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TEXAS DOCUMENTS

# TEXAS REGISTER

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Office of the Secretary of State

In this issue, the Credit Union Department proposes new rules which define a community credit union, set special limits and requirements for establishing and operating the specialized charter, establish procedures for approvals and methods to safeguard shareholders during the first two years of operations, and provide restrictions for subsidizing and refunding of such aid. A community credit union is incorporated to serve residents of a recognizable community within a well-defined geographical area, and limited to persons who live or work within the specified community. Students of colleges within the area served are not eligible for credit union membership unless employed or have permanent residence.

The Credit Union Department also proposes rules that define deposit accounts, require commissioner approval for implementing a deposit account program, establish interest procedures, and provide for other restrictions. The department hopes that by adopting these rules, the method for handling deposit accounts in state-chartered credit unions will be standardized.

Because House Bill 1249 abolished the State Board of Examiners in the Basic Sciences, the Texas State Board of Medical Examiners, in an emergency rule adopted September 4, 1979, now has the responsibility of verifying the basic science grades for licensure. Completion of these courses and certification of the basic science grades are a requisite for licensure of physicians in Texas. The State Board of Medical Examiners proposes this rule for permanent adoption in this issue.

*Cover illustration represents Elisabet Ney's statue of Stephen F. Austin, which stands in the foyer of the State Capitol.*

*Artwork: Gary Thornton*

## TEXAS REGISTER

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*Volume 4, Number 67, September 7, 1979*



*George W. Strake, Jr.  
Secretary of State*

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Article 4399, Vernon's Texas Civil Statutes, requires the attorney general to give written opinions to certain public officials. The Texas Open Records Act, Article 6252-17a, Section 7, Vernon's Texas Civil Statutes, requires that a governmental body which receives a request for release of records seek a decision of the attorney general if the governmental body determines that the information may be withheld from public disclosure. Opinions and open records decisions issued under the authority of these two statutes, as well as the request for opinions and decisions, are required to be summarized in the *Texas Register*.

Copies of requests, opinions, and open records decisions may be obtained from the Opinion Committee, Attorney General's Office, Supreme Court Building, Austin, Texas 78701, telephone (512) 475-5445.

## Opinions

### Summary of Opinion MW-49

Request from William P. Hobby, chairman, Legislative Budget Board, Austin, and D. R. "Tom" Uher, chairman, State Affairs Committee, House of Representatives, Austin, concerning authority of Texas Indian Commission to assist nonreservation Indians.

**Summary of Opinion:** In the absence of federal authorization, the Texas Legislature may not provide special benefits for Traditional Kickapoo Indians and members of intertribal councils.

Issued in Austin, Texas, on August 28, 1979.

Doc. No. 795642

C. Robert Heath  
Opinion Committee Chairman  
Attorney General's Office

For further information, please call (512) 475-5445.



An agency may adopt a proposed rule no earlier than 30 days after publication in the *Register*, except where a federal statute or regulation requires implementation of a rule on shorter notice.

An agency, on request, shall provide a statement of the reasons for and against adoption of a rule. Any interested person may request this statement before adoption or within 30 days afterward. The statement shall include the principal reasons for overruling considerations urged against the agency's decision.

**Numbering System**—Each rule is designated by a unique 10-digit number which is divided into four units by decimal points. The first unit (three digits) indicates the agency which promulgates the rule. The second unit (two digits) indicates the chapter of rules to which the rule belongs. The third unit (two digits) indicates the subchapter of rules, if any, within the chapter. The fourth unit (three digits) indicates the individual rule.

**Symbology**—Changes to existing material are indicated in *bold italics*. [Brackets] indicate deletion of existing material.

## Credit Union Department

### Credit Union Regulations

#### Organization Procedure Community Charter Credit Unions 058.01.02

The Credit Union Department is proposing to adopt Rules .058.01.02.004-.007 which define a community credit union, set special limits and requirements for establishing and operating this specialized charter, and establish procedures for approvals and procedures to safeguard shareholders during the formative first two years of operations, and provide restrictions for subsidizing and refunding of such subsidies.

The adoption of this proposed rule will not produce any fiscal implications for either state or local governments. Fiscal implications were determined by the department staff.

Public comment on proposed Rules .004-.007 should be submitted in writing to John P. Parsons, commissioner, Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752.

The following rules are proposed under the authority of the Texas Credit Union Act, Article 2461, Chapters 1—et seq, Vernon's Texas Civil Statutes.

*.004. Purpose.* These regulations are promulgated to safeguard the public interest; to maintain independent judgment on the board of directors of community credit unions; to avoid conflicts of interests by officers, directors, and employees of community credit unions; to insure financial integrity and fiscal responsibility in the operation of a community credit union; to maintain sound growth and avoid speculative business practices; to define the duties and responsibilities of community credit union management; and to promote public confidence in community credit unions and the credit union movement, under the authority of the Texas Credit Union Act.

*.005. Definition.* The following definitions apply for the purposes of this rule:

(1) A community credit union is one incorporated to serve residents of a recognizable community within a well-defined geographical area.

(2) Unless otherwise indicated in this rule, the term "residents" includes:

(A) all natural persons living or employed in the community;

(B) associations whose memberships are composed of natural persons of whom at least a majority are eligible for membership under the provisions of (2)(A) above;

(C) a proprietorship, partnership, corporation, or any other legal entity which has its primary place of business in the community.

(3) The term "recognizable community" means a geographical area which possesses such characteristics that the residents of the area share a sense of identification with each other which may be based upon mutual interests, goals, community pride, or such other elements as the commissioner may deem relevant.

(4) The term "well-defined geographical area" means a city, town, or county or other geographical area with established boundaries or limits.

*.006. Special Requirements for Community Credit Unions.*

(a) Membership shall be limited to persons who live or work within the specified community.

(b) A community credit union in a metropolitan area of 250,000 or more population, as determined by the latest Standard Metropolitan Statistical Area (SMSA) statistics, shall be limited to one community, township, or identifiable area, unless otherwise approved by the commissioner, for good cause shown.

(c) The board of directors shall consist of a minimum of nine directors during the first five years of operation. In order to avoid conflicts of interest and maintain an independent board, no director shall be related to another director by blood or marriage during the first five years of operation.

(d) No person may serve as a director of a community credit union if he or she owns as much as 10% of the stock of a bank, savings association, or loan company within 50 miles of the community served by the community credit union, or is on the board of directors or an employee of such institutions.

(e) Before granting a certificate of incorporation for a community credit union, the commissioner shall determine that the proposed incorporators possess demonstrated leadership, integrity, and credit-worthiness, such as to warrant belief that the affairs of the credit union will be conducted in accordance with the intent and purpose of the Texas Credit Union Act, Vernon's Texas Civil Statutes 2461.1—et seq, in order that the operation of the credit union will function solely to serve the financial needs of its members.

