady, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2287

Filed: November 19, 1984, 2:09 p.m.
TRD-8411704

Wednesday, November 28, 1984, 9 a.m. Docket 7853—application for an amendment to the articles of incorporation of Eagle Life Insurance Company, San Antonio.

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-4353

Filed: November 19, 1984, 2:10 p.m.
TRD-8411705

Thursday, November 29, 1984, 9 a.m. Docket 7869—proposed plan of merger of First Bancorp Insurance Company, Corsicana, into Interfirst Life Insurance Company, Dallas.

Contact: Tom I. McFarling, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-1076

Filed: November 19, 1984, 2:10 p.m.
TRD-8411706

Thursday, November 29, 1984, 10:30 a.m. Docket 7870—proposed plan of merger of Texas Credit Life Insurance Company, Fort

Worth, into Interfirst Life Insurance Company, Dallas.

Contact: Tom I. McFarling, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-1076.

Filed: November 19, 1984, 2:10 p.m.
TRD-8411707

Thursday, November 29, 1984, 2:30 p.m. Docket 7874—reinsurance agreement whereby Madison Mutual Aid Association, Navasota, will be reinsured by Bankers and Farmers Life Insurance Company, Waco.

Contact: John Brady, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2287.

Filed: November 19, 1984, 2:10 p.m.
TRD-8411709

Thursday, November 29, 1984, 1:30 p.m. Docket 7873—reinsurance agreement whereby Day-Loveless Life Insurance Company, Eden, will be reinsured by Landmark Life Insurance Company, Brownwood.

Contact: John Brady, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2287

Filed: November 19, 1984, 2:10 p.m.
TRD-8411708

Monday, December 3, 1984. The Commissioner's Hearing Section of the State Board of Insurance will meet in Room 353, 1110 San Jacinto Street, Austin. Times and dockets follow.

9 a.m. Docket 7871—application for original charter of American Risk Transfer Insurance Company, Dallas.

Contact: John Brady, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-2287

Filed: November 19, 1984, 2:10 p.m.
TRD-8411710

1:30 p.m. Docket 7836—whether the Group I legal reserve life insurance agent's license held by Don Griffin Emerson, Houston, should be canceled or revoked.

Contact: Tom I. McFarling, 1110 San Jacinto Street, Austin, Texas 78786, (512) 475-1076

Filed: November 19, 1984, 2:10 p.m.
TRD-8411711

Commission on Jail Standards

Wednesday, November 28, 1984, 9 a.m. The Commission on Jail Standards will meet in Room 100, Employees Retirement Building, 18th and Brazos Streets, Austin. The commission will read and approve the

September 26, 1984, minutes, hold a workshop, hear the director's report, and discuss old business, new business, and an application for variances. The commission also will meet in executive session.

Contact: Robert O. Viterna, 411 West 13th Street, Suite 900, Austin, Texas 78711, (512) 475-2716

Filed: November 16, 1984, 9:22 a.m.
TRD-8411648

Texas Department of Labor and Standards

Friday, November 30, 1984, 9 a.m. The Manufactured Housing Division of the Texas Department of Labor and Standards will meet in Suite 313, 5353 Maple Avenue, Dallas. According to the agenda, the division will hold informal hearings of various consumer complaints in regard to manufactured homes which do not comply with Texas Civil Statutes, Article 5221(f).

Contact: Eric Tubbs, P.O. Box 12157, Austin, Texas, (512) 475-5712

Filed: November 15, 1984, 1:20 p.m.
TRD-8411605

The Labor/Licensing and Enforcement Division of the Texas Department of Labor and Standards will meet in Room 105, E. O. Thompson Building, 920 Colorado Street, Austin. Days, times, and agendas follow.

Monday, December 3, 1984, 9 a.m. The division will hear license and registration revocations, suspensions, and alleged violations of various rules and regulations of the department.

Contact: Larry Kosta, P.O. Box 12157, Austin, Texas 78711, (512) 475-5712

Filed: November 15, 1984, 1:20 p.m.
TRD-8411606

Tuesday, December 4, 1984, 9 a.m. The division will hear license and registration revocations, suspensions, and alleged violations of various rules and regulations of the department.

Contact: Larry Kosta, P.O. Box 12157, Austin, Texas 78711, (512) 475-5712

Filed: November 15, 1984, 4:02 p.m.
TRD-8411640

Monday, December 10, 1984, 9 a.m. The Manufactured Housing Division of the Texas Department of Labor and Standards will meet in the second floor conference room, E. O. Thompson Building, 920

Colorado Street, Austin According to the agenda, the division will conduct informal hearings of various consumer complaints in regard to manufactured homes which do not comply with Texas Civil Statutes, Article 5221(f)

Contact: Eric Tubbs, P O Box 12157, Austin, Texas 78711, (512) 475-5712

Filed: November 15, 1984, 1:21 p.m.
TRD-8411607

Texas Board of Land Surveying

Friday, December 7, 1984, 7:30 a.m. The Texas Board of Land Surveying revised the agenda of a meeting to be held in Suite 210W, 1106 Clayton Lane, Austin According to the agenda, the board will approve the previous meeting minutes, hear committee reports, review applications, conduct interviews, and consider any other business that may come before the board

Contact: Betty J Pope, 1106 Clayton Lane, Suite 210W, Austin, Texas 78723, (512) 452-9427

Filed: November 19, 1984, 10:45 a.m.
TRD-8411689

Texas Department of Mental Health and Mental Retardation

Tuesday, November 27, 1984, 5 p.m. The Texas Board of Mental Health and Mental Retardation of the Texas Department of Mental Health and Mental Retardation will meet in the auditorium, 909 West 45th Street, Austin According to the agenda, the board will consider the status of pending or contemplated litigation

Contact: Gary E Miller, M D , P.O. Box 12668, Austin, Texas 78701, (512) 465-4588

Filed: November 19, 1984, 4 30 p.m.
TRD-8411728

Texas Mohair Producers Board

Tuesday, December 11, 1984, 9:30 a.m. The Texas Mohair Producers Board of the Texas Department of Agriculture will meet at the Sheraton Hotel, 441 Rio Concho Drive, San Angelo According to the agenda, the board will hear a financial report, discuss grower programs and the fifth Annual Hamanaka Mohair Trophy competi-

tion, and hold a seminar on mohair preparation for market

Contact: Robert M Paschal, P.O Box 5337, San Angelo, Texas 76902, (915) 655-3161

Filed: November 19, 1984, 10.44 a.m.
TRD-8411690

State Board of Morticians

Monday and Tuesday, November 26 and 27, 1984, 9 a.m. daily. The State Board of Morticians will meet at 1513 IH 35 South, Austin Items on the agenda summary for November 26 include applicants for reinstatement of licenses, a request for reinstatement of licenses and waiver of appearance; review of reciprocal interviews and recommendations and reciprocal procedures for reciprocity from Louisiana, a request for reciprocity from New Zealand, setting the dates for the next examinations, committee, executive secretary, and investigators' reports; a request from the Consumer's Union on rule-making procedures, review and establishment of renewal applications, recommendations from legal counsel on proposed rules and discussion of a petition and complaint filed by Consumer's Union of the U.S., Inc., and the Gray Panthers The board also will meet in executive session Any items not discussed on November 26 will be carried over to November 27

Contact: John W. Shocklee, 1513 IH 35 South, Austin, Texas 78741, (512) 442-6721

Filed: November 19, 1984, 3.23 p.m.
TRD-8411636

Texas Municipal Retirement System

Saturday, December 8, 1984, 9 a.m. The Board of Trustees of the Texas Municipal Retirement System will meet at 1200 IH 35 North, Austin. According to the agenda summary, the board will hear and approve the September 14, 1984, minutes, review and approve service and disability retirements payable August 1-October 31, 1984, review and approve supplemental death benefits payments payable August 1-October 31, 1984, review and approve financial statements; review and act on the proposed budget for 1985, approve the transfer of inactive accounts and unclaimed refunds, consider adoption of a resolution transferring money from the interest reserve fund

to the expense fund, consider adoption of a resolution granting distributive benefits (an extra check) to annuitants and supplemental interest to certain funds and accounts; consider changes in the benefit structure by member cities; hear reports of the actuary, legal counsel, and director; elect officers for 1985; and consider any other business to be heard.

