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# TEXAS REGISTER

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MAR 1 1976

TEXAS DOCUMENTS

## In This Issue...

Emergency Rules of the State Board of Insurance

Proposed Rule of the Comptroller of Public Accounts

Proposed Rules of the Texas Parks and Wildlife Department

Proposed Rules of the State Board of Podiatry Examiners

Proposed Rules of the State Securities Board

Proposed Rules of the Texas Water Quality Board

Adopted Rules of the Texas Education Agency

Adopted Rules of the Railroad Commission of Texas



# NOTES ON THE ISSUE

Because of the March 1 deadline for the filing of annual statements by most insurance companies in Texas, the State Board of Insurance has adopted emergency rules governing the filing of statements with the Examination Division of the Board. The rules are published in the "Emergency Rules" section of this issue.

The Texas Parks and Wildlife Department, pursuant to legislation enacted by the 64th Legislature, is proposing rules which, if adopted, will help combat the spread of aquatic plants identified by the Department as potentially harmful to human life, navigation, and recreation.

Also among the agencies whose proposed rules appear in this issue is the Texas Water Quality Board. The Board is proposing rules concerning reporting and monitoring requirements for holders of waste discharge permits issued by the Board.

The Railroad Commission of Texas has adopted rules of its Surface Mining and Reclamation Division. The substantive rules govern strip mining of coal and uranium in the State of Texas, and were adopted with some changes in the original proposed text. Although the length of the rules has prohibited the publication of the complete texts of the proposed and adopted versions, copies of these and all other filed rules may be examined in the offices of the Texas Register, Suite 550, Texas Commodore Building, 8th and Brazos Streets, Austin.

*Cover illustration represents Elisabeth 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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# EMERGENCY RULES

**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 category of rules to which the rule belongs. The third unit (two digits) indicates the subcategory of rules, if any, within the category. 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.

## State Board of Insurance

### Powers and Duties of the Board

#### Rules of the Examination Division of the State Board of Insurance

#### Supplementary to and Cumulative of the Provisions of Existing Statutes and Rules Affecting the Functioning of the Examination Division 059.01.15

The State Board of Insurance is of the opinion that these rules should be adopted as emergency rules as provided for by procedures promulgated by the office of the Secretary of State in compliance with the Administrative Procedure and Texas Register Act, Senate Bill 41, Acts of the Sixty-Fourth Legislature, 1975. Annual statements for most insurance companies are due on or before March 1. Moreover, the Examination Division of the State Board of Insurance examines insurance companies continuously. The proper functioning of the Examination Division requires that such rules be effective immediately. This creates an imminent peril to the public welfare and makes it imperative that such rules become effective immediately upon filing with the Secretary of State and that they be effective for 120 days from the date of such filing. Therefore, the Board is promulgating Emergency Rules 059.01.15.201 through 059.01.015.220, to become immediately effective on filing with the Secretary of State and to remain effective for 120 days from the date of such filing.

These rules are promulgated under the authority of the Texas Insurance Code and other law, including specifically Articles 1.10, 1.15, 1.24, 2.08, 2.10, 3.01, 3.10, 3.25, 3.34, 3.39, 3.40, 3.60, 4.09, 6.01, 6.02, 6.12, 6.16, 17.17, 21.21, 21.28c, and 21.46 of the Texas Insurance Code, and Articles 4769, 7064, 7064a, and 8306, Section 28, Vernon's Texas Civil Statutes.

**.201. Scope.** These rules are supplementary to and cumulative of existing statutes and rules of the State Board of Insurance which affect the functioning of the Examination Division. In the case of an ambiguity or contradiction between these rules and any statute, the provisions of such statute controls.

**.202. Savings Clause.** Each cause of action, pending litigation, matter in process before the State Board of Insurance or Commissioner of Insurance, or matter hereafter arising from an event occurring prior to the time these rules become effective shall be determined in accordance with and governed by the provisions of statutes, rules, orders or interpretations of the State Board of Insurance in effect at the time of the occurrence of the subject event; and this rule operates to save the application of such past procedure and law to any such event from amendment, change or repeal notwithstanding any provision of these rules or any conflict or ambiguity therein.

**.203. Preparation of Tax Returns.** Instructions for tax returns by all domestic insurance companies authorized to transact life, accident, and health business in Texas, all foreign and alien life, health, and accident insurance companies, and all insurance companies authorized to transact property and casualty business in Texas are set out below. Further instructions for domestic, foreign, and alien companies, lloyds, reciprocals, and miscellaneous organizations transacting fire and casualty business are attached hereto and incorporated herein by reference. A Texas tax return form to be filled out by domestic, foreign and alien companies, lloyds, reciprocals, and miscellaneous organizations transacting fire and casualty business is attached hereto and incorporated herein by reference. A Texas tax return form to be filed by domestic, foreign, and alien life, health, and accident companies is attached hereto and incorporated herein by reference. Copies of the instructions contained in this rule and the instructions and forms incorporated herein by reference may be obtained by contacting the Examination Division of the State Board of Insurance. The insurance companies set out above shall follow such instructions and submit such returns as are applicable to them.

1. Supplementary instructions for preparing tax returns for foreign life, accident, and health insurance companies: Subject: Schedule A, Texas Securities and Similar Securities in accordance with the provisions of Article 4769, Vernon's Texas Civil Statutes, and Article 3.36 of the Texas Insurance Code, each company exercising the privilege of a reduced tax rate must file an itemized list of all securities used for both states in Schedule A of the Texas tax return. This list should be prepared in the same order as enumerated in Schedule A of the Texas tax return, making certain all securities qualify under the provisions of Article 4769, Vernon's Texas Civil Statutes, and Article 3.34 of the Texas In-

insurance Code. When the portfolio of investments in the annual statement has been reported in even dollars, the same procedure may be followed in furnishing the Schedule of Texas Securities and Similar Securities in Schedule A of the tax return. If the portfolio of investments in the annual statement has been reported in dollars and cents, then the Schedule of Texas Securities and Similar Securities should be reported in the same manner in Schedule A of the tax return. Bonds and debentures are to be reported at amortized or book value, stocks at actual cost, and real estate at market value. When bank deposits are used for a tax reduction item, a schedule of each bank listing the month end balances for each bank, according to the company's ledger accounts, must be submitted and averaged for the calendar year. The average of the bank balances for the 12 month period is to be entered on line 15, Schedule A of the tax return. All certificates of deposits reported in Schedule D of the annual statement must be averaged for the 12 month period in the schedule of bank balances. Pursuant to Attorney General's Opinion WW-1331, certificates of deposits are considered deposits in banks and must be included when computing Texas Securities and Similar Securities for a reduced tax rate. Savings and loan certificates are acceptable securities and may be entered on line 15, Schedule A of the tax return. A detail of the savings and loan certificates of Share Accounts must be furnished for those investments reflected in Schedule E of the annual statement in a lump sum amount, identifying the savings and loan companies, and the city and state where located. A detailed listing of the policy loans is not required as reported on line 12, Schedule A of the tax return unless a request is made at a later date. The state of incorporation of a company issuing bonds or stocks determines the state of which such bond or stock is considered a security. *Moody's* and *Standard & Poor's* manuals are used by the Examination Division for determining the state of incorporation. Please note your records to submit this schedule and attach to the tax return when filed.

2. A. Supplementary instructions for all insurance companies authorized to transact property and casualty business in Texas: Subject: Procedure for Handling Recoupment of Assessments under the Provisions of Section 15, Article 21.28-C, Property and Casualty Insurance Guaranty Act of the Texas Insurance Code. Each property and casualty insurance company collecting premiums on Texas policies is obligated to pay the total gross premium tax due for the calendar year under the provisions of Article 7064, Vernon's Texas Civil Statutes. The gross remittance tendered in payment of each insurance company's gross premium tax obligation must be made in the individual company name and not in the name of the "group." If the payment is made by "group" check, the state war-

rant will be issued in the name of the "group" also. Each insurance company participating in the 1975 assessment will receive a State Treasury warrant in the amount equal to twenty (20) percent of each participation assessment provided the gross premium taxes paid for 1975 exceed the amount of the assessment. Such State Treasury warrant is to be issued upon completion of each tax audit. Any insurance company that has withdrawn from the State of Texas will suffer a forfeiture of any amount of recoupment which exceeds the gross premium tax due for the year of withdrawal. When a company has a substantial premium volume reduction, it will be handled on an individual basis.

B. As already stated, additional instructions to domestic, foreign, and alien companies, lloyds, reciprocals, and miscellaneous organizations transacting property and casualty business in Texas for preparing tax returns are attached hereto and incorporated by reference herein.

3. Notice to all insurance companies authorized to transact property and casualty business in Texas: In keeping with prior experience, the Examination Division has determined that a number of companies did not desire to recover any part of their assessments under the Texas Guaranty Act. This particularly relates to those companies which had refunds or recoveries of token amounts wherein the expense of recording the recovery in their books exceeded the monetary value of recovery. Those companies not desiring to request recovery must endorse the participation receipt and return to Tax Analyst, State Board of Insurance, 1110 San Jacinto Street, Austin, Texas 78786.



204. *Additional Balance Sheet Liability for Reinsurance on Paid and Unpaid Losses Due from Unauthorized Companies.* Additional balance sheet liability for reinsurance on paid and unpaid losses due from unauthorized companies must be reflected in the annual statements, examination reports, or other statements relative to the financial condition of companies admitted to do business in Texas. As a general rule, the credits allowed under the procedures established in the *National Association of Insurance Commissioners' Manual of Association Examination Practices and Procedures* will include only those instances when the rein-

surer is licensed to do business in Texas, where funds are on hand and in absolute control of the ceding company, offsetting accounts are due such reinsurer, or the risks are located in states where the unauthorized reinsurer qualifies in accordance with the provisions of Article 6.16 of the Texas Insurance Code. In the last instance a considerably involved situation would ordinarily arise; therefore, claim for such items thereunder should be allowed only upon the company's assumption of the burden of proof thereof and the Examination Division's complete satisfaction that they have sufficiently proved their contention.

*.205. Instructions for Self-Insurer's— Workmen's Compensation Tax Return.* Tax report instructions for self-insurer's— workmen's compensation tax returns are set out below. A Texas tax return form for self-insurer's— workmen's compensation is attached hereto and incorporated by reference herein. It should be completed and returned to the State Board of Insurance, 1110 San Jacinto Street, Austin, Texas 78786, as outlined in this rule. A report must be completed and returned even though no medical and indemnity costs were incurred during the calendar year. Copies of the instructions contained in this rule and forms incorporated herein by reference may be obtained by contacting the Examination Division of the State Board of Insurance.

*Instructions:* Under the provisions of Section 28, Article 8306, Vernon's Texas Civil Statutes, all self-insurers under any of the Workmen's Compensation Acts of the State of Texas shall report to the State Board of Insurance the total amount of their medical and indemnity costs for the previous year and pay an amount of tax equal to one-fourth (1/4) of one percent of the amount of the total medical and indemnity costs for the previous year. Said amount shall be collected at the same time and in the same manner as provided by law for the collection of taxes on gross premiums of such workmen's compensation and insurance carriers. This tax is due and payable annually to the State Board of Insurance on or before the first day of March.

*.206. Admissible Assets.* This rule is promulgated in reference to Attorney General's Opinion WW-293-A. The position of the State Board of Insurance relative to admissibility of assets is that the portion of any asset not qualifying as a legal investment shall not be admitted. The companies shall further be required to dispose of such inadmissible assets. The companies will not be required to dispose of inadmissible contributed assets.

*.207. Discrimination as to Premium Notices to Accident or Health Insurance Policyholders.* There shall be no discrimination between individuals of the same class and of essentially the same hazard holding policies or contracts of accident or health insurance as to the

notification of such individuals of premiums due or about to become due.

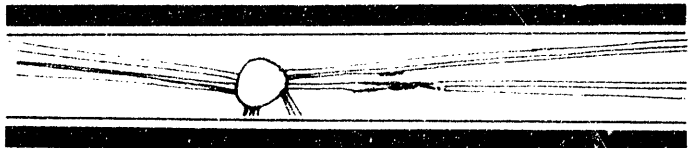
The provisions of Article 21.21, Section 4, Paragraph 7(b) of the Texas Insurance Code, prohibit any discrimination between policyholders as to fees, rates, benefits, terms or conditions, "... or in any other manner whatever."

The discrimination as between policyholders in the expenditure of any company funds for such items as postage, office supplies, clerical salaries, machine and equipment time, etc., or in any other manner concerning the notification of such policyholders of premiums due or about to become due constitutes a violation of Article 21.21.

Therefore, if any company elects to follow the practice of furnishing premium notices to any policyholder, it shall be incumbent upon such company to follow a uniform practice of sending such premium notices to all policyholders. Wherever in the course of an examination the Examination Division finds that a company follows the practice of not sending notices to certain individuals with the apparent intention of bringing about a lapse of the policy by reason of failure of the policyholder to pay his premium within the period required by the contract, it shall accumulate such facts as necessary to show a violation, if any, of Article 21.21. In this connection reference is made to Section 7 of Article 1.10 of the Texas Insurance Code which provides that the State Board of Insurance shall suspend the entire business of any company while it is not in compliance with any provision of the laws relative to insurance.

*.208. Unearned Premium Reserve for Inland Marine Insurance.* In accordance with Articles 6.02 and 6.12 of the Texas Insurance Code inland and inland marine transportation coverages of transit or cargo risks will be reserved at 100 per cent of the premium charged on unexpired risks. The coverages subject to the 100 per cent reserve will ordinarily be identified as coverages written on flat rate bases and without stipulated terms other than expiration limits. All other inland marine coverages will be reserved in accordance with Article 6.01 of the Texas Insurance Code.

*.209. Earned Surplus Debentures, Surplus Notes, Income Debentures and Other Contingent Evidences of Indebtedness.* Where in the course of an examination the



Examination Division encounters any outstanding forms of indebtedness which are not held to be balance sheet liabilities by the Division, it shall indicate on the examination report balance sheet by footnote immediately below the capital and surplus section, the amount of such outstanding contingent liabilities stating briefly the rate of interest accruing thereon, the probable due date, and the source from which such liabilities are to be paid.

*.210. Annual Statement Filing Instructions for County Mutual Insurance Companies* Each county mutual insurance company shall recognize in its annual statement the liability for any outstanding debentures issued under the provisions of Article 17.17 of the Texas Insurance Code to the extent that the assets exceed the outstanding liabilities and the minimum required surplus.

*.211. Certificate or Letter of Representation* Attached hereto and incorporated herein by reference is a copy of a certificate form or letter of representation to be obtained from the proper company officials during the course of each examination by the Examination Division of the State Board of Insurance. The certificate secured in each examination shall contain all of the information shown in the attached form and may be expanded as necessary in connection with any examination.

A statement shall be made in each examination report that the certificate or letter of representation was received from management during the course of the examination or that such a certificate or letter of representation was requested and management refused to sign such. Comments pertaining to the certificate or letter of representation shall be made in the scope of examination paragraph in legal reserve examination reports and in a general comments or special section in mutual assessment or county mutual examinations. A signed certificate shall be required in each examination regardless of the type of company being examined.

Copies of the form which is attached and incorporated by reference may be obtained by contacting the Examination Division of the State Board of Insurance.

*.212. Office Equipment, Furniture, Machines and Labor-Saving Devices Referred to in Article 3.01 as Admitted Assets.* Commissioner's Order No. 14184 dated August 11, 1963, listed certain requirements of items which could be included as admitted assets under Article 3.01 of the Texas Insurance Code. This rule is supplemental to such order. The items enumerated in Article 3.01 may be admitted only in life insurance companies, local mutual aid associations, local mutual burial associations, statewide mutual assessment corporations, and stipulated premium companies. All other companies may not include these items as admit-

ted assets. Any asset taken for items enumerated in Article 3.01 should be referred to as an "admitted asset" rather than an "investment."

The aggregate assets of both the Mortuary and Expense Funds may be considered as the basis for calculating the five percent limitation in determining the amount which may be admitted by a company regulated by Chapter 14 of the Texas Insurance Code.

Only equipment, furniture, machines, and labor-saving devices used in the offices could be considered as admissible assets. Motor vehicles, aircraft, other transportation equipment, and any equipment other than that normally construed as office equipment are excluded and should not be admitted.

*.213. Valuation of Subsidiaries* The Examination Division has in the past and will in the future continue to value securities of controlled, affiliated or subsidiary companies not engaged in the business of insurance on the valuation procedure as outlined under Section 4(C)(a) and (b) of the December 31, 1969, Valuation of Securities Book published by the Committee on Valuation of Securities of the National Association of Insurance Commissioners. Section 4(C)(a) and (b) is set out as follows:

(4)(C) Securities of Subsidiary, Controlled or Affiliated Companies not Engaged in the Business of Insurance.

(a) The securities of a subsidiary or controlled company (of an insurance company) not engaged in the business of insurance shall have an Association Value determined on the basis of the value of only such of the assets of such company as would constitute lawful investment for the insurance company, if acquired or held directly by said insurer.

(b) Where a company not engaged in the business of insurance and an insurance company are determined to be affiliated under direct or indirect common control, and the latter owns securities of the former, the Committee may in its discretion apply the provisions of (a), above, to such securities.

*.214. Calculation of the Liability for Unrealized Profit on the Sale of Foreclosed Property and/or Home Office Real Estate.* The Examination Division shall utilize formula set out below in the calculation or determination of the liability to be recognized in the financial statements of examination reports and annual statements for unrealized profit on the sale of foreclosed property and/or home office real estate. This formula has been adopted to encourage management to bargain or negotiate for cash down payments, preferably sizeable, in the sale of real property as described above or in the sale of investment real estate. The thrust of the formula is to allow the immediate earning of cash down payments less the expenses directly attributable to the sale of the property.

The formula is as follows:

$$\frac{\text{UNPAID BALANCE OF NOTE(S)}}{\text{THE ORIGINAL AMOUNT OF NOTE(S)}} \times \text{DEFERRED PROFIT AT THE DATE OF SALE}$$

The following schedule reflects examples based upon the hypothetical sale of real estate reflecting a substantial down payment and a lesser down payment:

ASSUMPTION OF SALE OF REAL ESTATE WITH BOOK VALUE OF \$45,000

Selling price		\$100,000
Book value		45,000
Gross Profit		\$ 55,000
Less selling expenses:		
Commission on sale	\$5,000	
Legal fees and miscellaneous expenses	2,500	7,500
Net Profit		<u>\$ 47,500</u>

	<u>Example No. 1</u>	<u>Example No. 2</u>
Selling price	\$100,000	\$100,000
Note receivable	50,000	75,000
Cash Down Payment	\$ 50,000	\$ 25,000
Selling expenses	7,500	7,500
Net Cash Down Payment	<u>\$ 42,500</u>	<u>\$ 17,500</u>
Net profit	\$ 47,500	\$ 47,500
Net cash down	42,500	17,500
Deferred Profit at Date of Sale	<u>\$ 5,000</u>	<u>\$ 30,000</u>

Loan made on December 31, 1973, to be retired at \$10,000 per year plus interest, with first principal payment due December 31, 1974.