(f) Students of colleges within the area served by a community credit union are not eligible for membership unless such students are employed in or have permanent residence in the community.

(g) Community credit unions shall be authorized to engage in participation loans as follows:

(1) Participation loans must originate with the community credit union, and be made only to their own members.

(2) The community credit union shall retain at least 10% of the proceeds of each participation loan.

(3) The total proceeds of each participation loan

shall be considered as part of the total volume of loan business of the credit union, and a community credit union is limited to 25% of their total loan volume in participation loans.

(4) A community credit union shall not engage in participation loans with commercial banks, savings associations, or loan companies during the first five years of operations, unless authorized by the commissioner in writing to do so.

(h) In order to avoid conflict of interest, credit union officers, directors, committee members, and employees shall not enter into any business relationships with business entities which are owned, managed, or controlled by such individuals.

(i) The entire field of membership of existing credit unions domiciled within the geographic boundaries of the community credit union shall be excluded from eligibility in the community credit union, unless the existing credit unions waive this provision by board resolution and furnish a copy of such written resolution to the community credit union.

(j) No shares or deposits shall be used, in any manner, for expenses of operation of a community credit union except for organizational costs and initial basic supplies, up to a maximum of \$2,500, unless authorized to do so in writing by the commissioner.

(k) No director or member may borrow from the community credit union for the purpose of subsidizing or supporting, in any manner, the operational expenses or dividends. Actions contrary to this section shall be deemed an illegal loan in violation of Section 5.08 (c) of the Texas Credit Union Act.

(l) If a member, official, or director makes a grant to a residential credit union for the purpose of offsetting initial operating expenses or capitalization in the form of equity or reserves, the total of such grants shall not exceed 5.0% of capital or \$25,000, whichever is less, unless written authorization for additional funding has been obtained from the commissioner. The commissioner may require sworn statements and other reports justifying requests for such additional subsidies.

(m) All repayable grants used in the development of a community credit union shall be:

(1) evidenced by written agreement between the grantor and the residential credit union setting forth the terms of repayment, date on which repayment shall commence, interest rate, if any, cancellation provisions, and creditor status in the event of merger or voluntary/involuntary liquidation;

(2) approved by the commissioner 30 days prior to the receipt of the grant.

(n) The community credit union may accept donations in the form of cash or fixed assets (furniture, equipment, or building) provided that no liability for repayment exists. Except in the case of material tangible fixed assets, donations shall be credited to a nonoperating income account. In the case of material tangible fixed assets, a "donated equity" account shall be established at the market value of the fixed asset.

(o) Certificates of deposit restrictions. A community credit union may issue certificates of deposit if the following conditions are met:

(1) The estimated solvency ratio of 103, as defined by the Credit Union Department, has been attained and is maintained.

(2) The funds retained in undivided earnings are sufficient to cover the amount of interest obligated by the certificates.

(3) Obligations relating to advance subsidies have been satisfied.

(p) Reserves. Each community credit union shall encumber each month, 10% of the gross income, including donated funds, for the first five year of operation. In addition, all membership fees and fines shall be placed directly to the regular reserve account for the first 24 months of operation. After five years, the regular reserve transfer shall be 5.0% of total gross income, and shall be transferred to the regular reserve at the close of each dividend period to the payment of dividends on shares.

(q) The first day of operation shall be the date upon which the credit union has qualified to begin operations in accordance with Section 2.05 of the Texas Credit Union Act, and not the date of issuance of the charter.

(r) Solvency ratio.

(1) A community credit union shall be required to maintain a solvency ratio of 100, as defined by the Credit Union Department, at all times. Therefore, any fiduciary funds used for organization costs and initial supplies shall be treated as a "prepaid asset," and amortized within the first 24 months of operations. Use of members' shares or deposits held by a community credit union for purposes other than those stated above and in subsection (j) above, shall be considered a violation of Section 5.09(4) of the Texas Credit Union Act.

(2) Breaches of fiduciary duty, questionable or unsafe and unauthorized practices in the conduct of business of a community credit union shall include but not be limited to the following:

(A) use of fiduciary funds in excess of the amount authorized by this regulation;

(B) borrowing of fiduciary funds of a community credit union for the purpose of subsidizing the operations of that community credit union;

(C) accepting or holding positions of employment or elective office with the community credit union that places the employee or office holder in a conflict of interest as set out in subsection (h) above;

(D) preferential terms on loans to officials and employees and their family members;

(E) excessive expense ratio;

(F) commitments made and contracts for goods, services, personnel space, or for any purpose that exceed funds on hand and that are available to meet such commitments at the time such commitments are made or such contracts are entered into and at all times thereafter;

(G) violation or circumvention of generally accepted accounting principles and procedures customarily applied to credit unions;

(H) entering into business relationships or other operations of the credit union which are calculated to enhance the business or profession of directors or employees or their families or business entities subject to their influence;

(I) curtailment of credit union services for the benefit of any other local business or enterprise.

(s) Capital and membership requirements. After commencement of operations, as provided in Section 2.05 of the Texas Credit Union Act, a community credit union shall be prohibited from using cash subsidy advances for expense of

operations, salaries, dividends, interest or borrowed money, etc., until it has received shares totalling \$50,000 or more and has a membership of 500 or more, unless it requests in writing and receives the prior written approval of the commissioner. The commissioner may require sworn statements or other reports in support of requests for such approval. The commissioner shall give written approval after he has ascertained by investigation and/or other credible evidence that all members' interests are protected, and that such subsidy advances are necessary to carry on the operations of the credit union. Violation of or failure to comply with this provision constitutes questionable or unsafe and unauthorized practices in the conduct of the business of the credit union.

*.007. Bylaws.*

(a) Standard bylaws for community credit unions shall be promulgated by the commissioner with the approval of the commission.

(b) All community credit unions chartered under this act after the effective date of this regulation shall be required to adopt and abide by these standard bylaws, without amendment to standard wording, during the first five years in operations. Operation begins when the provisions of the Section 2.05 of the Texas Credit Union Act and Section 2.05 of the Community Credit Union Bylaws are met.

Doc. No. 795646

## Capital 058.01.06

The Credit Union Department is proposing to adopt Rules .058.01.06.001-.005 that define deposit accounts, require commissioner approval for implementing a deposit account program, establish interest procedures, and provide for other restrictions. By adopting these rules, the method for handling deposit accounts in state-chartered credit unions will be standardized.

The adoption of these proposed rules will not produce any fiscal implications for either state or local governments.

Public comment on proposed Rules .001-.005 should be submitted in writing to John P. Parsons, commissioner, Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752.

The following rules are proposed under the authority of the Texas Credit Union Act, Article 2461, Chapters 1—et seq., Vernon's Texas Civil Statutes.