Contact: Jimmie L Mormon, P O Box 2225, Austin, Texas 78768, (512) 476-7577.

Filed: November 16, 1984, 10.30 a.m.
TRD-8411649

North Texas State University

Friday, November 16, 1984, 9 a.m. The Board of Regents of the Texas College of Osteopathic Medicine (TCOM) of North Texas State University (NTSU) made an emergency addition to the agenda of a meeting held in the boardroom, eighth floor, TCOM, Fort Worth The addition concerned a change in signature authority for TCOM The emergency status was necessary because of responsibility changes

Contact: Jan Dobbs, P O Box 13737, Denton, Texas 76203, (817) 565-2198

Filed: November 15, 1984, 11 05 a.m.
TRD-8411602

Board of Pardons and Paroles

Tuesday, November 20, 1984, 1:30 p.m. The Board of Pardons and Paroles met in emergency session at 8610 Shoal Creek Boulevard, Austin According to the agenda summary, the board considered recommending to the governor commutation of sentence to a lesser penalty for inmates who were prematurely released on parole and subsequently returned to the Texas Department of Corrections due to ineligibility for parole The emergency status was necessary because board members could not adjust their schedules to meet at any other reasonable time

Contact: Gladys Sommers, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-2704

Filed: November 19, 1984, 4 27 p.m.
TRD-8411727

Monday-Friday, November 26-30, 1984, 1:30 p.m. daily Monday-Thursday and 11 a.m. Friday. A three-member panel of the

Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. According to the agenda summary, the panel will receive, review, and consider information and reports concerning prisoners/inmates and administrative releasees subject to the board's jurisdiction and initiate and carry through with appropriate action.

Contact: Mike Roach, 8610 Shoal Creek Boulevard, Austin 78758, (512) 459-2713.

Filed: November 16, 1984, 10:28 a.m.
TRD-8411654

Tuesday, November 27, 1984. The Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. Times and agendas follow.

9:30 a.m. The board will consider and act upon the Kerper House contract, review the October 17, 1984, the October 25, 1984, and the October 30, 1984, minutes, consider an increase in the Texas Department of Corrections inmate population and options for control, and review the deferred parole policy, the role of regional supervisors, and a personnel matter.

Contact: Gladys Sommers, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-2704.

Filed: November 19, 1984, 10:29 a.m.
TRD-8411687

1:30 p.m. The board will consider executive clemency recommendations and related actions (other than out-of-country conditional pardons), including full pardons, restoration of civil rights of citizenship, emergency medical reprieves, commutations of sentence, and other reprieves, remissions, and executive clemency actions.

Contact: Gladys Sommers, 8610 Shoal Creek Boulevard, Austin, Texas 78758, (512) 459-2704.

Filed: November 16, 1984, 10:28 a.m.
TRD-8411655



Texas State Board of Pharmacy

Tuesday-Thursday, November 27-29, 1984, 8:30 a.m. daily. The Texas State Board of Pharmacy will meet at the Austin South Plaza Hotel, 3401 IH 35 South, Austin. According to the agenda summary, the board will hear testimony and review evidence of alleged violations of those laws which per-

sons are subject to administrative sanctions and what form the sanctions are to take.

Contact: Bob Watson, 211 East Seventh Street, Suite 1121, Austin, Texas 78701, (512) 478-9827.

Filed: November 19, 1984, 1:15 p.m.
TRD-8411695

Addition to the previous agenda.

During the recess of the disciplinary hearings, the board will discuss the rescheduling of the May 1985 disciplinary hearings.

Contact: Bob Watson, 211 East Seventh Street, Suite 1121, Austin, Texas 78701.

Filed: November 19, 1984, 1:16 p.m.
TRD-8411696

Texas State Board of Physical Therapy Examiners

Friday, November 30, 1984, 9:30 a.m. The Texas State Board of Physical Therapy Examiners will meet at 1300 East Anderson Lane, Austin. Items on the agenda include reports from all board committees, the October 6, 1984, examination results, the sunset legislation results, the fiscal 1984 annual performance report, exception requests to the board from applicants and examinees; the December 5 and 6, 1984, conference on continuing competence assurance, and miscellaneous board business.

Contact: Lois M. Smith, 1300 East Anderson Lane, C-260, Austin, Texas 78752, (512) 835-1846.

Filed: November 19, 1984, 2:38 p.m.
TRD-8411699

State Board of Plumbing Examiners

Monday, December 3, 1984, 9 a.m. The State Board of Plumbing Examiners will meet at 929 East 41st Street, Austin. According to the agenda, the board will consider the previous meeting minutes, review the financial report, hear reports on the Legislative Budget Board meeting, licenses issued, examination statistics, and the examination backlog, discuss hardship cases, consider the status of the computer program, discuss a letter from Dwight Duke, and consider a resolution for Johnny Reyes.

Contact: Lynn Brown, 929 East 41st Street, P.O. Box 4200, Austin, Texas 78765, (512) 458-2145.

Filed: November 19, 1984, 3:11 p.m.
TRD-8411712

Texas Board of Private Investigators and Private Security Agencies

Tuesday, November 27, 1984, 9:30 a.m.

The Texas Board of Private Investigators and Private Security Agencies will meet at La Mansion Hotel, 6505 IH 35 North, Austin. Items on the agenda include old business, including approval of the August 28, 1984, minutes and discussion and final adoption of board rules, and new business, including approval of staff action of new licenses, suspension orders, reinstatement orders, certificates for replacement managers, license terminations, revocations, denials, reprimands, requests for waiver of a board rule, other proposals for decision, and requests for rehearing, and discussion and possible approval of the National Rifle Association Training Program for classroom instructors.

Contact: Clema D. Sanders, P.O. Box 13509, Austin, Texas 78711, (512) 475-3944.

Filed: November 19, 1984, 1:40 p.m.
TRD-8411697

The Prosecutor Council

Tuesday, December 4, 1984, 10 a.m. The

Prosecutor Council will meet at Inn of the Hills, 1001 Junction Highway, Kerrville. Items on the agenda include approval of the September 26, 1984, minutes, reports on sunset, the budget, and the prison prosecution grant, setting an election date to fill Pat Barber's place, consideration of a prison problem proposal, and setting the date of the next meeting. The council also will meet in executive session to consider a disciplinary report.

Contact: Andy Shuval, P.O. Box 13555, Austin, Texas 78711, (512) 475-6825.

Filed: November 16, 1984, 8:45 a.m.
TRD-8411643

Public Utility Commission of Texas

The Hearings Division of the Public Utility Commission of Texas will meet in Suite 450N, 7800 Shoal Creek Boulevard, Austin. Days, times, and dockets follow.