DEFERRED PROFIT AT VARIOUS DATES

<u>Dates</u>	<u>Example No. 1</u>	<u>Example No. 2</u>
12/31/73	$\frac{\$50,000}{\$50,000} \times \$5,000 = \$5,000$	$\frac{\$75,000}{\$75,000} \times \$30,000 = \$30,000$
12/31/74	$\frac{\$40,000}{\$50,000} \times \$5,000 = \$4,000$	$\frac{\$65,000}{\$75,000} \times \$30,000 = \$26,000$
12/31/75	$\frac{\$30,000}{\$50,000} \times \$5,000 = \$3,000$	$\frac{\$55,000}{\$75,000} \times \$30,000 = \$22,000$



The above formula shall be applicable to all sales of real estate; provided however, companies shall have the option of adopting the current formula to prior transactions which have been subject to the procedure outlined in Exhibit A which follows the text of this rule. Should companies choose to apply the current formula to a prior transaction, the Examination Division shall allow similar treatment in the examination report. In the latter instance, the Examination Division still has the burden of verifying the factual presentations utilized in the company's decision.

The application of this formula shall be made only after thorough analysis of all written or verbal agreements relative thereto including but not limited to leaseback agreements, repurchase or buy-back agreements, contingent deferred expenses or other side agreements

which have inherent qualities or characteristics which have a material effect on whether the selling transaction is *bona fide*.

Exhibit A: Calculation of the liability for unrealized profit on the sale of foreclosed property and/or home-office real estate where a part of the profit is capitalized and will not be recovered until a future date. The formula is as follows:

"Unpaid balance of note" divided by "sale price," multiplied by "net profit" equals "liability for unrealized profit."

The following schedule reflects two examples of the practical application based on a token down payment and the sale without a down payment:

ASSUMPTION OF SALE OF REAL ESTATE WITH BOOK VALUE OF \$45,000

Selling price		\$100,000.00
Book value		45,000.00
Gross Profit		<u>\$ 55,000.00</u>
Less selling costs:		
Commission on sale	\$5,000.00	
Legal fees and miscellaneous charges	<u>2,500.00</u>	7,500.00
Net Profit		<u><u>\$ 47,500.00</u></u>

	<u>Example No. 1</u>	<u>Example No. 2</u>
Cash down payment	\$ 10,000.00	\$ -0-
Original loan retained	90,000.00	100,000.00
Selling Price	<u>\$100,000.00</u>	<u>\$100,000.00</u>

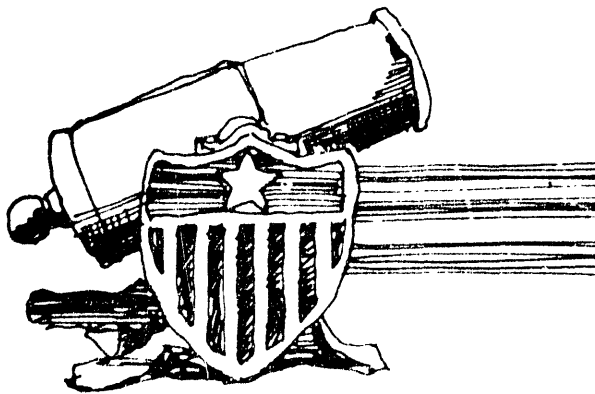
Loan made on December 31, 1964, to be retired at \$10,000 per year plus interest with first principal payment due December 31, 1965.

UNREALIZED PROFIT AT VARIOUS DATES

<u>Date</u>	<u>Example No. 1</u>	<u>Example No. 2</u>
12/31/64	$\frac{\$ 90,000}{\$100,000} \times \$47,500 = \$42,750$	$\frac{\$100,000}{\$100,000} \times \$47,500 = \$47,500$
12/31/65	$\frac{\$ 80,000}{\$100,000} \times \$47,500 = \$38,000$	$\frac{\$ 90,000}{\$100,000} \times \$47,500 = \$42,750$
12/31/69	$\frac{\$ 40,000}{\$100,000} \times \$47,500 = \$19,000$	$\frac{\$ 50,000}{\$100,000} \times \$47,500 = \$23,750$
12/31/72	$\frac{\$ 10,000}{\$100,000} \times \$47,500 = \$ 4,750$	$\frac{\$ 20,000}{\$100,000} \times \$47,500 = \$ 9,500$

**.215. Reporting and Treatment of Mortgage Loans Pledged to Secure Borrowings.** Companies are required to segregate pledged mortgages on their annual statement from other mortgages under an appropriate definitive caption. There will be no necessity for the company to suffer a surplus penalty, providing that other assets are maintained by the company in investments which are sufficient in quantity and grade to cover the statutory requirements for reserve funds, minimum capital, and minimum surplus. Further, if pledged mortgages are admitted in financial statements it will be necessary that the assignments pledging the mortgage not impair the company's rights to foreclose and such assignment fully describes and applies to the debt.

**.216. Annual Credit Insurance Privilege Fee under Articles 4.09 and 3.53, Texas Insurance Code.** Any company intending to issue policies of credit insurance under Articles 4.09 and 3.53 of the Texas Insurance Code during a particular year must send a check for \$500 in payment of the credit insurance privilege fee to the Examination Division during January of that year, or at the time such company first engages during the calendar year in the writing of such credit insurance if such time is later than January. The Examination Division does not invoice for this payment.



**.217. Premium Taxes Provided for under Article 3.15 of the Texas Insurance Code due the State from Companies no Longer currently Licensed in Texas.** Premium taxes due the State of Texas as provided for under Article 3.25 of the Texas Insurance Code are due from life insurance companies no longer currently licensed in Texas if such companies continue to collect renewal premiums from citizens of this State. Such companies are subject to pay each year the same occupation tax as is imposed by law on companies holding a certificate of authority to transact business in Texas.

Attached hereto and incorporated herein by reference is a form to be completed and returned to the Examination Division prior to March 1 annually along with a check to cover the taxes due. Taxes are subject to retaliatory law, Article 21.46 of the Texas Insurance Code.

**.218. The National Association of Insurance Commissioners' Valuations of Securities Manual.** The National Association of Insurance Commissioners' Valuations of Securities Manual has been previously adopted as "rules for the valuation of securities of insurers licensed in Texas" by Board Order No. 3923. Amendments to such manual as they occur were also adopted prospectively. Such board order is hereby amended as set out below:

The National Association of Insurance Commissioners' Valuations of Securities Manual as of December 31, 1974, will continue to be used by the Examination Division as proper evidence for the valuation of securities. However, the Examination Division is not bound by the provisions of such manual in cases where Board-promulgated or Board-adopted rules impose more stringent standards.

**.219. Shares of Stock Held as Investments or as Securities or Collateral Acquired under the "Private Offerings" Provision of the Securities Act of 1933.** This rule requires the president or chief executive officer of each insurance company licensed to conduct business in Texas to furnish the following detailed information for each stock investment, or stock held as collateral for a loan which was acquired as a "private offering," as described in the Federal Securities Act of 1933, where such stock investment or collateral either (1) bears a legend concerning resale of the stock or (2) management has issued an investment letter which cites the intention not to offer the shares of stock for resale:

A. Give the name of the issuing corporation, the number of shares held, and the date or dates which the investment or investments were acquired.

B. (1) State the company's original cost per share in the investment or investments.

(2) State whether the transaction was a cash transaction. If not, explain fully the consideration given in the exchange and how value was determined.

(3) (a.) State whether the issuing corporation or corporations have outstanding shares of stock that do not bear a legend or were not issued under an investment letter.

(b.) If the answer to (3)a is in the affirmative, state whether there was a market value available for these securities on the open market on even date with your acquisition or acquisitions. If the answer to (3)b was affirmative, furnish the market value per share.

C. (1) State whether the company owns any

other securities from the issuing corporation or corporations noted in "a" above which are not covered by legend or investment letter.

(2) If the answer to C(1) above is in the affirmative, describe fully such securities.

D. Furnish a narrative statement or the exact language describing the limitations or restrictions placed upon the resale of the securities.

220. *Premium Notes and Other Memoranda or Evidences of Premiums Payable as Admissible Assets of Fire and Casualty Insurance Companies.* Premium notes shall be admissible assets for fire and casualty insurance companies only when they meet the following conditions:

(1) The premium note must be a negotiable instrument (except as provided in 4 below). In other words, it must meet the following requirements:

(a) be in writing and signed by the insured or insureds;

(b) contain an unconditional promise or order to pay a sum certain in money;

(c) must be payable on demand, or at a fixed or determinable future time;

(d) must be payable to order or to bearer; and

(e) if the instrument is addressed to a drawee, the drawee must be named or otherwise indicated therein with a reasonable certainty.

(2) The note may contain other provisions not in conflict with the above.

(3) Installment payments must be current according to the conditions recited in the note. An installment will not be considered past due if the payment is received by and deposited by the company in a bank within thirty (30) days after the due date recited in the note.

Premium notes which meet the above requirements shall be admitted as assets in an amount not to exceed the semi-monthly unearned premium of the individual policy related thereto. Premium notes or other memoranda or evidences of premiums payable which do not meet the above requirements shall not be admitted in their entirety.

(4) Notwithstanding the foregoing, certain premium installment agreements shall be recognized as admitted assets even though they are not in the form of negotiable promissory notes. Non negotiable premium installment agreements which provide for the payment of the balance of the total policy premium after the policy has become effective and which comply with the requirements set out below should be admitted as assets of insurers. Such requirements are as follows:

(a) The policyholder must have made some agreement in writing, obligating himself to pay a premium to the insurer according to a payment plan offered by the insurer.

(b) The form of the agreement and the in-



surer's mode of operation must be such that payments cannot be made to producing agents or field representatives, but only to the home office of the insurer.

(c) Installment payments must be current according to the conditions set forth in the payment plan offered by the insurer. An installment will not be considered past due if the payment is received by and deposited by the insurer in a bank within 15 days after the due date recited in the agreement.

(d) The unpaid premium installments shall be admitted as an asset in an amount not to exceed the semi-monthly unearned premium of the individual policy related thereto.

(e) The words "premium installment agreements" include not only formal documents but also applications for insurance, invoices, exchanges of correspondence, etc., which contain an agreement to pay the policy premium in accordance with a premium plan offered by the insurer.

Historical Explanation in Reference to Rule 059.01.15.220: The following is historical material which is felt to be important in understanding certain present policies of the Examination Division of the State Board of Insurance particularly in reference to Rule 059.01.15.220. It consists of material which was at one time applicable to the functioning of such Division, but is no longer in effect. Companies are in no way required to comply with the material contained herein.

Premium Notes and Other Memoranda or Evidences of Premiums Payable:

A. The following refers to:

1. A Board Order of February 9, 1956;
2. Commissioner's Order No. 860 of December 31, 1957;
3. Examination Division Memo No. 45-ED-11 of February 26, 1958, and
4. Commissioner's Order No. 2832 of October 21, 1958.

As the Commissioner's Order No. 860 did not treat the matter of the policy holder's signature being required in order to qualify a premium note as an admissible asset, it appears that a number of companies erroneously interpreted that order as a rescission of the Board Order of February 9, 1956, wherein the Board specifically es-

established that the policyholder's signature must appear on such note for it to qualify as an admissible asset. Since it appears that those companies followed such interpretation in good faith, notwithstanding the general dissemination of Memo No. 45-ED-11, the Commissioner has authorized that premium notes and other memoranda or evidences of premiums payable accepted by a company in good faith in connection with the issuance of the company's own policies after the effective date of Commissioner's Order No. 860 and before the effective date of Commissioner's Order No. 2832 (i.e., calendar year, 1958) shall not be not admitted as an asset solely because of the absence of the signature of the policyholder.

B. Under date of October 31, 1958, the Commissioner issued his Order No. 2832 which revokes his Order No. 860 dated December 31, 1957, effective January 1, 1959. Accordingly, our Memo No. 45-ED-11 concerning premium notes will likewise be ineffective on

and after January 1, 1959. A copy of the Commissioner's Order No. 2832 is available upon request. The Order clearly sets out the treatment to be accorded premium notes as to their admissibility as assets in a company's balance sheet.

Issued in Austin, Texas, on February 24, 1976.

Doc. No 761063      Pat Wagner  
Deputy Chief Clerk  
State Board of Insurance

Effective Date: February 24, 1976

Expiration Date: June 23, 1976

For further information, please call (512) 475-3397.

**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 category of rules to which the rule belongs. The third unit (two digits) indicates the subcategory of rules, if any, within the category. 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.

## Comptroller of Public Accounts

### Central Administration

#### Manpower Services 026.01.06

The Comptroller of Public Accounts is proposing to amend Rule 026.01.06.002, which concerns the fulfillment of application requirements for job vacancies with the Comptroller's Office. The proposed amendment would change the language of Section 2 of the rule to provide that skills tests and retests must be taken within three working days following the date on which an application is filed.

Public comment on the proposed amendment to Rule 026.01.06.002 is invited. Persons should submit their comments in writing to Paul Shoemaker, Drawer SS, Capitol Station, Austin, Texas 78711.

This amendment is proposed under the authority of Article 1.10, Title 122A, Texas Civil Statutes.

#### *.002. Fulfillment of Application Requirements.*

Section 2. Applicants for certain clerical positions-- clerk, accounting clerks, secretaries, keypunch operators, administrative technicians-- are required to complete skills tests, depending upon the job requirements specified in the posting announcement. Tests presently employed include typing, shorthand, filing, numerical transposition, and adding machine. The results of the tests taken are placed in the file and become part of the applicant's record. *The first test and a retest, if desired, must be taken within three working days following the date on which the application is filed. If the retest scores are higher than those of the original administration, the retest scores will replace the original scores.* [Tests should be taken as soon as possible after filing an application. One retest is allowed following initial administration,

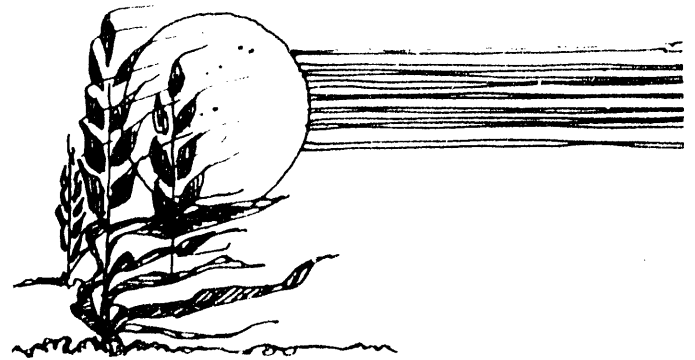
and, if scores are higher on the second administration, these scores will replace the original scores.] Tests other than those listed above for positions other than those specified above may be added in the future.

Issued in Austin, Texas, on February 24, 1976.

Doc. No. 761078      **Bob Bullock**  
Comptroller of Public Accounts

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-3778.



## Texas Parks and Wildlife Department

### Fisheries

#### Importation, Sale, Transport, or Release of Noxious Aquatic Plants 127.30.21

Various programs by the state and the U.S. Army Corps of Engineers, costing hundreds of thousands of dollars annually, to eradicate noxious aquatic plants have been undermined by the constant restocking of these plants due to the lawful importation, sale, transport, and release of these plants.

Legislation was enacted by the 64th Legislature directing the Texas Parks and Wildlife Department to identify and publish a list of noxious aquatic plants, and to adopt rules necessary to combat the spreading of these plants.

An investigation by the Department revealed that certain identified noxious aquatic plants are potentially harmful to human life and reproduce so rapidly that they impede navigation and diminish the recreational uses of public waters.

The Department is proposing to adopt Rules 127.30.21.001-.006 prescribing the requirements for importing, selling, transporting, or releasing certain identified noxious aquatic plants in this state.

Public comment on the proposed rules is invited. Persons should submit their comments in writing to Lonnie Peters, Texas Parks and Wildlife Department, John H. Reagan Building, Austin, Texas 78701. Comments will be accepted until March 28, 1976.

These rules are promulgated under the authority of Section 12.015, Texas Parks and Wildlife Code.

### .001. Definitions.

(a) "Noxious aquatic plant" means a plant that thrives in water, marshes, or swamps, and that:

- (1) is harmful or potentially harmful to human life;
- (2) may impede navigation; or
- (3) may diminish the quality of water-oriented recreational areas.

(b) "Department" means the Texas Parks and Wildlife Department.

(c) "Scientific permit" means a permit issued by the Department authorizing a named individual and persons working under the individual's direction to collect, hold, and transport for scientific purposes the noxious aquatic plants identified by Rule .002 below.

.002. *Identification of Plants.* After a thorough investigation of the effect of the different species of aquatic plants on human life, navigation, and recreational uses of public waters, the Department finds the following aquatic plants are potentially harmful to human life, possess the ability to reproduce so rapidly that they impede navigation, and diminish the quality of water-oriented recreational areas:

#### Floating Plants

Giant Duckweed (*Spirodela oligorrhiza*)  
 Salvinia (*Salvinia rotundifolia*)  
 Water Fern (*Azolla caroliniana*)  
 Water Hyacinth (*Eichhornia crassipes*)  
 Water Lettuce (*Pistia stratiotes*)

#### Submerged Plants

Florida Elodea and others (*Hydrilla verticellata*)  
 Brazilian Elodea (*Egeria densa*)  
 Aquatic Blixia (*Blixia japonica*)  
 African Elodea (*Lagorosiphon major*)  
 Eurasian Milfoil (*Myriophyllum spicatum*)

#### Rooted or Emergent Plants

Alligator Weed (*Alternanthera philoxeroides*)  
 Rooted Water Hyacinth (*Eichhornia azurea*)

### .003. Permits.

(a) No person shall import, sell, transport, or

release any of the aquatic plants identified in Rule .002 above in this state without a permit from the Department.

(b) Scientific permits may be issued for transportation of noxious aquatic plants for scientific study. All persons receiving scientific permits shall conduct studies in a controlled environment, and all studies are subject to the review and approval of the Department at any time.

.004. *Private Ownership.* Individual specimens of the species identified in Rule .002 above in private ownership may not be disposed of except by means that will prevent their introduction into marshes, swamps, or waters of this state.

.005. *Penalty.* A person who violates these rules is guilty of a misdemeanor and on conviction is punishable by a fine of not less than \$50 nor more than \$200.

.006. *Documentation.* The Department adopts by reference the following documents which are used by the Department in the issuance of permits for noxious aquatic plants:

- (a) application for noxious aquatic vegetation scientific permit;
- (b) special permit number to possess noxious aquatic plants; and
- (c) noxious aquatic vegetation permit renewal.

Copies of these documents may be seen in the office of the Executive Director, Room 100, John H. Reagan Building, Austin, Texas.

Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761017      Perry V. Spalding  
 Administrative Assistant  
 Texas Parks and Wildlife  
 Department

Proposed Date of Adoption April 1, 1976

For further information, please call (512) 475-5735.



# State Board of Podiatry Examiners

## Rules Governing Conduct 396.25.00

The Texas State Board of Podiatry Examiners is preparing to adopt Rules 396.25.00.001 through .020 to establish minimum standards of conduct and professional ethics. Rules are proposed governing professional communications with the public through signs, building directories, announcements, telephone directory listings, etc. Rules are also proposed governing minimum office standards, the use of specialty designations, and relations with other practitioners.

These rules are proposed in order to expand and improve the delivery of podiatric medicine. The public will be properly informed concerning the availability and level of podiatry services in every community where a podiatry office is located.