*.001. Purpose.* Deposit accounts are authorized by the Credit Union Act, Article 2461, Vernon's Texas Civil Statutes, Sections 6.01, 6.02, and 6.03. However, because of the sensitivity of deposit accounts to the money market, this regulation is promulgated, in the public interest, under the rulemaking authority of Section 11.07 of the Texas Credit Union Act, and shall apply to all credit unions chartered under the authority of the Credit Union Act.

*.002. General.* All deposit accounts of credit unions shall be considered capital. Deposit accounts, if any, shall be operated in accordance with policies and conditions prescribed by the board of directors, provided that authorization from the commissioner is requested in writing by the credit union, and approval is given in writing by the commissioner, prior to receiving deposit funds from members. Along with such ap-

plication a credit union shall submit a copy of the proposed deposit account program or programs which shall contain the terms, interest rates, conditions, penalties, and other provisions, as adopted by the board of directors of the credit union, and furnish the commissioner with any other information reasonably requested.

*.003. Existing Programs.* Existing deposit programs shall be reviewed during the next examination of each credit union. Changes in existing programs will be recommended, where warranted in the best interest of the credit union. Any amendments to an existing program shall be subject to approval under this regulation.

*.004. Types of Deposit Accounts.* Deposit accounts may be made available only to members, in accordance with the following provisions:

- (1) transaction deposit accounts;
- (2) certificates of deposit accounts;
- (3) remote withdrawal draft accounts.

*.005. Definitions and Limitations of Deposit Accounts.*

(a) Transaction deposit accounts (TD or passbook accounts).

(1) Definition. Transaction deposit accounts (herein after called TD account) consist of savings of members separate from share accounts, which may have funds deposited or withdrawn at any time, in accordance with policy rules established by the board of directors, except by draft.

(2) Interest rates. Interest on TD accounts shall be established from time to time by the board of directors. Interest rates may be varied for each different class of TD account; however, all TD accounts of the same class shall be paid the same interest rate. Interest payments on TD accounts may be earned, computed, and credited as authorized by the board of directors.

(3) Transaction limits:

(A) No credit union shall allow the total balance of TD accounts to exceed 30% of total share balances unless prior written approval is given by the commissioner.

(B) The board of directors is authorized to impose such limitations, conditions or policies as they deem appropriate subject to this regulation.

(C) The board of directors is authorized to impose limitations on the maximum or minimum number of transactions which will be allowed on a TD account.

(b) Certificates of deposit accounts (CD accounts).

(1) Definition. Certificates of deposit accounts (herein called CD account) are savings of members accepted by agreement, for specific amounts, for specified periods of time, at agreed rates of interest.

(2) Other provisions:

(A) A certificate shall be issued to each depositor for a specified sum and may accumulate dividends. Each certificate shall clearly show the length of time, the maturity date, the interest rate stated in annual percentage rates, and penalties for redemption prior to maturity.

(B) Funds represented by a certificate may not be partially withdrawn, but must be redeemed in full, as authorized by the board of directors.

(C) The board of directors shall establish a penalty to be imposed on the withdrawal of a certificate before maturity. The penalty shall require a reduction in the dividend rate to an amount not in excess of the rate paid on share accounts and a forfeiture in an amount not greater than the



loss of all dividends for 90 days nor less than the loss of all dividends for 30 days, on the amount withdrawn or all dividends on the amount withdrawn since the date of issue or last renewal. In assessing any penalty, however, the amount of the penalty may be deducted from the principal amount if the dividends upon which the penalty is assessed has been previously withdrawn. Penalties may be waived by the board for good cause.

(D) Exceptions to penalties:

(i) the withdrawal is made subsequent to the death of any owner of the account;

(ii) the deposit account or certificate of deposit account is part of a pension plan which qualifies or qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 59 1/2 years of age; or

(iii) such withdrawal is made as a result of the voluntary or involuntary liquidation of the credit union issuing the account.

(E) Certificates of deposit may not contain the words "promise to pay," on any certificates issued after the effective date of this regulation. At least one joint owner shall be a member of the credit union, but all other joint owners need not be.

(F) Certificates of deposit may not be included in a credit union's "life savings insurance" program.

(G) Accrual of interest. Interest on deposit accounts shall be accrued monthly and reflected on the operating statement in accordance with generally accepted accounting principles.

(3) Restrictions. No credit union shall issue certificates which would result in the total balance of CD accounts exceeding 70% of its total shares and deposits, unless prior written approval is given by the commissioner.

(c) Remote withdrawal deposit accounts (RWD accounts).

(1) Definition. Remote withdrawal deposit accounts (herein called RWD account) are special deposit accounts from which members are authorized to withdraw funds by means of drafts or other procedures authorized by the board of directors. By contract with the member, a credit union may authorize the member to withdraw funds from the RWD account, by drawing drafts on the credit union, payable through a financial institution, subject to such RWD account contract.

(2) Interest on RWD accounts shall be earned, computed, and paid as authorized by the board of directors. No credit union may pay interest on RWD accounts at a rate exceeding 6.0% per annum unless prior written approval has been given by the commissioner. Interest may be compounded daily, monthly or quarterly, as authorized by the board of directors, subject to this regulation.

(3) Liquidity reserve:

(A) The credit union shall maintain a liquidity reserve against all RWD accounts in an amount not less than:

(i) 50% of the total balance in all RWD accounts during the first three months of operation, and

(ii) 25% of the total balance in all RWD accounts during the next three months, and thereafter,

(iii) 7.0% of the total balance in all RWD accounts or 125% of the average daily payable-through bank

clearings from RWD accounts during the previous calendar month, whichever is less.

(B) The liquidity reserve shall consist of any credit union investments authorized by law and payable or withdrawable within one year or less, or an irrevocable line of credit from a bank or credit union; provided, that if such line of credit is used, the total amount of the credit union's borrowed funds shall not exceed the limit allowed by law.

(4) Accounting requirements. The credit union shall furnish a statement to the holder of each RWD account, not less often than once each month for active accounts and not less often than once each quarter for accounts without activity during the quarter. The statement must include opening and closing account balances, account number, and charges for the account service. The statement shall also show each deposit and withdrawal and shall identify each transaction by amount, date, and source of transaction. Records shall be maintained in accordance with generally accepted credit union accounting principals, and a credit union with RWD accounts shall reconcile transactions at payable-through financial institutions not less than once each calendar month.

(5) Report requirements:

(A) Each credit union president shall make a written report to the board of the activity and status of the credit union's RWD program not less often than once each month.

(B) The board of directors shall report to the Credit Union Department the activity of the RWD program as at the close of each year, or more frequently as requested on a form prescribed by the commissioner, for good cause.

(6) Service fees. A credit union may charge reasonable service fees for services including, but not limited to the following: (Fees shall approximate related costs.)

(A) furnishing draft forms;

(B) monthly service fee;

(C) account research, reconciliation, and documentation;

(D) overdraft, stop payment orders, etc.