Tuesday, November 27, 1984, 9:30 a.m. A prehearing conference in Docket 5782—application of the City of Schaefer Road Rural Water Supply Corporation in Bexar County.

Wednesday, February 27, 1985, 10 a.m. A hearing on the merits in Docket 5898—petition of the City of San Angelo for removal of the extended area service charge from General Telephone Company of the Southwest's rates in San Angelo

Contact: Rhonda Colbert Ryan, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100

Filed: November 19, 1984, 2:38 p.m.
TRD-8411701, 8411700

Railroad Commission of Texas

Monday, November 19, 1984, 9 a.m. The Railroad Commission of Texas made emergency additions to division agendas for a meeting held in Room 309, 1124 IH 35 South, Austin. Divisions and additions follow

Consideration of Gas Utilities Division Docket 4916—statement of intent filed by Western Gas Corporation to change rates charged to Southwestern Electric Power Company. The emergency status was necessary to insure that the public welfare was not jeopardized by the imposition of utility rates which were not just and reasonable

Contact: Lucia Sturdevant, P.O. Drawer 12967, Austin, Texas 78711, (512) 475-0461

Filed: November 16, 1984, 3:06 p.m.
TRD-8411658

Consideration of Oil and Gas Division Docket 94,616—application of Buttes Resources, Inc., for a Rule 37 exception to drill Well 1, E J Force Lease, Alvin, N. (8100) and (8550) Fields, Brazoria County. The emergency status was necessary so the commission could consider Delta Drilling's motion for rehearing on November 19, 1984, to protect the public welfare by assuring that waste of hydrocarbons would not occur

Contact: Norman Bonner, P.O. Drawer 12967, Austin, Texas 78711, (512) 445-1292

Filed: November 16, 1984, 3:07 p.m.
TRD-8411659

Consideration of Oil and Gas Division Docket 4-81,061—Railroad Commission of Texas District 4, to review temporary field rules in regard to Seven Sisters, E. (Howell Sand) Field, Duval County, and Docket 4-82,804—Railroad Commission of Texas District 4, to review temporary field rules in regard to Escobas, S. (9300) Field, Zapata County. The emergency status was necessary because these items were properly noticed

for the November 12, 1984, meeting and were passed

Contact: Billy Thomas or Greg Cloud, P.O. Drawer 12967, Austin, Texas 78711, (512) 445-1289 or 445-1238 respectively

Filed: November 16, 1984, 3:07 p.m.
TRD-8411660

Consideration of Oil and Gas Division Dockets 10-82,273—Northern Natural Gas Company for approval of a plan to make up for past nonratable takes from the Briscoe (Morrow) Field, Hemphill County, Docket 7C-79,134—Iverson Exploration, Inc., MIPA, JK1 (Canyon) Field, Schleicher County, and Docket 4-79,666—Arco Oil and Gas Company, productive acreage and net acre-feet, Seven Sisters, E. (Howell Sand) Field, Duval County, for consideration of a joint motion for the effective date of proposed determination. The emergency status was necessary because these items were properly noticed for the November 12, 1984, meeting and were passed

Contact: Sandy Joseph or Billy Thomas, P.O. Drawer 12967, Austin, Texas 78711, (512) 445-1293 or 445-1289 respectively

Filed: November 16, 1984, 3:06 p.m.
TRD-8411661

Texas Savings and Loan Department

The Texas Savings and Loan Department will meet at 1004 Lavaca Street, Austin. Days, times, and agendas follow

Monday, November 26, 1984, 9 a.m. The department will accumulate a record of evidence regarding the application of San Jacinto Savings Association, Bellaire, for a branch office to be located at the northeast corner of Preston and Campbell Roads, Dallas, Dallas County, from which record the commissioner shall determine whether to grant or deny the application

Tuesday, November 27, 1984, 9 a.m. The department will accumulate a record of evidence regarding the application of Continental Savings Association, Angleton, for a branch office at 9101 FM Road 1325, Austin, Travis County, from which record the commissioner shall determine whether to grant or deny the application

Thursday, November 29, 1984, 9 a.m. The department will accumulate a record of evidence regarding the applications of Trinity Banc Savings Association, Dallas, to relocate branch offices, from which record the com-

missioner shall determine whether to grant or deny the applications

December 3, 1984, 10 a.m. The department will call all applications on the agenda and, if no protest is registered and existing when called, further hearing will be dispensed. If a protest is registered and existing when called, the hearing on the application(s) will be continued to a later date

Monday, December 3, 1984, 10:30 a.m. The department will accumulate a record of evidence regarding the application of Remington Savings Association, Elgin, for a branch office to be located at 1800-A Lavaca Street, Austin, Travis County, from which record the commissioner shall determine whether to grant or deny the application.

Contact: Russell R. Oliver, 1004 Lavaca Street, Austin, Texas 78701, (512) 475-7991.

Filed: November 16, 1984, 3:12 p.m.
TRD-8411662-8411666

Scurry County Cotton Producers Board

Thursday, November 29, 1984, 7 p.m. The Scurry County Cotton Producers Board of the Texas Department of Agriculture will meet at the Snyder Chamber of Commerce Building, 2302 Avenue R, Snyder. According to the agenda, the board will review assessment and collection procedures, hear a request for the approval of the budget, give notice to processors, and present certificates to new board members

Contact: Larry Schwarz, Route 2, Box 230A, Snyder, Texas 79549, (915) 573-8645.

Filed: November 19, 1984, 10:43 a.m.
TRD-8411691

Board for Lease of University Lands

Friday, November 30, 1984, 3 p.m. The Board for Lease of University Lands will meet in the regents' conference room, 201 West Seventh Street, Austin. According to the agenda summary, the board will approve the minutes and consider a second amendment to Pyote Gas Unit 3, Ward County, Exxon Company, Pyote Gas Pooling Agreement 8, Ward County, Exxon Company; the Sealy, South (Yates) Waterflood Unit, Ward County, Southland Roy-

ality, and an amendment to West Caprito Gas Unit 2, Ward County, Mobil Oil Company

Contact: Maxine R. Dean, 210 West Sixth Street, Austin, Texas 78701, (512) 471-5781

Filed: November 16, 1984, 9:51 a.m.
TRD-8411651

University System of South Texas

Tuesday, November 27, 1984, 1:30 p.m. The Board of Directors of the University System of South Texas will meet in the boardroom, University System of South Texas, two miles west on Highway 141, Kingsville. Items on the agenda include designation of a Search Committee for the presidency and appointment of an acting president at Texas A&I University.

Contact: Lawrence K. Pettit, P.O. Box 1238, Kingsville, Texas 78363, (512) 595-2215

Filed: November 15, 1984, 2:21 p.m.
TRD-8411634

Texas Water Commission

The Texas Water Commission will meet at the Stephen F. Austin Building, 1700 North Congress Avenue, Austin. Days, times, rooms, and agendas follow.

Tuesday, November 27, 1984, 10 a.m. In Room 118, the commission will consider water district bond issues, use of surplus funds, release from escrow, setting of hearing dates on district creations, water quality proposed permits, minor amendments, renewals, certificates of adjudication, water use permit, and the filing and setting of hearing dates.