Public comment on proposed Rules 396.25.00.001-.020 is invited. Persons should submit their comments in writing to Joe C. Littrell, D.P.M., Secretary-Treasurer, State Board of Podiatry Examiners, 2204 Washington Avenue, Waco, Texas 76702.

Comments will be accepted until April 5, 1976.

The following rules are promulgated under the authority of Articles 4568, 4570 and 4573, Texas Civil Statutes.

**.001. Authority.** The Texas State Board of Podiatry Examiners is charged by Article 4568, Vernon's Texas Civil Statutes, with the responsibility of adopting all reasonable and necessary rules and regulations for the regulation of the practice of podiatry. Article 4573(a), Vernon's Texas Civil Statutes, authorizes the Texas State Board of Podiatry Examiners to cancel, revoke, or suspend the license of any practitioner of podiatry who violates any of the provisions of Article 4570. Specifically, Article 4570(d), Paragraphs (3), (4), (6), (7), (12), and (15), permit the Texas State Board of Podiatry Examiners to revoke, suspend, or cancel a podiatrist's license to practice in the State of Texas for habits of intemperance, or drug addiction, calculated to endanger the health, well being or welfare of patients; grossly unprofessional or dishonorable conduct which is likely to deceive or defraud the public; the use of any advertising statement of a character tending to mislead or deceive the public; advertising professional superiority or the performance of professional services in a superior manner; the impersonation of a licensed practitioner, or permitting or allowing another to use his license or certificate to practice podiatry in this State for the purpose of treating or offering to treat conditions and ailments of the feet of human beings by any method; and the inability to practice podiatry with

reasonable skill and safety to patients by reason of age, illness, drunkenness, excessive use of drugs, narcotics, chemicals or any other type of material, or as a result of any mental or physical condition. This section of the rules is promulgated pursuant to this and other statutory authority.

**.002. Definitions.** As used in this section, unless the context otherwise requires, the following terms have the meaning given in this rule:

(a) "Board" means the Texas State Board of Podiatry Examiners.

(b) "Office" means one or more offices.

**.003. General.**

(a) The health and safety of patients shall be the first consideration of the podiatrist. The principal objective of the podiatry profession is to render service to humanity. A podiatrist shall continually strive to improve his medical knowledge and skill for the benefit of his patients and colleagues. The podiatrist shall administer to patients in a professional manner and to the best of his ability. Secrets and personal information entrusted to him shall be held inviolate unless disclosure is necessary to protect the welfare of the individual or the community. A podiatrist shall be temperate in all things in recognition that his knowledge and technique are essential to public health, welfare, and human life. His fees shall be commensurate with the services rendered and the patient's ability to pay.

(b) A licensed podiatrist shall conduct his practice on the highest plane of honesty, integrity, and fair dealing and shall not mislead his patients as to the gravity of such patient's podiatry needs. A podiatrist shall not abandon a patient he has undertaken to treat. He may discontinue treatment after reasonable notice has been given to the patient by the podiatrist of his intention to discontinue treatment and the patient has had a reasonable time to secure the services of another podiatrist or all podiatry services actually begun have been completed and there is no contract or agreement to provide further treatment.

**.004. General - Advertising and Solicitation.**

(a) No podiatrist shall solicit business for himself or for any other podiatrist either directly or indirectly or aid or abet another so to do. This prohibition shall not apply to the professional referral of a patient to another podiatrist.

(b) No podiatrist, either for himself or for another person, shall mail, circulate, post, deliver, announce, publish, broadcast, or otherwise advertise or disseminate any card, letter, circular, poster, announcement or statement, either directly or indirectly, or aid or abet another so to do, except as permitted by the rules and regulations of the Board.

**.005. Professional Signs.**

(a) The general rule is that a sign shall be in good

taste and not inconsistent with ethical medical-professional signs in the locale in which it is located as to size, shape, location, letter size and general conduct. To the extent the general rule is more restrictive than is otherwise authorized in the following specific rules, the general rule shall control. To the extent the general rule is less restrictive than the following specific rules set out in these regulations, the specific rules shall control.

(b) A podiatrist legally engaged in the practice of podiatry may use not more than two (2) signs which shall be on the premises to designate his professional office where he is actually engaged in the practice of his profession. It is intended hereby to specifically prohibit the use of additional window, street, or stairway signs. A sign or signs must contain only the following and are subject to Section .20 of the Rules and Regulations of the Board:

(1) the name of the practitioner licensed by the Board;

(2) the earned podiatry degree or degrees conferred on such practitioner;

(3) word or words, but no more than one, Podiatrist, Chiropodist, Podiatry, Chiropody, Foot Specialist, Diseases of the Foot, or Treatment of the Feet; and

(4) if he substantially limits his practice to any specialty in accordance with Rule .011 of this section, he may list such specialty; and

(5) the regular office hours of the podiatrist.

(c) The use of electric, neon, luminous, fluorescent, or moving background or lettering in a sign is expressly prohibited; however, the architectural lighting of a building or its address which incidentally shows the practitioner's name is permissible.

(d) The individual letters on such signs shall not exceed four inches in height and shall be in proper proportion in width and only in one color. The overall size of the sign, including frame, shall not exceed three square feet and such sign shall not exceed three feet in length or height; however, where a practitioner uses only unframed letters such as those affixed to a building or a wall, the length and square footage restrictions shall not apply.

(e) Any podiatrist which, on April 15, 1976, has a sign which does not comply with Subsections (b), (c), and (d) of this rule, may continue to use such sign or signs until April 15, 1977. After April 15, 1977, all signs shall be in compliance with this rule.

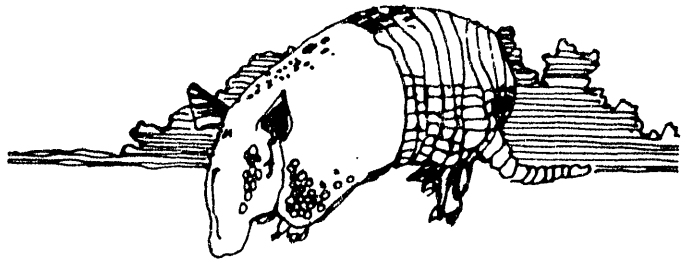
(f) The separate use of any word, words, or abbreviations, such as podiatrist, D.P.M., or any word, words or abbreviations shall be deemed a separate item and must conform to Section .20 of the Rules and Regulations of the Board. In no instance shall a licensee use, permit or allow the word "clinic" or the word "podiatry clinic" to be used in connection with his

podiatry office or practice except in conformance with Section .20 of these Rules and Regulations.

(g) Only the name or names of the podiatrist who is actually engaged in the practice of his profession at such address may be used.

(h) No podiatrist shall practice podiatry in any office or place of practice which indicates or tends to indicate by the use of any name, names, identification, or any directory, sign or listing whatsoever, that such office or place of practice is owned, operated, supervised, directed, staffed or attended by other than a podiatrist or by any podiatrist not actually present and practicing podiatry therein except as authorized in Rule .013 of this section provided, however, this shall not apply to a podiatrist who is temporarily absent or incapacitated.

(i) Where a podiatrist or podiatrists incorporate under the Texas Professional Corporation Act there must be added after any permitted listing the additional identification noting incorporation pursuant to Section .20 of the Rules and Regulations of the Board.



#### .006. Directories.

(a) Where a building or shopping center erects and maintains a sign in the nature of a directory of the list of services available or occupants only the podiatrist and the specific location, such as Building A or Suite 109, may be used or listed thereon, and provided the letters in such work or on such sign are in conformity with the regulations governing individual letters as set out in Subsection (d) of Rule .005 of this section.

(b) A podiatrist may be listed on each building directory where such directory is at the entrance or entrances thereto or in the building or buildings where the practitioner's office is located and where such directory lists the name, business, or profession and office number or location of all who have offices there and where the directory letters are not more than one by two inches each. Printed lists of those having offices in such building or complex of buildings which are affixed to the inside of elevators or on the wall on each floor of such building or complex of buildings for the convenience and direction of the public are permitted.



(c) The exterior entrance door to any podiatry office may have an identification sign which shall contain only the office number, the name of the licensee or licensees actually practicing at such location, and if desired, the word or words descriptive of his practice as provided in Subsection (b)(3) or (4) of Rule .005 of this section.

(d) Directories and office door signs authorized in this rule and the use of such shall not constitute a sign as contemplated in Rule .005 of this section.

*.007. Special Announcements*

(a) A podiatrist shall not publish any professional listing or announcement in a newspaper or other publication except to announce:

- (1) the first establishment of any office for the practice of podiatry;
- (2) a change of office location;
- (3) the association of a new podiatrist in such office or location;
- (4) the return from military service;
- (5) the original assumption of a deceased or retired podiatrist's practice;
- (6) the original limitation of a general practice to a specialty pursuant to Rule .011 of this section;
- (7) the death or permanent retirement of an associate practitioner; or,
- (8) an anticipated absence from practice of at least 30 days or a return to practice after at least 30 days absence, but not both.

Such events may be specially announced in the newspaper, or newspapers having primary circulation in the area of the podiatrist's office, except that (a)(8) above may not be announced more frequently than once each twelve-month period. Such announcements shall not exceed two regular columns in width of such publication by two inches in depth, and shall not exceed a total area of twelve square inches, and may be published only within the 10 days immediately before and 30 days immediately after such event, and may not exceed 20 consecutive days total publication if published daily, or 3 days if published weekly. The newspaper announcement shall not be published under the classified section of the newspaper. Such announcement may not appear but once in each edition; however, if more than one permitted reason exists it may be included in the permitted announcement. An announcement may contain the office hours of the podiatrist and his office telephone number or numbers, but it shall not specify or draw attention to any special feature of an office. Such announcement or listing shall not be published in large or boldface type or be multi-colored, nor set in a border or block of any kind except the usual dividing line. Only one announcement may be placed in each edition of the newspaper or newspaper having its primary circulation in the village, town or city wherein such licensee's office is located; if, however, no newspaper is primarily circu-

ated in such area, then the nearest newspaper published and generally serving such area shall be considered to have primary circulation.

(b) The listing of such matters as 24-hour answering service, Master Charge honored, BankAmericard honored or other words of similar import is prohibited.

(c) A podiatrist may advise his own current patients of record and other practitioners of the healing arts by sealed letter mailed or delivered to any of the above that one or more of the events described in (b) above has occurred.

(d) A podiatrist may be listed in any ethical professional directory published primarily for use by professional people. In addition to the information authorized under these rules and regulations, listing may also give the office hours of the podiatrist and his office and residence telephone number or numbers, but it shall not specify or draw attention to any special feature of an office.

*.008. Offices.*

(a) It is one objective of the Podiatry Practice Act and a policy of the Board that the public be properly informed concerning the availability and level of podiatry services in every community where a podiatry office is located. To accomplish this objective, a podiatrist shall not establish or be affiliated with an office unless such office is equipped and staffed sufficiently to provide his usual range of podiatry services.

(b) All podiatry offices shall contain the minimum amount of treatment equipment and facilities so that the podiatrist may provide his usual and customary podiatry services.

(c) The office shall be attended by the podiatrist on a routine schedule and frequently enough so that treatment is timely and convenient for the patients in the area where the office is located. Examples might be once a week, one week a month, or an average of five days a month.

(d) All offices shall be staffed or equipped so that patients and the public can conveniently determine when the podiatrist will be in his office. Examples of how this information might be provided are an answering service or an automatic telephone listening and recording device of some type.

(e) The Rules and Regulations of the Board, specifically the rules on professional signs, directories, and telephone directory listings apply to each office used in the practice of podiatry.

(f) This rule does not prohibit a podiatrist from practicing in communities which are too small to economically justify or otherwise warrant the establishment of an office, but when a podiatrist undertakes to practice in such communities, he must have sufficient staff and equipment or facilities available to provide safe treatment.

(g) In communities where a podiatrist practices but does not maintain an office, the use of announcements, signs, telephone directory listings, and other communications permitted by these rules which are incidental to and connected with the maintenance of an office is prohibited.

*.009. Other Communication.*

(a) A podiatrist may include on his office stationery letterhead and business card his office hours and office telephone number or numbers.

(b) A podiatrist may send notices of appointments and treatment needs to his patients of record or to those patients of a practice he has recently acquired.

(c) A podiatrist may not use or permit the use of any emblem, motto, model of the foot, or any other symbol to identify himself other than the winged foot caduceus.

(d) A podiatrist may send written expressions of gratitude to persons referring patients to him.

*.010. Telephone Directory Listings.*

(a) A podiatrist may have not more than two professional listings such as are usually contained in a telephone book, one in the white section and one in the yellow section. The listing shall be in regularly used small-size type and shall not be printed in large or boldface type, or multi-colored, or blocked, or set in a border of any kind. Such listings may contain only the name, the podiatry degree or degrees conferred on such licensee, the post office address and the telephone numbers of the practitioner at such address, the telephone number of the podiatrist's residence, and "if no answer, call \_\_\_\_\_." Where a practitioner substantially limits his practice to one specialty he may add the following statement, "Practice limited to \_\_\_\_\_." This space shall be completed with a specialty and pursuant to Rule .011 of this section.

(b) A podiatry clinic may be listed in the classified section of a telephone directory under "Clinics." However, the persons practicing in the clinic may not be included in the listing. In determining whether a practice may use the term "clinic," the Rules of the Board in Section .20 apply.

(c) A podiatrist practicing podiatry in a village, town, or city which is served by both local and metropolitan telephone systems may list his name and other information as provided in Subsection (a) of this rule in the telephone directory officially published by the telephone company which services the area where his office is located.

(d) It shall be the duty of each podiatrist who practices or who has practiced at any location to advise the telephone company of any change in his status or location sufficiently in advance to prohibit erroneous or misleading information to be published and to conform with these rules.

(e) A podiatrist shall not be listed in the classified section of a telephone directory under "Foot Appliances" or other commercial listings. A podiatrist's individual telephone listing shall not specify any physical or medical modality used for treatment nor shall it give special attention to any age group, disease, or deformity, except as specified in Subsection (a) of this rule. The listing of such matters as 24-hour answering service, Master Charge honored, BankAmericard honored, or other words of similar import is prohibited. Such listings shall not specify any special knowledge or ability in treatment or techniques nor indicate membership in any hospital or clinic except as authorized in Section .20 of the rules.

*.011. Specialties.* If a podiatrist substantially limits his practice to a particular specialty of podiatric medicine and he does not normally engage in the practice of any other phase of podiatry, he may designate that specialty on signs, in telephone directory listings, and announcements, as is provided in those specific rules, provided the podiatrist is certified or eligible for certification by the National Board of Podiatric Surgery.



*.012. Product Endorsements.* A licensed podiatrist shall not write testimonials as to the virtue of or endorse proprietary remedies, drugs, instruments, equipment, prosthetics, or footwear, except to report the results of properly conducted and controlled experiments or clinical studies, such reports to be submitted only to recognized scientific journals and/or to recognized scientific professional associations.

*.013. Acquiring Another Practice.* If a podiatrist acquires the practice of another practitioner, he may refer to the name of the other practitioner in identifying himself and his acquired practice, but only for a period not to exceed one year from the date he acquired the practice. The acquiring podiatrist shall also use his own name in identifying the practice acquired.

**.014. Commercial and Business Connections.**

(a) A podiatrist may prescribe shoes to his patients, but he shall not stock and sell shoes in connection with his practice, either in his office or in any room or space connected to his office.

(b) A podiatrist shall not have his office in or connected with a barber shop, beauty shop, department store, pharmacy, shoe store, gymnasium, bath house, institute of questionable repute, or any other business activity or location that brings discredit to the profession.

(c) A podiatrist who has maintained his office in or connected with a department store, shoe store, or pharmacy prior to the time this rule is effective, may continue to so maintain his office without being in violation of this rule. However, he may not confer this right on any other podiatrist, whether by sale of the office or his practice to the other podiatrist, by employing him, by entering into a partnership or any other type of association with him, or by any other method or device.

**.015. Relationships with Other Practitioners.**

(a) A podiatrist may contact other practitioners of the healing art and notify them of opening an office and may solicit their cooperation in referring patients to him.

(b) A podiatrist shall not induce another colleague's patient. A podiatrist shall not undertake the care or treatment of a patient who is under the care or treatment of another podiatrist until the other podiatrist has dismissed or been discharged by the patient, or unless the other podiatrist requests him to participate in or assist with the case.

(c) A podiatrist shall not criticize or belittle his colleagues or other healing art practitioners.

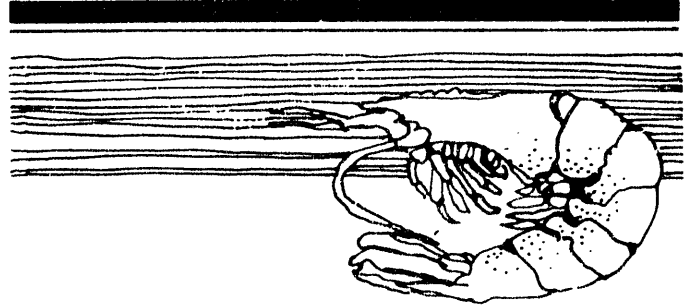
(d) A podiatrist shall not aid an unethical practitioner or engage in any subterfuge with any person, business, or organization. He shall expose any illegal, unethical, or dishonest conduct of other practitioners and cooperate with those invested with the responsibility of enforcement of the law and these rules of conduct.

**.016. Identity of Surgeon.** A person under a podiatrist's care or treatment on whom podiatric surgery is to be performed in connection with such care or treatment, shall be informed by the podiatrist of the identity of the surgeon before the surgery is performed.

**.017. Fees.**

(a) The fee which a podiatrist charges for his service should be commensurate with the reasonable and customary fee for such services in the community in which the podiatrist practices.

(b) The fee for a podiatrist's services shall be based on the nature of the services to be rendered, the degree of skill required, experience and training of the practitioner, reasonable time required to perform the



services, accommodations, facilities, equipment, and supporting personnel provided by the podiatrist at his expense, which are reasonably required to perform the services competently and in the best interest of the health and safety of the patient, and the patient's ability to pay.

(c) The podiatrist has special knowledge which his patient does not have; therefore, to avoid misunderstanding he shall advise his patients in advance of beginning treatment of the nature and extent of the treatment needed; the approximate time required to perform the recommended treatment and services; and any further or additional services or return by the patient for treatment, adjustments, or consultation, and the time in which this shall occur. A podiatrist shall inform his patients as to the fees to be charged for services before the services are performed, regardless of whether the fees are charged on a case basis, on the basis of a separate charge for each service, on a combination of these two methods, or some other basis. If an exact fee for a particular service, as in extended care cases, cannot be quoted to a patient, a fair and reasonable estimate of what the fee will be and the basis on which it will be determined shall be given to the patient.

(d) A podiatrist in his discretion may charge nothing for his services for members of charitable organizations, indigent persons, members of the clergy, or practitioners of the healing arts, or the podiatrist may charge a fee to these individuals lower than the usual fee charged in the community in which he practices.

(e) A podiatrist shall not engage in fee splitting. However, a podiatrist may pay an assistant's fee according to the established percentage or rate prevailing in the community.

**.018. Records.** All podiatrists shall make, maintain, and keep accurate records of the diagnosis made and the treatment performed for and upon each of his patients for reference and for protection of the patient for at least two years following the completion of the treatment.

**.019. Violations.**

(a) Any podiatrist who violates any provision of

these rules shall be subject to having his license and privilege to practice podiatry revoked, cancelled, or suspended.