(7) Closure of accounts. An RWD account may be closed at any time for good cause shown or for violation of this regulation or the credit union bylaws, as authorized by the board of directors. The principal owner-member of any such closed RWD account shall be given notice of such closure by mail addressed to the member's last known address within five working days. Such members may appeal to the board of directors.

(8) Commissioner sanctions:

(A) The credit union commissioner may order a credit union to discontinue offering RWD accounts when such action is reasonably deemed to be in the best interest of the members, under the authority of Section 5.09(a)(4) or 5.09(a)(6) of the Texas Credit Union Act, Vernon's Texas Civil Statutes 2461 et seq.

(B) The commissioner may direct changes in a program and recordkeeping and require additional reports, in lieu of discontinuance of an RWD program.

(C) The commissioner may require special liquidity reserves, in addition to those herein prescribed, when warranted.

(D) Deposit accounts issued or authorized by the credit union, and which remain outstanding prior to the effective date of this regulation, may continue in force and effect according to the terms and conditions under which they were issued and accepted, provided that any renewal,



extension, reissuance, or exchange thereof may be affected only in compliance with this regulation.

(E) Violation or disregard of any of the provisions of this regulation by any state-chartered credit union, or officer or employee of any state-chartered credit union constitutes unsafe, unauthorized, and unsound practices in the conduct of the credit union's business and subjects the concerned credit union or individual to the sanctions of Section 5.09 of the Texas Credit Union Act, Vernon's Texas Civil Statutes 2461, 1—et seq.

Issued in Austin, Texas, on August 28 & 29, 1979.

Doc. No. 795590      John P. Parsons  
Commissioner  
Credit Union Department

Proposed Date of Adoption: October 8, 1979  
For further information, please call (512) 475-2299

## Texas Education Agency

### Proprietary Schools and Veterans Education

#### Guidelines and Minimum Standards for Operation of Texas Proprietary Schools 226.25.90

The Texas Education Agency proposes to amend Rule 226.25.90.080 which sets out minimum standards for operation of Texas proprietary schools. Only paragraph (11), Financial Stability, is changed. The rest of the rule remains unchanged. The proposed change will liberalize the kinds of financial reporting required of Texas proprietary schools.

The Texas Education Agency anticipates that the proposed amendment will have no fiscal implications for the state or for local units of government.

Public comment on the proposed amendment to Rule .080 is invited. Comments may be submitted by telephoning the office of Dr. J. B. Morgan, associate commissioner for policies and services, at (512) 475-7077, or by writing to him at 201 East 11th Street, Austin, Texas 78701. All requests for a public hearing on proposed rules submitted in accordance with the Administrative Procedure and Texas Register Act must be received by the commissioner of education not more than 15 calendar days after notice of a proposed change in rules has been published in the *Texas Register*.

This amendment is proposed under the authority of Section 32.22, Texas Education Code.

#### .080. Minimum Standards for Operation of Proprietary Schools.

- (a) (No change.)
- (b) Schools desiring issuance and renewal of certificates of approval shall adhere to the following standards.
  - (1)-(10) (No change.)
  - (11) Financial stability.

(A) The school shall have sufficient finances to establish and carry out a satisfactory program of education on a continuing basis.

(B) The prospective owner will furnish the director with his initial application for a certificate of approval, an audited statement of financial position (balance sheet) in a form consistent with generally accepted accounting principles as prescribed by the administrator and *certified* [pre-

pared] by an independent public accountant or certified public accountant. *If the school will be owned by a sole proprietor, the balance sheet may be reviewed by the accountant, rather than audited.* The prospective owner will also furnish such other evidence as may be deemed appropriate by the administrator to establish financial stability.

(C) Each certificated school will furnish annually acceptable [audited] financial statements *in association with* [prepared by] an independent public accountant or certified public accountant not later than 120 days from the close of the school's fiscal year. These statements will be in a form consistent with generally accepted accounting principles as prescribed by the administrator and must include the following:

- (i) (No change.)
- (ii) Statement of results of operation (statement of income and retained earnings). This statement must include the gross amount of tuition and fees earned net of refunds during the fiscal year for all courses approved under Title 2, Texas Education Code, for each school. In the event the school's accounting system is on a cash basis, the total tuition and fees collected during the fiscal year *may* [must] be reported in lieu of the gross amount of tuition and fees earned.

(iii) (No change.)

(D) New schools.

(i) New schools will submit audited financial statements *which have been certified by the public accountant or certified public accountant* at the end of their first year of operation. *Thereafter, schools will submit annual financial statements which have been reviewed, rather than audited, by an independent public accountant or certified public accountant.* *Exceptions to the requirement that the financial statements will be reviewed by the accountant may be made for the following schools:* [After the first year of operation, exceptions to the requirements for audited financial statements may be made for the following schools:]

(I) Schools whose gross annual income from student tuition and fees is \$50,000 [\$20,000] or less, or

(II) *Schools which do not collect from more than 10 students at any given time a combination of (1) more than one month's tuition and fees in advance and/or (2) after the school retains \$50 of tuition and fees, more than*

*(-a-) 10% of tuition and fees during the first week or 1/10 of the course, whichever is less.*

*(-b-) 25% of tuition and fees during the first quarter of the course.*

*(-c-) 50% of tuition and fees during the second quarter of the course.*

*(-d-) 75% of tuition and fees during the third quarter of the course.*

[Schools which do not collect more than one month's tuition and fees in advance from more than 10 students at any given time.]

(ii) Such schools must submit annual financial statements as set forth in subparagraphs (C)(i), (C)(ii), (C)(iii), however, they need not be audited *or reviewed but must be compiled by a [the] public accountant or certified public accountant [who prepared the statements], and no opinion need be expressed.* If a question arises as to the validity of the *compiled or reviewed* financial statements submitted or to the adequacy of the financial structure, the

administrator may require an audit of a school, at the school's expense, *certified* by a public accountant or certified public accountant. Schools which are subsidiaries of *another* [a publicly held] corporation may submit, in lieu of the statements required in subparagraphs (C)(i), (C)(ii), (C)(iii), above, the annual *audited* [financial statements of] [filed by] the parent corporation [with the Securities and Exchange Commission] provided that:

(I) (No change.)

(II) the parent corporation assumes full *responsibility* [liability] *ensuring that each student enrolled in the subsidiary school receives either the training agreed upon or a refund as provided in the Texas Proprietary School Act and submits a certified resolution of its board of directors to this effect,* [the subsidiary school, as evidenced by a certified statement by the board of directors of the parent corporation,] and

(III) (No change.)

(E) *Schools which participate in federal financial aid programs must submit a copy of each audit of such programs at the same time the audit report is submitted to the Department of Health, Education, and Welfare. If the school would otherwise submit compiled or reviewed annual financial statements as allowed under this minimum standard, and if the audit of the federal programs causes a question to arise as to the adequacy of the school's financial structure, the administrator may require an audit of the school, at the school's expense, certified by a public accountant or certified public accountant.*

(F)(E) Prior to a change in ownership of a proprietary school, the seller must furnish the director an acceptable audited statement of financial position (balance sheet) of the school in a form consistent with generally accepted accounting principles as prescribed by the administrator and *certified* [prepared] by an independent public accountant or certified public accountant. The statement must include a detailed list of any student tuition refunds payable. The purchaser will furnish any evidence deemed appropriate by the administrator to establish financial stability.