Tuesday, December 4, 1984, 2 p.m. In Room 118, the commission will consider an application of Catherine E. Smith for proposed Permit 12905-01 to authorize discharge of treated domestic wastewater effluent from the proposed Mockingbird Meadows wastewater treatment plant, Cameron County, Nueces-Rio Grande Coastal Basin, and an application of Mansell Brine Sales, Inc., for Permit BR50077 to authorize the production of 10 pounds per gallon brine from a brine well located on a 191-acre permit area.

Wednesday, December 5, 1984, 9:30 a.m. In Room 124A, the commission will conduct a hearing on Application TA-5093 of Houston Pipeline Company for a permit for an

interwatershed transfer of 184 acre-feet of water which was diverted under the authorization of TA-4918 from the Neches River, Neches River Basin, for industrial purposes in Jefferson County.

Addition to the previous agenda:

Application IA-5087 of H. B. Zachary Company to divert and use five acre-feet of water for a two-year period from Sycamore Creek, tributary of the West Fork Trinity River, tributary of the Trinity River, Trinity River Basin, for industrial purposes in Tarrant County.

Wednesday, December 12, 1984, 2 p.m. In Room 118, the commission will consider an application of the City of Austin, to the Texas Department of Water Resources for a temporary order to authorize an increase in the discharge of treated domestic wastewater effluent from a volume not to exceed an average flow of 2.2 million gallons per day to six million gallons per day and to authorize the disposal of treated domestic wastewater effluent by irrigation onto 491 acres of agricultural land in addition to the currently authorized irrigation of the Jimmy Clay Golf Course. The wastewater utilized for irrigation is to be treated by the extended aeration modification of the activated sludge process. Application rates for the irrigated land shall not exceed 2.7 acre-feet per acre per year. This order shall expire two years from the date of issuance or upon completion of the Onion Creek facility (Permit 10543-12). Irrigation of the Jimmy Clay Golf Course after completion of the Onion Creek facility shall comply with the terms and conditions of Permit 10543-01, approved April 2, 1980.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 475-4514

Filed: November 15, 1984, 1:42 p.m.
TRD-8411628-8411632

Regional Agencies

Meetings Filed November 15

The Bexar-Medina-Atascosa Counties Water Control and Improvement District 1, Board of Directors, met in the district office, Highway 81, Natalia, on November 21, 1984, at 10 a.m. Information may be obtained from C. A. Mueller, P.O. Box 170, Natalia, Texas 78059, (512) 663-2132.

The Houston-Galveston Area Council, Project Review Committee, met in the

boardroom, Suite 500, fourth floor, 3555 Timmons Lane, Houston, on November 20, 1984, at 8:30 a.m. Information may be obtained from Geraldine McCray, P.O. Box 22777, Houston, Texas 77027, (713) 627-3200, ext. 599.

The Central Appraisal District of Johnson County, Board of Directors, will meet at 109 North Main, Cleburne, on November 28, 1984, at 7:30 p.m. Information may be obtained from Don Gilmore, 109 North Main, Cleburne, Texas 76031, (817) 645-3986.

TRD-8411633

Meetings Filed November 16

The Bexar Appraisal District, Appraisal Review Board, met at 535 South Main, San Antonio, on November 20, 1984, at 8:30 a.m. The board also will meet at the same location on November 26-29, 1984, at 8:30 a.m., and on November 30, 1984, at 9 a.m. Information may be obtained from Bill Burnette, 535 South Main, San Antonio, Texas 78204, (512) 224-8511.

The Brazos Higher Education Authority, Inc., Board of Directors, will meet at the City Club of Waco, 801 Washington Avenue, Waco, on November 28, 1984, at noon. Information may be obtained from Murray Watson, Jr., 111 South 18th Street, Waco, Texas 76701, (817) 753-0913.

The Brazos Higher Education Service Corporation, Inc., Board of Directors, will meet at the City Club of Waco, 801 Washington Avenue, Waco, on November 28, 1984, at 12:30 p.m. Information may be obtained from Murray Watson, Jr., 111 South 18th Street, Waco, Texas 76701, (817) 753-0913.

The Central Texas Council of Governments, Central Texas Private Industry Council, will meet at 302 Last Central, Belton, on November 28, 1984, at 1:30 p.m. Information may be obtained from Walton B. Reedy, P.O. Box 729, Belton, Texas 76513, (817) 939-1801.

The Dallas Area Rapid Transit Authority, Budget and Finance Committee, met at 601 Pacific Avenue, Dallas, on November 19, 1984, at 4 p.m. The Special Needs Committee met at the same location on November 20, 1984, at noon. The Legislative Committee met at the same location on November 20, 1984, at 1 p.m. The board met at the same location on November 20, 1984, at 2 p.m. Information may be obtained from

Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 748-3278

The Heart of Texas Region Mental Health and Mental Retardation Center, Board of Trustees, met at 110 South 12th Street, Waco, on November 20, 1984, at 11 a.m. Information may be obtained from Jan Baty, P.O. Box 890, Waco, Texas 76703, (817) 752-3451

The Henderson County Appraisal District, Board of Directors, rescheduled a meeting held at 101 East Corsicana Street, Athens, on November 19, 1984, at 7:30 p.m. The meeting originally was scheduled for November 12, 1984. Information may be obtained from Ron Groom, 101 East Corsicana, Athens, Texas 75751, (214) 675-9296

The San Antonio River Authority, Board of Directors, made an addition to the agenda of a meeting held in the conference room, 100 East Guenther Street, San Antonio, on November 21, 1984, at 2 p.m. Information may be obtained from Fred N Pfeiffer, P.O. Box 9284, San Antonio, Texas 78204, (512) 227-1373

TRD-8411649

Meetings Filed November 19

The Deep East Texas Regional Mental Health and Mental Retardation Services, Board of Trustees, will meet at the central administration facility, 4101 South Medford Drive, Lufkin, on November 27, 1984, at 10:30 a.m. The board also will meet in the Schofield Room, First National Bank of Jasper, 342 East Houston Street, Jasper, on the same day at 4:30 p.m. Information may be obtained from Jim McDermott, Ph.D., 4101 South Medford Drive, Lufkin, Texas 75901, (409) 639-1141

The Region 18 Education Service Center, Board of Directors, will meet at LaForce Boulevard, Midland, on December 6, 1984, at 7:30 p.m. Information may be obtained from J. W. Donaldson, P.O. Box 6020, Midland, Texas 79701, (915) 563-2380

The Golden Crescent Regional Planning Commission, Board of Directors, will meet

in the Americana Room, Interfirst Bank, 1908 North Laurent, Victoria, on November 28, 1984, at 5 p.m. Information may be obtained from Patrick J. Kennedy, P.O. Box 2028, Victoria, Texas 77902, (512) 578-1587

The Heart of Texas Council of Governments, Executive Committee, will meet at 320 Franklin, Waco, on November 29, 1984, at 12:30 p.m. Information may be obtained from Mary McDow, 320 Franklin, Waco, Texas 76701, (817) 756-6631.

