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TEXAS REGISTER

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TEXAS DOCUMENTS

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Texas Education Agency's adopted rules on public school finance

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Office of the Secretary of State

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1676

The Texas Department of Labor and Standards has proposed rules which will bring the state regulations governing construction standards for mobile homes into agreement with the federal regulations that became effective June 15, 1976. The proposed rules of the department appear in this issue.

The adopted rules of the Texas Aeronautics Commission which are in this issue of the *Register* clarify existing rules while making no significant changes. The rules adopted by the Texas Education Agency also make no substantive changes to existing policy. Rule 226.23.04.130 concerns the collection of student fees by school districts and reflects Attorney General's Opinion H-702 of October 1, 1975.

The Public Utility Commission has adopted substantive rules for the regulation of public utilities. Although these rules are effective on July 5, 1976, the commission has no jurisdiction over rates and service of public utilities until September 1, 1976. Two subcategories of substantive rules, Rates and Services, are being published in this issue. The rules governing service regulate such matters as the interruption of services, deposits from applicants, and customer relations in general. The rules concerning rates define and regulate the rate base and the cost of service.

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

Artwork Gary Thornton

TEXAS REGISTER



Mark White
Secretary of State

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Requests for Opinions

Summary of Request for Opinion RQ-1407

Request for opinion sent to Attorney General's Opinion Committee by W. O. Shultz II, The University of Texas System, Office of General Counsel. Austin.

Summary of Request: Are minutes of the Southwest Conference maintained by a state university's faculty representative to the conference public under the Open Records Act?

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763259 C. Robert Heath
Opinion Committee Chairman
Attorney General's Office

Filed: June 18, 1976, 10:09 a.m.

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

Summary of Opinion: The repeal of Section 8(a), Article 695c, Vernon's Texas Civil Statutes, by the Child Care Licensing Act, Article 695a-3, Vernon's Texas Civil Statutes, did not repeal added subsection 4a of Section 8(a), Article 695c, which was an independent complete law enacted by the same session of the legislature that enacted the Child Care Licensing Act.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763258 C. Robert Heath
Opinion Committee Chairman
Attorney General's Office

Filed: June 18, 1976, 10:09 a.m.

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

Opinions

Summary of Opinion H-838

Request from Chet Brooks, Chairman, Senate Committee on Human Resources, Austin, concerning effect of senate bill clause repealing section of Public Welfare Act earlier amended by the same legislature.



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

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

Numbering System-- Each rule is designated by a unique 10-digit number which is divided into four units by decimal points. The first unit (three digits) indicates the agency which promulgates the rule. The second unit (two digits) indicates the 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.

Texas State Board of Dental Examiners

Conduct

Double Degrees 382.19.19

The Texas State Board of Dental Examiners is proposing an amendment to Rule 382.19.19.001, pertaining to double degrees.

The present rule is confusing when speaking of double degrees (M.D. and D.D.S.) and specialties. The present rule states that a dentist may not practice both professions (M.D. and D.D.S.). However, it is not illegal for a person licensed to practice dentistry and medicine to perform functions in both areas. Also, this rule speaks of degrees in "specialties" when specialties are an educational accomplishment by certificate. The board has proposed this amendment to alleviate confusion.

Those desiring to comment upon this proposed amendment should direct their comments in writing to the Texas State Board of Dental Examiners, 718 Southwest Tower, 7th and Brazos, Austin, Texas 78701.

This rule amendment is promulgated under the authority of Article 4551d of the Revised Civil Statutes of Texas, as amended.

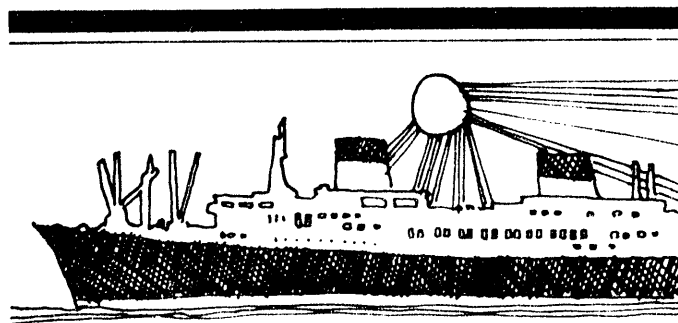
.001. Dentists Possessing Additional Earned Degrees. Dentists who are also authorized to practice medicine in Texas may use the initials "M.D." along with "D.D.S." [but may not practice both professions.] Such "double-degree" dentists may use "M.D." in any letter, sign, newspaper listing, telephone directory, or other media permitted by these rules and regulations; provided, however, a Texas dental licensee who has two earned related dental degrees in different specialties may apply to the board to grant him permission to announce and practice in both specialties]. *A Texas dental licensee who has earned certificates in two dental specialties may apply to the board to grant him permission to announce limitation of practice in both specialties.*

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763287 Carl C. Hardin, Jr.
Executive Director
Texas State Board of Dental
Examiners

Proposed Date of Adoption: July 25, 1976

For further information, please call (512) 475-2443.



Texas Department of Labor and Standards

Mobile Home Division

Standards and Requirements 063.55.02

The Texas Department of Labor and Standards is proposing to amend Rule 063.55.02.001, which sets out the standards and requirements for installation of plumbing, heating, and electrical systems and for the construction of mobile homes. This amendment merely reflects the nationwide application of the Federal

Mobile Home Construction and Safety Standards promulgated by the United States Department of Housing and Urban Development and published in the *Federal Register* on December 18, 1975, under the authority of Title VI of the Housing and Community Development Act of 1974, 42 USCA, Paragraph 5401-5426. This amendment will have the effect of updating the published state standards to bring these standards into conformity with the standards that are effective in Texas June 15, 1976, by operation of the described federal statute and the standards promulgated thereunder, and by operation of the provisions of the Texas Mobile Home Standards Act, Article 5221f, Texas Civil Statutes. Note that while the procedural requirements for standards adoption under both the Texas Mobile Home Standards Act and the Administrative Procedure and Texas Register Act are being complied with, the effective date of those amendments will be June 15, 1976, under the authority of Section 10(a)(3) of APTRA.

Public comment on the proposed amendments to Rule 063.55.02.001 is invited. Interested persons may participate in the standards adoption procedure through submission of written data in accordance with Rule 063.55.03.017, pages 32 and 33 of the rules as filed. Address all comments to the Texas Department of Labor and Standards at Box 12157, Capitol Station, Austin, Texas 78711.

Amendments to Rule 063.55.02.001 are proposed under the authority of Article 5221f, Texas Civil Statutes.

001. Texas Mobile Home Standards Code. Effective June 15, 1976, the standards for the installation of plumbing, heating, and electrical systems and for the construction of mobile homes shall be the Mobile Home Construction and Safety Standards, as published in the Federal Register on December 18, 1975, and as amended along with interpretative bulletins, as published in the Federal Register on May 11, 1976.

[(a) Effective December 31, 1975, the standards and requirements for the installation of plumbing, heating, and electrical systems and for the construction of mobile homes shall continue to be the NFPA No. 501B-1973, ANSI A119.1-1974 *Standards for Mobile Homes: Body and Frame Design and Construction Requirements; Installation of Plumbing, Heating, and Electrical Systems*, with the following changes and additions:

[(1) Amendment to Part E 11 to be referenced as 11.13. Aluminum Wire. Aluminum conductors AWG No. 8 or smaller are not acceptable in branch circuit wiring in mobile homes. Listed copper-clad aluminum conductors installed in accordance with the National Electrical Code are permissible.

[(2) Amendment to Part B 6.9 to be referenced as 6.9.2.

[(A) Floor Covering. Carpet and/or carpet pads shall not be installed in concealed spaces subject to excessive moisture such as plumbing fixture spaces.

[(B) Material. Finished flooring material 1/8 inch or less will be allowed under exterior walls. Carpet or pads shall not extend under exterior walls.

[(C) Moisture Resistance. Wood, wood fibre, or plywood floors or subfloors in kitchens, bathrooms (including toilet compartments), and laundry rooms, water heater compartments, and any other areas subject to excessive moisture shall be moisture resistant by sealing or by an overlay of nonabsorbent material applied with water-resistant adhesive.

[(3) Amendment to Part D 6.3.2 to be referenced 6.3.2.1.

[(A) Solid-fuel-burning factory-built fireplaces and fireplace stoves listed for use in mobile homes may be installed in mobile homes provided they and their installation conform to 3b. A fireplace or fireplace stove shall not be considered as a heating facility for determining compliance with Paragraph 7.5 of Part B of ANSI A119.1-1974.

[(B) Solid-fuel-burning fireplaces or fireplace stoves shall be equipped with integral door(s) or shutter(s) designed to close the fireplace or fireplace stove fire chamber opening and shall include complete means for venting through the roof, a combustion air inlet, a hearth extension, and means to securely attach the fireplace or the fireplace stove to the mobile home structure. The installation shall conform to the following paragraphs (i) to (viii) inclusive:

[(i) A listed factory-built chimney designed to be attached directly to the fireplace or fireplace stove shall be used. The chimney or the flue gas outlet of the fireplace stove shall not include a damper.

[(ii) A fireplace or fireplace stove, air intake assembly, hearth extension, and the chimney shall be installed in accordance with the terms of their listings and their manufacturer's instructions.

[(iii) The combustion air inlet shall conduct the air directly into the fire chamber and shall be designed to prevent material from the hearth dropping into the area beneath the mobile home. The air inlet shall not include a damper or other means of closure.

[(iv) The fireplace or fireplace stove shall not be installed in a sleeping room.

[(v) Hearth extension shall be of noncombustible material not less than 3/8 inch thick. The hearth shall extend at least 16 inches in front and at least eight inches beyond each side of the fireplace or fireplace stove opening. Furthermore, the hearth shall extend over the entire surface beneath a fireplace stove and beneath an elevated or hanging fireplace.