(G)(F) All financial statements must identify the name of the public accountant or certified public accountant *associated with the statements* [who prepared them] and must be accompanied by the owner's affidavit that the statements are true and correct.

Issued in Austin, Texas, on August 30, 1979.

Doc No. 795645 M. L. Brockette  
Commissioner of Education

Proposed Date of Adoption: October 8, 1979  
For further information, please call (512) 475-7077



## Texas Department of Human Resources

### Day Care Licensing 24-Hour Care Licensing General Licensing Procedure

#### Notice of Serialized Rules

(Editor's note: Lengthy new rules, amendments, and repeals recently proposed by the Texas Department of Human Resources in its chapters of rules entitled Day Care Licensing, 24-Hour Care Licensing, and General Licensing Procedure will be published serially beginning with the issue dated September 11, 1979. Listed below are the subchapter titles and rule numbers affected by this action. The proposed date of adoption for the serialized proposals is November 5, 1979.)

#### Day Care Licensing

##### Standards for Child-Placing Agencies (Day Care Only)

326.90.01.001-.011, .012, .013

##### Standards for Family Day Homes

326.90.02.001-.023, .024, .025-.028, .030

##### Standards for Kindergartens and Nursery Schools

326.90.03.001-.003, .005-.030, .032

##### Standards for Schools: Grades Kindergarten and Above

326.90.04.001-.003, .004, .005-.031, .032

##### Standards for Day Care Centers

326.90.05.001-.003, .004, .005-.028, .029, .030-.034, .036

##### Standards for Registered Family Homes

326.90.06.001-.004

##### Standards for Group Day Care Homes

326.90.07.001-.011, .013-.025, .026, .028-.031, .033

##### Support Documents

326.90.99.600

#### 24-Hour Care Licensing

##### Standards for Foster Family Homes

326.91.03.001-.020, .028-.045

##### Standards for Foster Group Homes

326.91.04.002-.010, .011, .012-.025, .026, .027-.037, .038, .039, .040

##### Standards for Halfway Houses

326.91.05.001-.031, .032-.059

##### Standards for Institutions Serving Mentally Retarded Children

326.91.06.001-.033, .034-.063

##### Standards for Institutions Providing Basic Child Care

326.91.07.001-.015, .016, .017-.027, .028, .029, .030, .031

##### Standards for Therapeutic Camps

326.91.08.001-.025, .028, .029-.052

Standards for Residential Treatment Centers  
326.91.09.001-.021, .023-.032, .033-.061

Standards for Emergency Shelters  
326.91.10.001-.025, .026-.048

General Licensing Procedure  
Support Documents  
326.92.99.600

## Texas State Board of Medical Examiners

### Schedule of Fees 386.08.00

The Texas State Board of Medical Examiners is amending Rule 386.08.00.001, and revised text of the rule follows. The rule amendment authorizes the Texas State Board of Medical Examiners to charge the necessary fee for verification of the completion of basic science courses as required by House Bill 1249. Completion of these courses and certification of the basic science grades are a requisite for licensure of physicians in Texas. If no provision were to be made for certification of these courses, no physicians could be licensed in the State of Texas after August 31, 1979; therefore, the Texas State Board of Medical Examiners has taken the necessary steps for implementation of House Bill 1249 and verification of grades.

Section 2 of House Bill 1249 provides for abolishment of the State Board of Examiners in the Basic Sciences. Section 3 of that same bill calls for the Board of Medical Examiners to "require from a person otherwise qualified by law, evidence, verified by transcript of credits, certifying that such person has satisfactorily completed 60 or more semester hours of college credits at a college or university which issues credits acceptable by the University of Texas at Austin leading toward a Bachelor of Arts or a Bachelor of Science degree. Said credits shall include the satisfactory completion of courses in anatomy, physiology, chemistry, bacteriology, pathology, hygiene, and public health with an average of 75% or better in each of such courses." This section also authorizes the Board of Medical Examiners to charge a fee of \$50 for this verification. It further states that "Any license to practice issued after the effective date of this Act... contrary to this Act shall be void." Section 5 states that the Act takes effect September 1, 1979. Violation of the Act is a Class A misdemeanor.

The rule amendment, presently on file as an emergency rule effective September 1, 1979, for a period of 120 days, has been reviewed with the Texas State Board of Medical Examiners accounting office, and it has been determined that no fiscal implications exist for either the State of Texas or any unit of local government.

Public comment on the amendments is invited. Comments may be submitted by telephoning the board office at (512) 474-6335, or by writing to the board at Southwest Tower Building, Suite 900, Austin, Texas 78701.

The rule amendment to comply with state legislation is under the authority of Article 4496 and Article 4509, Civil Statutes of Texas.

- .001. Fees. The board shall charge the following fees:
- Annual registration: \$25
- Institutional permits per year (interns and residents): \$25
- Licensure by examination:
  - FLEX—full: \$150
  - First day only—repeat: \$30
  - Second day only—repeat: \$35
  - Third day only—repeat: \$85
  - Jurisprudence only—repeat: \$25
- Board—full: \$150
  - Pre-clinical only—repeat: \$100
  - First repeat pre-clinical: \$25
  - Second repeat pre-clinical: \$35
- Clinical: \$50
  - Clinical and first repeat: \$60
  - Clinical and second repeat: \$60
- Licensure by reciprocity: \$200
- Temporary license: \$25
- Duplicate license: \$35
- Endorsement: \$25
- Reinstatement after lapse or cancellation: \$100
- Certification to other boards of grades in basic science examination: \$25
- Verification of basic science grades for licensure: \$50

Issued in Austin, Texas, on August 29, 1979.

Doc. No. 795643

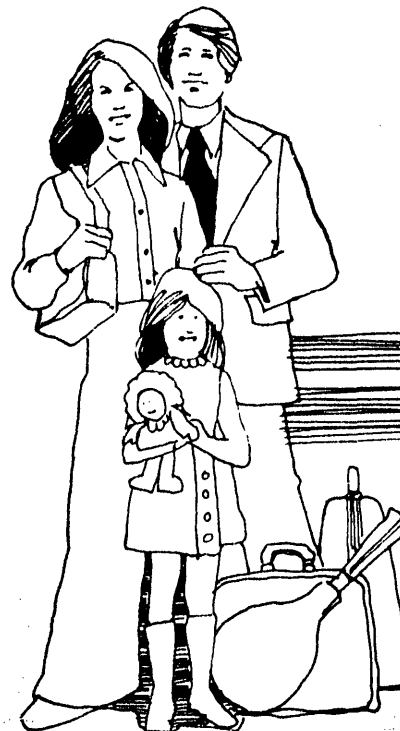
A. Bryan Spires, Jr., M.D.