The Hockley County Appraisal District, Board of Directors, met in emergency session at 913 Austin Street, Levelland, on November 19, 1984, at 7 p.m. Information may be obtained from Keith Toomire, P.O. Box 1090, Levelland, Texas 79336, (806) 894-9654

The Leon County Central Appraisal District, Board of Directors, will meet at the Leon County Courthouse, Centerville, on November 26, 1984, at 7:30 p.m. Information may be obtained from Mabel Watson, P.O. Box 536, Centerville, Texas 75833, (214) 536-2252

The Limestone County Appraisal District, Board of Directors, met in emergency session at the Limestone County Courthouse, Groesbeck, on November 21, 1984, at 7 p.m. Information may be obtained from Clydene Hyden, P.O. Drawer 831, Groesbeck, Texas 76642, (817) 729-3009

The Middle Rio Grande Development Council, Board of Directors, will meet at the Country Store Restaurant, IH 35 at FM Road 468, Cotulla, on November 28, 1984, at 2 p.m. The Regional Review Committee will meet at the Zavala County Courthouse, Crystal City, on December 20, 1984, at 11 a.m. Information may be obtained from Michael M. Patterson or Emilio Hernandez, P.O. Box 702, Carrizo Springs, Texas 78834, (512) 876-3533

The San Jacinto River Authority, Board of Directors, will meet at 1108 East Canal, Highlands, on November 27, 1984, at 10 a.m. Information may be obtained from

Jack K. Ayer, P.O. Box 329, Conroe, Texas 77305, (409) 588-1111

The San Patricio County Appraisal District, Appraisal Review Board, will meet in Room 226, courthouse annex, Sinton, on November 28, 1984, at 9:30 a.m. Information may be obtained from Bennie I. Stewart, P.O. Box 938, Sinton, Texas 78387, (512) 364-5402

The South East Texas Regional Planning Commission, Executive Committee, will meet in the city council chambers, Bridge City, on November 28, 1984, at 7:30 p.m. Information may be obtained from Jackie Vice, P.O. Drawer 1387, Nederland, Texas 77627, (409) 727-2384
TRD-8411682

Meetings Filed November 20

The Dallas Area Rapid Transit Authority, Communications and Community Involvement Committee, met in emergency session at 601 Pacific Avenue, Dallas, on November 20, 1984, at 7 p.m. The Search Committee met in emergency session at the same location on November 21, 1984, at 11 a.m. Information may be obtained from Nancy McKethan, 601 Pacific Avenue, Dallas, Texas 75202, (214) 748-3278

The Panhandle Ground Water Conservation District 3, Board of Directors, will meet at 300 South Omohundro, White Deer, on November 27, 1984, at 7 p.m. Information may be obtained from Richard S. Bowers, Box 637, White Deer, Texas 79097 (806) 883-2501

The Trinity River Authority of Texas, Utility Services Committee, will meet at 5300 South Collins Street, Arlington, on November 26, 1984, at 10 a.m. The Basin Planning Committee will meet at the same location on November 28, 1984, at 10 a.m. The Legal Committee will meet at the same location on November 28, 1984, at 9 a.m. Information may be obtained from Jack C. Worsham, 5300 South Collins Street, Arlington, Texas 76004-0060, (817) 467-4343
TRD-8411732

In Addition

The *Register* is required by statute to publish applications to purchase control of state banks (filed by the banking commissioner), notices of rate ceilings (filed by the consumer credit commissioner), changes in interest rate and applications to install remote service units (filed by Texas Savings and Loan commissioner), and consultant proposal requests and awards (filed by state agencies, regional councils of government, and the Texas State Library and Archives Commission)

In order to aid agencies in communicating information quickly and effectively, other information of general interest to the public is published as space allows. This often includes applications for construction permits (filed by the Texas Air Control Board), applications for amendment, declaratory ruling, and notices of intent (filed by the Texas Health Facilities Commission), applications for waste disposal permits (filed by the Texas Water Commission), and notices of public hearing.

Texas Air Control Board Contested Case Hearing

Pursuant to the authority provided in Texas Civil Statutes, Article 4477-5, §§3 15-3 17, and the procedural rules of the Texas Air Control Board (TACB), 31 TAC §§103 11(3), 103 31 and 103 41, an examiner for the TACB will conduct a contested case hearing to consider whether a permit should be issued to DuBrook, Inc., referred to as the company, for the construction of a hot mix asphalt plant to be located at 2222 Spring-Stuebner Road, Spring, Harris County.

The company is directed to appear at the time and place shown as follows and demonstrate by preponderance of evidence why the TACB should issue a permit to construct the proposed facility as authorized by the Act, §3 27, and the rules and regulations of the TACB, Regulation VI.

The record of this hearing will be used by the TACB in determining whether to issue a permit to construct the proposed facility pursuant to the Act, §3 27, and regulation VI of the TACB.

Information regarding this application and copies of the TACB's rules and regulations are available at the regional office of this agency, 5555 West Loop, Suite 300, Bellaire, the central office of this agency, 6330 Highway 290 East, Austin, and at the Cypress Creek Branch of the Harris County Public Library, 6815 Cypresswood Drive, Spring.

The examiner has set the hearing to begin at 5 p.m. on January 7, 1985, at the Spring High School, 19428 Highway 75, Spring. Prospective parties to the hearing will be the TACB staff and the company. Any other persons desiring to be made a party must specifically apply in writing for party status to examiner Paul M. Shinkawa, TACB, 6330 Highway 290 East, Austin, Texas 78723. No other persons will be admitted as parties unless the request is actually received at the previously mentioned address by 5 p.m. on November 26, 1984. Previous correspondence with the TACB is not effective for this

purpose. A final determination regarding party status will be made at the prehearing conference on the date set out as follows. At the hearing on the merits, only those persons admitted as parties will be permitted to present evidence and argument and to cross examine witnesses. Any person who desires to give testimony at the hearing but who does not desire to be a party may call the Legal Division of the TACB at (512) 451-5711, ext. 354, to determine the names and addresses of all admitted parties. These parties may then be contacted about the possibility of presenting testimony.

Pursuant to the procedural rules of the TACB, 31 TAC §103 46, the examiner has scheduled a prehearing conference at 6 p.m. on November 28, 1984, at the gymnasium of St. Edwards Catholic Church, 2601 Spring-Stuebner Road, Spring. All persons wishing to be admitted as parties must attend this conference. Proposed written disputed issues for consideration at the hearing on the merits and written requests for official notice should be made at the prehearing conference. Motions for continuance will only be granted upon proof of good cause. At this conference a specific date prior to the hearing on the merits will be established for the exchange of witness lists, short summaries of their prospective testimony, and copies of written and documentary evidence pursuant to 31 TAC §103 46(2). Prehearing orders setting out discovery periods and other prehearing requirements may also be issued following this prehearing conference.

Members of the general public who plan to attend the hearing are encouraged to telephone the central office of the TACB in Austin at (512) 451-5711, ext. 354, a day or two prior to the hearing date to confirm the setting, since continuances are granted from time to time.

Issued in Austin, Texas, on November 14, 1984

TRD 8411650

Bill Stewart, P.E.
Executive Director
Texas Air Control Board

Filed November 16, 1984

For further information please call (512) 451-5711,
ext. 354

Banking Department of Texas Public Hearing

The hearing officer of the State Banking Board will conduct a hearing at 9 a.m. on January 8, 1985, at the Savings and Loan Building, 10th and Lavaca Streets, Austin, on the charter application for Allied Bank Arlington, Arlington.

Additional information may be obtained from William F. Aldridge, Director of Corporate Activities, Banking Department of Texas, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451

Issued in Austin, Texas, on November 14, 1984

TRD-8411635 William F. Aldridge
Director of Corporate Activities
Banking Department of Texas

Filed November 15, 1984

For further information, please call (512) 475-4451.

Rescheduled Hearing

The date of the hearing for the charter application of Interstate Bank, Houston, previously scheduled for November 14, 1984, has been rescheduled for 9 a.m. on December 5, 1984, at the Savings and Loan Building, 10th and Lavaca Streets, Austin.