[(vi)] The label on each solid-fuel-burning fireplace and each solid-fuel-burning fireplace stove shall include the following wording: "For use with solid fuel only."

[(vii)] The chimney shall be provided with a spark arrester securely attached to the chimney. The net free area of the arrester shall not be less than four times the net area of the chimney outlet and the vertical height of the arrester shall be not less than 1.3 times the diameter of the chimney flue. Openings shall not permit the passage of a sphere having a diameter larger than 1/2 inch, nor block the passage of a sphere having a diameter of less than 3/8 inch.

[(viii)] The chimney shall extend at least three feet above the part of the roof through which it passes and at least two feet above the highest elevation of any part of the mobile home within 10 feet of the chimney. Portions of the chimney and termination that exceed an elevation of 13-1/2 feet above ground level may be designed to be removed for transporting the mobile home.]

Issued in Austin, Texas, on June 17, 1976.

Doc. No. 763237 Jackie W. St. Clair
Commissioner
Texas Department of Labor and
Standards

Proposed Date of Adoption: July 25, 1976

For further information, please call (512) 475-5712.

Texas Department of Mental Health and Mental Retardation

Rules of the Commissioner of MH/MR Affecting Client (Patient) Care

Employment of Independent Contractors (Consultants) 302.04.01

The Texas Department of Mental Health and Mental Retardation is proposing to amend Rule 302.04.01.004, which requires a consultant to enter into a written agreement with the Texas Department of Mental Health and Mental Retardation prior to employment. The proposed amendments to Rule 302.04.01.004 were adopted as emergency amendments when filed with the *Texas Register* on June 1, 1976.

The proposed amendments make technical changes in the wording of the rule to clarify that the contract attached to the rule as Exhibit A has been revised as of May 28, 1976.

Public comment on the proposed amendments to Rule 302.04.01.004 is invited. Comments may be submitted by writing to Kenneth D. Gaver, M.D., Commissioner, Texas Department of Mental Health and Mental Retardation, P.O. Box 12668, Capitol Station, Austin, Texas 78711.

Amendments to Rule 302.04.01.004 are proposed under the authority of Section 2.11(b), Article 5547-202, Texas Civil Statutes.

.004. *Employment of an Independent Contractor (Consultant).* No independent contractor (consultant) will be employed by any facility of this department without written approval by the head of the facility prior to the rendition of any services. Such approval shall be evidenced by "Contract for Consultant Services" (Texas Department of Mental Health and Mental Retardation Form P-11, *as revised May 28, 1976* [(Revised November 1, 1974)]), illustrated by Exhibit A, which is attached to and made a part of these rules, between this department, acting through its individual facility, and the independent contractor (consultant). The "Contract for Consultant Services" is to be signed by the head of the facility employing such consultant. In the case of the central office, the commission will sign the contract, and it will be forwarded to the Chief of Budgets and Finance. This contract responsibility may not be delegated without written approval of the commissioner. All existing arrangements through which independent contractors (consultants) are providing services to a facility of this department will, as soon as possible, be reduced to writing on Form P-11 (*Revised May 28, 1976* [(Revised November 1, 1974)]).

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763276 Kenneth D. Gaver, M.D.
Commissioner
Texas Department of Mental
Health and Mental Retardation

Proposed Date of Adoption: July 25, 1976

For further information, please call (512) 454-3761.

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

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Texas Aeronautics Commission

Rules of Practice and Procedure 105.01.00.004

Under the authority of Article 46c, Texas Civil Statutes, the Texas Aeronautics Commission has amended Rule 105.01.00.004 to read as follows:

.004. Sessions of the Commission.

(a) Regular meetings and elections. There shall be a regular meeting of the Texas Aeronautics Commission in Austin, Texas, each year on the third Tuesday in October. The purpose of such regular meeting shall be to elect officers and to transact all other necessary business.

(b) Special meetings. Special meetings of the commission may be held at such times and places as may be designated by the chairman or a majority of the commission. There shall be at least one special meeting during each of the first three quarters of each calendar year. The purpose of such meetings shall be to transact all necessary business.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763260 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.

105.01.00.007

Under the authority of Article 46c, Texas Civil Statutes, the Texas Aeronautics Commission has amended Rule 105.01.00.007(a)(1) to read as follows:

.007. Service of Pleadings and Documents in Non-rulemaking Proceedings.

(a) Service by the commission.

(1) Publication. Where service by published notice is permitted or prescribed by these rules or by statute, it may be made by causing the notice to be published in the *Texas Register*. Notices not published in the *Texas Register* shall be circulated by the agency to those persons and agencies requesting same. Requests to receive such notices shall be made in writing.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763261 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.

105.01.00.040

The Texas Aeronautics Commission has amended Rule 105.01.00.040 with one change in the proposed text. The proposal would have amended Section (b)(3) of the rule to permit the administrator to set the time and place of a prehearing conference upon docketing of a case. That part of the proposal has been deleted as being inconsistent with the commission's statute.

The Texas Aeronautics Commission, by authority of Article 46c, Texas Civil Statutes, has amended Rule 105.01.00.040(c) to read as follows:

.040. Docketing and Notice.

(c) The date of publication of all such notices shall be the date of filing with the *Texas Register* for publication therein or the date of notice circulated by the agency pursuant to Rule 7 of these rules.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763262 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.

105.01.00.051

Under the authority of Article 46c, Texas Civil Statutes, the Texas Aeronautics Commission has amended Rule 105.01.00.051 to read as follows:

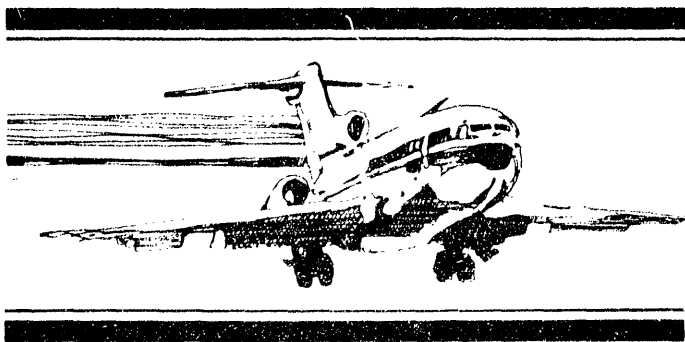
.051. Consolidation. The administrator, upon his own motion or upon motion by any party, may consolidate for hearing two or more proceedings which involve substantially the same parties or issues. Proceedings before the agency shall not be consolidated without consent of all parties to such proceedings, unless the administrator finds that such consolidation will be conducive to the proper dispatch of the agency's business and to the ends of justice and will not result in unwarranted expense or undue delay. A motion for consolidation shall be in writing and shall be filed with the administrator within 20 days of the original notice in the proceeding with which consolidation is sought.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763263 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.



105.01.00.052

The Texas Aeronautics Commission has withdrawn its proposed amendment to Rule 105.01.00.052. The proposed amendment was published in the March 19, 1976, issue of the *Texas Register* (Volume 1, Number 22).

Filed: June 18, 1976, 9:15 a.m.

Doc. No. 763264

105.01.00.072

Under the authority of Article 46c, Texas Civil Statutes, the Texas Aeronautics Commission has amended Rule 105.01.00.072 to read as follows:

.072. Official Notice. Official notice by the commission and its examiners shall be governed by Section 14(q) of the Administrative Procedure and Texas Register Act. To the maximum extent possible, the examiner shall indicate during the course of a hearing that information of which he will take official notice. When an examiner's findings are based upon official notice of a material fact not appearing in the evidence of record, the examiner shall set forth in his proposal for decision those items with sufficient particularity so as to advise the parties of the matters which have been officially noticed. The parties shall have the opportunity to show to the contrary through the filing of exceptions to the examiner's proposal for decision.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763265 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.

105.01.00.084

Under the authority of Article 46c, Texas Civil Statutes, the Texas Aeronautics Commission has amended Rule 105.01.00.084 to read as follows:

.084. Orders. All orders of the commission shall be in writing and shall set forth the findings of fact and conclusions required by law, either in the body of the order or by reference to an examiner's proposal for decision. Unless otherwise permitted by statute or by these rules, all final orders shall be signed by the chairman of the commission; however, interim orders may be issued for the agency by the director, the administrator, or other designated official. A copy of all orders relating to a proceeding before the agency shall be served forthwith upon all parties to such proceeding.

Issued in Austin, Texas, on June 16, 1976.

Doc. No. 763266 John G. Soule
General Counsel
Texas Aeronautics Commission

Effective Date: July 8, 1976

For further information, please call (512) 475-4768.

Texas Education Agency

School Districts

Pupil Relationship 226.23.04

The State Board of Education has adopted Rule 226.23.04.130 concerning school district collection of student fees.

Public discussion and review of the proposed rule were held. The rule was adopted with no changes in the text proposed.

This rule is promulgated under the authority of Sections 11.02, 11.26, and 11.52, Texas Education Code.

.130. School District Collection of Student Fees.

General Policy

Public education for the children of Texas shall be free and no pupil shall be denied an education because of inability to furnish educational supplies necessary for attaining an education. It is recognized that certain areas extend beyond this concept of free education. While maintaining the concept of free education, school district boards are prohibited from collecting certain fees as authorized in the policy.

Prohibited Fees

The following fees shall not be collected by school districts from any student during his or her regular three quarters:

(1) Drivers education-- No fee or tuition may be charged for driver's education.

(2) Classroom materials-- No fee may be charged for school supplies and instruction and lab fees in conjunction with normal academic, vocational, or physical education instruction or training.

(3) Rental items-- No rental fee may be charged for band or other uniforms if such is the property of the school district.

(4) Club membership-- No fee may be charged in locally sponsored clubs if membership is required in conjunction with an instruction program.