(b) The Board may institute action in its own name to enjoin a violation of any provision of these rules.

**.020 Severability.** If any rule, section or subsection, sentence or clause is held for any reason to be invalid, such decision shall not affect the validity of any remaining portion or portions of these rules.

Issued in Waco, Texas, on February 25, 1976.

Doc. No. 761077      Joe C. Littrell, D.P.M.  
                                  Secretary-Treasurer  
                                  State Board of Podiatry  
                                  Examiners

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 476-6331.

## State Securities Board

### General Administration 065.01.00

The State Securities Board is proposing to amend Rule 065.01.00.003, which explains general application of the rules, by adding a concluding sentence at the end of Paragraph 1, "Generally," of that rule to point out that material denoted by a "cross reference" is not a rule or part of a rule. A "cross reference" is supplied merely for explanatory purposes.

Public comment on the proposed amendment is invited. Interested persons should submit their written comment to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.01.00.003 is proposed pursuant to Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

#### **.003. Application.**

(1) Generally. All rules shall be applied collectively, to the extent relevant, in connection with specific adjudications made by the Commissioner in the course of his regulatory functions. The Commissioner will make his determination on the basis of specific characteristics and circumstances of the individual ad-

judications under consideration and in light of the basic statutory purposes for regulation in the particular area. The Commissioner may, in his discretion, waive any requirement of any rule in situations where, in his opinion, such requirement is not necessary in the public interest or for the protection of investors. The captions of the various rules are for convenience only. Should there be a conflict between the caption of a rule and the text of the rule, the text will be controlling. **Material denoted by a cross reference caption is not a rule or part of a rule.**

(2) Investor Protection Standard. Conflicts between the investment banker and the best interest of the investing public will be resolved in favor of the investing public. Likewise, conflicts between existing securities holders and the best interest of the prospective investor will be resolved in favor of the prospective investor.

(3) Precedent. Because rules cannot adequately anticipate all potential application requirements, the failure to satisfy all regulatory standards of the Board will not necessarily foreclose the possibility of a favorable disposition of the matter pending before the Commissioner, and, similarly, the satisfaction of all such regulatory standards will not necessarily preclude an unfavorable disposition if the specific characteristics and circumstances so warrant. For this reason, the nature of the disposition of any particular matter pending before the Commissioner is not necessarily of meaningful precedential value, and the Commissioner shall not be bound by the precedent of any previous adjudication in the subsequent disposition of any matter pending before him.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761027      Roy W. Mouer  
                                  Securities Commissioner  
                                  State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

## Transactions Exempt from Registration 065.05.00

The State Securities Board is proposing to amend Rule 065.05.00.005 which interprets Section 5.E of the Act to exempt certain transactions involving existing security holders from registration requirements. The proposed amendment would delete the asterisk to the concluding paragraph and replace it with a "cross reference" caption. This is to clarify that the comment following the

asterisk is not part of the rule but merely an explanatory cross reference.

Public comment on the proposed amendment to Rule 065.05.00.005 is invited. Interested persons should submit their written comments to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.05.00.005 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

**.005. Transactions Involving Existing Security Holders.**

(1) Section 5.E of the Act includes any offer and any transaction pursuant to any offer by the issuer of its "securities" to any one or more of its "existing security holders" even though such offer or transaction does not relate to all existing holders of such securities or to all existing holders of a class or series thereof.

(2) A holder of a transferable warrant is not an "existing security holder" within the context of Section 5.E.

**Cross Reference:** [\*] For options excluded from meaning of "security" or "securities" and option holders excluded from meaning of "security holders," see Rule IV.B.25.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761029 Roy W. Mauer  
Securities Commissioner  
State Securities Board

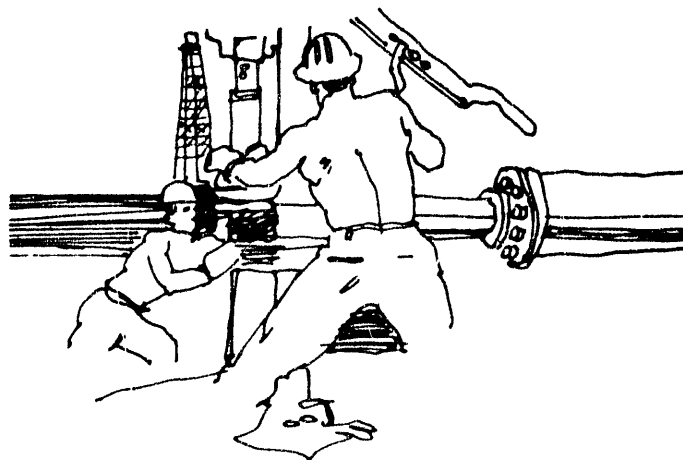
Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.05.00.008 which interprets the term "savings institution" as used in Section 5.H of the Securities Act.

The proposed amendments would delete both asterisks and the paragraphs following them and would reword the text of the rule to refer to credit unions or savings and loans chartered pursuant to the laws of any state of the United States. The purpose of the amendment is to clarify that the Section 5.H Exemption is not limited to Texas chartered credit unions and savings and loans but is available to any state chartered, as well as federally chartered, credit union or savings and loan.

Public comment on the proposed amendments to Rule 065.05.00.008 is invited. Interested persons should submit their written comments to Frank Arnold, Staff



Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.05.00.008 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

**.008. Savings Institutions.** [The term "savings institutions" as used in Section 5.H of The Securities Act includes a state or federally chartered credit union and a state or federally chartered savings and loan association.

\* For state credit unions refer to the Texas Credit Union Act (Article 2461-1 seq. Vernon's Texas Civil Statutes, as amended by S.B. 940, Acts of the 64th Legislature, 1975).

\* For state savings and loan associations refer to the Texas Savings and Loan Act (Article 852a, Vernon's Texas Civil Statutes, as amended by S.B. 241, Acts of the 64th Legislature, 1975).]

**The term "savings institution", as used in Section 5.H of the Securities Act, includes any federally chartered credit union or savings and loan association and any credit union or savings and loan association chartered under the laws of any state of the United States.**

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761029 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

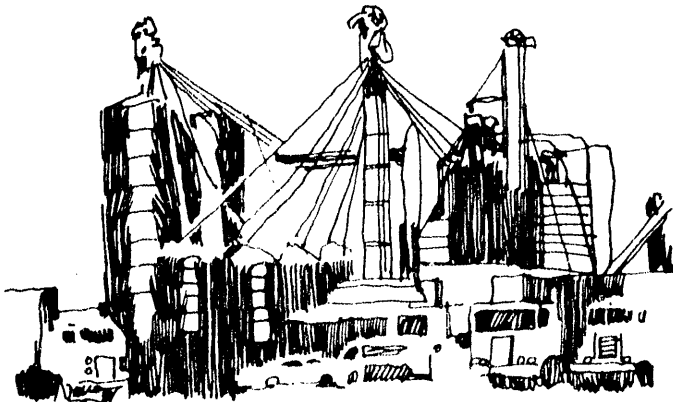
For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.05.00.009 which interprets the terms "public solicitation" and "advertisements" as used in Section 5.I of the Act.

The proposed amendments would remove the asterisks from the introductory paragraph to Rule 065.05.00.009 and remove the asterisk from the concluding paragraph and replace it with a "cross reference" caption. The purpose of the amendment is to clarify that the introductory paragraph is part of the rule while the concluding paragraph is merely an explanatory cross reference.

Public comment on the proposed amendments to Rule 065.05.00.009 is invited. Interested persons should submit their written comments to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.05.00.009 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.



**.009. Public Solicitation or Advertisements.[\*]** This rule is intended to reflect the support of the Securities Board of the proposition that potential investors in transactions exempt under Section 5.I of the Act have a legitimate interest in receiving reasonable information concerning the plan of business and the financial condition of the issuer of the securities.

(1) The offer for sale or sale of the securities of the issuer would not involve the use of "public solicitation" under Section 5.I of the Act if the offer for sale or sale is made to sophisticated, well-informed investors or to well-informed investors who have a relationship with

the issuer or its principals, executive officers, or directors evincing trust between the parties (namely close business association, close friendship, or close family ties), and who acquire the securities as ultimate purchasers and not as underwriters or conduits to other beneficial owners or subsequent purchasers. The use of a registered dealer in a sale otherwise meeting the requirements of Section 5.I does not necessarily mean that the transaction involves the use of "public solicitation."

(a) The term "well-informed" could be satisfied through the dissemination of printed material to the prospective investor, which by a fair and factual presentation discloses the plan of business, the history, and the financial statements of the issuer, including material facts necessary in order that the statements made, in the light of circumstances under which they are made, not be misleading.

(b) In determining who is a "sophisticated investor" at least the following factors should be considered:

1. the financial capacity of the investor, to be of such proportion that the total cost of that investor's commitment in the proposed investment would not be material when compared with his total financial capacity;

2. knowledge of finance, securities, and investments, generally;

3. experience and skill in investments based on actual participation.

(2) The term "advertisements" does not include the use of the type of printed material as set out above under the discussion of the term "well-informed." Further, the main concept to be considered in a definitional analysis of the term "advertisements," as it is used in Section 5.I, is the method of use of the printed material. The following circumstances, though not intended to be exclusive, will be considered in determining whether the method of use of any printed material is within the limits of Section 5.I:

(a) limited printing of the material;

(b) limited distribution of the material only to persons within the limited classes;

(c) control of the printing and distribution of the printed material;

(d) recognition of the necessity of compliance with the above requirements on the part of the issuer and the investor. Such recognition might consist of a printed prohibition on the front in large type that the circular is for that individual's confidential use only, and may not be reproduced; and, the use of a statement warning that any action contrary to these restrictions may place such individual and the issuer in violation of the Texas Securities Act.

(3) For the purposes of Section 5.I, only one person or security holder shall exist if such security is

offered to or acquired or held as an investment by (a) husband and wife, (1) as community property, (2) as joint tenants (with or without right of survivorship), or (3) as tenants by the entirety; or (b) as express trust, partnership, or corporation organized and existing other than for the purpose of acquiring the securities of the issuer for which the exemption is claimed.

(4) The phrase "the total number of security holders of the issuer" in Section 5.I(a) includes all security holders of the issuer without regard to their places of residence (within or without the State of Texas) and without regard to where they acquired the securities. In determining the number of persons for purposes of Section 5.I(c), prior sales to persons residing outside the State of Texas and prior sales to Texas residents consummated outside the State of Texas shall be included.

(5) The phrase "exempt under other provisions of this Section 5" in Section 5.I(c) means exempt under any provisions of Section 5 other than Subsection I.

(6) No public solicitation or advertisement under Section 5.I occurs by the distribution to eligible employees of:

(a) a prospectus filed under The Securities Act of 1933 with the Securities and Exchange Commission for an employees' restricted stock option plan, qualified stock option plan, or employee stock purchase plan (as identified in the Internal Revenue Laws of the United States); or

(b) any other material required or permitted to be distributed by The Securities Act of 1933 in connection with such a plan.

(7) The phrase "an employees' restricted stock option" as used in Section 5.I(b) includes a qualified stock option, an employee stock purchase plan which meets the requirements of Sections 421 through 425 of Internal Revenue Code of 1954, as amended, and an option which meets all the requirements of Section 424(b) of the Code other than the date of grant of the option.

**Cross Reference:** [\*] For options excluded from meaning of "security" or "securities" and option holders excluded from meaning of "security holders" or "purchasers of securities," see Rule IV.B.25.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761030 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.05.00.011 by deleting the asterisk and replacing it with a "cross reference" caption. The purpose of the amendment is to clarify that the material following the asterisk is not part of a rule but merely an explanatory cross reference.

Public comment on the proposed amendment is invited. Interested persons should submit their written comments to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.05.00.011 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

.011. No Rule.

**Cross Reference:** [\*]For guidelines setting forth minimum disclosure requirements of transactions exempt under Section 5.K of the Act, see Rule XIII.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761031 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.05.00.012 by deleting "No Rule," the asterisk and accompanying language and replacing it with an interpretation of the term "building and loan association" as used in Section 5.L of the Securities Act. The purpose of the proposed amendments is to clarify that a savings and loan association under the control of the Savings and Loan Department of this state may utilize the Section 5.L exemption.

Public comment on the proposed amendments is invited. Interested persons should submit their written comments to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.



The amendment to Rule 065.05.00.012 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

**.012. Building and Loan Association.** *The language "building and loan association organized and operating under the laws of the State of Texas and subject to the supervision of the Commissioner of Banking of the State of Texas" includes any savings and loan association under the control of the Savings and Loan Department of this state. [No Rule.]*

\* For state savings and loan association refer to the Texas Savings and Loan Act (Article 852a, Vernon's Texas Civil Statutes, as amended by S.B. 241, Acts of the 64th Legislature, 1975).]

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761032 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to adopt Rule 065.05.00.050 which will explain that the rules in category 065.05 have been numbered to correspond to subsections under Section 5 of The Securities Act, i.e., Rule 065.05.00.001 corresponds to subsection 5.A. The number 065 is our agency designation in the *Texas Register* system. The number .05 denotes the category of rules; in this case rules interpreting Section 5 of our Act. The number .00 is for a subcategory designation which we do not use. The number .001 is assigned to an individual rule within a category and in this case corresponds to Subsection A of Section 5 of our Act. Subsection B is denoted by .002, etc. The purpose of the rule is to clarify that this interpretation is a rule itself. It is currently carried as an introductory paragraph to 065.05, is preceded by an asterisk and was not assigned a rule number. Therefore, it does not currently appear to have the status of a rule. The proposed rule would resolve that question.

Public comment on the proposed rule is invited. Interested persons should submit their written comment to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Rule 065.05.00.050 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

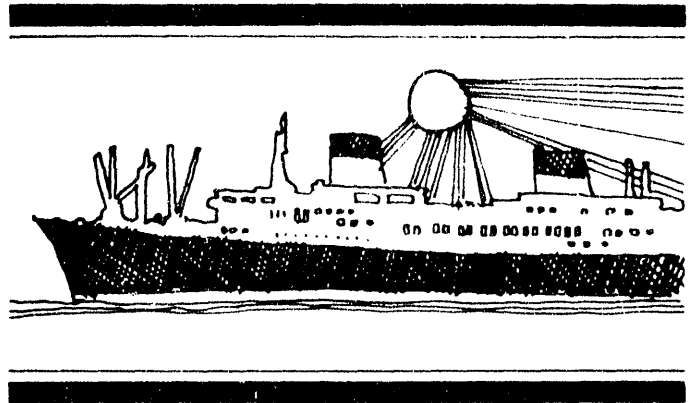
**.050. Introduction.** The rules in this category 065.05 are numbered to correspond to the alphabetically designated subsections under Section 5 of the Securities Act. Rule 065.05.00.001, i.e., Rule 1 within category 5, interprets Section 5.A of the Act, etc. Subsections for which there has been no policy or interpretation and for which no rule is presently proposed will indicate "No Rule."

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761033 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.



## Securities Exempt from Registration 065.06.00

The State Securities Board is proposing to adopt Rule 065.06.00.006 recognizing the Pacific Stock Exchange and Chicago Board Options Exchange as exchanges that have been approved by the Commissioner, pursuant to Section 6.F, Article 581, Vernon's Annotated Texas Civil Statutes, as being eligible exchanges for the Section 6.F exemption. This rule became effective as an emergency rule on February 10, 1976, and will expire 120 days therefrom.

The purpose of proposed Rule 065.06.00.006 is to remove any question about the continued effectiveness of such orders and approval of the exchanges.

Public comment on the proposed rule is invited. Interested persons should submit their written comment to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.



Rule 065.06.00.006 is proposed under the authority of Section 6.F and 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

.006. *Approved Stock Exchanges.* The Commissioner has approved the following exchanges, by written order, as satisfying the requirements for Section 6.F eligibility:

- (a) Pacific Stock Exchange;
- (b) Chicago Board Options Exchange.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761034 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.06.00.007 by deleting "No Rule," the asterisk, and the paragraph following the asterisk. The proposed amendment would interpret the terms "building and loan association" or "savings institution" as used in Section 6.G of the Act as including any savings and loan association under the Savings and Loan Department of this state and any credit union, when issuing certain securities, under the Credit Union Department of this state.

The purpose of this amendment is to clarify that certain institutions are within the ambit of the Section 6.G exemption. Public comment on the proposed amendment is invited. Interested persons should submit their written comment to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.06.00.007 is proposed pursuant to Section 28-1, Article 581, and Article 6252-13a, Vernon's Annotated Texas Civil Statutes.

.007. *Building and Loan Association or Savings Institutions.* The language "... or issued or guaranteed by any building and loan association or savings institution under the control of the Banking Department of this State" includes any savings and loan association under the control of the Savings and Loan Department of this state or any savings and share account or deposit and share account offered by any credit union under the control of the Credit Union Department of this state.

[No Rule.]

\* For state savings and loan associations refer to the

Texas Savings and Loan Act (Article 852a, Vernon's Texas Civil Statutes, as amended by S.B. 241, Acts of the 64th Legislature, 1975).]

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761035 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board is proposing to amend Rule 065.06.00.010 by deleting the asterisk and replacing it with a "cross reference" caption. The purpose of the amendment is to clarify that the material following the asterisk is not a rule but merely an explanatory "cross reference."

Public comment on the proposed amendment is invited. Interested persons should submit their written comments to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

The amendment to Rule 065.06.00.010 is proposed pursuant to Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

.010. *No Rule.*

#### **Cross Reference:**

[\*] For guidelines setting forth minimum disclosure requirements of securities exempt under Section 6.J of the Act, see Rule XIII.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761036 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

## **Forms 065.15.00**

The State Securities Board proposes to amend Rule 065.15.00.010 which currently prescribes information

that must be filed prior to the consummation of a sale pursuant to Section 5.I(c) and also has an attachment dated September 18, 1970, explaining Board policy on Section 5.I. The amendment would delete the attachment explaining Board policy because it is unnecessary, confusing and in some respects conflicts with our current rule on Section 5.I.

Public comment on the proposed amendment to Rule 065.15.00.010 is invited. Comments and/or requests for a copy of the attachment which is now being proposed to be deleted should be submitted to Frank Arnold, Staff Legal Officer, State Securities Officer, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Amendments to Rule 065.015.00.010 are proposed under Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

*.010. Issuer's Notice for Exemption to Sell Securities Under Section 5.I(c), Article 581, Vernon's Annotated Texas Statutes.* The State Securities Board amends, by reference, the above-titled form by deleting therefrom the attachment explaining Board policy on Section 5.I. of our Act.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761038 Roy W. Mcuer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to adopt Rule 065.15.00.013 which would set out in a form the information that should be submitted to the Board, along with a Section 5.O Exemption Notice, for its consideration when there does not appear to be a going market in a security. The information requested essentially restates the criteria to be considered by the Board contained in Rule 065.05.00.015 interpreting Section 5.O of the Act. Such information includes the net asset value of the stock per share; record of earnings of the issuer and a reasonable industry Price/Earnings ratio; any other basis for full justification of the value per share of the stock; a written undertaking to provide certain financial statements to shareholders and dealers deemed likely to trade in the securities; a written undertaking by a registered Texas securities dealer

who is financially able setting out his willingness to make a market in the securities and proposed price, to supply certain information on the share distribution of the securities, and the procedures he intends to follow for maintaining an orderly market.