Secretary-Treasurer

Texas State Board of Medical Examiners

Proposed Date of Adoption, October 8, 1979

For further information, please call (512) 474-6335.



# ADOPTED RULES

An agency may adopt a proposed rule no earlier than 30 days after publication in the *Register*, and the adoption may go into effect no sooner than 20 days after filing, except where a federal statute or regulation requires implementation of a rule on shorter notice.

An agency, on request, shall provide a statement of the reasons for and against adoption of a rule. Any interested person may request this statement before adoption or within 30 days afterward. The statement shall include the principal reasons for overruling considerations urged against the agency's decision.

**Numbering System**—Each rule is designated by a unique 10-digit number which is divided into four units by decimal points. The first unit (three digits) indicates the agency which promulgates the rule. The second unit (two digits) indicates the chapter of rules to which the rule belongs. The third unit (two digits) indicates the subchapter of rules, if any, within the chapter. The fourth unit (three digits) indicates the individual rule.

## Railroad Commission of Texas

### Transportation Division

#### Tariffs and Schedules 051.03.08

The Railroad Commission of Texas has amended Regulation 051.03.08.007, Weighing Unnecessary, by adding a new subsection (g). The proposed amendment was published in the June 26, 1979, issue of the *Texas Register* (4 TexReg 2271). No comments were received.

This amendment is promulgated under the authority of Texas Revised Civil Statutes Annotated, Article 911b, Section 4 (Vernon 1964).

#### .007. *Weighing Unnecessary.*

(a)-(f) (No change.)

(g) Specialized motor carriers transporting shipments of oil field equipment weighing less than 7,000 pounds and moving 50 miles or less may transport such shipments on shipper's certification of weight as provided in Regulation .006(b)(1).

Issued in Austin, Texas, on August 28, 1979.

Doc. No. 795666

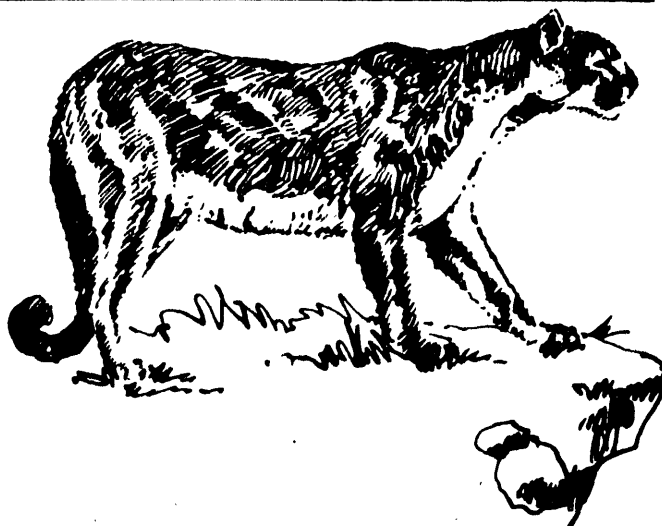
John Poerner  
Chairman

Railroad Commission of Texas

Effective Date: September 20, 1979

Proposal Publication Date: June 26, 1979

For further information, please call (512) 445-1343.



The Open Meetings Act (Article 6252-17, Texas Civil Statutes) requires that an agency with statewide jurisdiction have notice posted for at least seven days before the day of a meeting. A political subdivision covering all or part of four or more counties, or an institution of higher education, must have notice posted for at least 72 hours before the scheduled meeting time. Notice of an emergency meeting or an emergency addition or amendment to an agenda must be posted for at least two hours before the meeting is convened. Although some notices may be received and filed too late for publication before the meetings are held, all filed notices will be published in the *Register*. Each notice published includes an agenda or a summary of the agenda as furnished for publication by the agency and the date and time of filing. Notices are posted on the bulletin board outside the offices of the secretary of state on the first floor in the East Wing of the State Capitol. These notices may contain more detailed agendas than space allows to be published in the *Register*.

## Texas Commission for the Deaf

**Tuesday, September 4, 1979, 10 a.m.** The Board of the Texas Commission for the Deaf met in the Nueces Room at the Sheraton Crest Hotel, 111 East First, Austin. According to the agenda summary, the meeting included the following: overview of the commission for the deaf; establishment of policy on operations of the commission; executive session in accordance to Section 2(g) of the Texas Open Meetings law; personnel; appointment of chief administrative officer (executive director); authorization for hiring of staff; signature authorization for fiscal transactions; establishment of fee schedules for interpreting services approval of contracts—Title XX contract and interpreting services contract with the Department of Human Resources.

Additional information may be obtained from Michael L. Moore, P.O. Box 12904, Austin, Texas 78711, telephone (512) 475-2492.

Filed: August 31, 1979, 11:41 a.m.  
Doc. No. 795691

## Texas State Board of Dental Examiners

**Saturday, September 29, 1979, 9 a.m.-noon and 4 p.m.-5 p.m.** The Texas State Board of Dental Examiners will meet in the board room at the Holiday Inn, San Angelo. The board will consider rules and regulations and hear suggestions and comments on the rules from the audience; consider an amendment to permit honorary degrees; conduct disciplinary hearings; and conduct other board business.

Additional information may be obtained from Carl C. Hardin, 718 Southwest Tower, 7th and Brazos, Austin, Texas 78701, telephone (512) 475-2443.

Filed: August 31, 1979, 9:24 a.m.  
Doc. No. 795678

## Texas Energy and Natural Resources Advisory Council

**Thursday, September 6, 1979, 9 a.m.** The Texas Energy and Natural Resources Advisory Council met in emergency session in the Senate Chamber of the State Capitol Building, Austin, to consider the interim operating plan and organization; the budget; contingent authority; and the emergency development fund.

Additional information may be obtained from Bill Lauderback, 411 West 13th Street, Austin, Texas 78701, telephone (512) 475-0414.

Filed: August 30, 1979, 3:21 p.m.  
Doc. No. 795673

## Office of the Governor

**Friday, September 7, 1979, 9 a.m.** The Criminal Justice Division Advisory Board of the Office of the Governor will meet in Room 118 of the Stephen F. Austin Building, 17th and Congress, Austin. According to the agenda summary, the board will consider action grant applications.

Additional information may be obtained from Willis Whatley, 411 West 13th Street, Austin, Texas 78701, telephone (512) 475-6065.

Filed: August 30, 1979, 2:46 p.m.  
Doc. No. 795677

## Railroad Commission of Texas

**Tuesday, September 4, 1979, 9 a.m.** The Gas Utilities Division of the Railroad Commission of Texas made an emergency addition to the agenda of a meeting held in Room 107, 1124 South IH 35, Austin. The addition concerned a final order in Gas Utilities Docket 1644, appeal of Brady, Texas Municipal Gas Corp. from action by the City of Brady. This item was properly noticed for the meetings on August 6 and August 20, 1979, was passed at those meetings, and is now being considered on less than seven days notice as a matter of urgent public necessity.