(5) Lockers and towels-- No fee may be charged for the use of lockers and towels owned by the school district.

(6) Vocational-- No fee may be charged for basic materials for teaching skills.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763277 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

Comprehensive Instruction

Multicultural Education Program 226.32.52

The State Board of Education and the Commissioner of Education have amended Rule 226.32.52.020 concerning bilingual education. Item (6) has been added to Section (a-b) of the rule which concerns operational expenses allocations. Section (c), concerning enrollment of children in the program, has been expanded to include the enrollment of native English-speaking children under certain conditions. The rest of the rule remains unchanged.

Public discussion and review of the proposed rule were held. The rule was adopted with no changes in the text proposed.

This rule is promulgated under the authority of Chapter 21, Subchapter L, Texas Education Code.

.020. State-Supported Required Bilingual Education.

(a-b) Operational Expenses Allocation.

(6) Priority for operational expenses allocations will be given to those districts implementing required (grades K-3) and optional (grades 4 and 5) bilingual education programs. Second priority will be given to those districts implementing optional bilingual education programs with less than 20 children of limited English-speaking ability where sufficient need is demonstrated.

(c) Enrollment of Children in Program. Native English-speaking children may be voluntarily enrolled in the program although no funding from the operational expenses allocation is provided for them. Both groups of children may be served in the same classroom, provided there is grouping within the classroom to meet the special needs of both groups.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763278 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

Foundation School Program

Allocation of Personnel Units 226.41.03

The State Board of Education and the Commissioner of Education have amended Rule 226.41.03.011 concerning the allocation of personnel units to school districts.

The amendment allows the use of current adjusted regular average daily attendance for personnel unit allocation in 1976-77 and subsequent school years.

Public review and discussion of the proposed amendment were held. The rule was adopted with no changes in the text proposed.

This rule is promulgated under the authority of Sections 11.09, 16.005, 16.101, 16.102, and 29.05, Texas Education Code.

.011. Regular Formula.

Policy

Personnel units shall be allocated on the basis of current regular average daily attendance.

For the 1976-77 and subsequent school years, regular education program personnel units shall be allocated on the basis of the district's current average daily attendance (ADA) for the best 170 days of the 180-day school term.

Administrative Procedure

Regular program average daily attendance is determined by subtracting the current average daily fulltime equivalent attendance of students in vocational education and special education programs from the current refined average daily attendance of students (less ineligibles) educated in the district. Regular program units are determined by dividing the attendance in each grade span by the following:

Grade Span	Divisor
K-3	19
4-6	21
7-9	20
10-12	18

For the 1976-77 and subsequent school years, current adjusted regular average daily attendance shall be used. Current adjusted regular program average daily attendance is determined by subtracting the 10 days of lowest attendance during the required 180-day year of operation for the current regular ADA (gross ADA minus ineligibles and fulltime equivalent students in vocational and special education programs). Regular program units are determined by dividing the current adjusted regular average daily attendance in each grade span by the divisors shown above.

The units earned in each grade span are carried to three decimal places. The total number of units allocated is rounded to the nearest whole unit.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763279 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

Allocation of Operating Cost 226.41.06

The State Board of Education and the Commissioner of Education have amended Rule 226.41.06.010 concerning operating cost allotments to local school districts. The change reflects provisions for the year 1976-77 in Section 16.151, Texas Education Code.

Public discussion and review of the proposed amendment were held. The rule was adopted with no changes in the text proposed.

This rule is promulgated under the authority of Sections 16.005 and 16.151, Texas Education Code.

.010. Operating Cost Allotment.

Administrative Procedure

Ninety dollars for the school year 1975-76 and 95 dollars for the school year 1976-77 is allocated on current operating cost for each eligible student in average daily attendance during the current school year. The money can be used for current operating expenses other than professional salaries.

Issued in Austin, Texas, on June 14, 1976.

Doc. No. 763280 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

Local Fund Assignment 226.41.10

The State Board of Education and the Commissioner of Education have amended Rule 226.41.10.010 concerning the local share of the foundation school program. The amendment clarifies the way in which local maintenance revenue will be determined for the 1976-77 school year. Only that part of the administrative procedure section which deals with the 1976-77 school year is changed. The rest of the rule remains unchanged.

Public discussion and review of the proposed amendment were held. The rule was adopted with no change in the text proposed.

This rule is promulgated under the authority of Sections 16.005, 16.252, and 16.256 of the Texas Education Code and Section 13, HB 1126.

.010. Local Share of Program Cost.

Administrative Procedure

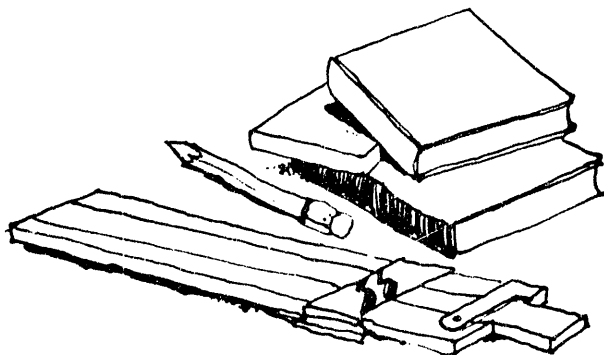
For the 1976-77 school year only, the district's local share of program cost will be the smallest of the following: 35 cents per 100 dollars of market value of property in the district in 1974-75 as reported in the "Official Compilation of 1974 School District Market Value Date", Office of the Governor, State of Texas; or 300 percent of the adjusted local fund assignment charged to the district in 1974-75; or 150 percent of the maintenance tax revenue collected in the district in 1975-76. Maintenance tax revenue collected is all maintenance revenue from local tax sources collected between September 1, 1975, and August 31, 1976. Maintenance revenue will be determined from the independent audit report for the district.

Issued in Austin, Texas, on June 14, 1976.

Doc. No. 763281 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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



Foundation Grant to Districts 226.41.11

The State Board of Education and the Commissioner of Education have amended Rule 226.41.11.010 concerning foundation school program grants to school districts. The change adds the formula for calculating minimum state aid per pupil for the 1976-77 school year as provided in Section 16.005, Texas Education Code. Only Section (3) of the administrative procedure portion of the rule is changed.

Public discussion and review of the proposed amendment were held. The rule was adopted with no change

in the text proposed. (See *Texas Register*, Volume 1, Number 37, May 11, 1976, page 1273, for corrected text of proposal.)

This rule is promulgated under the authority of Section 16.005, Texas Education Code.

.010. Foundation Grant to Districts.

(e) Guaranteed Minimum Aid. For the 1975-76 and 1976-77 school years each school district is guaranteed 104 percent of the state aid per student in average daily attendance (ADA) during the current school year that it received per student in average daily attendance in the 1974-75 school year.

The state aid per student in 1974-75 is determined by dividing the sum of regular program salaries, operating costs, and transportation less the local fund assignment by the refined current average daily attendance plus ineligible special education ADA.

The state aid per student in 1975-76 is determined by the following:

$$\text{State Aid per Pupil} = \frac{[\text{RPFS} + \$90(\text{RPADA}) + \text{CA} + \text{RT}] \cdot \text{LFA}}{\text{CRADA}}$$

RPFS = Regular Program Foundation Salaries

CA = Categorical Aid

RT = Regular Transportation

LFA = Local Fund Assignment

CRADA = Current Refined Average Daily Attendance

The state aid per student in 1976-77 is determined by the following:

$$\text{State Aid per Pupil} = \frac{[\text{RPFS} + \$95(\text{RPADA}) + \text{CA} + \text{RT}] \cdot \text{LFA}}{\text{CRADA}}$$

Should the aid per ADA in 1975-76 or 1976-77 be less than 104 percent of the aid per ADA in 1974-75, the difference times the current refined ADA shall be added to the district's salary and operation grant from the foundation school fund.

Should the district be "budget balance" in 1975-76 or 1976-77, the district shall be granted the difference between 104 percent of the 1974-75 aid per ADA and the current aid per ADA times current ADA less the "budget balance." If the district was "budget balance" in 1974-75, state aid is not guaranteed.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763282 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

State Allocations to Regional Education Service Centers 226.41.15

The State Board of Education and the Commissioner of Education have amended Rule 226.41.15.010 concerning basic financial support for regional education services to reflect the increased basic allocation mandated by the 64th Legislature. Only the administrative procedure section of the rule is changed. The rest of the rule remains unchanged.

Public discussion and review of the proposed amendment were held. The rule was adopted with no change in the text proposed. (See *Texas Register*, Volume 1, Number 40, May 21, 1976, page 1373 for the correct text of the proposed rule.)

This rule is promulgated under the authority of Sections 16.005, 11.32.11.33, and 21.118, Texas Education Code.

.010. Basic Financial Support for Regional Education Services. Payment is made from the foundation school program fund to each regional education service center on the basis of a formula developed by the Commissioner of Education and approved by the State Board of Education.

The formula for allocating funds for the basic financial support of regional education services shall be \$125,000 for each regional education service center plus

$$\left[\frac{(\$3.00 \times \text{SADA}) - \$2,500,000}{\text{SADA}} \right] \times \text{RADA}$$

where SADA = State Average Daily Attendance

RADA = Average Daily Attendance in the Service Center Region.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763283 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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

Public Education Finance-- Pupils Pupil Attendance Accounting 226.44.01

The State Board of Education and the Commissioner of Education propose to amend three parts of the administrative procedure section of Rule 226.44.01.010 concerning pupil attendance accounting for state funding purposes. The change in Section (a), Definitions, clarifies terms used in pupil attendance accounting. The change in Section (b), Pupil Attendance Accounting, deletes two sentences now covered in Section (a)

and clarifies attendance which is earned by kindergarten pupils as provided in Section 16.102 of the Texas Education Code. The change in Section (f) reflects a change in data collected on the pupil contact hour register. The rest of the rule remains unchanged.