This proposed form is essentially the same as our old questionnaire on Section 5.O(3).

Public comment on the proposed Rule 065.015.00.013 is invited. Comments and/or requests for a copy of the proposed form should be submitted to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments on proposed Rule 065.15.00.013 will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Rule 065.15.00.013 is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

*.013. Information Concerning Projected Market and Related Market Information-- Section 5.O(3), Texas Securities Act.* Section 5.O(3) provides that securities should be offered for sale at prices reasonably related to the current market price of such security at the time of sale. The Securities Board has interpreted the language "at prices reasonably related to the current market price of such security at the time of sale" to mean that the market price of such security in the existing secondary market must have a basis supported by a substantial volume of *bona fide* sales transactions within or without this state. Additionally, the Board policy provides that in the absence of a going market or where there have been only casual transactions, it shall be incumbent on the person filing the Section 5.O Exemption Notice to prove to the Commissioner that the security will have a market price which has been fairly determined and justified at inception with reasonable assurance of continuity of the market into the future.

This procedure would include a consideration by the Commissioner of criteria established in the items set out below. If additional space is needed to complete any item, please submit attached sheets, identifying each item by number.

(Note: If the requested information is contained in a 10-K or 10-Q report submitted to our agency, answers may be made by appropriate references.)

- (a) Describe the nature and extent of the business operations of the issuer and its predecessor, if any, and the period of time during which the issuer and its predecessor, if any, has been continuously engaged in business.
- (b) The net asset value of the stock per share.
- (c) If there is a record of earnings for the issuer,

the value per share of the stock based upon a reasonable times-earnings factor (setting out the factor used) related to the industry represented by the issuer.

(d) Any other basis for full justification of the value per share of the stock.

(e) Attach a written undertaking by the issuer to furnish to its shareholders and dealers deemed likely to trade the securities of the issuer a current balance sheet, a comparative three-year profit-and-loss statement and analysis of surplus (or for the period of the existence of the issuer, if such period of existence is less than three (3) years), and annual financial statements thereafter.

(f) Attach a written undertaking by a registered Texas securities dealer who is financially able, setting out:

(1) his willingness to make a market in the issue of securities;

(2) the price at which he will begin the market; and

(3) the procedures which he intends to follow for the purpose of assuring an orderly market.

(g) Supplementary data to assist in determining the character of the share distribution and the number of publicly held shares:

(1) identification of 10 largest holders of record, including beneficial owners (if known) of holdings of record by nominees;

(2) list of holdings of 1,000 shares or more in the names of registered dealers and unregistered out-of-state dealers;

(3) number of transfers and shares transferred during the last two years (or period of existence of the issuer, if shorter);

(4) summary, by principal groups, of stock, owned or controlled by:

A. officers or directors and their immediate families;

B. other concentrated holdings of 10 percent or more.

(5) estimates of number of non-officer employees owning stock and the total shares held;

(6) company shares held in profit-sharing, savings, pension, or other similar funds or trusts established for the benefit of officers or employees;

(7) number of round-lot and number of odd-lot holders of record and aggregate numbers of shares so held.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761039 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to amend Rule 065.15.00.024, which is a quarterly security sales report form for continuous offerings, by changing the noted revision date from 7-6-72 to 12-31-75 and by adding the designation IR-QRS to the form. The questions themselves have not been changed.

Public comment on the proposed amendment to Rule 065.15.00.024 is invited. Persons should submit their written comments and/or requests for a copy of the proposed form to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

This rule is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

.024. *Quarterly Report of Security Sales-- Mutual Funds, Employee Benefit Plans and other Continuous Offerings.* The State Securities Board amends, by reference, the above-titled form by changing the noted revision date from 7-6-72 to 12-31-75 and by adding the designation IR-QRS to the form.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761040 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.



The State Securities Board proposes to amend Rule 065.15.00.026, which is an application for renewing permits for a continuous offering, by changing the revision date from 7-6-72 to 12-31-75 and by adding the designation IR-RA to the form. The questions themselves have not been changed.

Public comment on the proposed amendment to Rule 065.15.00.026 is invited. Interested persons should submit their comments and/or requests for a copy of the proposed form to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

This rule is proposed under Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

**.026. Renewal Application-- Mutual Funds, Employee Benefit Plans and other Continuous Offerings.** The State Security Board amends, by reference, the above-titled form by changing the revision date from 7-6-72 to 12-31-75 and by adding the designation IR-RA to the form.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761041 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to adopt Rule 065.15.00.029. It will require an applicant who is using a Uniform Report or application form as a renewal application to agree to submit essentially the same information as required by our state renewal application. Such information includes marked copies of any revised prospectus, all advertising literature, sales reports, notification of any adverse material change in the business and any legal or administrative proceedings of a material nature affecting the issuer, adviser, or affiliate. He also agrees to terminate sales immediately if a licensed Texas dealer is not authorized to make sales.

The purpose of the rule is to clarify the additional information that users of the Uniform Report must supply when using it as a renewal application. Public comment on proposed Rule 065.15.00.029 is invited. Interested persons should submit their comments and/or requests for a copy of the proposed form to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Com-

ments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

This rule is proposed under the authority of Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

**.029. Supplemental Information Form.** The State Securities Board adopts, by reference, the above-titled form which is to be used when the Investment Company Uniform Report and/or Application Form is used as a renewal application.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761042 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to amend Rule 065.15.00.040, which is an application form for an individual dealer or investment adviser by changing: (a) the form title to eliminate "General" and "Broker," (b) the format of the questions to be more logical, and (c) by making questions dealing with a person's integrity and honesty more inclusive.

Public comment on the proposed amendment to Rule 065.15.00.040 is invited. Comments and/or requests for a copy of the proposed form should be submitted to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Amendments to Rule 065.15.00.040 are proposed under Section 28-1, Article 581, and Article 6352-13a, Vernon's Texas Civil Statutes.

**.040. Application for License as an Individual [General] Securities Dealer [or Broker] or Investment Adviser.** The State Securities Board amends, by reference, the form entitled "Application for License as an Individual General Securities Dealer or Broker or Investment Adviser" by changing: (a) the form title to eliminate "General" and "or Broker," (b) the format of the questions, and (c) by making questions dealing with a person's integrity and honesty more inclusive.

Issued in Austin, Texas, on February 12, 1976.

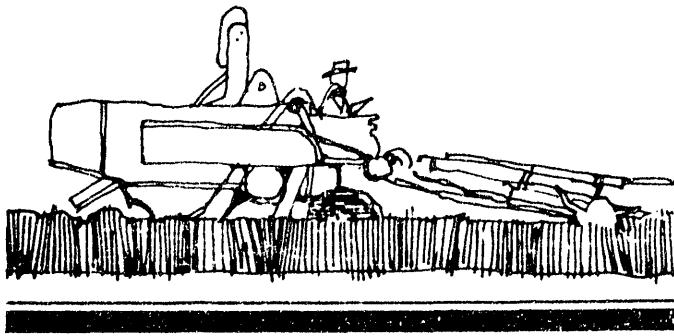
Doc. No. 761043 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to amend Rule 065.15.00.050, which is an application form for a corporate or partnership dealer or investment adviser, by changing: (a) the form title to "Application for License of a Corporation or Partnership as a Securities Dealer or Investment Adviser," (b) the format of the questions to be more compact and logical, and (c) by making the questions dealing with a person's integrity or honesty more inclusive.

Public comment on the proposed amendment to Rule 065.15.00.050 is invited. Comments and/or requests for a copy of the proposed form should be submitted to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.



Amendments to Rule 065.15.00.050 are proposed under Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

*.050. [Corporations or Partnerships] Application for [Registration and] License of a Corporation or Partnership as a Securities Dealer or Investment Adviser.* The State Securities Board amends, by reference, the form entitled "Corporations or Partnerships Application for Registration and License as a General Securities Dealer or Investment Adviser" by changing: (a) the form title to "Application for License of a Corporation or Partnership as a Securities Dealer or Investment Adviser," (b) the format of the questions and (c) by making the questions dealing with a person's integrity or honesty more inclusive.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761044 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to amend Rule 065.15.00.070, which is an application form for oil and gas dealer, by changing: (a) the form title to "Application for License as an Individual Securities Dealer in Oil and Gas Interests Only," (b) the format of the questions to be more compact and logical, and (c) by making the questions dealing with a person's integrity or honesty more inclusive.

Public comments on the proposed amendment to Rule 065.15.00.070 are invited. Comments and/or requests for a copy of the proposed form should be submitted to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Amendments to Rule 065.15.00.070 are proposed under Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

*.050. Application for License as an Individual [a] Securities Dealer in Oil and Gas Interests Only.* The State Securities Board amends, by reference, the form entitled "Application for License as a Securities Dealer in Oil and Gas Interests Only" by changing: (a) the form title to "Application for License as an Individual Securities Dealer in Oil and Gas Interests Only," (b) the format of the questions, and (c) by making the questions dealing with a person's integrity or honesty more inclusive.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761045 Roy W. Mouer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

The State Securities Board proposes to amend Rule 065.15.00.080, which is an application form for transferring a salesman's registration, by changing the format of the questions and by making the questions dealing with a person's integrity or honesty more inclusive.

Public comments on the proposed amendment to Rule 065.15.00.080 are invited. Comments or requests for a copy of the proposed form should be submitted to Frank Arnold, Staff Legal Officer, State Securities Board, Box 13167, Capitol Station, Austin, Texas 78711. Comments will be accepted until March 20, 1976, or 30 days after the publication of this notice, whichever is later.

Amendments to Rule 065.15.00.080 are proposed under Section 28-1, Article 581, and Article 6252-13a, Vernon's Texas Civil Statutes.

*.080. Application for Transfer of Securities Salesman's Registration.* The State Securities Board amends, by reference, the form entitled "Application for Transfer of Securities Salesman's Registration" by changing the format of the questions and by making the questions dealing with a person's integrity or honesty more inclusive.

Issued in Austin, Texas, on February 12, 1976.

Doc. No. 761046 Roy W. Mauer  
Securities Commissioner  
State Securities Board

Proposed Date of Adoption: April 1, 1976

For further information, please call (512) 475-4561.

## Texas Water Quality Board

### General Regulations Incorporated into Permits

#### Self Reporting System 130.24.01

The Texas Water Quality Board is proposing to adopt Rules 130.24.01.005-.009 concerning reporting and monitoring requirements for the holders of waste discharge permits issued by the Texas Water Quality Board. These rules specify (1) the parameters to be monitored; (2) the monitoring location; (3) the frequency of analysis or measurement; and (4) the submission and form of monthly effluent reports.

In order to allow interested persons an opportunity to submit data, views, or arguments, a public hearing was held on January 20, 1975, in Austin, in accordance with the rules of the Texas Water Quality Board. Additional comments concerning these proposed rules are invited. Please direct any comments or inquiries to Marvin Moos, Texas Water Quality Board, P.O. Box 13246, Capitol Station, Austin, Texas 78711, telephone (512) 475-5647.

These proposed rules, as well as any comments received, will be presented to the Texas Water Quality Board for final adoption at its regular meeting beginning at 9 a.m., on April 27, 1976, in the Madrid-Granada Rooms, Sheraton Crest Inn, 111 East First Street, Austin, Texas.

These proposed rules are promulgated under the authority of Section 21.094, Vernon's Texas Civil Statutes, Water Code.

*.005. Parameters to be Monitored.* Each permittee will be required to monitor on a regular basis each and every parameter which is included in the applicable permit. Each permittee may also be required to monitor any other such parameters as the Executive Director of the Board may reasonably deem necessary to adequately monitor the quality of any discharge. Should the analysis for any additional parameters not already mentioned be required of the permittee, that permittee will be notified in writing of such requirements prior to the initiation of the requirement.

*.006. Required Sampling Location and Frequency of Analysis or Measurement.* The necessary samples shall be taken from the effluent at the discharge point as described in the governing permit unless an alternate sampling and measuring point is agreed upon in advance in writing by the Executive Director of the Texas Water Quality Board or his appointed representative. Samples shall be taken and measurements shall be made at the frequencies specified in the governing permit for each parameter. Should any permit not specify a sampling frequency or should the sampling frequency be stamped out using an "NPDES Requirement Only" stamp, the discharger shall follow the frequencies set forth in Tables 1 and 2 in Rule 130.24.01.009, basing the frequency of analysis on the currently applicable permitted average daily flow. Table 1 shall be applicable to treated domestic sewage effluent, while Table 2 shall be applicable to all other wastewater effluents. Should a parameter included in a permit not be listed in the applicable table, the permittee will be instructed in writing as to what frequency of analysis shall be followed.

*.007. Documentation of Effluent Reports.*

(a) The monthly effluent report speaks only to summarized data concerning the quality and quantity of the final effluent and says nothing to the records and laboratory control tests which should be performed in the interest of treatment plant process control. For each measurement or sample taken pursuant to the requirements of this document, the permittee shall record the following information:

- (1) the exact place, date, and time of sampling;
- (2) the dates the analyses were performed;
- (3) the person(s) who performed the analyses;
- (4) the analytical techniques or methods used;

and

- (5) the results of all required analyses.

(b) The permittee shall be subject to routine inspection of Items 1 through 5 of Section (a) of this rule.

(c) All records and information resulting from the required monitoring activities including all records

of analyses performed, calibration, and maintenance of instrumentation shall be retained for a minimum of three (3) years or for a longer period if requested by the Texas Water Quality Board.

.008. *Required Signatures.* Each effluent report shall contain two signatures. One signature must be that of the superintendent of wastewater treatment facility or other appointed person associated with the operation of the treatment facility. The other signature should be as follows:

(a) If submitted by a public entity, a state or federal agency, or a corporation, the report should be signed by a principal executive officer, ranking elected official, commanding officer, or other employee duly authorized by the principal executive officer.

(b) If submitted by a partnership, the report should be signed by a general partner.

(c) If submitted by a sole proprietor, the report should be signed by the proprietor.

.009. *Self Monitoring Schedules.* The Texas Water Quality Board adopts the following tables by reference:

(a) Table 1-- Self Monitoring Schedule for domestic sewage treatment effluent.

(b) Table 2-- Frequency of Measurement for non-domestic wastewater effluent.

Issued in Austin, Texas, on February 23, 1976.

Doc. No. 761026      William E. Berger  
Staff Assistant  
Texas Water Quality Board

Proposed Date of Adoption: April 2, 1976

For further information, please call (512) 475-5647.

(Tables 1 and 2 appear on pages 496 and 497.)

FREQUENCY OF MEASUREMENT								
Design Capacity MGD	Flow	B.O.D. <sub>5</sub> mg/l	Total Suspended Solids	Settleable Solids ml/l	Chlorine Residual	pH	Fecal Coliform (N per 100 ml.)	Collecting of Samples
0 to 0.05	One instantaneous measurement each working day but not less than two measurements per week (b) (c)	One every three months	One every three months	Two each week	One each working day but not less than two per week	One per month	One every three months	The laboratory tests shall be made on a grab sample collected at peak loading periods.
0.05 to 0.10	One instantaneous measurement each working day but not less than two measurements per week (b) (c)	One each month	One each month	Two each week	One each working day but not less than two per week	One per month	One every month	The laboratory tests shall be made on a grab sample collected at peak loading periods.
0.10 to 0.50	One instantaneous measurement each working day but not less than five measurements per week (b) (c)	Two every month	Two every month	Two each week	One each working day but not less than five per week	Two per month	Two every month	The laboratory tests shall be made on a grab sample collected at peak loading periods.
0.50 to 1.00	The daily flow measured by a totalizing meter	Three every month	Three every month	Two each week	One every day of the week	Two per month	Three every month	The laboratory test excepting the chlorine residual test and the fecal coliform test shall be made on a composite sample made up of three portions collected no closer together than 1 hr. and with the first sample collected no earlier than 10:00 a.m.
1.00 to 5.0	The daily flow measured by a totalizing meter	One each week	One each week	Two each week	One every day of the week	One per week	One each* week	The laboratory test excepting the chlorine residual test and the fecal coliform test shall be made on a composite sample made up of six portions collected no closer together than 1 hr. and with the first sample collected no earlier than 10:00 a.m.
5.00 to 10.0	The daily flow measured by a totalizing meter	One per weekday (a)	One per weekday (a)	One per weekday (a)	One every day of the week	One per weekday (a)	One per weekday (a)	The laboratory test excepting the chlorine residual test and the fecal coliform test shall be made on 24-hr. composite samples collected in at least 12 individual portions
Greater than 10.0	The daily flow measured by a totalizing meter	One per day	One per day	One per day	One every day of the week	One per day	One per day	The laboratory test excepting the chlorine residual test and the fecal coliform test shall be made on 24-hr. composite samples collected in at least 12 individual portions

(a) Weekday - Monday thru Friday

(b) Where a totalizing meter is provided, the actual volume of water which has been processed each day should be reported and noted as such.

(c) Working day - A day when the plant is visited for routine work.

NOTE: The sampling frequency should not be anything less than that routinely practiced at the facility if that frequency is greater than the minimum shown above.

Table 1  
Self-Monitoring Schedule



Parameter	Frequency of Measurement Volume in MGD				
	0 to 0.05	0.05 to 0.50	0.50 to 2.0	>2.00 to 10.0	>10.0
Flow	One instantaneous measurement per operating day excepting sample days when 3 instantaneous measurements made concurrently with the collection of sample portions are required.	One instantaneous measurement per operating shift - on sample days concurrent with the collection of a sample portion.	One instantaneous measurement per operating shift - on sample days concurrent with the collection of a sample portion or the reading from a totalizing flow meter.	Six instantaneous measurements per day spaced at equal intervals during the operating period or the reading from a totalizing flow meter.	Instantaneous measurements made each operating hour or the reading from a totalizing flow meter.
pH (a)	1 per day	1 per day	1 per day	1 per day	1 per day
Temperature (b)	1 per day	3 per day	3 per day	6 per day	12 per day
BOD	1 per week	2 each week	2 each week	3 each week	1 per day
COD	1 per week	2 each week	2 each week	3 each week	1 per day
TOC	1 per week	2 each week	2 each week	3 each week	1 per day
Oil & Grease (a)	1 per week	2 each week	2 each week	3 each week	1 per day
Ammonia Nitrogen	1 per week	2 each week	2 each week	3 each week	1 per day
Arsenic	1 per week	2 each week	2 each week	3 each week	1 per day
Barium	1 per week	2 each week	2 each week	3 each week	1 per day
Boron	1 per week	2 each week	2 each week	3 each week	1 per day
Cadmium	1 per week	2 each week	2 each week	3 each week	1 per day
Chromium	1 per week	2 each week	2 each week	3 each week	1 per day
Copper	1 per week	2 each week	2 each week	3 each week	1 per day
Lead	1 per week	2 each week	2 each week	3 each week	1 per day
Manganese	1 per week	2 each week	2 each week	3 each week	1 per day
Mercury	1 per week	2 each week	2 each week	3 each week	1 per day
Nickel	1 per week	2 each week	2 each week	3 each week	1 per day
Selenium	1 per week	2 each week	2 each week	3 each week	1 per day
Silver	1 per week	2 each week	2 each week	3 each week	1 per day
Zinc	1 per week	2 each week	2 each week	3 each week	1 per day
TSS	1 per week	2 each week	2 each week	3 each week	1 per day
TDS	1 per week	2 each week	2 each week	3 each week	1 per day
Chloride	1 per week	2 each week	2 each week	3 each week	1 per day
Sulphate	1 per week	2 each week	2 each week	3 each week	1 per day
Nitrate Nitrogen	1 per week	2 each week	2 each week	3 each week	1 per day
Sulfide (a)	1 per week	2 each week	2 each week	3 each week	1 per day
Phenol	1 per week	2 each week	2 each week	3 each week	1 per day
Collection of Samples	Samples shall be composite samples made up of three portions, sized proportional to flow, collected no closer together than one hour and over a span of time not exceeding 24 hours.	Samples shall be composite samples made up of three portions, sized proportional to flow, one portion being collected during each operating shift or otherwise suitably distributed throughout the operating day.	Samples shall be composite samples made up of three portions, sized proportional to flow, one portion being collected during each operating shift or otherwise suitably distributed throughout the operating day.	Samples shall be composite samples made up of six portions, sized proportional to flow, collected concurrently with the instantaneous flow measurements made during a 24 hour time span.	Samples shall be 24 hour composite samples collected in 12 or more individual portions, sized proportional to flow, equally spaced throughout the operating day.