Additional information may be obtained from Lucia Sturdevant, P.O. Drawer 12967, Austin, Texas 78711, telephone (512) 445-1126.

Filed: August 30, 1979, 4:13 p.m.  
Doc. No. 795675

**Monday, September 10, 1979, 9 a.m.** The Gas Utilities Division of the Railroad Commission of Texas will meet in Room 107, 1124 South IH 35, Austin, to consider gas utilities Dockets 1604, 1669, 2033, 2088, 2012, 2093, 1675, and 1676; to consider word processing matters; and to consider the director's report.

Additional information may be obtained from Lucia Sturdevant, P.O. Drawer 12967, Austin, Texas, telephone (512) 445-1147.

Filed: August 30, 1979, 4:12 p.m.  
Doc. No. 795676

## Texas Real Estate Commission

**Monday, September 10, 1979, 10 a.m.** The Texas Real Estate Commission will meet in the large hearing room on the first floor at the Highway Building, 11th and Brazos, Austin. The commission will conduct a public hearing on Rule 402.03.15.021 (advertising).

Additional information may be obtained from Camilla S. Shannon, P.O. Box 12188, Austin, Texas 78711, telephone (512) 475-4250.

Filed: August 31, 1979, 9:29 a.m.  
Doc. No. 795679

**Tuesday, September 11, 1979, 9 a.m.** The Texas Real Estate Commission will meet in Room 119, Stephen F. Austin Building, 17th and Congress, Austin. According to the agenda summary, the meeting includes the following: education and school matters; discussion of Residential Service Company Act legislation; consideration of amendment to proposed Rule 402.03.15.021 (advertising); discussion of use of federally required forms by licensees; consideration of proposed amendments to rule 402.03.02.001-006 (education, exams). The commission will also meet in executive session to discuss litigation involving the real estate recovery fund.

Additional information may be obtained from Camilla S. Shannon, P.O. Box 12188, Austin, Texas 78711, telephone (512) 475-4250.

Filed: August 31, 1979, 9:24 p.m.  
Doc. No. 795680

## Senate

**Tuesday, September 11, 1979, 1:30 p.m.** The Subcommittee on Services for 0-17 Age Group, Special Committee on Delivery of Human Services of the Senate will meet in the Lieutenant Governor's Committee Room, State Capitol Building, Austin, for presentation of outline of subcommittee work relating to the service system for children.

Additional information may be obtained from Don Neumann, 712 Sam Houston Building, Austin, Texas, telephone (512) 475-1284.

Filed: August 31, 1979, 11:58 a.m.  
Doc. No. 795688

**Wednesday, September 12, 1979, 2 p.m.** The Subcommittee on Services for 18-64 Age Group, Special Committee on Delivery of Human Services of the Senate will meet in the Lieutenant Governor's Committee Room, Austin, for presentation by staff and subcommittee consideration of issues relating to preventive health, rural services, and criminal justice system. The committee will also identify issues for future subcommittee consideration.

Additional information may be obtained from Don Neumann, 712 Sam Houston Building, Austin, Texas, telephone (512) 475-1284.

Filed: August 31, 1979, 11:57 a.m.  
Doc. No. 795689

**Thursday, September 13, 1979, 9:30 a.m.** The Subcommittee on Services for 65 and over Age Group, Special Committee on Delivery of Human Services of the Senate will meet in the Lieutenant Governor's Committee room, State Capitol Building, Austin, for presentation by staff and subcommittee consideration of issues relating to nursing home, hospice care, and protective services for the elderly.

Additional information may be obtained from Don Neumann, 712 Sam Houston Building, Austin, Texas, telephone (512) 475-1284.

Filed: August 31, 1979, 11:58 a.m.  
Doc. No. 795690

## Teacher Retirement System of Texas

**Friday, September 14, 1979, 10 a.m.** The Board of Trustees of the Teacher Retirement System of Texas will meet at 1001 Trinity, Austin. According to the agenda summary, the board will consider the following items: election of board officers; review of investment for quarter and fiscal year; recommendations of Investment Advisory Committee; presentation of views by individual members and private groups concerning aspects of TRS law, rules, and policy; proposed changes in policy relating to signature authorizations; review of pending litigation; and report of Member Benefits Division.

Additional information may be obtained from Shari Cooper, 1001 Trinity, Austin, Texas 78701, telephone (512) 477-9711, extension 201.

Filed: August 30, 1979, 2:41 p.m.  
Doc. No. 795674

## Texas Turnpike Authority

**Wednesday, September 5, 1979, 3:30 p.m.** The Permanent Contract Awards Committee of the Texas Turnpike Authority met in emergency session at the Texas Turnpike Authority Administration Building, 910 North Watson Road, Arlington. According to the agenda summary, the committee considered awarding Contract HSC-18 for the construction of south approach structure high wet spans for the Houston Ship Channel Bridge.

Additional information may be obtained from Harry Kabler, P.O. Box 5547, Arlington, Texas 76011, telephone (512) 261-3151.

Filed: August 31, 1979, 11:48 a.m.  
Doc. No. 795701

## Regional Agencies

### Meetings Filed August 31, 1979

**The Alamo Area Council of Governments, Open Space Advisory Committee,** will meet at 532 Three Americas Building, San Antonio, on September 10, 1979, at 1:30 p.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.

*The Alamo Area Council of Governments, Bexar Senior Advisory Committee, will meet at 532 Three Americas Building, San Antonio, on September 14, 1979, at 10 a.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.*

*The Alamo Area Council of Governments, Alamo Senior Advisory Committee, will meet at 532 Three Americas Building, San Antonio, on September 13, 1979, at 2 p.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.*

*The Alamo Area Council of Governments, Human Resources Advisory Committee, will meet at 532 Three Americas Building, San Antonio, on September 20, 1979, at 1 p.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.*

*The Alamo Area Council of Governments, Criminal Justice Planning Committee, will meet at 532 Three Americas Building, San Antonio, on September 19, 1979, at 1:30 p.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.*

*The Alamo Area Council of Governments, Regional Alcoholism Advisory Committee, will meet at 532 Three Americas Building, San Antonio, on September 11, 1979, at 1:30 p.m. Further information may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78206, telephone (512) 225-5201.*

*The Alamo Area Council of Governments, Housing Advisory Committee, will meet at 532 Three Americas Building, San Antonio, on September 10, 1979, at 1:30 p.m. Further infor-*

*mation may be obtained from Al J. Notzon, 400 Three Americas Building, San Antonio, Texas 78205, telephone (512) 225-5201.*