Public discussion and review of the proposed amendment were held. The rule was adopted with one change in the proposed text.

This rule is promulgated under the authority of Sections 16.005 and 16.102, and Chapters 16 and 21, Texas Education Code.

.010. Requirements of Pupil Attendance Accounting for State Funding Purposes.

Administrative Procedure

(a) Definitions.

(1) Average daily attendance-- gross (gross ADA). The aggregate days attendance divided by the number of days school is in session. Kindergarten students attending a half-day session are computed as though these students are in attendance for one-half day.

(2) Average daily attendance-- refined (refined ADA). Gross ADA less ineligible ADA. Ineligible students are listed on page 2, Daily Register of Pupil Attendance.

(3) Average daily attendance-- regular (regular ADA). Refined ADA less the total fulltime equivalent ADA of students in vocational and special education programs.

(4) Average daily attendance-- adjusted regular ADA. Daily attendance minus days of lowest attendance; or the 170 best days of attendance during the required 180-day year of operation.

(5) Average daily membership-- gross (gross ADM). The aggregate days of membership divided by the number of days school is in session.

(6) Average daily membership-- refined (refined ADM). Gross ADM less ineligible ADM. Ineligible students are listed on page 2, Daily Register of Pupil Attendance.

(7) Average daily membership-- regular (regular ADM). Refined ADM less the total fulltime equivalent ADM of students in vocational and special education programs.

(8) Enrollment. Original entry into a given school unit. That is, a student who for the first time in the United States or its outlying areas enters any public or nonpublic elementary or secondary school. For driver education funding (A.P. 4116.1) enrollment means refined ADM.

(9) Enrolled (driver education only). Those eligible students participating in the driver education program during the school year for which funds are provided. The student does not necessarily have to complete the course in the same year.

(10) Eligible and ineligible pupils are pupils who meet the characteristics set forth in the Daily Register of Pupil Attendance.

(11) Central Pupil Attendance Accounting is for pupil attendance accounting purposes. Teachers make a report of pupil absences to the principal's office for the required classroom periods of instruction. The accumulation of the absences is posted to the pupil's attendance records.

(12) Contact hour (pupil). Fifty-five minutes of instruction or services rendered by a certified or approved professional person engaged in instruction in vocational or special education programs as defined in the vocational education-special education pupil contact hour register.

(13) Fulltime equivalency (student). The ratio of the number of hours per school day spent in vocational and special education programs to the number of hours of the school day (six hours). Determined by registering contact hours during five consecutive school days each quarter. This does not include self-contained special education pupils.

(14) A self-contained classroom is a classroom in which the teacher remains with the same pupils for all or a major portion of the school day. In self-contained arrangements refined aggregate days of attendance are used to determine fulltime equivalence.

(15) Membership (the number of pupils on the current roll of a class or school as of a given date.) A pupil is a member of a class or school from the date he presents himself at school and is placed on the current roll, until he leaves the class or school for one of the causes recognized as sufficient by the district. The date of withdrawal should be the date on which it is officially known that the pupil has left school and not necessarily the first day after the date of last attendance. Membership is obtained by adding the total original entries and the total reentries and subtracting the total withdrawals.

(16) Departmentalized instruction for purposes of pupil attendance accounting is instruction where pupils do not remain in the presence of the same teacher for all or a major portion of the school day.

(b) Pupil Attendance Accounting.

(4-2) Schools have the option of half-day or full-day kindergarten for all children. However, a kindergarten pupil enrolled in a full-day program may earn a half-day attendance for the full year or a full-day of attendance for half the year. Full-day/full-year attendance will be earned by educationally handicapped pupils.

(f) Vocational Education-- Special Education Pupil Contact Hour Register. Professional ... programs. "Contact hour" is defined as actual time spent rendering instruction or services. Contact hours are reported,

recorded, and accounted for in accordance with instructions printed on the vocational education-- special education Pupil Contact Hour Register provided by the Texas Education Agency.

(1) A student may not be considered in contact for more than six hours during any one school day. For schools offering seven daily 55-minute periods, only six hours are considered in computing fulltime student equivalency. Hours spent in regular academic courses are considered first. Time spent in study hall is not considered as contact hours in schools offering more than six 55-minute periods.

(2) Contact hours are recorded on the basis of one sample week in each quarter and are summarized by grade span as identified in Section 16.102(c), Texas Education Code, for personnel unit allocation purposes.

(3) For self-contained special education classes and vocational or special education campuses offering no regular program academic courses, fulltime student equivalency is considered to be exactly the same as refined average daily attendance defined in Part I, Superintendent's Annual Report, and in the Daily Register of Pupil Attendance.

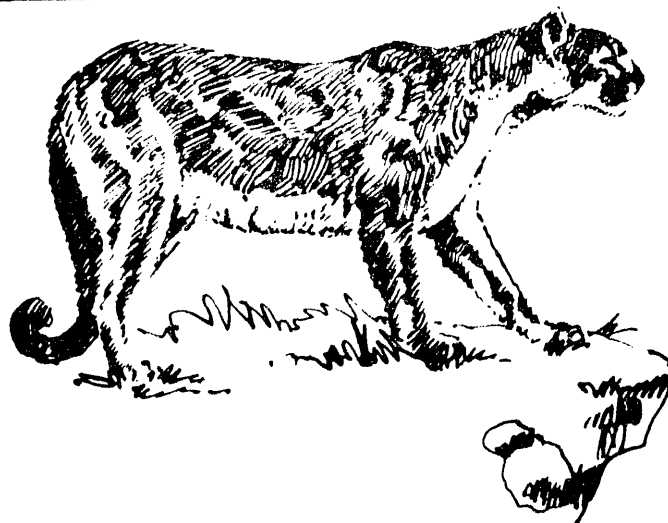
(4) The attendance of exceptional students in vocational education programs shall be considered vocational education rather than special education.

Issued in Austin, Texas, on June 14, 1976.

Doc. No. 763284 M. L. Brockette
Commissioner of Education

Effective Date: July 8, 1976

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



Public Education Finance-- Personnel

Personnel Accounting 226.45.01

The State Board of Education and the Commissioner of Education have amended Rule 226.45.01.010 concerning personnel accounting for state funding purposes. The change adds two definitions to part (a), Definitions, of the administrative procedure section of the rule. The rest of the rule remains unchanged.

Public discussion and review of the proposed amendments were held. The rule was adopted with no change in the text proposed.

This rule is promulgated under the authority of Section 16.005 and Chapter 13, Texas Education Code.

.010. Requirement of Personnel Accounting for State Funding Purposes.

Administrative Procedure

(a) Definitions. The definitions of terms for personnel accounting for state funding purposes are:

(1) Professional personnel are personnel employed by a local education agency in positions requiring state certification.

(2) Teacher aides are personnel who assist professional personnel and whose duties require no certification at the present time.

(3) Employed: the contractual arrangement under which the staff member serves the school system whereby responsibility for an activity or group of activities is assigned to the staff member.

(4) Percentage of employment per day means the percentage of the school day a person is employed.

(5) Fulltime equivalency (teaching staff): the amount of employed time required of a staff member to perform a less than fulltime assignment divided by the amount of time required in performing a corresponding fulltime assignment. Fulltime equivalency of assignment usually is expressed as a decimal fraction to the nearest tenth.

(6) Authorized leave is the time a teacher is entitled to be absent from duty based on individual school district policies. These policies may go beyond leave authorized under the State Sick Leave Statute.

(7) Service record is the form approved by the Texas Education Agency to record teachers' and aides' annual experience increments and sick leave data for professional personnel.

(8) Scholastic year shall commence on September 1 of each year and end on August 31 thereafter.

(9) School term is that period of time a school district is scheduled to be in operation including inservice training and classroom instruction. The period begins with the first day of scheduled inservice of the subsequent school term.

(10) Contractual year is that period a person is employed under contract with a school district during the period July 1 through the following June 30.

Issued in Austin, Texas, on June 14, 1976.

Doc. No. 763285 M. L. Brockett
Commissioner of Education

Effective Date: July 8, 1976

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

Policies and Procedure System

Policies of the Board 226.93.01

The State Board of Education has adopted Rule 226.93.01.050, which provides a means by which interested persons can petition for the adoption or amendment of State Board of Education policies.

Public discussion and review of the proposed rule were held. The rule was adopted with one change in the text proposed. Evaluation of the merits of a proposal will rest with the Commissioner of Education rather than with the Associate Commissioner for Policies and Services as was proposed.

These rules are promulgated under the authority of Title 2, Chapter 11, Subchapter A, Section 11.02 and Subchapter B, Section 11.26, Texas Education Code.

.050. Petition for Adoption or Amendment of a Policy. Any interested person may petition for the adoption or amendment of a policy. A form for petitions may be secured from the Associate Commissioner for Policies and Services, and the petition shall be submitted to him. In consultation with the persons in the Texas Education Agency who are responsible for the area with which the rule is concerned, the Commissioner of Education shall evaluate the merits of the proposal to determine whether to initiate policymaking proceedings or to deny the petition.

Within 60 days after submission of a petition, the petition shall either be denied in writing, with reasons for the denial stated, or policymaking proceedings shall be initiated.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763286 M. L. Brockett
Commissioner of Education

Effective Date: July 8, 1976

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

Public Utility Commission of Texas

Substantive Rules

Rates 052.02.03

The following rules are promulgated under the authority of Article 1446c, Vernon's Annotated Civil Statutes.

.031. Rate Base.