Table 2

- (a) The required laboratory tests shall be made on grab samples.  
(b) The temperature shall be measured in situ on the water at the permit sampling point.

**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 category of rules to which the rule belongs. The third unit (two digits) indicates the subcategory of rules, if any, within the category. 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.

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.

## Texas Education Agency Instructional Resources

### Process for State Adoption of Textbooks 226.33.34

The State Board of Education adopted, with no changes in the text, proposed amendments to Rules 226.33.34.011, .020, .040, .062, and .066, which establish the procedure in the adoption of textbooks for the public schools of the state. The amendments deleted references to specific months and allowed the Board flexibility in scheduling so that more time might be available for hearing of appeals, accommodation to publication dates, and the other necessary mechanics for the adoption process. The rules are shown below as adopted.

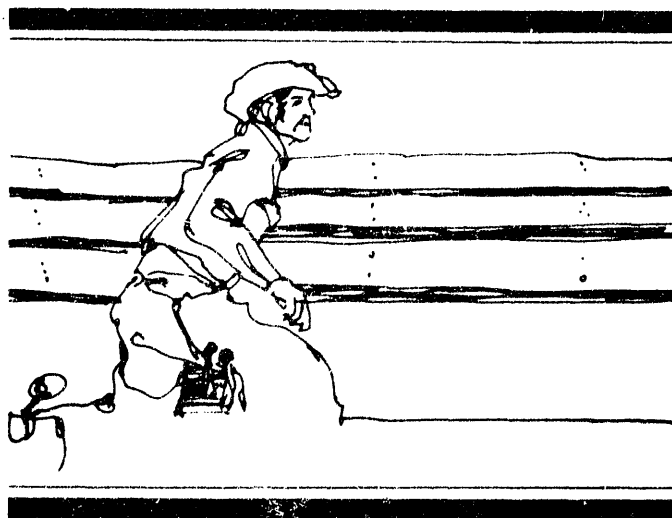
These rules are promulgated under authority of Sections 12.11, 12.12, 12.17, and 12.34, Texas Education Code.

*.011. Review of Contracts.* The State Board of Education shall review the textbook contracts which expire on August 31 in the year following the then current year and determine which contracts are to be renewed for terms not to exceed six years and which contracts are not to be renewed. This review shall be made at a time specified by the State Board of Education.

*.020. Proclamation for New Textbooks.* At a meeting specified by the State Board of Education the Board shall issue a proclamation for new textbooks in those

subjects in which contracts are not renewed and the proclamation shall serve as public notice to all textbook publishers and to the public that bids to furnish textbooks to the state are being invited. The proclamation shall contain:

- (1) the time and place of the State Board of Education meeting at which adoptions shall be made;
- (2) the subjects in which new textbooks are to be adopted;



- (3) the last date on which sample copies of books offered for adoption may be submitted;
- (4) the amount of each deposit required of the publisher;
- (5) a statement that formal proposals will be received in the November meeting of the State Board of Education; and
- (6) the time allowed for signing contract and filing bond after the award is made.

The proclamation is printed in public press and is sent to the public schools and all persons, firms, and corporations requesting notice.

*.040. Schedule of State Textbook Adoption Procedures.* At a meeting specified by the State Board of Education, the Board shall adopt, along with the proclamation, a schedule of textbook adoption procedures for the ensuing year. The schedule shall include specified dates, responsibilities, including those of the textbook publishers, and regulations in accordance with law, State Board of Education policies, and administrative procedures.

*.062. Complaints of Misconduct or of Procedural Irregularities.* All information about misconduct or procedural irregularities shall be filed with the Commissioner of Education in accordance with adoption policies. In no instance shall this information be furnished to the State Textbook Committee.

The Commissioner of Education shall notify the State Board of Education at a meeting specified by the Board of all textbooks being considered by the textbook committee which were not on deposit in the regional education service centers as required in Rule 226.33.34.050. At this meeting the Board may, after hearing, at its discretion remove from adoption consideration any book or series of books not properly on deposit in a center.

The Commissioner of Education, in accordance with adoption policies, shall report all information of complaints of misconduct or of procedural irregularities not reported at the September meeting, along with his findings of fact, to the State Board of Education at its November meeting. It is the exclusive responsibility of the Board to make decisions regarding complaints of misconduct or procedural irregularities.

.066. *Procedures Governing Hearings and Appeals on Textbook Protests and Complaints.* At a meeting specified by the State Board of Education, the Board shall approve procedures governing hearings and appeals on textbook protests and complaints. The procedures with specific dates shall be:

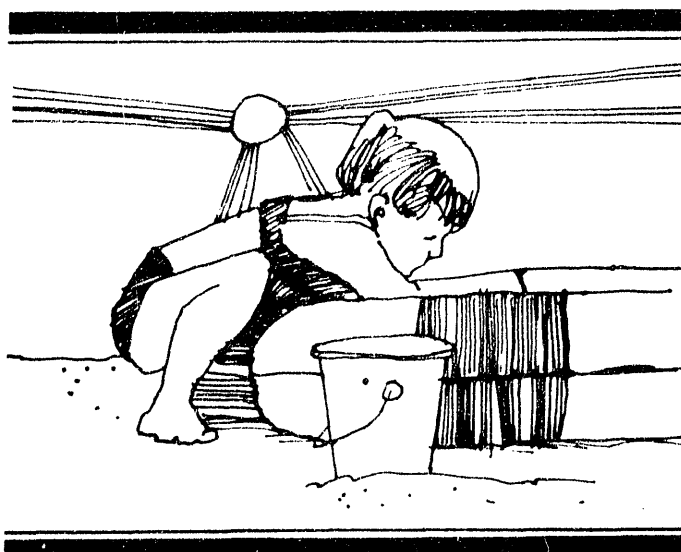
- (1) in accordance with all textbook adoption policies;
- (2) printed for distribution;
- (3) mailed to all public school districts; and
- (4) made available to any citizen upon request.

Issued in Austin, Texas, on February 20, 1976.

Doc No. 761004 M. L. Brockett  
Commissioner of Education  
Texas Education Agency

Effective Date: March 11, 1976

For further information, please call (512) 475-3271.



### Bid Requirements 226.33.37

The State Board of Education adopted, with no changes in the text, proposed amendments to Rule 226.33.37.020, which establishes the procedure in the adoption of textbooks for the public schools of the state. The amendments deleted references to specific months and allowed the Board flexibility in scheduling so that more time might be available for hearing of appeals, accommodation to publication dates, and the other necessary mechanics for the adoption process.

This rule is promulgated under the authority of Sections 12.18 and 12.19 of the Texas Education Code

.020 *Sample Copies.* One official sample copy and five additional copies of each textbook offered for adoption must be filed by the date specified in the proclamation with the Commissioner of Education. All samples must have price information printed, stamped, or pasted inside the front cover. This information shall include:

- (a) price and quantity at which the book is sold elsewhere under state or county adoptions;
- (b) catalogue price of the book and special editions, terms and conditions, to whom trade discounts are allowed, and place of delivery; and
- (c) minimum wholesale price of the book or special edition free on board (f.o.b.) named shipping point of the publisher.

Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761005 M. L. Brockett  
Commissioner of Education  
Texas Education Agency

Effective Date: March 11, 1976

For further information, please call (512) 475-3271.

### Textbooks for Children Enrolled in Kindergarten Classes 226.33.39

The State Board of Education adopted, with no changes in the text, proposed amendments to Rule 226.33.39.020, which establishes the procedure in the adoption of textbooks for the public schools of the state. The amendments deleted references to specific months and allowed the Board flexibility in scheduling so that more time might be available for hearing of appeals, accommodation to publication dates, and the other necessary mechanics for the adoption process.

This rule is promulgated under the authority of Section 12.04, Texas Education Code.

**.020. Acquisitions.** Kindergarten textbooks for the regular state textbook program may be acquired, purchased, or contracted for with or without bids, subject to a special proclamation issued by the State Board of Education at a meeting specified by the Board.

Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761006 M. L. Brockette  
Commissioner of Education  
Texas Education Agency

Effective Date March 11, 1976

For further information, please call (512) 475-3271.



## Foundation School Program

### The School Year 226.41.04

The State Board of Education adopted amendments to Rule 226.41.04.010, which set forth the number of days required for operation of the school instructional program and for the inservice training and preparation program.

Both written and oral responses from the public were received. The State Board of Education held several public discussions and reviews of the proposed amendments.

The amendments as adopted under the authority of Section 16.310, Texas Education Code, are shown below.

#### **.010. Days of Operation Required.**

##### **A. Policy.**

##### **(a) Regular School Program.**

(a-a) Instructional Program. All school districts shall operate on the basis of a quarter system, with the schools being in operation at least three quarters during each school year, providing 180 days of instruction for students.

The last two days of each quarter may be set aside for purposes of giving final examinations in grades where classroom instruction is on a departmentalized basis, provided a formalized examination schedule is established.

The last three days of actual instruction during a quarter may be set aside to allow 12th grade students who are candidates for graduation in that quarter to prepare for graduation exercises.

(a-b) Inservice Training and Preparation Program. In addition to the 180 instructional days, for professional and paraprofessional personnel (excepting clerical aides) a total of 10 days shall be allowed for inservice training and for preparation related to the instructional program of the district.

The school district may, at its discretion, count as a part of the 10 days allowed for inservice training those statewide or regional curriculum or instructional workshops planned by and/or sponsored by regional education service centers or the Texas Education Agency. Not more than five of the 10 days may be used for workdays. Workdays are defined as those on which pupils are not present and teachers are on duty in their assigned work areas for such purposes as preparing for the beginning and ending of the school session, grading examination papers, or recording grades.

School districts shall operate an inservice training and preparation program based upon a written plan. A copy of the plan shall be filed with the Texas Education Agency.

Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761007 M. L. Brockette  
Commissioner of Education  
Texas Education Agency

Effective Date: July 1, 1976

For further information, please call (512) 475-2268.

## Advisory Groups

### Identifying and Appointing Advisory Groups 226.73.01

The State Board of Education adopted amendments to Rule 226.73.01.010, which delineate how official advisory groups, except those designated by a specific statute, are to be appointed by the Commissioner of Education with approval by the State Board of Education.

The proposed amendments add language to the Board's policy section of the rule setting forth the Board's directions to the Commissioner on how it wishes the recommendations of the Commissioner to be presented.

Public discussions and reviews of the proposed amendments to Rule 226.73.01.010 were held by the State Board of Education with minor changes being made.

The amendments as adopted under the authority of Section 11.25(f), Texas Education Code, are shown below.

*.010. Official Advisory Groups and Procedures for Their Appointment.*

A. Policy: Official advisory groups are commissions, councils, or committees whose individual membership or participation is approved by the State Board of Education, the Commissioner of Education (Rule 226.12.02.020), or as designated by specific statutes.

Each official advisory group recommended to the State Board of Education for approval shall, except as otherwise provided by applicable law, within its size, scope, and objectives:

- (1) represent the public with respect to a range of school sizes and regional service center areas and shall not have more than one member from a congressional district unless the composition imposes membership related to a specific office held or other agency representation;
- (2) no appointments to an advisory group shall be recommended by the Commissioner of Education without consultation with the State Board member representing the congressional district from which the candidate is being recommended;
- (3) have a specifically defined purpose and set of objectives, define the length of service, the number of annual meetings, and the expiration date of the advisory group unless it is set otherwise by statutes;
- (4) minutes of each such advisory group shall be filed with the Commissioner of Education.

One month prior to State Board of Education consideration of nominees by appearance on the preliminary agenda and notice of meeting appearing in the *Texas Register*, the Commissioner will circulate to the Board a list of the proposed candidates meeting the criteria set forth in 7301.1, a biographical sketch of each nominee, and the specific use to be made of the information developed by the advisory group.

The Commissioner of Education shall administer the regulation, as approved by the State Board of Education, regarding the appointment and use of advisory groups.

B. Administrative Procedure: The appointments and use of advisory groups, except as otherwise provided by applicable law, are in accordance with the following provisions:

- (1) Each advisory group member shall be a person selected because of individual ability to offer sound and constructive advice. Only in cases where unusual justification exists will members of advisory groups be

appointed *ex officio*. Each advisory group, unless otherwise directed by law, may have one-fifth of its membership composed of members of the State Board of Education.

(2) Membership of all advisory groups, except those established to serve exclusively the responsibility of the State Board of Education (example: Investment Advisory Committee) and Board members who serve on advisory groups shall be recommended by the Commissioner of Education and confirmed by the Board. Membership of advisory groups to serve the Board exclusively and Board members of all committees shall be recommended by the chairman and confirmed by the Board.

(3) The State Board of Education shall authorize each advisory group prior to its establishment and shall determine, with the advice of the Commissioner of Education, its tenure. A continuing advisory group shall have membership appointed for three-year terms, subject to one reappointment, staggered so that the terms of one-third of the advisory group membership shall expire each year. Membership on a temporary advisory group shall be appointed for the duration of their designated task.

(4) Membership of an advisory group shall not exceed 15 members, including State Board of Education members, unless unusual needs as determined by the Board require larger representation.

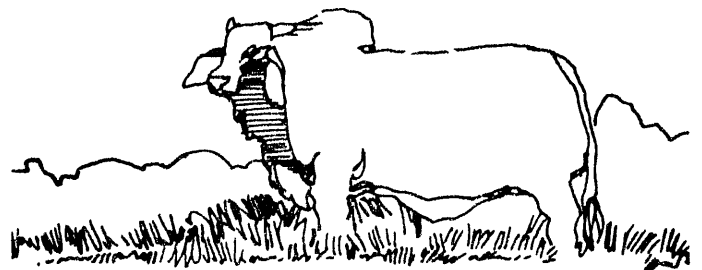
(5) Special temporary committees to assist the Board of Examiners for Teacher Education shall consist of three to five members of that Board, one State Board of Education member, and not more than five additional members.

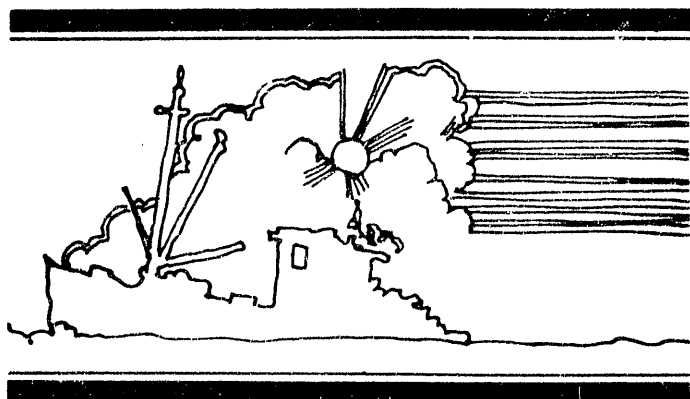
Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761008 M. L. Brockett  
Commissioner of Education  
Texas Education Agency

Effective Date: March 11, 1976

For further information, please call (512) 475-2268.





## Organization of the State Board of Education

### Texas School for the Blind 226.91.04

The State Board of Education adopted Rule 226.91.04.010, setting forth the method for designations from its own membership five (5) members on a committee to serve as the local Board for the Texas School for the Blind. This rule replaces a previously filed emergency rule. The effectiveness of the emergency rule will expire with the effective date of this rule.

Public discussion and review were held by the State Board of Education on the proposed amendments to Rule 226.91.04.010. The proposed and emergency rule was revised and adopted as shown below.

This rule is promulgated under the authority of Section 11.061, Texas Education Code.

*.010. Designation of a Board.* To fulfill the requirements of Section 11.061, Texas Education Code, the State Board of Education shall designate from its membership a five-member committee to serve as the Board of the Texas School for the Blind. The committee shall function in accordance with law. Only those actions of the Committee which are recommended to, and approved by, the State Board of Education shall be considered official.

Each year the Chairman of the State Board of Education appoints the committee, subject to Board confirmation, to serve as the Board of the Texas School for the Blind.

Issued in Austin, Texas, on February 20, 1976.

Doc. No. 761009 M. L. Brockette  
Commissioner of Education  
Texas Education Agency

Effective Date: March 11, 1976

For further information, please call (512) 475-2268.

## Railroad Commission of Texas

### Surface Mining and Reclamation Division

#### Rules of Practice and Procedure 051.07.01

Copies of the adopted rules may be obtained on request from J. Randel Hill, Texas Surface Mining and Reclamation Division, 808 Brown Building, P.O. Drawer 12967, Austin, Texas 78711, (512) 475-6520.

This rule is adopted under the authority of Article 5920-10, Vernon's Annotated Civil Statutes.

*.001. Adoption by Reference.* The Railroad Commission of Texas adopts by reference the Rules of Practice and Procedure of the Railroad Commission of Texas for use before its Surface Mining and Reclamation Division.

Issued in Austin, Texas, on February 23, 1976.

Doc. No. 761025 Roy D. Payne  
Director, Surface Mining and  
Reclamation Division  
Railroad Commission of Texas

Effective Date: March 24, 1976.

For further information, please call (512) 475-6520.

### Special Exceptions to the Rules of Practice and Procedure 051.07.02

Copies of these rules may be obtained on request from J. Randel Hill, Legal Counsel, Texas Surface Mining and Reclamation Division, 808 Brown Building, P.O. Drawer 12967, Austin, Texas 78711, (512) 475-6520.

These rules are adopted under the authority of Article 5920-10, Vernon's Annotated Civil Statutes.

*.011. Scope of Rules.* In case of a conflict between any of the rules contained in Chapter I including but not exclusively rules 051.01.01.012, 051.01.01.022, 051.01.01.024, 051.01.01.035, 051.01.01.037, 051.01.01.041, 051.01.01.043, 051.01.01.044, 051.01.01.061, 051.01.01.064, 051.01.01.082, 051.01.01.092, 051.01.01.101 and 051.01.01.102, and Chapter II of these Rules, the rules of this Chapter II shall control.

*.012. Definitions.* 17. "Party to the administrative proceedings" means any person who has participated in a public hearing or filed a valid petition or timely objection pursuant to any provision of this Act.