The rescheduling of the hearing in this matter shall not alter or shorten the period for the filing of a petition in intervention by any party under State Banking Board rules. Therefore, any such petition shall be considered timely filed if received by November 3, 1984

Issued in Austin, Texas, on November 9, 1984

TRD-8411595 William F. Aldridge
Director of Corporation Activities
Banking Department of Texas

Filed November 15, 1984

For further information, please call (512) 475-4451

Texas Department of Community Affairs Consultant Contract Award

Contractor. The Texas Department of Community Affairs (TDCA) announces that the National Alliance of Business has been awarded a contract under the provisions of Texas Civil Statutes, Article 6252-11c, for the period of November 5, 1984 April 30, 1985, to develop a statewide marketing system for Job Training Partnership Act programs. The consultant proposal request was published in the July 3, 1984, issue of the *Texas Register* (9 TexReg 3710)

Description of Services. The National Alliance of Business shall perform services which may include the de-

velopment of a statewide marketing system for Job Training Partnership Act programs, training service delivery area staff and state staff in marketing methods at two workshops, and the development of handbooks and technical assistance guides

Business Address. The business address of the National Alliance of Business is Three North Park, Suite 205, 8800 North Central Expressway, Dallas, Texas 75231.

Contract Amount. The total cost of services to be performed under this contract is presently estimated to be \$40,000.

Project Reports. Reports to be generated under this contract shall be submitted to the TDCA upon completion.

Issued in Austin, Texas, on November 13, 1984

TRD-8411557 Douglas C. Brown
General Counsel
Texas Department of Community
Affairs

Filed November 14, 1984

For further information, please call (512) 443-4100, ext. 210

Comptroller of Public Accounts Consultant Contract Award

This notice of consultant contract award is filed pursuant to the provisions of Texas Civil Statutes, Article 6252-11c. The consultant proposal request was published in the August 24, 1984, issue of the *Texas Register* (9 TexReg 4602).

Description of Study. The consulting firm will be responsible for providing the services of seven programmer analysts to assist the comptroller's data services staff in reprogramming the automated franchise tax system to handle bank franchise tax returns pursuant to recent legislative changes. The first franchise tax returns from Texas banks are required to be filed by March 15, 1985

Name and Address of Consultant. Morris Information Systems, Inc., 4605 Post Oak Place Drive, Suite 209, Houston, Texas 77027, is the consulting firm under contract for the work

Total Value and Dates of Contract. The total amount of the contract may not exceed \$154,360. The contract began on November 9, 1984, and ends at the earlier of completion of work, set for March 15, 1985, or March 31, 1985, unless amended and extended as provided for in the contract

Due Dates. Completion of the contractor's work is expected by March 15, 1985. No documents or reports are to be filed with the comptroller

Former Employees of a State Agency. One of the consulting firm's employees to be assigned to the work required by this contract is a former employee of a state agency within the two-year period prior to submission of the contractor's proposal. He is Louis Simmons, whose employment as a programmer analyst with the Comptroller of Public Accounts terminated August 22, 1983,

and whose compensation at time of termination of employment was \$36,228 yearly

Issued in Austin, Texas, on November 13, 1984

TRD-8411585 Bob Bullock
Comptroller of Public Accounts

Filed November 14, 1984

For further information, please call (512) 475-1913.

- (3) Credit for personal, family, or household use
- (4) Credit for business, commercial, investment or other similar purpose

Issued in Austin, Texas, on November 19, 1984

TRD-8411685 Sam Kelley
Consumer Credit Commissioner

Filed: November 19, 1984

For further information, please call (512) 475-2111.

Office of Consumer Credit Commissioner 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⁾ Agricul- tural/Commercial ⁽⁴⁾ thru \$250,000	Commercial ⁽⁴⁾ over \$250,000
Indicated (Weekly) Rate—Article 1.04(a)(1) 11/26/84-12/02/84	18.00%	18.00%
Monthly Rate— Article 1.04(c) ⁽¹⁾ 11/01/84-11/30/84	20.00%	20.00%
Standard Quarterly Rate—Article 1.04(a)(2) 10/01/84-12/31/84	21.19%	21.19%
Retail Credit Card Quarterly Rate— Article 1.11 ⁽³⁾ 10/01/84-12/31/84	21.00%	N/A
Lender Credit Card Quarterly Rate— Article 15.02(d) ⁽³⁾ 10/01/84-12/31/84	21.19%	N/A
Standard Annual Rate— Article 1.04(a)(2) ⁽²⁾ 10/01/84-12/31/84	21.19%	21.19%
Retail Credit Card Annual Rate— Article 1.11 ⁽³⁾ 10/01/84-12/31/84	21.00%	N/A
Annual Rate Applica- ble to Pre-July 1, 1983, Retail Credit Card and Lender Credit Card Balances with Annual Implementation Dates from 10/01/84-12/31/84	19.32%	N/A
Judgment Rate— Article 1.05, §2 12/01/84-12/31/84	10.00%	10.00%

(1) For variable rate commercial transactions only

(2) Only for open end credit as defined in Texas Civil Statutes, Article 5069-1.01(f)

Economic Development Commission Private Activity Bond Allocation Report

Private activity bonds (PABs) which were induced on or after June 19, 1984, and which will close on or before December 31, 1984, are subject to a cap, as stipulated in the Federal Deficit Reduction Act of 1984. This cap is equal to \$150 per capita or approximately \$2.3 billion for the State of Texas for calendar year 1984.

Executive Order MW-27 states that the procedure for allocating this cap will be on a first-come, first-served basis, with the Economic Development Commission (EDC) being the tracking agency for the program. The information that follows is a summary report of the allocation activity for the week of November 5-9, 1984, as is required by MW-27

Total allocated principal amount of private activity bonds authorized to be allocated by MW-27 through November 9, 1984

\$133.65 million

Comprehensive listing of bond issues which have received a reservation date as per MW-27 during the week of November 5-9, 1984:

ISSUER	USER	AMOUNT
Amarillo Health Facilities Corporation	St. Anthony's Office Park, Ltd. Project	\$2.34 million
Harris County Industrial Development Corporation	Leslie Company	\$1.6 million
Harris County Industrial Development Corporation	Testen & Sneed Partnership	\$500,000
Hewitt Industrial Development Corporation	Rex L. Repass, MD Project	\$427,230
Lubbock Industrial Development Corporation	Central Freight Lines, Inc.	\$3 million

Montgomery County Industri- al Development Corporation	Extrusion Tech- nologies, Inc. Project	\$1.7 million
Nueces River Authority	ASARCO, Inc.	\$232,000
Red River Au- thority of Texas	ASARCO, Inc.	\$6.7 million
TOTAL		\$16,499,230

Comprehensive listing of bonds issued as per MW-27 during the week of November 5-9, 1984:

None

Issued in Austin, Texas, on November 13, 1984.

TRD-8411554 Margo P. Wilton
Manager
Rural Loan and Industrial
Revenue Bond Department
Economic Development
Commission

Filed: November 14, 1984
For further information, please call (512) 472-5059.

Texas Health Facilities Commission

Applications Accepted for Amendment, Declaratory Ruling, Notice of Intent, and Petition for Reissuance of Certificate of Need

Notice is hereby given by the Texas Health Facilities Commission of applications accepted as of the date of this publication. In the following list, the applicant is listed first, file number second, the relief sought third, and a description of the project fourth. DR indicates declaratory ruling, AMD indicates amendment of previously issued commission order, CN indicates certificate of need, PFR indicates petition for reissuance, NIE indicates notice of intent to acquire major medical equipment, NIEH indicates notice of intent to acquire existing health care facilities, NIR indicates notice of intent regarding a research project; NIE/HMO indicates notice of intent for exemption of HMO-related project, and EC indicates exemption certificate.