(a) Rate Base. The rate base is the adjusted value of the invested capital used and useful in rendering service to the public. Components to be included in determining the overall utility rate base are as follows:

(1) adjusted value of utility plant used by and useful to the public utility in providing service; adjusted value shall be a reasonable balance, as provided by the act, between original cost less depreciation and current cost less an adjustment for both age and condition;

(2) construction work in progress, where necessary to the financial integrity of the utility, at original cost as recorded on the books of the utility;

(3) working capital allowance to be composed of but not limited to the following:

(A) reasonable inventories of materials, supplies, and fuel held specifically for purposes of permitting efficient operation of the utility in providing normal utility service (e.g., excludes appliance inventories);

(B) reasonable prepayment for operating expenses; and

(C) a reasonable allowance up to one-eighth of total annual operations and maintenance expenses excluding allowances for (A) and (B) above;

(4) deduction of certain items which include but are not limited to the following:

(A) accumulated reserve for deferred federal income taxes;

(B) unamortized investment tax credit to the extent allowed by the Internal Revenue Code;

(C) contingency and/or property insurance reserves; and

(D) customer contributions in aid of construction.

(b) Original Cost. Original cost is the amount of money actually paid (or the money value of any consideration other than money exchanged) for property at the time when it was first dedicated to the public use.

(c) Reserve for Depreciation. Reserve for depreciation is the accumulation of recognized losses in service value of the original cost of an item or facility not restored by maintenance, caused by age, wear, tear, and obsolescence. Depreciation shall be computed on a straight line basis over the useful life expectancy of the item or facility.

(d) Current Cost. Current cost is the cost of replacing existing utility plant at current prices. Alternative methods of determination, including but not limited to the following, may be considered by the commission:

(1) trending original cost with commission approved indices; or

(2) current cost studies. Unless approved by the commission, the cost of such studies will not be allowed in the cost of service.

(e) Adjustment for Age and Condition. For rate-making purposes, depreciation expense, including accumulated depreciation on original cost, and the adjustment for age and condition on current cost shall be consistent with each other.

(f) Allowance for Funds Used During Construction. Discontinuance of the capitalization of an allowance for funds used during construction will be concurrent with inclusion of construction work in progress in the rate base.

.032. Cost of Service.

(a) Cost of Service. Cost of service is equal to that amount of revenue required to cover all reasonable and necessary expenses properly incurred by the utility in rendering service to the public and provide a fair and reasonable return on the adjusted value of invested capital used and useful in rendering such service. Cost of service shall include but not be limited to the following:

(1) operations and maintenance expenses incurred in furnishing normal utility service and in maintaining utility plant used by and useful to the utility in providing such service;

(2) depreciation expense computed on a straight line basis as approved by the commission;

(3) assessments and taxes other than income taxes;

(4) income taxes on a normalized basis;

(5) return on adjusted value of invested capital; and

(6) advertising, contributions, and donations.

(A) The actual expenditures for ordinary advertising, contributions, and donations will be allowed as a cost of service provided that the total sum of all such items allowed in the cost of service shall not exceed three-tenths of one percent (0.3%) of the gross receipts of the utility for services rendered to the public.

(B) No expenditure shall be allowed as a cost of service for the following special items:

(i) funds expended for influencing legislation;

(ii) funds expended in support of political candidates;

(iii) funds expended in support of any political movement;

(iv) funds expended in promotion of political or religious causes;

(v) funds expended in support of or membership in social, recreational, fraternal, or religious clubs or organizations; and

(vi) funds promoting increased consumption of energy.

(C) The following expenditures may be allowed by the commission:

(i) funds expended promoting methods of conserving energy;

(ii) funds expended promoting methods by which the consumer can effect a savings in total bills;

(iii) funds expended promoting load factor improvement at off peak times; and

(iv) funds expended in support of or membership in professional or trade associations provided such associations contribute toward the professional standing of their membership.

(b) **Rate of Return.** The rate of return is the revenue earned by a utility from its utility operations, over and above allowable operating expenses, expressed as a percentage of invested capital and of adjusted value of invested capital.

(1) The return shall be reasonably sufficient to assure confidence in the financial integrity of the utility and shall be adequate, under efficient and economical management, to maintain its credit and attract the capital necessary for the proper discharge of its public duties.

(2) In fixing the rates of a public utility, the commission shall fix its overall revenues at a level which will permit such utility to recover its operating expenses together with a reasonable return on its invested capital, but the commission shall not prescribe any rate which will yield more than a fair return upon the adjusted value of the invested capital used and useful in rendering service to the public.

(3) In determining the amount of revenues necessary to satisfy these requirements, the commission may consider inflation, deflation, quality of service being provided, the growth rate of the service area, and the need for the utility to attract new capital. In each case, the commission shall consider the utility's cost of capital. Cost of capital is the composite of the cost of the various classes of capital used by the utility.

(A) **Debt Capital.** The cost of debt capital is the actual cost of debt.

(B) **Common Stock Capital.** The cost of common stock capital shall be based upon a fair return on its adjusted value.

(C) **Preferred Stock Capital.** The cost of preferred stock capital is its annual dividend requirement plus an adjustment for premiums, discounts, and cost of issuance.

(D) **Equity Capital.** The cost of common equity capital shall be based upon a fair return on its adjusted value.

.033. *Rate Structure.*

(a) **Level of Rates.** In fixing the rates of a public utility, the commission shall fix the overall revenue requirements at a level which will permit the utility to recover its allowable operating expenses together with a fair and reasonable return on its capital investment.

(b) **Rate Design.**

(1) Rates shall not be unreasonably preferential, prejudicial, or discriminatory, but shall be sufficient, equitable, and consistent in application to each class of customers, taking into consideration the need to conserve energy and resources.

(2) An adjustment for recovering the cost of fuel used in the generation of electric power may be allowed in the tariff of electric utilities when approved by the commission, provided that:

(A) at the time of a rate hearing, the utility shall have filed with the commission all requested fuel contracts and cost data upon which such total fuel costs are predicated with a schedule showing any adjustments anticipated under current contracts;

(B) the total cost of fuel is shown separately on the bill as cost per kilowatt-hour of electricity used and no fuel charges are included in the base rate;

(C) the items included and sum charged for total fuel costs are approved by the commission prior to the first time the separated billing form is used;

(D) the utility files with the commission, before adjustment of total fuel costs to customers, any requested contracts for fuel and a revised schedule of anticipated adjustments. Changes in fuel costs to customers will be reviewed on a regular basis by the commission, and improper increases may be disallowed. If any fuel cost increases are disallowed, the utility shall provide appropriate refunds, including interest, to affected customers within 30 days of notice by the commission;

(E) fuel costs billed shall be for fuel consumed in the generation of electric energy in the calendar month that most closely corresponds to the billing period;

(F) fuel costs are billed uniformly to all customers on a per kilowatt-hour use basis, regardless of customer class or quantity of use, unless otherwise provided by the commission; and

(G) the total fuel cost is applied equitably to each customer's bill and is proportional to the number of kilowatt-hours used. This shall be done by determining a fuel-cost factor.

(3) Each electric utility shall maintain a monthly record of the cost of fuel used in the generation

of electricity which is included or will be included in customer rates. Such record shall show at each month end the total cost (actual or estimate) of fuel consumed for that month and on a cumulative basis, and the total dollar amount of revenues resulting from the fuel cost component in customer rates. Any difference between the total cost of fuel consumed and the amount of revenues resulting from the fuel cost component in customer rates shall be credited or charged to customers on the next billing month.

(c) **Rate Structure.** Final approval of the rate structure is at the discretion of the commission.

.034. Form and Filing of Tariffs.

(a) **Effective Tariff.** No utility shall directly or indirectly demand, charge, or collect any rate or charge, or impose any classifications, practices, rules, or regulations different from those prescribed in its effective tariff filed with the commission.

(b) **Requirements as to Size, Form, Identification, and Filing of Tariffs.**

(1) Every public utility shall file with the commission its tariff containing schedules of all its rates, tolls, charges, rules, and regulations pertaining to all of its utility service by July 1, 1976.

(2) All tariffs shall be in looseleaf form of size 8-1/2 by 11 inches and shall be plainly printed or reproduced on paper of good quality. The front page of the tariff shall contain the name of the utility and location of its principal office and the type of service rendered (telephone, electric, etc.).

(3) Each rate schedule must clearly state the territory, city, county, or exchange wherein said schedule is applicable.

(4) Tariff sheets are to be numbered consecutively. Each sheet shall show an effective date, a revision number, section number, sheet number, name of the utility, the name of the tariff, and title of the section in a consistent manner. Sheets issued under new numbers are to be designated as original sheets. Sheets being revised should show the number of the revision and the sheet numbers shall be the same.

(c) **Composition of Tariffs.** The tariff shall contain sections setting forth

- (1) a table of contents;
- (2) a preliminary statement containing a brief description of the utility's operations;
- (3) a list of the cities, exchanges, and counties in which service is provided;
- (4) the rate schedules; and
- (5) the service rules and regulations, including forms of the service agreements.

(d) **Tariff Filings in Response to Commission Orders.** Tariff filings made in response to an order issued by the commission shall include a transmittal letter stating that the tariffs attached are in compliance with the order, giving the docket number, date of the order, a

list of tariff sheets filed, and any other necessary information. Said tariff sheets shall comply with all other rules herein and shall include only changes ordered. The effective date and/or wording of said tariffs shall comply with the provisions of the order.

(e) **Symbols for Changes.** Each proposed tariff sheet shall contain notations in the right-hand margin indicating each change made on these sheets. Notations to be used are:

(C) to denote a change in regulations;

(D) to denote discontinued rate or regulations;

(I) to denote a rate increase;

(N) to denote a new rate or regulations;

(R) to denote a rate reduction; and

(T) to denote a change in text, but no change in rate or regulation.

(f) **Availability of Tariffs.** Each utility shall make available to the public at each of its business offices within Texas all of its tariffs currently on file with the commission, and its employees shall lend assistance to seekers of information therefrom and afford inquirers an opportunity to examine any of such tariffs upon request.