18. "Person affected" means any person who is a resident of a county or any county adjacent or contiguous to the county in which a mining operation is or is proposed to be located, including any person who is doing business or owns lands in the county or adjacent or contiguous county and any local government. Such person affected shall also demonstrate that he has suffered or will suffer actual injury or economic damage.

*.024. Who May Appear.*

(a) Any person or agency interested in a petition to declare lands unsuitable for surface mining may appear formally before the Commission. Any person affected may appear in a proceeding concerning a permit application. At the discretion of the Hearings Examiner, anyone not a person affected may appear.

(b) In all regularly docketed cases, a person affected in a permit application proceeding and any other person or agency interested in a proceeding to declare lands as unsuitable for surface mining activities, may be permitted to appear in support of or in opposition to all or part of the remedy sought in any proceeding by filing at least five (5) days in advance of the hearing date, and he may present any relevant and proper testimony and evidence bearing upon the issues involved in the particular proceeding.

*.030. Public Notice.* At the time of submission of an application for a surface mining permit, renewal, or transfer of an existing permit, or for release of all or part of a performance bond or deposit, the applicant shall publish notice of the ownership, location, and boundaries of the permit area sufficient so that the proposed operation or area covered by the bond to be reduced or released is readily locatable by local residents, and the location where the application is available for public inspection, which shall be with the county clerk(s) at the county courthouse(s) of the county(ies) where the surface mining operation(s) subject to the application are located. Such notice shall be placed in the local newspaper of greatest general circulation in the locality of the land affected at least once a week for four (4) consecutive weeks. In addition, the Commission shall contact various local governmental bodies, planning agencies, sewage and water treatment authorities or water companies having jurisdiction over or in the locality in which the proposed surface mining will take place and the owners of record of all surface areas, within five hundred (500) feet of any part of the permit area, including any persons residing on the property of the permit area, notifying them of the applicant's intention to surface mine a particularly described tract of land and indicating the applicant's permit number, if any, and where a copy of the proposed mining and reclamation plan may be inspected.

*.031. Complete Application.* Prior to the applicant, who has applied for a surface mining permit or for revi-

sion, renewal or transfer of an existing permit, or for release of all or part of a performance bond or deposit, publishing notice of the application pursuant to rule .051.07.02.030, Section 2, Chapter II of these Rules, the Director shall declare the application administratively complete. An application is administratively complete when the Director in writing declares that he has determined, following an examination of the application, that all information needed and requested by the Commission to fully evaluate the application is, on its face, completely and accurately presented to the Commission in the application. The determination by the Director that it is administratively complete shall be made within five (5) days following receipt by the Director of the application.

*.032. Comments and Objections.* Any person affected or any federal, state, or local governmental agency or authority shall have the right to file written objections to the application for a surface mining permit or for the renewal, revision, or transfer of such a permit, or for release of all or part of the performance bond or deposit with the Commission within thirty (30) days after the last publication of the above notice. Such comments shall be made a part of the record and one (1) copy shall be furnished to the operator.

*.033. Public Hearing.* Within forty-five (45) days after the last publication of the above notice the Commission shall determine considering any objections which have been filed, if the application is of significance sufficient to warrant a public hearing. Notice of the date, time, nature of the hearing, location of such public hearing, a statement of the legal authority and jurisdiction under which the hearing is to be held, a reference to the particular sections of the statutes and rules involved and a short and plain statement of the matters asserted, shall be published by the Commission in the newspaper of greatest general circulation in the locality at least once a week for three (3) consecutive weeks prior to the scheduled hearing date, which date shall be set within thirty (30) days after determination that a public hearing is warranted. The same notice shall also be mailed to the applicant or petitioner, and to all persons who have expressed by written notification to the Commission an interest in the pending permit application, revision, renewal, transfer, petition for designation of lands unsuitable for surface mining, or application for release or reduction of a performance bond and any other person who, in the opinion of the Commission, should be notified.

*.034. Transcript.* A verbatim transcript and complete record of the proceedings of each public hearing shall be retained by the Commission. On request, the Commission shall transcribe all or part of any such proceedings and shall furnish a verbatim transcript within a reasonable time to the requesting party, provided that



the Commission may charge a fee based on the estimated cost of the service of transcribing and printing the requested material.

**.035. Continuance.** The Hearings Examiner conducting the hearing may continue the hearing without the necessity of publishing, serving, mailing or otherwise issuing a new notice by simply making an announcement at the hearing prior to recessing or reconvening, of the date, time and place for the hearing to reconvene. If a hearing is continued and a time and place for the hearing is not publicly announced at the hearing by the Hearings Examiner before it is recessed, a notice of any further setting of the hearing shall be mailed to those parties in attendance at the hearing and to all other parties whom the Commission has reason to believe should be notified at least ten (10) days prior to the date of the hearing.

**.036. Revised Notice.** In case the Commission determines that a material error is made in the notice of an application for a permit or notice of a public hearing, or that a material change is made in an application after notice has been issued, the Commission shall cause revised notice to be issued. If the material change or error does not come to the attention of the Commission in sufficient time to make the correction in each of the newspaper publications, the Commission shall reschedule the hearing and/or appropriately readjust the time limitation schedules provided in this section. If the change or error requiring the revised notice is that of an applicant for a permit or an amendment, the expense thereof shall be borne by that person; and, if the change or error is made by the agency, the agency will bear the expense.

**.050. Decision After Public Hearing.** If a public hearing has been held pursuant to rule 051.07.02.033, Section 2, Chapter II of these Rules, the Commission shall within thirty (30) days of the hearing issue and furnish to all of the parties to the administrative proceedings its written findings based on the record, granting or denying the application in whole or in part and stating the reasons therefor.

**.051. Decision Without Public Hearing.** If there has been no public hearing held pursuant to rule 051.07.02.033, Section 2, Chapter II of these Rules, except in the instance of an application to revise a permit, the Commission shall notify the applicant and any objectors within forty five (45) days after the last publication of the notice required in rule 051.07.02.030, Section 2, Chapter II of these Rules whether the application has been approved or disapproved. If the application is disapproved, specific reasons therefor shall be set forth in the notification. Within thirty (30) days after the applicant is notified that the application or any portion has been denied, the applicant may request a hearing on the reasons for the disapproval. The Commission shall hold a hearing within thirty (30) days of the request and provide at least fifteen (15) days notification of the hearing to the applicant and any objectors. Within thirty (30) days after the hearing, the Commission shall issue and furnish the applicant, and all persons who participated in the hearing, with the written decision of the Commission based on the record granting or denying the application in whole or in part and stating the reasons.

**.100. Confidentiality.** Any information required to be included in the application or any other paper which is filed with the Commission which is confidential information as provided for in Section 24 of the Act shall be so identified at the time of filing. The Commission shall thereafter retain such information in confidence unless it is determined by the Commission that the information is essential to inform the public of the nature of applicant's proposed mining and reclamation plans. Upon such determination by the Commission, applicant shall be notified, together with the reasons; and the Commission shall not release such information for a period of thirty (30) days after such notification to applicant. During this thirty- (30) day period, the applicant shall have the right to present evidence and arguments to the Commission or a member of the staff delegated the authority by the Commission to hear the evidence in support of applicant's request for confidential treatment. Within seven (7) days following such presentation the Commission shall, in a written statement to applicant, either confirm or reverse its opinion. If the Commission confirms its decision, it shall not release such information for an additional period of ten (10) days following the submission of such statement to applicant during which period applicant shall have the right to withdraw this application whereupon all such information shall be returned to the applicant.

**.101. Time Extensions.** The Commission may approve an extension of any time limitations established for an applicant or permit holder under these Rules upon petition by the applicant or permit holder well in advance of the time limitation requested and a showing of good cause. Such extension may be granted when in



the opinion of the Commission, the applicant or permit holder is unable to meet the time limitation through no fault or dereliction on his part.

Issued in Austin, Texas, on February 23, 1976.

Doc. No. 761024 Roy D. Payne  
Director, Surface Mining and  
Reclamation Division  
Railroad Commission of Texas

Effective Date: March 24, 1976

For further information, please call (512) 475-6520.

### Substantive Rules of the Surface Mining and Reclamation Division 051.07.03

Copies of these rules may be obtained on request from J. Randel Hill, Legal Counsel, Texas Surface Mining and Reclamation Division, 808 Brown Building, P. O. Drawer 12967, Austin, Texas 78711, (512) 475-6520.

These rules are proposed under the authority of Article 5920-10, Vernon's Annotated Civil Statutes.

Because of the length of these rules, the text will not be published in the *Register*. The rules may be examined at the office of the *Texas Register*, Suite 550, Texas Commodore Building, 8th and Brazos Streets, Austin, Texas, during normal working hours.

Listed below are the numbers and titles of the rules in this sub-category:

- .001. Purpose and Authority
- .002. Applicability
- .050. Statutory Definitions
- .051. Regulatory Definitions
- .100. Term
- .101. Permit Application
- .102. Elements of Permit Application
- .103. Application Approval
- .104. Bonding, Insurance, Payment of Fees
- .105. Permit Issuance
- .106. Renewal
- .107. Transfer
- .108. Permit Approval
- .109. Permit Denial
- .150. Basis of Revocation and Suspension
- .151. Termination or Suspension With Consent

- .152. Revocation or Suspension Without Consent
- .153. Revision on Motion or With Consent
- .154. Extension of Time to Comply With Revocation, Suspension or New Conditions
- .155. Corrections
- .200. Notice
- .201. Content of Notice
- .202. Extraction of Minerals
- .203. Removal of Minerals
- .204. Lands Unsuitable for Surface Mining
- .250. Plan
- .251. Standards
- .252. Alternative Methods
- .253. Amendments
- .300. Procedure for Petition
- .301. Determination of Petition Validity
- .302. Hearing on Petition
- .303. Petitions Not Received
- .304. Elements of Unsuitability
- .305. Notice of Existing Unsuitable Designation
- .306. Notice of Petition Determination
- .350. Closing
- .351. Release
- .400. Annual Report
- .401. Contents of Annual Report
- .402. Maintenance of Records
- .403. Release from Reporting Requirement
- .500. Amount of Bond
- .501. Personal Bond
- .502. Duration of Liability
- .503. Form of Bond or Collateral
- .504. Changes in Coverage
- .505. Release or Reduction of Bonds

Issued in Austin, Texas, on February 24, 1976.

Doc. No. 761023 Roy D. Payne  
Director, Surface Mining  
and Reclamation Division  
Railroad Commission of Texas

Effective Date: March 24, 1976

For further information, please call (512) 475-6520.

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 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.

## Coordinating Board, Texas College and University System

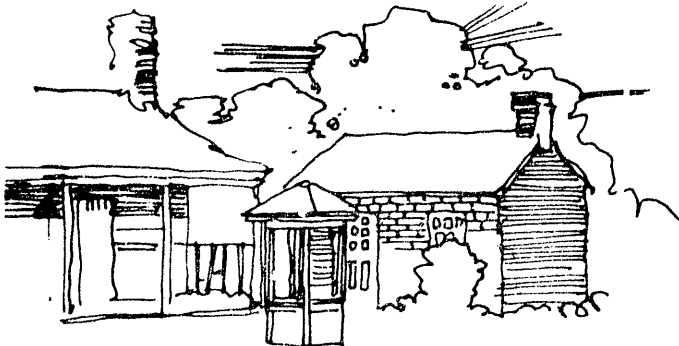
### Emergency Meeting

An emergency meeting of the Committee on Revision of Policy Paper I of the Coordinating Board, Texas College and University System, was held on Wednesday, February 25, 1976, 9:15 a.m., in Room 1-222, Joe C. Thompson Conference Center, 26th and Red River Streets, Austin, to review charge given by Chairman of the Coordinating Board and to outline the next steps for revision of policy on academic freedom, tenure, and responsibility.

Additional information may be obtained from Ed Fitzpatrick, P.O. Box 12788, Capitol Station, Austin, Texas 78711, telephone (512) 475-2560.

Filed: February 24, 1976, 4:33 p.m.

Doc. No. 761061



## Employees Retirement System of Texas

### Meeting

A meeting of the Board of Trustees of the Employees Retirement System will be held on Wednesday, March 3, 1976, 9 a.m., at 1800 San Jacinto, Austin, to consider the progress report on Group Insurance Advisory Committee deliberations; the report on building expansion; and other business that may come before the Board.

Additional information may be obtained from Everett L. Anschutz, Box 12337, Capitol Station, Austin, Texas 78711, telephone (512) 476-6431.

Filed: February 24, 1976, 4:36 p.m.

Doc. No. 761062

## Office of the Governor

### Emergency Meeting

A meeting of the representatives of the Governor's Energy Advisory Council was held on Friday, February 27, 1976, 10 a.m., in the fourth floor conference room, 411 West 13th Street, Austin, to consider a policy position paper.

Additional information may be obtained from Jean C. McElreath, 411 West 13th Street, Austin, Texas 78701, telephone (512) 475-5491.

Filed: February 27, 1976, 10:17 a.m.

Doc. No. 761075

### Emergency Addition to Agenda

Notice is given that emergency additions were made to the agenda of a meeting of the Traffic Safety Division of the Governor's Office held on Friday, February 28, 1976, 9 a.m., at Room 803-B, 411 West 13th Street, Austin. The items, added to the agenda in the interest of the general public's safety and welfare, were Project Applications (76)3101-01A and (76)3101-02A, submitted by the Texas Education Agency for traffic safety education; and Contract Change 01 to Project (76)3201-01A of the Department of Public Safety for vehicle inspection. Copies of the applications and contract change are available for inspection in the Governor's Office of Traffic Safety, 411 West 13th Street, Austin, during normal working hours.

Additional information may be obtained from Byron Hinderer, 411 West 13th Street, Austin, Texas 78701, telephone (512) 475-6581.

Filed: February 26, 1976, 9:49 a.m.

Doc. No. 761089

## Texas Health Facilities Commission

### Emergency Addition to Agenda

Ten applicants for Declaratory Rulings and Exemption Certificates were added to the agenda of the meeting of the Texas Health Facilities Commission held on Thursday, February 26, 1976, 10 a.m., at Suite 450, One Highland Center, 314 Highland Mall Boulevard, Austin. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Michael R. Sharp, Suite 450, One Highland Center, 314 Highland Mall Boulevard, Austin, Texas 78752, telephone (512) 475-6940.

Filed: February 25, 1976, 12:09 p.m.

Doc. No. 761080

## Texas Department of Health Resources

### Meeting

A meeting of the Advisory Certification Committee of the Texas Department of Health Resources will be held on Wednesday, March 3, 1976, 9 a.m., in Room 510, Conference Tower, Texas A&M University, College Station, to discuss a quorum check; the minutes of the last meeting; reports of officers or standing committees; unfinished business: Certification Program Report; new business: consideration of David L. Bowman's Grade A water operator's application, renewal of a Grade B wastewater certificate held by Willis Leo Wood, revocation of certificates, and determination of definite guidelines for reciprocity between Texas and other states; and announcements.

Additional information may be obtained from David M. Cochran, 1100 West 49th, Austin, Texas 78756, telephone (512) 454-3781, extension 288.

Filed: February 24, 1976, 1:21 p.m.

Doc. No. 761048

### Meeting

A meeting of the Texas Health Facilities Commission will be held on Thursday, March 4, 1976, 10 a.m., in Suite 450, One Highland Center, 314 Highland Mall Boulevard, Austin, to consider applications for Certificates of Need, Declaratory Rulings, Exemption Certifi-

cates, and Administrative Orders. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Michael R. Sharp, Suite 450, One Highland Center, 315 Highland Mall Boulevard, Austin, Texas 78752, telephone (512) 475-6940.

Filed: February 25, 1976, 12:09 p.m.

Doc. No. 761081

### Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Tuesday, March 9, 1976, 10 a.m., in the City Council Chambers of City Hall, Corsicana, to consider the application of the City of Corsicana to locate a solid waste disposal site near Corsicana.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:22 p.m.

Doc. No. 761057

### Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Tuesday, March 9, 1976, 10:30 a.m., in the City Council Chambers of City Hall, Corsicana, to consider the application of Glenn Redden, Corsicana, to locate a solid waste disposal site near Corsicana.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:22 p.m.

Doc. No. 761059

### Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Tuesday, March 9, 1976, 1:30 p.m., in the City Council Chambers of City Hall, Corsicana, to consider the application of the City of Ennis to locate a solid waste disposal site one mile north of the city hall on Old U.S. Highway 75 in Ennis.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:26 p.m.

Doc. No. 761049

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Tuesday, March 9, 1976, 2 p.m., in the City Council Chambers of City Hall, Corsicana, to consider the application of the City of Frost to locate a solid waste disposal site three miles south of Frost, northwest of the intersection of FM Highway 667 and the Old Frost-Dawson Road.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:22 p.m.

Doc. No. 761058

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Wednesday, March 10, 1976, 10 a.m., in Dallas Public Library, 1954 Commerce Street, Dallas, to consider the application of Dal-Worth Industries, Inc., Arlington, to locate a solid waste disposal site at 6110 Chippewa Street, Dallas.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:23 p.m.

Doc. No. 761056

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Wednesday, March 10, 1976, 10:30 a.m., in City Hall, Bellmead, to consider the application of City of Bellmead to locate a solid waste disposal site near Bellmead.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:24 p.m.

Doc. No. 761055

## Hearing

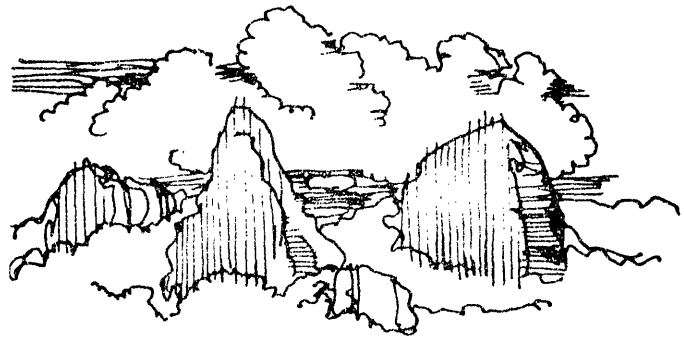
A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Wednesday, March 10, 1976, 10:30 a.m., in the Dallas Public Library, 1954 Commerce Street, Dallas, to consider the application of the City of Frisco to locate a

solid waste disposal site 3400 feet south of Main Street on the extension of Fifth Street at Frisco.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:24 p.m.

Doc. No. 761054



## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Wednesday, March 17, 1976, 1 p.m., in the Civic Center, 600 North 6th Street, Carrizo Springs, to consider the applications of Crystal City to locate solid waste disposal sites 1/4 mile north of FM Highway 582, and immediately east of the Crystal City Airfield in Crystal City.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:24 p.m.

Doc. No. 761053

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Wednesday, March 17, 1976, 2 p.m., in the Civic Center, 600 North 6th Street, Carrizo Springs, to consider the applications of Zavala County to locate solid waste disposal sites in Batesville and in La Pryor.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:25 p.m.

Doc. No. 761052

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Thursday, March 18, 1976, 9 a.m., in the Civic Center, 600 North 6th Street, Carrizo Springs, to consider the application of the City of Carrizo Springs to locate a solid waste disposal site near Carrizo Springs.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:25 p.m.

Doc. No. 761051

## Hearing

A hearing of the Environmental Engineering Division of the Texas Department of Health Resources will be held on Thursday, March 18, 1976, 10 a.m., in the Civic Center, 600 North 6th Street, Carrizo Springs, to consider the application of the City of Eagle Pass to locate a solid waste disposal site near Eagle Pass.