Should any person wish to become a party or interested person to any of the previously stated applications, that person must file a proper request to become a party or interested person to the application within 10 days after the date of this publication of notice. If the 10th day is a Saturday, Sunday, or state holiday, the last day shall be extended to 5 p.m. of the next day that is not a Saturday, Sunday, or state holiday. A request to become a party or interested person should be mailed to the chair of the commission at P.O. Box 50049, Austin, Texas 78763, and must be received at the commission no later

than 5 p.m. on the last day allowed for filing of a request to become a party or interested person.

The contents and form of a request to become a party or interested person to any of these applications must meet the criteria set out in 25 TAC §515.9. Failure of a party or interested person to supply the necessary information in the correct form may result in a defective request to become a party or interested person.

Southmark Communities, Inc.

Bellaire

AN84-1101-697

NIEH—Request for a declaratory ruling that a certificate of need is not required for Southmark Communities, Inc., to acquire by purchase Southview Nursing Home, an existing 120-bed ICF nursing facility located in Tyler, from Larry S. Parker and C. R. DeHaven, M.D.

Southmark Communities, Inc., Bellaire

AN84-1101-699

NIEH—Request for a declaratory ruling that a certificate of need is not required for Southmark Communities, Inc., to acquire by purchase Winnwood Nursing Home, an existing 60-bed ICF nursing facility located in Winnwood, from Larry S. Parker.

Charter Medical—Central Texas, Inc., for

Charter Lane Hospital, Austin

AH82-0122-020A(111384)

CN/AMD—Request for an extension of the completion deadline from February 10, 1985, to September 15, 1985, in Certificate of Need AN82-0122-020, which authorized the certificate holder to construct, equip, and operate a new 66-bed addictive disease hospital in Austin.

Ambulatory Hospitals of Texas, Inc., Houston

AN84-1114-716

NIEH—Request for a declaratory ruling that a certificate of need is not required for Ambulatory Hospitals of Texas, Inc., to acquire by purchase St. Benedict Health Care Center (also known as St. Benedict Hospital and Nursing Home), an existing health care facility licensed for 35 acute care beds and 197 nursing beds (12 private pay, 148 ICF, and 37 skilled beds) located in San Antonio, from St. Benedict's Health Care Center, a not-for-profit corporation.

St. Anthony's Development Corporation,

Amarillo

AH84-1113-714

NIEH—Request for a declaratory ruling that a certificate of need is not required for St. Anthony's Development Corporation to acquire by purchase Coon Memorial Hospital, an existing general acute care hospital licensed for 41 beds and operating 22 medical surgical beds and 2 obstetric beds located in Dalhart, from Coon Memorial Hospital, Inc.

St. Anthony's Development Corporation,

Amarillo

AN84-1113-713

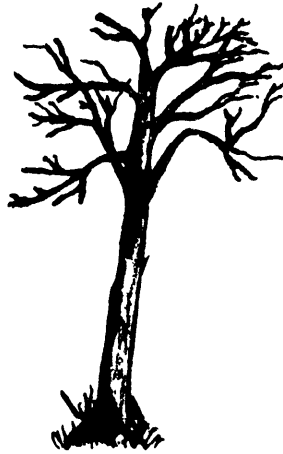
NIEH—Request for a declaratory ruling that a certificate of need is not required for St. Anthony's Development Corporation to acquire by purchase

Coon Memorial Home, an existing 88-bed nursing facility with 57 ICF and 33 custodial care beds located in Dalhart, from Coon Memorial Hospital, Inc

Issued in Austin, Texas, on November 19, 1984

TRD-8411684 Judith Monaco
, Assistant General Counsel
Texas Health Facilities
Commission

Filed: November 19, 1984
For further information, please call (512) 475-6940.



State Department of Highways and Public Transportation Consultant Proposal Request

Notice of Invitation. The State Department of Highways and Public Transportation (SDHPT), Traffic Safety Section, in cooperation with the Texas Department of Health, Bureau of Emergency Management, seeks proposals to conduct training of emergency medical technicians (basic and special skills) at selected rural locations in the state. The contractor(s) selected must be accredited by the Bureau of Emergency Management to conduct the required training. In addition, the bureau must approve any contract awarded under the terms of this notice. Training will be conducted on an outreach basis at locations convenient to the persons in rural areas who will be trained. A package of planning materials including instructions for the preparation of proposals and other requirements for training in selected counties may be obtained by filing a letter of intent to submit a proposal at the following address:

Agency Contact. Additional information regarding this request for proposals may be obtained by contacting Robert J. MacDonald, Traffic Safety Section, SDHPT, 11th and Brazos Streets, Austin, TX 78701, (512) 465-6323

Response Date. Letters of intent to submit a proposal must be received at the previously mentioned address before the close of business on December 17, 1984

Selection Criteria. Proposals will be due on January 14, 1985, with selection of contractor(s) on or about February 1. Selection will be by a review committee comprising Traffic Safety Section and Bureau of Emergency Management personnel. Selection criteria will include the capacity of the offeror to perform in the required delivery environment, cost-effectiveness of the proposal, and overall quality of planning.

Issued in Austin, Texas, on November 14, 1984

TRD-8411596 Diane L. Northam
Administrative Technician
State Department of Highways
and Public Transportation

Filed: November 15, 1984
For further information, please call (512) 475-2141.

State Board of Insurance Company Licensing

The following applications have been filed with the State Board of Insurance and are under consideration:

(1) Application for admission to do business in Texas of National Guaranty Insurance Company, a foreign fire and casualty insurance company. The home office is in Phoenix, Arizona

(2) Application for a name change by Commercial National Life Insurance Company, a domestic life insurance company. The home office is in Dallas. The proposed new name is U I Health Insurance Company.

(3) Application for a name change by International Underwriters, Inc., a foreign fire and casualty insurance company. The home office is in Smyrna, Delaware. The proposed new name is International Underwriters Insurance Company.

(4) Application for a name change by Republic National Life Group Insurance Company, a domestic life insurance company. The home office is in Dallas. The proposed new name is American General Group Insurance Company.

(5) Application for a name change by National Life and Accident Insurance Company, a foreign life insurance company. The home office is in Nashville, Tennessee. The proposed new name is American General Life and Accident Insurance Company.

(6) Application for admission to do business in Texas of Investors Trust Assurance Company, a foreign life insurance company. The home office is in Indianapolis, Indiana.

(7) Application for admission to do business in Texas of Education and Retirement Life Insurance Company, a foreign company. The home office is in Clearwater, Florida.

(8) Application for admission to do business in Texas of F B Life Insurance Company, (assumed name in Texas for Family Benefit Life Insurance Company), a foreign life insurance company. The home office is in Jefferson City, Missouri.

(9) Application for incorporation of Southwest Home Life Insurance Company, to be a domestic life insurance company. The home office is to be in Dallas.

(10) Application for admission to do business in Texas of American Protectors Insurance Company, a foreign life insurance company. The home office is in Salt Lake City, Utah.

(11) Application for admission to do business in Texas of Royal Special Risks Insurance Company, a foreign fire and casualty insurance company. The home office is in Glastonbury, Connecticut.