(g) **Rejection.** Any tariff filed with the commission and found not to be in compliance with these rules shall be so marked and returned to the utility with a brief explanation of the reasons for rejection.

(h) **Change by Other Regulatory Authorities.** Tariffs which are filed to reflect changes in rates or regulations set by other regulatory authorities shall include a copy of the order or ordinance authorizing the change.

Issued in Austin, Texas, on June 1, 1976.

Doc. No. 763014 Roy J. Henderson
Director of Hearings
Public Utility Commission
of Texas

Effective Date: July 5, 1976

For further information, please call (512) 475-7901.



Service 052.02.04

The following rules are promulgated under the authority of Article 1446c, Vernon's Annotated Civil Statutes.

.041. *Continuity of Service.*

(a) Service Interruptions.

(1) Every public utility shall make all reasonable efforts to prevent interruptions of service. When interruptions occur, the utility shall reestablish service within the shortest possible time.

(2) Each utility shall make reasonable provisions to meet emergencies resulting from failure of service, and each utility shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.

(3) In the event of national emergency or local disaster resulting in disruption of normal service, the utility may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

(b) Record of Interruption. Except for momentary interruptions due to automatic equipment operations, each utility shall keep a complete record of all interruptions, emergency and scheduled. This record shall show the cause for interruptions, date, time, duration, location, approximate number of customers affected, and, in cases of emergency interruptions, the remedy and steps taken to prevent recurrence.

(c) Report to Commission. The commission shall be notified in writing of interruptions in service affecting the entire system or any major division thereof lasting more than four hours. The notice shall also state the cause of such interruptions.

(d) Change in Character of Service. In case any change is made by the utility in the type of service rendered which would adversely affect the efficiency of operation or the adjustment of the equipment of customers, all customers who may be affected shall be notified by the utility at least 60 days in advance of the change, or if such notice is not possible, as early as feasible. Where adjustments or replacements of standard equipment must be made to permit use under such changed conditions, adjustment shall be made by the utility without charge to the customers, or, in lieu of such adjustments or replacements, the utility may make cash or credit allowances based on the duration of the change and the degree of efficiency loss.

.042. *Customer Relations.*

(a) Information to Customers. Each utility shall:

(1) maintain a current set of maps showing the physical locations of its facilities. All facilities (generating plants, telephone exchange locations,

transmission, distribution or collection lines, treatment plants, etc.) shall be labeled to indicate the size, nominal capacity and voltage, or any pertinent information which will accurately describe the utility's facilities. These maps, or such other maps as may be required by the commission, shall be kept by the utility in a central location and will be available for commission inspection during normal working hours. Each business office or service center shall have available up-to-date maps, plans, or records of its immediate area, with such other information as may be necessary to enable the utility to advise applicants and others entitled to the information as to the facilities available for serving any locality;

(2) assist the customer or applicant in selecting the most economical rate schedule;

(3) in compliance with the commission's rules of practice and procedure, notify customers affected by a change in rates or schedule of classification;

(4) post a notice in a conspicuous place in each business office of the utility where applications for service are received informing the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the commission, are available for inspection;

(5) furnish such additional information on rates and services as the customer may reasonably request; and

(6) upon request, inform its customers as to the method of reading meters.

(b) Customer Complaints. Upon complaint to the utility by a customer either at its office, by letter, or by telephone, the utility shall promptly make a suitable investigation and advise the complainant of the results thereof. It shall keep a record of all complaints which shall show the name and address of the complainant, the date and nature of the complaint, and the adjustment or disposition thereof for a period of two years subsequent to the final settlement of the complaint. Complaints with reference to rates or charges which require no further action by the utility need not be recorded.

(c) Utility Response. Upon receipt of a complaint, either by letter or by telephone, from the commission on behalf of a customer, the utility shall make a suitable investigation and advise the commission of the results thereof. Initial response to the commission must be made within 30 days. The commission encourages all customer complaints to be made in writing to assist the commission in maintaining records on the quality of service of each utility.

(d) Deferred Payment Plan. The utility is encouraged to offer a deferred payment plan to residential accounts.

(1) Every deferred payment plan entered into due to the customer's inability to pay the outstanding

bill in full shall provide that service will not be discontinued if the customer pays current bills and a reasonable amount of the outstanding bill and agrees to pay the balance in reasonable installments until the bill is paid.

(2) For purposes of determining reasonableness under these rules, the following shall be considered:

- (A) size of the delinquent account;
- (B) customer's ability to pay;
- (C) customer's payment history;
- (D) time that the debt has been outstanding;
- (E) reasons why debt has been outstanding;

and

(F) any other relevant factors concerning the circumstances of the customer.

(3) A deferred payment plan offered by a utility, if reduced to writing, shall state immediately preceding the space provided for the customer's signature and in boldface print at least two sizes larger than any other used thereon that "If you are not satisfied with this agreement, do not sign. If you do sign this agreement, you give up your right to dispute the amount due under the agreement except for the utility's failure or refusal to comply with the terms of this agreement."

(4) A deferred payment plan may include a five percent penalty for late payment but shall not include a finance charge.

(5) If a customer for utility service has not fulfilled terms of a deferred payment agreement, the utility shall have the right to disconnect pursuant to disconnection rules herein, and under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

(6) Any utility which institutes a deferred payment plan shall not refuse a customer participation in such a program on the basis of race, color, creed, sex, or marital status.

.043. Refusal of Service.

(a) Compliance by Applicant. Any utility may decline to serve an applicant until such applicant has complied with the state and municipal regulations and approved rules and regulations of the utility on file with the commission governing the service applied for or for the following reasons:

(1) Applicant's Facilities Inadequate. If the applicant's installation or equipment is hazardous or of such character that satisfactory service cannot be given; or

(2) Indebtedness. If the applicant is indebted to any utility for the same kind of service as that applied for; provided, however, that in the event the indebtedness of the applicant for service is in dispute, the

applicant shall be served upon complying with the deposit requirement in Rule .045; or

(3) Refusal to Make Deposit. For refusal to make a deposit if applicant is required to make a deposit under these rules.

(b) Applicant's Recourse. In the event that the utility shall refuse to serve an applicant under the provisions of these rules, the utility must inform the applicant of the basis of its refusal and that the applicant may file a complaint with the commission thereon.

(c) Insufficient Grounds for Refusal to Serve. The following shall not constitute sufficient cause for refusal of service to a present customer or applicant:

(1) delinquency in payment for service by a previous occupant of the premises to be served;

(2) failure to pay for merchandise, or charges for nonutility service purchased from the utility;

(3) failure to pay a bill to correct previous underbilling due to misapplication of rates more than six months prior to the date of application;

(4) violation of the utility's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the service of others, or other services such as communication services, unless the customer has first been notified and been afforded reasonable opportunity to comply with said rules;

(5) failure to pay a bill of another customer as guarantor thereof, unless the guarantee was made in writing to the utility as a condition precedent to service; and

(6) failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a utility bill.

.044. Discontinuance of Service.

(a) The due date of the bill for utility service shall not be less than 15 days after issuance. A bill for utility service is delinquent if unpaid by the due date.

(b) A one-time penalty not to exceed five percent may be made on delinquent commercial or industrial bills; however, no such penalty shall apply to residential bills under this rule.

(c) A customer's utility service may be disconnected if the bill has not been paid or a deferred payment agreement entered into within 20 days from the date of issuance and if proper notice has been given. Proper notice shall consist of a mailing or hand delivery at least five days prior to a stated date of disconnection.

(d) Utility service may be disconnected for any of the following reasons:

(1) failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement;

(2) violation of the utility's rules pertaining to the use of service in a manner which interferes with the

service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the customer and the customer is provided with a reasonable opportunity to remedy the situation;

(3) failure to comply with deposit or guarantee arrangements where required by Rule .045;

(4) without notice where a dangerous condition exists for as long as the condition exists; and

(5) tampering with the utility company's meter or equipment or bypassing the same.

(e) Utility service may not be disconnected for any of the following reasons:

(1) delinquency in payment for service by a previous occupant of the premises;

(2) failure to pay for merchandise or charges for nonutility service provided by the utility;

(3) failure to pay for a different type or class of utility service unless fee for such service is included on the same bill;

(4) failure to pay the account of another customer as guarantor thereof, unless the utility has in writing the guarantee as a condition precedent to service;

(5) failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billing;

(6) failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under Rule .047; and

(7) failure to pay an estimated bill other than a bill rendered pursuant to an approved meter-reading plan, unless the utility is unable to read the meter due to circumstances beyond its control.

(f) Unless a dangerous condition exists, or unless the customer requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when personnel of the utility are not available to the public for the purpose of making collections and reconnecting service.

(g) No public utility may abandon a customer or a certified service area without written notice to its customers therein and all similar neighboring utilities, and approval from the commission.

.045. Applicant Deposit.

(a) Establishment of Credit for Permanent Residential Applicants.

(1) Each utility may require a residential applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with rules for prompt payment of bills. Subject to these rules, a residential applicant shall not be required to pay a deposit:

(A) if the residential applicant has been a customer of any utility for the same kind of service

within the last two years and is not delinquent in payment of any such utility service account, and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent, and never had service disconnected for nonpayment; or

(B) if the residential applicant furnishes in writing a satisfactory guarantee to secure payment of bills for the service required; or

(C) if the residential applicant demonstrates a satisfactory credit rating by appropriate means, including but not limited to, the production of generally acceptable credit cards, letters of credit reference, the names of credit references which may be quickly and inexpensively contacted by the utility, or ownership of substantial equity.

(b) Reestablishment of Credit. Every applicant who previously has been a customer of the utility and whose service has been discontinued for nonpayment of bills shall be required before service is rendered to pay all amounts due the utility or execute a deferred payment agreement, if offered, and reestablish credit as provided in Section (a).