*The Deep East Texas Council of Governments, Aging Advisory Council, will meet in Room 209, Angelina College, Science Building, Science Auditorium, Lufkin, on September 7, 1979, at 10 a.m. and 1:30 p.m. Further information may be obtained from Martha Jones, P.O. Drawer 1170, Jasper, Texas 75901, telephone (713) 384-5704.*

*The Region IV Education Service Center, Board of Directors, met at the Anchorage, Nantucket Room, 2504 North Loop West, Houston, on September 5, 1979, at 6 p.m. Further information may be obtained from Tom Pate, P.O. Box 863, Houston, Texas 77001, telephone (713) 868-1051.*

*The South Plains Health Systems, Inc., Board of Directors, will meet in Rooms 108 and 109, Lubbock Memorial Civic Center, Lubbock, on September 20, 1979, at 6 p.m. Further information may be obtained from Ronald D. Warner, 1217 Avenue K, Lubbock, Texas 79401, telephone (806) 747-0181.*

*The South Texas Health Systems Agency, Nominating Committee, will meet at Laredo-Webb County Health Department, 2600 Cedar, Laredo, on September 10, 1979, at 5 p.m. Further information may be obtained from Jorge Elizondo, Texas A&I University, Station 1, Box 2378, Kingsville, Texas 78363, telephone (512) 595-5545.*

*The South Texas Health Systems Agency, South Texas Subarea Advisory Council Members (STSA<sup>C</sup>), will meet at Laredo-Webb County Health Department, 2600 Cedar, Laredo, on September 12, 1979, at 7 p.m. Further information may be obtained from Jorge Elizondo, Texas A&I University, Station 1, Box 2378, Kingsville, Texas 78363, telephone (512) 595-5545.*

Doc. No. 795687



## Texas Air Control Board

### Applications for Construction Permits

Notice is given by the Texas Air Control Board of applications for construction permits received during the period of August 20-24, 1979.

Information relative to these applications, including projected emissions and the opportunity to comment or to request a hearing, may be obtained by contacting the office of the executive director at the Central Office of the Texas Air Control Board, 8520 Shoal Creek Boulevard, Austin, Texas 78758.

A copy of all material submitted by the applicant is available for public inspection at the Central Office of the Texas Air Control Board at the address stated above and at the regional office for the air quality control region within which the proposed facility will be located.

Listed are the name of the applicant and the city in which the facility is located; type of facility; location of the facility (if available); permit number; and type of application—new source or modification.

### Week Ending August 24, 1979

Longview Refining Division of Crystal Oil Co., Longview; petroleum refinery modernization and expansion; Premier Road; 7883; new source

Permanent Concrete, Inc., Houston; concrete batch plant; 21210 Hempstead Highway; 7863; new source

Lufkin Industrial Development Authority, Lufkin; plating facility; 2602 Spence Street; 7867; new source

Lufkin Industrial Development Authority, Lufkin; grit blasting facility; 2602 Spence Street; 7866; new source

Lufkin Industrial Development Authority, Lufkin; degreasing facility; 2602 Spence Street; 7865; new source

Lufkin Industrial Development Authority, Lufkin; stripping facility; 2602 Spence Street; 7864; new source

Wichita Falls Asphalt Co., Inc., Arlington; production of asphaltic concrete; Abrams Road and SH 360; 254K; new source

D'Hanis Brick and Tile Co., D'Hanis; brick and tile manufacturing facility; two blocks north Highway 90; 7868; new source

Mobil Oil Corp., Seminole; tank battery; Henry Jepson Tank Battery; 7869; new source

Mobay Chemical Corp., Baytown; mondur W/HDI unit—Areas 131 and 135; 7870; new source

Austin Paving Co., Rockwall; 10000 BBL auxiliary silo for concrete batching plant; 875J; modification

Dow Chemical U.S.A., Texas Division, Freeport; Plant B power expansion; Plant B; 7871; new source

Texas City Refining, Inc., Texas City; nonleaded gasoline storage tank; Loop 197 East; 7872; new source

E. I. Dupont DeNemours and Co., Inc., Victoria; COD loading facilities; 7873; new source

Quanex Corp., Bellville Tube Div., Bellville; welded tube mill facility; Highway 36 at Miller Road; 7874; new source

Young Brothers, Inc., Contractors, Bryan; production of asphaltic concrete; State Highway 21; 7875; new source

Union Carbide Corp.—Chemicals and Plastics, Brownsville; boiler modifications; State Highway 48; 7876; modification

Union Carbide Corp.—Chemicals and Plastics, Brownsville; chemicals area revisions; State Highway 48; 1405A; modification

Mobay Chemical Corp., Baytown; gas reformer—Project 282; 7877; new source

Bayou Petroleum, Inc., Galena Park; caustic and fuel oil storage terminal; Jacintoport Terminal; 7878; new source

Exxon Corp., Andrews; FCU pump station; Fullerton Clearfork Unit Pump Station; 7879; new source

Champion Building Products, Division of Champion International, Galveston; prefinishing plywood; 7880; modification

Wittke Iron Works, Inc., Lewisville; steel sheet metal fabricator; 554 Whitmore Lane; 7881; new source

South Texas Service Co., Inc., Oyster Creek; graphite machining and derakane molding; Johnson Drive; 5981A; new source

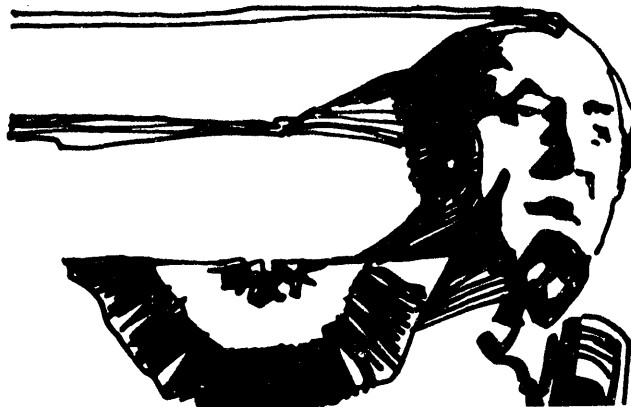
Collins Concrete, Inc., Dallas; ready mix concrete facility; 12630 Ravenview; 7882; new source

Issued in Austin, Texas, on August 30, 1979.

Doc. No. 795667      John B. Turney  
Hearing Examiner  
Texas Air Control Board

Filed: August 30, 1979, 11:45 a.m.

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



**Department of Banking**  
**Applications to Purchase Control of State**  
**Banks**

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

On August 29, 1979, the banking commissioner received an application to acquire control of Post Oak Bank in Houston by W. S. Farish III of Houston. Additional information may be obtained from Robert E. Stewart, 2601 North Lamar, Austin, Texas 78705, telephone (512) 475-4451.

Issued in Austin, Texas, on August 29, 1979.

Doc. No. 795668      Robert E. Stewart  
Banking Commissioner

Filed: August 30, 1979, 12:04 p.m.  
For further information, please call (512) 475-4451.