Additional information may be obtained from Jack C. Carmichael, 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 258.

Filed: February 24, 1976, 1:26 p.m.

Doc. No. 761050

## State Department of Highways and Public Transportation

### Meeting

A meeting of the State Highway and Public Transportation Commission of the State Department of Highways and Public Transportation will be held on Friday, March 5, 1976, 9 a.m., in Room 101-A, State Highway Building, 11th and Brazos, Austin, for the purpose of handling the contract awards of the February 25, 1976, letting, and routine minutes. The complete agenda is available in the 2nd floor office of Minute Clerk in the State Highway Building.

Additional information may be obtained from the Office of the Engineer-Director, Room 200, State Highway Building, 11th and Brazos Streets, Austin, Texas 78701, telephone (512) 475-3525.

Filed: February 25, 1976, 11:03 a.m.

Doc. No. 761076

## Texas Historical Commission

### Meeting

A meeting of the Texas Historical Commission will be held on Tuesday, March 2, 1976, 10:30 a.m., in the Jim Hogg Suite of the Driskill Hotel, 117 East 7th Street, Austin, to discuss approval of minutes No. 97; approval and designation of Official Texas Historical Markers; financial report; the National Historical Preservation Act; the Chairman's report; the Executive Director's report; the Director of Programs' report; the State Archeologist's report; the Director of Research's report; the Director of Museum Services' report; report on publications; and the Director of National Register Programs' report. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Truett Latimer, Box 12276, Capitol Station, Austin, Texas 78711, telephone (512) 475-3092.

Filed: February 24, 1976, 3:09 p.m.

Doc. No. 761060

## University of Houston

### Meeting

A meeting of the Board of Regents of the University of Houston will be held on Thursday, March 4, 1976, 2 p.m., in 220 E. Cullen Building, 4800 Calhoun Boulevard, Houston, to consider approval of minutes of February 2; approval of personnel recommendations; approval of Faculty Load Reports, and Small Class Reports, Spring Semester, 1976; approval of new degree programs; approval of program deletions of the University of Houston at Clear Lake City; approval of proposed change in rates for residence halls room and board; report of valedictorian scholarships, Spring Semester, 1976; approval of commissioning of peace officer at University of Houston, Clear Lake City; report of investment changes for January, 1976; report of the building committee; report of grants for research, traineeships, fellowships, equipment, and building purposes, January, 1976; report of gift income for January, 1976; other business; and the President's report. A copy of the complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Phillip G. Hoffman, President, University of Houston, Houston, Texas 77004, telephone (713) 748-6050.

Filed: February 24, 1976, 5:04 p.m.

Doc. No. 761069

## State Board of Insurance Hearing

A hearing before the Commissioner's Hearing Section of the State Board of Insurance will be held on Tuesday, March 9, 1976, 2 p.m., in Room 343, 1110 San Jacinto Street, Austin, to consider the application of W. W. Romine and L. D. Romine, Jr., for approval of acquisition of Texas Southern Reliable Insurance Company, Austin, under Section 5, Article 21.49-a.

Additional information may be obtained from J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78786, telephone (512) 475-4230.

Filed February 24, 1976, 5:01 p.m.  
Doc No 761068



## Hearing

A hearing before the Commissioner's Hearing Section of the State Board of Insurance will be held on Tuesday, March 16, 1976, 10 a.m., in Room 343, 1110 San Jacinto Street, Austin, to consider the application of Fort Sam Houston Bankshares, Inc., for approval of acquisition of the Greenwood Life Insurance Company, San Antonio, under Section 5, Article 21.49-a.

Additional information may be obtained from J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78786, telephone (512) 475-4230.

Filed February 24, 1976, 5:02 p.m.  
Doc. No. 761065

## Hearing

A hearing before the Commissioner's Hearing Section of the State Board of Insurance will be held on Friday, March 26, 1976, 2 p.m., in Room 343, 1110 San Jacinto Street, Austin, to consider the revocation of Group and

Group II Life Insurance Agent's Licenses and Local Recording Agent's License held by Joe V. Fowler, Pasadena.

Additional information may be obtained from J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78786, telephone (512) 475-4230.

Filed February 24, 1976, 5:02 p.m.  
Doc. No. 761064

## Commission on Law Enforcement Officer Standards and Education

### Meeting

A meeting of the Commission on Law Enforcement Officer Standards and Education will be held on Friday, March 19, 1976, 10 a.m., at the Plaza Hotel, El Paso, to conduct the regular quarterly business meeting.

Additional information may be obtained from Fred Tolar, 503-E Sam Houston Building, Austin, Texas 78701, telephone (512) 475-5637.

Filed February 26, 1976, 10:54 a.m.  
Doc. No. 761091

## Board of Nurse Examiners Meeting

A meeting of the Board of Nurse Examiners will be held on Tuesday and Wednesday, March 9 and 10, 1976, 8:15 a.m., in the conference room, first floor, Chevy Chase II, 7600 Chevy Chase Drive, Austin, to consider minutes of the January 21 and 22, 1976, meeting; treasurer's report; education report; report of executive secretary; report of the February examination; old business; new business; miscellaneous; and disciplinary hearings. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Margaret L. Rowland, Board of Nurse Examiners, 7600 Chevy Chase Drive, Austin, Texas 78752, telephone (512) 451-0201.

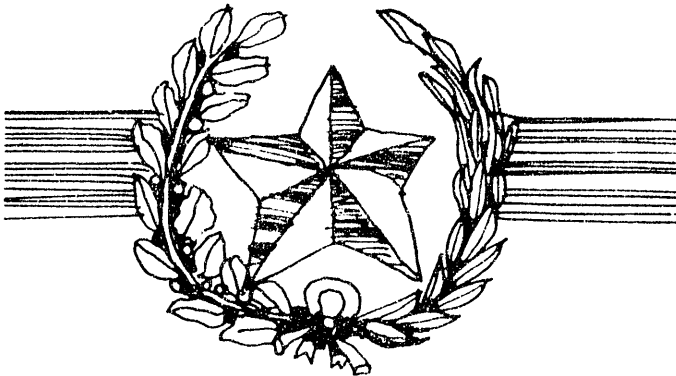
Filed February 24, 1976, 5:03 p.m.  
Doc. No. 761066

## Texas Organized Crime Prevention Council Meeting

A meeting of the Operating Committee of the Texas Organized Crime Prevention Council will be held on Thursday, March 11, 1976, 1 p.m., at Classroom A, Texas Department of Public Safety, 5805 North Lamar, Austin, to consider a review of Council and staff activities; a statewide study of organized crime; and additional business. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from John Isbell, Suite 400, 7600 Chevy Chase Drive, Austin, Texas 78752, telephone (512) 475-6536.

Filed: February 26, 1976, 10:58 a.m.  
Doc. No. 761093



## Board of Pardons and Paroles

### Meeting

A meeting of the Board of Pardons and Paroles will be held on Monday, Tuesday, and Friday, March 8, 9, and 12, 1976, 9 a.m. each day, at 711 Stephen F. Austin Building, Austin, to review cases of inmates for parole consideration, to act on Emergency Reprieve requests and other acts of executive clemency, and review reports regarding persons on parole.

Additional information may be obtained from Richard Fortenberry, Room 711, Stephen F. Austin Building, Austin, Texas 78711, telephone (512) 475-3363.

Filed: February 26, 1976, 9:32 a.m.  
Doc. No. 761087

### Hearing

A hearing by the Board of Pardons and Paroles will be held on Wednesday and Thursday, March 10 and 11, 1976, 9 a.m., at Diagnostic Unit, Texas Department of Corrections, Huntsville, to consider parole violations.

Additional information may be obtained from Richard Fortenberry, Room 711, Stephen F. Austin Building, Austin, Texas 78711, telephone (512) 475-3363.

Filed: February 26, 1976, 9:32 a.m.  
Doc. No. 761086

## Texas Parks and Wildlife Department

### Meeting

A meeting of the Environmental Branch of the Fisheries Division of the Texas Parks and Wildlife Department will be held on Tuesday, March 23, 1976, 2 p.m., in Room 100, John H. Reagan Building, 15th and Congress, Austin, to consider the application of Rogers Construction Company to remove sand and gravel from the Llano River, Llano County, and the application of Chambers County for maintenance dredging of a public channel in Trinity Bay, Chambers County.

Additional information may be obtained from C. E. Sharp, Texas Parks and Wildlife Department, John H. Reagan Building, 15th and Congress, Austin, Texas 78711, telephone (512) 475-4471.

Filed: February 24, 1976, 5 p.m.  
Doc. No. 761067

## Stephen F. Austin State University

### Meeting

A meeting of the Board of Regents of Stephen F. Austin State University will be held on Wednesday, March 3, 1976, 10 a.m., at the Travis Room, Stephen F. Austin Hotel, Austin, to receive the report of the Presidential Search Committee.

Additional information may be obtained from Dr. R. W. Steen, Box 6078, SFA Station, Nacogdoches, Texas 75961, telephone (713) 569-2201.

Filed: February 26, 1976, 10:51 a.m.  
Doc. No. 761092

## Texas Water Rights Commission

### Hearing

A hearing by the Texas Water Rights Commission will be held on Tuesday, April 13, 1976, 10 a.m., at the Stephen F. Austin Building, 1700 North Congress, Austin, to consider Application 3450 by George H. Mahon, 2314 Rayburn House Office Building, Washington, D.C. 20515, for a permit pursuant to Section 5.141 of the Texas Water Code and Chapter 2 of the Rules of the Texas Water Rights Commission, 1976 Revision, to maintain an existing 15-acre-foot capacity on-channel reservoir and dam on North Fork Champion Creek, tributary Champion Creek, tributary Colorado River, Colorado River Basin, and to use 30 acre-feet of the impounded water per annum for the irrigation of 75 acres of applicant's land in the Dave Robertson Survey, Abstract No. 1604, seven miles northeast of Colorado City in Mitchell County, Texas. Those wishing to oppose the granting of said application may do so by filing written protests with the Commission, and forwarding a copy to the applicant at least five days prior to hearing date, giving their reasons and such other information as is required by Commission Rules.

Additional information may be obtained from Mary Ann Hefner, P.O. Box 13207, Austin, Texas 78711, telephone (512) 475-4514.

Filed: February 24, 1976, 9:36 a.m.

Doc. No. 761047

### Hearing

A hearing of the Texas Water Rights Commission will be held on Wednesday, June 2, 1976, 10 a.m., at the Stephen F. Austin Building, 1700 North Congress, Austin, to continue a hearing on the application to amend Permit 1970 of the City of Houston. The original hearing was held on November 7, 1973.

Additional information may be obtained from Mary Ann Hefner, P.O. Box 13207, Austin, Texas 78711, telephone (512) 475-4514.

Filed: February 26, 1976, 9:25 a.m.

Doc. No. 761088

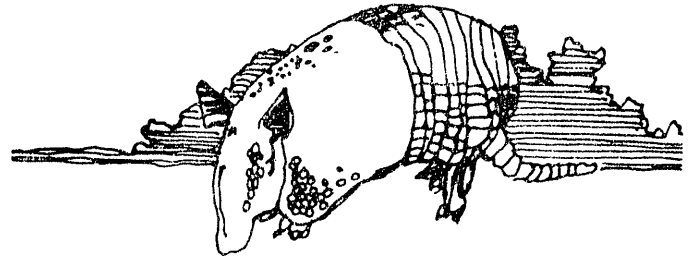
## Quasi-State Agencies

### Meetings Filed February 23, 1976

*The Lower Rio Grande Valley Development Council*, Board of Directors, met at the Harlingen Chamber of Commerce Board of Directors Room, 311 East Tyler,

Harlingen, on February 26, 1976, at 2 p.m. Further information may be obtained from R. H. "Russ" Fowler, Suite 207, First National Bank Building, McAllen, Texas 78501, telephone (512) 682-3481.

Doc. No. 761022



### Meetings Filed February 24, 1976

*The Deep East Texas Council of Governments*, Executive Committee, met in the Crockett Public Library, Crockett, on February 26, 1976, at 3 p.m. For further information, contact Billy D. Langford, P.O. Drawer 1170, Jasper, Texas 75951, telephone (713) 384-5704.

*The Panhandle Regional Planning Commission*, Board of Directors, met in the Chamber of Commerce Conference Room, Amarillo Building, Amarillo, on February 26, 1976, at 1:30 p.m. For further information, contact George Loudder, P.O. Box 9257, Amarillo, Texas 79105, telephone (806) 376-4238.

*The Permian Basin Regional Planning Commission*, Government Application Review Committee, met at the Air Terminal Office Building, Midland, on February 26, 1976, at 2 p.m. For further information, contact Susan Turner, Box 6391, Midland, Texas 79701, telephone (915) 563-1061.

*The Central Texas Council of Governments*, Executive Committee, met at 302 East Central, Belton, on February 26, 1976, 10:30 a.m. For further information, contact Charles A. Cass, P.O. Box 729, Belton, Texas 76513, telephone (817) 939-1801.

*The North Central Texas Council of Governments*, Emergency Medical Services Public Meeting, was rescheduled to be held at the Holiday Inn Downtown, 1015 Elm Street, Dallas, on March 10, 1976, at 7 p.m. For further information, contact Lillie Branch, P.O. Drawer COG, Arlington, Texas 76011, telephone (817) 461-3300.

Doc. No. 761070



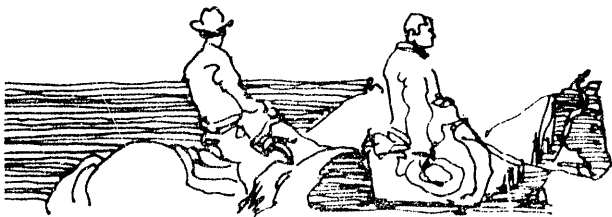
### Meetings Filed February 25, 1976

*The Coastal Bend Council of Governments* met in the Nueces County Courthouse Central Jury Room on February 27, 1976, at 1:30 p.m. For further information, contact Robert Weaver, P.O. Box 6609, Corpus Christi, Texas 78411, telephone (512) 854-3081.

*The Deep East Texas Council of Governments*, Inter-Agency Council, met at 210 Lufkin Avenue, Room 102, on March 1, 1976, at 2 p.m. For further information contact Mary Bodley, 210 Lufkin Avenue, Lufkin, Texas 75901, telephone (713) 632-4016.

*The Ark-Tex Council of Governments*, Texarkana Areawide Planning Advisory Committee, met in the State First National Bank Community Room on February 24, 1976, at 7 p.m. For further information, contact Donald G. Adams, P.O. Box 5307, Texarkana, Texas 75501, telephone (214) 794-3481.

Doc. No. 761090



### Meetings Filed February 26, 1976

*The Middle Rio Grande Development Council*, Project Review Committee, will meet at the City Council Chambers, City Hall, Uvalde, on March 11, 1976, at 3 p.m. Further information may be obtained from Elia Santos, P.O. Box 1461, Del Rio, Texas, telephone (512) 775-1581.

*The Permian Basin Regional Planning Commission*, Manpower Advisory Committee, will meet at the Midland Regional Air Terminal on March 2, 1976, at 2:30 p.m. Further information may be obtained from Ernie Crawford, P.O. Box 6391, Midland, Texas 79701, telephone (915) 563-1061.

*The Deep East Texas Regional MHMR Services*, Board of Trustees, will meet at the home of T. V. Martin, Farm Road 3185, Lufkin, on March 6, 1976, at 9 a.m. Further information may be obtained from Wayne Lawrence, 303 Angelina Building, Lufkin, Texas 75901, telephone (713) 634-2241.

*The Region V Education Service Center*, Board of Directors, will meet at the Center's Office Building, 2900 North Street, Beaumont, on March 2, 1976, at 3 p.m. Further information may be obtained from D. E. Bailey, P.O. Box 3546, Beaumont, Texas 77704, telephone (713) 892-9562.

*The Colorado River Municipal Water District*, Board of Directors, will meet at the District's headquarters office building, 400 East 24th Street, Big Spring, on March 4, 1976, at 10 a.m. Further information may be obtained from O. H. Ivie, P.O. Box 869, Big Spring, Texas 79720, telephone (915) 267-6341.

Doc. No. 762001

## Texas Savings and Loan Department

### Notices of Applications for Branch Offices

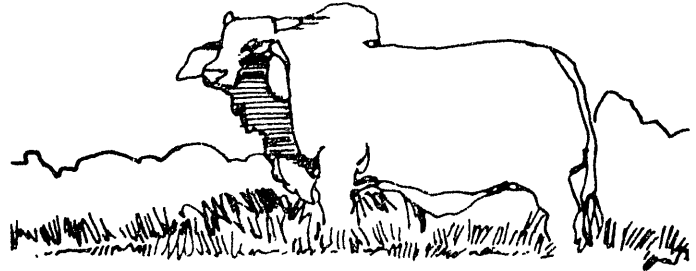
Notice is given that a hearing on the following applications is set for 9:30 a.m., on Monday, March 15, 1976, in the offices of the Texas Savings and Loan Department, 1004 Lavaca, Austin, pursuant to authority and jurisdiction granted by Article 852a, Texas Revised Civil Statutes Annotated. The particular sections of the statute involved are 2.13 and 11.11. The particular rules involved are 056.01.00.003 through .006, 056.01.00.011 through 013, and 056.02.00.003 and .004.

The applicant associations assert that operation of the proposed branch offices will not unduly harm any other associations operating in the vicinity; that there is public need for the proposed branch offices; that the volume of business in the communities in which the proposed branch offices will operate is such as to yield a profit to the associations in a reasonable time; and certain other assertions per Rules 056.02.00.003 and .004.

Anyone desiring to protest any of these applications may do so by writing the Commissioner at P.O. Box 1089, Austin, Texas 78767, and so indicating, or by appearing at 9:30 a.m. on March 15, 1976, in the Department's offices, and voicing such protest when the application is called.

If no protest is registered prior to or at the time the application is called, the hearing may be dispensed with. If a protest is registered and existing when called, hearing on the application will be continued to a later date for the purpose of receiving testimony and evidence from the parties and to accumulate a record of pertinent information and data in support of the application and in opposition to the application.

**Gibraltar Savings Association**, Houston, Harris County, has applied for approval of a branch office of



that association to be located at Oak Ridge Plaza Shopping Center, Conroe, Montgomery County.  
Issued in Austin, Texas, on February 18, 1976.

**Gulf Coast Savings Association**, Richmond, Fort Bend County, has applied for approval of a branch office of that association to be located at School Avenue and Main Street, Needville, Fort Bend County.  
Issued in Austin, Texas, on February 18, 1976.

**Magic Valley Savings and Loan Association**, Weslaco, Hidalgo County, has applied for approval of a branch office of that association to be located at 911A Miller, Donna, Hidalgo County.  
Issued in Austin, Texas, on February 17, 1976.

**San Angelo Savings Association**, San Angelo, Tom Green County, has applied for approval of a branch office of that association to be located at 718 Hutchings, Ballinger, Runnels County.

Issued in Austin, Texas, on February 13, 1976.

Doc. No. 761071-      W. Sale Lewis  
761074              Commissioner  
Texas Savings and Loan  
Department

Filed: February 25, 1976, 8:34 a.m.

For further information, please call (512) 475-7991.