(c) Commercial and Industrial Service. In the case of commercial or industrial service, if the credit of an applicant for service has not been established satisfactorily to the utility, the applicant may be required to make a deposit.

(d) Amount of Deposit and Interest for Permanent Residential, Commercial, and Industrial Service and Exemption from Deposit.

(1) The required deposit shall not exceed an amount equivalent to one-sixth of the estimated annual billings. If actual use is at least twice the amount of the estimated billings, a new deposit requirement may be calculated and an additional deposit may be required to be made within two days. If such additional deposit is not made, the utility may disconnect service under the standard disconnection procedure.

(2) All applicants for permanent residential service who are 65 years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance with the utility or another utility for the same utility service which accrued within the last two years. No cash deposit shall be required of such applicant under these conditions.

(3) Each utility which requires deposits to be made by its customers shall pay a minimum interest on such deposits at an annual rate at least equal to six percent. If refund of deposit is made within 30 days of receipt of deposit, no interest payment is required. If the utility retains the deposit more than 30 days, payment of interest shall be made retroactive to the date of deposit.

(A) Payment of the interest to the customer shall be annually if requested by the customer, or at the time the deposit is returned, or credited to the customer's account.

(B) The deposit shall cease to draw interest on the date it is returned or credited to the customer's account.

(e) Deposits for Temporary or Seasonal Service and for Weekend or Seasonal Residences. The utility may require a deposit sufficient to reasonably protect it against the assumed risk, provided such policy is applied in a uniform and nondiscriminatory manner.

(f) Records of Deposits.

(1) The utility shall keep records to show:

(A) the name and address of each depositor;

(B) the amount and date of the deposit; and

(C) each transaction concerning the deposit.

(2) The utility shall issue a receipt of deposit to each applicant from whom a deposit is received, and shall provide means whereby a depositor may establish claim if the receipt is lost.

(3) A record of each unclaimed deposit must be maintained for at least four years, during which time the utility shall make a reasonable effort to return the deposit.

(g) Refund of Deposit.

(1) If service is not connected or after disconnection of service, the utility shall promptly and automatically refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. A transfer of service from one premise to another within the service area of the utility shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these rules.

(2) When the customer has paid bills for service for 12 consecutive residential billings without having service disconnected for nonpayment of bill and without having more than two occasions in which a bill was delinquent, and when the customer is not delinquent in the payment of the current bills, the utility shall promptly and automatically refund the deposit plus accrued interest to the customer in the form of cash or credit to a customer's bill.

(h) Upon Sale or Transfer of Utility or Company. Upon the sale or transfer of any public utility or operating units thereof, the seller shall file with the commission under oath, in addition to other information, a list showing the names and addresses of all customers served by such utility or unit who have to their credit a deposit, the date such deposit was made, the amount thereof, and the unpaid interest thereon.

(i) Complaint by Applicant or Customer. Each utility shall direct its personnel engaged in initial contact with an applicant or customer for service seeking to establish or reestablish credit under the provisions of

these rules to inform the customer, if dissatisfaction is expressed with the utility's decision, of the customer's right to file a complaint with the commission thereon.

.046. Billing.

(a) Rendering and Form of Bills.

(1) Telephone Utilities.

(A) Bills for telephone service shall normally be rendered monthly; shall show the period of time covered by the billings; and shall show a clear listing of all charges due and payable. The utility shall provide the customer with a breakdown of local service charges upon written request. Itemized toll statements shall be included in each bill. Customer billing sent through the United States mail shall be sent in an envelope.

(B) In the event a customer's service is interrupted other than by a disaster or by the negligence or willful act of the customer, and it remains out of order for eight normal working hours or longer after access to the premises is made available after being reported to be out of order, appropriate adjustments or refunds shall be made to the customer. In the event the customer's service is interrupted by natural or other disaster beyond the control of the utility, adjustment or refunds shall be made to customers affected, if service is not restored within 24 hours after access to the premises is made available. The amount of adjustment or refund shall be determined on the basis of the known period of interruption, generally beginning from the time the service interruption is first reported. The refund to the customer shall be the *pro rata* part of the month's charges for the period of days and that portion of the service and facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for telephone service.

(2) Electrical Utilities.

(A) Bills for electric service shall be rendered monthly, unless otherwise authorized by the commission, or unless service is rendered for a period less than a month. Bills shall be rendered as promptly as possible following the reading of meters.

(B) The customer's receipt shall show all the following information:

(i) if the meter is read by the utility, the date and reading of the meter at the beginning and at the end of the period for which the bill is rendered;

(ii) the number and kind of units metered;

(iii) the applicable rate schedule and title;

(iv) the total service charge if billed separately from fuel costs;

(v) the monthly fuel charge if authorized, together with a factor by which it is computed;

(vi) the total amount due for electricity used;

(vii) the date by which the consumer must pay the bill in order to avoid penalty;

(viii) the total amount due after addition of any penalty for nonpayment within a designated period. The terms "gross bill" and "net bill" or other similar terms implying the granting of a discount for prompt payment shall be used only when an actual discount for prompt payment is granted. The terms shall not be used when a penalty is added for nonpayment within a designated period;

(ix) a distinct marking to identify an estimated bill;

(x) any conversions from meter reading units to billing units, or any other calculations to determine billing units from recording or other devices, or any other factors used in determining the bill; and

(xi) the information required in items (ii), (iii), (iv), (v), (vi), and (x) above shall be arranged so as to allow the customer to readily compute his bill with the applicable rate schedule which shall be mailed on request to the customer.

(C) When there is good reason for doing so, estimated bills may be submitted provided that an actual meter reading is taken every six months. In months where the meter reader is unable to gain access to the premises to read the meter on regular meter-reading trips, or in months where meters are not read, the utility must provide the customer with a postcard and request the customer to read the meter and return the card to the utility. If such postcard is not received by the utility in time for billing, the utility may estimate meter reading and render bill accordingly.

(3) Water and Sewer Utilities.

(A) Bills for water and sewer service shall be rendered monthly unless otherwise authorized by the commission, or unless service is rendered for a period less than a month. Bills shall be rendered as promptly as possible following the reading of meters.

(B) The customer's bill shall show all the following information, if applicable:

(i) if the meter is read by the utility, the date and reading of the meter at the beginning and at the end of the period for which the bill is rendered;

(ii) the number and kind of units metered;

(iii) the applicable rate schedule title or code;

(iv) the total amount due for water and sewer service;

(v) the date by which the customer must pay the bill in order to avoid addition of a penalty;

(vi) the total amount due after addition of any penalty for nonpayment within a designated period. The terms "gross bill" and "net bill" or other similar terms implying the granting of a discount for prompt payment shall be used only when an actual discount for prompt payment is granted. The terms shall not be used when a penalty is added for nonpayment within a designated period;

(vii) a distinct marking to identify an estimated bill;

(viii) any conversions from meter reading units to billing units, or any other calculations to determine billing units from recording or other devices, or any other factors used in determining the bill; and

(ix) the information required above shall be arranged so as to allow the customer to readily compute his bill with a copy of the applicable rate schedule which shall be mailed on request to the customer.

(C) When there is good reason for doing so, estimated bills may be submitted provided that an actual meter reading is taken every six months. In months where the meter reader is unable to gain access to the premises to read the meter on regular meter-reading trips, or in months where meters are not read, the utility must provide the customer with a postcard and request the customer to read the meter and return the card to the utility. If such postcard is not received by the utility in time for billing, the utility may estimate meter reading and render bill accordingly.

(b) Disputed Bills. In the event of a dispute between the customer and the utility regarding any bill, the utility shall forthwith make such investigation as shall be required by the particular case, and report the results thereof to the customer.

.047. Meters.

(a) Meter Requirements.

(1) Use of meter. All electrical energy or water sold by a utility shall be charged for by meter measurements, except where otherwise provided for by the applicable rate schedule or contract.

(2) Installation by utility. Unless otherwise authorized by the commission, each utility shall provide and install and shall continue to own and maintain all meters necessary for the measurement of electrical energy or water to its customers.

(3) Standard type. No utility shall furnish, set up, or put in use any meter which is not reliable and of a standard type which meets industry standards, provided, however, special meters not necessarily conforming to such standard types may be used for investigation or experimental purposes.

(b) Meter Records. Each utility shall keep the following records:

(1) Meter equipment record. Each utility shall keep a record of all of its meters, showing the customer's address and date of the last test.

(2) Records of meter tests. All meter tests shall be properly referenced to the meter record provided for herein. The record of each test made on customer's premises or on request of a customer shall show the identifying number and constants of the meter, the standard meter and other measuring devices used, the date and kind of test made, by whom made, the error (or per-

centage of accuracy) at each load tested, and sufficient data to permit verification of all calculations.

(c) Meter Readings.

(1) Meter unit indication. In general, each meter shall indicate clearly the kilowatt-hours, gallons of water, or other units of service for which charge is made to the customer.

(2) Reading of meters. As a matter of general practice, service meters shall be read at monthly intervals, and as nearly as possible on the corresponding day of each meter reading period, but may be read at other than monthly intervals if the circumstances warrant.

(d) Meter Tests on Request of Customer. Each utility shall, upon the request of a customer, and, if he so desires, in his presence or in that of his authorized representative, make without charge a test of the accuracy of the customer's meter. The test shall be made during the utility's normal working hours at a time convenient to the customer if he desires to observe the test. The test shall be made preferably on the customer's premises, but may, at the utility's discretion, be made at the utility's test laboratory. If the meter has been tested by the utility, or by an authorized agency, at the customer's request, and within a period of one year the customer requests a new test, the utility shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, Incorporated, or the American Water Works Association, the utility may charge the customer a fee which reflects the cost to test the meter, but this charge shall in no event be more than \$15 for a residential customer. Following the completion of any requested test, the utility shall promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

(e) Bill Adjustment Due to Meter Error. If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, Incorporated, or the American Water Works Association, proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund is required from the utility except to the customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, the utility shall make a charge for units used, but not metered, for a period not to exceed three months based on amounts used under similar conditions during period preceding or subsequent thereto, or during corresponding periods in previous years.