(12) Application for a name change by Unigard Mutual Insurance Company, a foreign fire and casualty insurance company. The home office is in Seattle, Washington. The proposed new name is Unigard Security Insurance Company.

(13) Application for a name change by Maxicare Texas, Inc., a health maintenance organization. The home office is in Denton. The proposed new name is Maxicare North Texas, Inc.

Issued in Austin, Texas, on November 9, 1984

TRD 8411583 James W. Norman
 Chief Clerk
 State Board of Insurance

Filed November 14, 1984

For further information, please call (512) 475-2950

Texas Department of Mental Health and Mental Retardation Consultant Contract Award

This award of consulting services is being filed pursuant to the provisions of Texas Civil Statutes, Article 6252-11c. The consultant proposal request appeared in the September 28, 1984, issue of the *Texas Register* (9 TexReg 5074).

The consultant is to provide adult, child, and family psychotherapy services to the Austin State Hospital, Fort Bend County Outreach Center, patients at Richmond. The consultant also will assist the center director with development of treatment plans and updates, social histories and updates, and other related professional services as required by the center director.

Adele Wallace, C.S.W.-A.C.P., was awarded the contract. Her business address is 2242 Southgate, Houston, Texas 77030.

The value of the contract shall not exceed \$14,000 per year. The contract began on November 5, 1984, and ends on August 31, 1985.

The documents produced under this contract will include treatment plans, social histories, and progress notes in patient records. These documents will be prepared on a daily basis as required by the duties of the consultant under this contract.

Issued in Austin, Texas, on November 14, 1984

TRD 8411598 Gary E. Miller, M.D.
 Commissioner
 Texas Department of Mental
 Health and Mental Retardation

Filed November 14, 1984

For further information, please call (512) 465-4591

Texas Parks and Wildlife Department Consultant Proposal Request

The Texas Parks and Wildlife Department is seeking to produce a film depicting the historical events surrounding the signing of the Texas Declaration of Independence and the framing of the first Texas Constitution in 1836. The film will become a major part of the Texas Parks and Wildlife Department's Sesquicentennial contribution. The main exhibit site for this production will be at Texas' national birthplace, Washington-on-the-Brazos State Historical Park. The agency will provide the film's creative director, the complete script, and the film set. The film will be a feature quality 35 millimeter production of approximately 25-30 minutes in length.

Description of Services. The contractor will provide all necessary staff, including a director of photography with three years of dramatic production experience, to produce a film that reflects, to the agency's satisfaction, the events contained in the agency-supplied script.

The contractor shall work directly with the agency-supplied creative director, producer, and script writer during all phases of production. This will include the selection of cast, as well as the directing of cast and crew members by the agency-supplied director.

The contractor shall give his personal superintendence to the on-site production or designate a competent individual, satisfactory to the owner, to be on the production site at all times during production, with authority to act for him.

The agency will furnish the complete script, the film's creative director, the film set (on location at Washington, Texas), and all furnishings and set properties.

Summary of Request. The Texas Parks and Wildlife Department will consider proposals for the supplying of a cast and crew to produce a 25-30 minute, 35 millimeter synchronized sound motion picture. The film is to be shot on location at Washington-on-the-Brazos State Historical Park. The cast of approximately 65 people will be supplied with costumes by the contractor. Location time shall be approximately six days.

Funding. Proposals shall include a complete estimated budget of expenditures. The budget should specify all expected costs, salaries, and rentals not to exceed a total of \$91,000.

Method of Selection. Bidders will submit a written proposal in three copies that conforms to expressed guidelines. A sample of past production (at least three different productions) shall be submitted. This may be on 1/2 inch or 3/4 inch VHS videotape or on 16 millimeter optical sound film. A copy of the script will be available for bid preparation purposes. The agency reserves the right to reject, in total or part, any and all proposals. All proposals and production samples shall become the property of the Texas Parks and Wildlife Department. Price is not the sole determining factor in awarding this contract.

Compensation. Payment for services shall be in three parts. Part I shall amount to one-quarter of the contract

total and shall be payable after selection of cast and agreement on complete production schedule Part 2 shall amount to one-quarter of the contract total and shall be payable upon completion of cast rehearsals and final on location preproduction meetings with key crew members Part 3 shall amount to one-half of the contract amount and shall be payable upon inspection and acceptance of processed film footage

Contract Time. Services required under this contract shall be completed prior to March 15, 1985

Proposal Evaluation Criteria. The agency will evaluate the following

(1) The submission of proposal, including all information requested under "guidelines for submission of proposals," on or before the deadline

(2) The operation within monetary limits established.

(3) All proposals will be evaluated on the ability of the bidder to deliver a film product that will artistically and technically portray the agency's script This decision will be based on the information contained in the proposal as well as an evaluation of the three production samples submitted.

Contact Person. Contact Jim Presnal, Jr., Audio-Visual Coordinator, Parks Division, Texas Parks and Wildlife Department, 4200 Smith School Road, Austin, Texas 78744, (512) 479-4887, for details or a copy of the script and format

The closing date for receipt of offers is December 27, 1984

Guideline for Submission of Proposals.

- (1) general information about contractor,
- (2) description of past productions,
- (3) a list and description of personnel, key positions, total crew size, resumes, and other pertinent data;
- (4) an indication of the expected cost in each major category; and
- (5) the summary of services to be provided

Issued in Austin, Texas, on November 19, 1984

TRD 8411686 Charles D. Travis
Executive Director
Texas Parks and Wildlife
Department

Filed: November 19, 1984
For further information, please call (512) 479 4806



Office of Public Utility Counsel Public Meeting

The Citizens' Advisory Committee of the Office of Public Utility Counsel will meet in Conference Room One West, John H. Winters Building, 701 West 51st Street, Austin, at 9:30 a.m. on Friday, December 7, 1984. The meeting agenda includes discussions on general guidelines for the committee, selection of officers, and subcommittee reports.

Issued in Austin, Texas, on November 14, 1984

TRD-8411579 Brenda Sevier
Manager
Office of Public Utility Counsel

Filed November 14, 1984

For further information, please call (512) 345-9900

Texas Tourist Development Agency Consultant Contract Award

This consultant contract award is filed in accord with the provisions of Texas Civil Statutes, Article 6252-11c.

The consultant proposal request was published in the October 5, 1984, issue of the *Texas Register* (9 TexReg 5180).

The study is the production and distribution of a 47.5-minute special television feature on Texas as a travel destination for Canadians.

The name and business address of the private consultant selected is Douglas Hall, President, Hallway Productions, Inc., 145 Sheppard Avenue East, Willowdale, Ontario M2N 3A7, Canada.

The total value of the study is \$11,000 payable in three payments throughout the production. The contract is dated November 6, 1984.

The project must be completed in time for distribution to Canadian television stations for airing no later than December 1, 1984.

Issued in Austin, Texas, on November 14, 1984

TRD 8411597 Frank Hildebrand
Executive Director
Texas Tourist Development
Agency

Filed: November 15, 1984

For further information, please call (512) 475 4326



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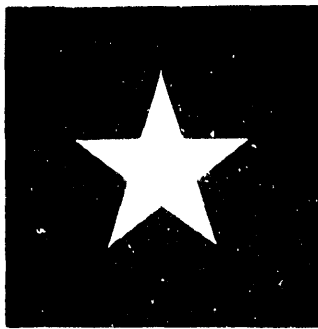
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