.048. *New Construction.*

(a) Standards of Construction. In determining standard practice, the commission will be guided by the provisions of the American National Standards Institute, the National Electrical Safety Code, American Water Works Association, and such other codes and standards that are generally accepted by the industry, except as modified by this commission or by municipal regulations within their jurisdiction. Each utility shall construct, install, operate, and maintain its plant, structures, equipment, and lines in accordance with these standards, and in such manner to best accommodate the public, and to prevent interference with service furnished by other public utilities insofar as practical.

(b) Line Extension and Construction Charges. Every utility shall file its extension policy as required in Rule .034(b)(1). The policy shall be consistent, non-discriminatory, and subject to the approval of the commission. No contribution in aid of construction may be required of any customer except as provided for in the extension policy.

(c) Response to Request for Service. Every telephone and electric public utility shall serve each qualified applicant for service within its certificated area as rapidly as is practical. Those applications for new telephone and electric service not involving line extension or new facilities should be filled within seven working days. Those applications for residential service requiring line extensions should be filled as quickly as possible and shall be filled within 90 days unless unavailability of materials causes unavoidable delays. In the event that residential service is delayed in excess of 90 days after an applicant has met credit requirements and made satisfactory arrangements for payment of any required construction charges, a report shall be made to the commission listing the name, location, and cause for delay. Unless such delays are due to causes which are reasonably beyond the control of the utility, delay in excess of 90 days shall constitute refusal to serve, and consideration may be given to revoking the certificate of convenience and necessity or to granting a certificate to another utility to serve the applicant, or such refusal may be considered in arriving at a proper return on the invested capital of the utility.

Issued in Austin, Texas, on June 1, 1976.

Doc. No. 763015

Roy J. Henderson
Director of Hearings
Public Utility Commission
of Texas

Effective Date: July 5, 1976

For further information, please call (512) 475-7901.

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.

Texas Board of Architectural Examiners Meeting

A meeting of the Texas Board of Architectural Examiners will be held on Friday and Saturday, July 16 and 17, 1976. The board will meet at 10:30 a.m. Friday with the State Board of Registration for Professional Engineers in the John H. Reagan Building and at 9 a.m. Saturday in Room 202 of the Richmond Building, 1411 West Avenue, Austin. The agenda includes a review of applications, the grading of examinations, approval of minutes, and consideration of alleged violations and other new business.

Additional information may be obtained from Philip D. Creer, 1411 West Avenue, Austin, Texas 78701, telephone (512) 475-2629.

Filed: June 18, 1976, 3:36 p.m.

Doc. No. 763290

State Board of Banking Addition to Agenda

An addition to the agenda of the meeting of the State Banking Board to be held on Tuesday, June 29, 1976, 10 a.m., at 2601 North Lamar, Austin, was made to include a motion for rehearing for the Bank of Pampa, to be located in Pampa.

Additional information may be obtained from Dan Krohn, 2601 North Lamar, Austin, Texas 78705, telephone (512) 475-4451.

Filed: June 18, 1976, 12:24 p.m.

Doc. No. 763273

Hearing Rescheduled

A hearing before the Hearing Officer of the State Banking Board, previously scheduled for July 28, 1976, has been postponed until Tuesday, August 10, 1976, 9 a.m., at 2601 North Lamar, Austin. The hearing concerns the charter application for First Texas Bank and Trust of Plano and Texas American Bank, both to be located in Plano.

Additional information may be obtained from Dan Krohn, 2601 North Lamar, Austin, Texas 78705, telephone (512) 475-4451.

Filed: June 18, 1976, 12:23 p.m.

Doc. No. 763275



Hearing

An hearing before the Hearing Officer of the State Banking Board will be held on Tuesday, September 14, 1976, 9 a.m., at 2601 North Lamar, Austin. The charter application for the proposed First City Bank-- Woodway, to be located in Houston, will be considered.

Additional information may be obtained from Dan Krohn, 2601 North Lamar, Austin, Texas 78705, telephone (512) 475-4451.

Filed: June 18, 1976, 12:23 p.m.

Doc. No. 763274

Joint Advisory Committee on Government Operations

Emergency Meeting

An emergency meeting of the Economic Development and Law Enforcement Subcommittee of the Joint Advisory Committee on Government Operations will be held on Friday, June 25, 1976, 9:30 a.m., in the Senate Reception Room, State Capitol, Austin, to approve the initial report to the Policy and Structure Subcommittee.

Additional information may be obtained from Mary Holley, Room G-38, State Capitol, Austin, Texas 78711, telephone (512) 475-3106.

Filed: June 18, 1976, 10:30 a.m.

Doc. No. 763256

Office of the Governor Meeting

A meeting of the Advisory Committee of the Governor's Committee on Aging will be held on Monday, June 28, 1976, 10 a.m., at the Hotel Paso del Norte, El Paso, to review the state plan for the Governor's Committee on Aging for Fiscal Year 1977.

Additional information may be obtained from Vernon McDaniel, P.O. Box 12786, Austin, Texas 78711, telephone (512) 475-2717.

Filed: June 17, 1976, 4:21 p.m.

Doc. No. 763251

Texas Health Facilities Commission

Emergency Meeting

An emergency meeting of the Texas Health Facilities Commission was held on Friday, June 18, 1976, 10:15 a.m., in Suite 450, One Highland Center, 314 Highland Mall Boulevard, Austin, to adopt an emergency amendment to Rule 315.07.01.001(c)(6).

Additional information may be obtained from Michael R. Sharp, P.O. Box 15023, Austin, Texas 78761, telephone (512) 475-6940.

Filed: June 17, 1976, 5:05 p.m.

Doc. No. 763252

Emergency Meeting

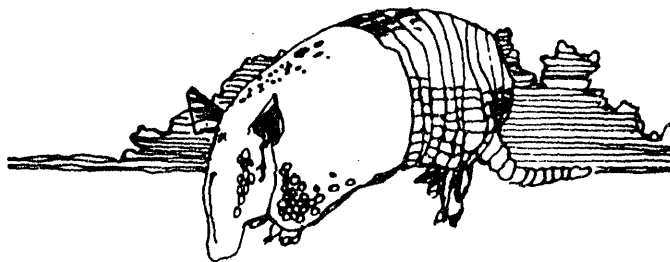
An emergency meeting of the Texas Health Facilities Commission was held on Friday, June 18, 1976, 2 p.m., in Suite 450, One Highland Center, 314 Highland Mall Boulevard, Austin.

The commission considered the adoption of an emergency amendment of item (c)(6) of Supplementary Rule and Regulation 315.07.01.001 (exemption certificates and declaratory rulings), setting forth a change in the definition of "development" of home health agencies. This rule will be promulgated pursuant to Section 2.06(2) of Article 4418(h), Vernon's Annotated Civil Statutes.

Additional information may be obtained from Michael R. Sharp, P.O. Box 15023, Austin, Texas 78761, telephone (512) 475-6940.

Filed: June 18, 1976, 11:04 a.m.

Doc. No. 763269



Texas Department of Health Resources

Meeting

A meeting of the Board of the Texas Department of Health Resources will be held on Friday, June 25, 1976, 9:30 a.m., in the board room, 1100 West 49th Street, Austin. The board will consider the director's report; activation of Regions 5 and 8; a program review; a region review; appointments to Crippled Children's Technical Advisory Committee; appointments to Crippled Children's Advisory Committee; appointment to Kidney Health Care Advisory Committee; committee reports; and chest hospitals appropriation transfers.

Additional information may be obtained from Raymond T. Moore, M.D., 1100 West 49th Street, Austin, Texas 78756, telephone (512) 454-3781, extension 200.

Filed: June 17, 1976, 1:43 p.m.

Doc. No. 763243

State Board of Insurance

Emergency Addition to Agenda

An emergency addition was made to the agenda of a meeting of the State Board of Insurance held on Wednesday, June 23, 1976, 2 p.m., in Room 408, 1110 San Jacinto, Austin, to include a malpractice filing by American Physicians Insurance Exchange.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 18, 1976, 9 23 a.m.

Doc. No. 763254

Emergency Addition to Agenda

An emergency addition was made to the agenda of a meeting of the State Board of Insurance held on Thursday, June 24, 1976, 10 a.m., in Room 408, 1110 San Jacinto, Austin, to include consideration of increased limits tables for druggists and miscellaneous medical.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 18, 1976, 9 23 a.m.

Doc. No. 763255

Emergency Addition to Agenda

An emergency addition was made to the agenda of a meeting of the State Board of Insurance held on Thursday, June 24, 1976, 10 a.m., in Room 408, 1110 San Jacinto, Austin. The addition included consideration of revision of product bodily injury basic limit manual rates and increased limits tables; editorial changes and revised minimum premium; and increased limits tables for employee benefits liability.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 17, 1976, 1 52 p.m.

Doc. No. 763244

Meeting

A meeting of the State Board of Insurance will be held on Tuesday, June 29, 1976, 2 p.m., in Room 408, 1110 San Jacinto, Austin, to consider the commissioner's report and the methods and procedures report.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 21, 1976, 11 30 a.m.

Doc. No. 763300

Meeting

A meeting of the State Board of Insurance will be held on Wednesday, June 30, 1976, 2 p.m., in Room 408, 1110 San Jacinto, Austin. The board will discuss an appeal by the Baylor College of Medicine; an amendment to rules and regulations for the storage and handling of flammable liquids; vendor's single interest insurance; and the organization of state fire marshal's office.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 21, 1976, 11 31 a.m.

Doc. No. 763301

Meeting

A meeting of the State Board of Insurance will be held on Thursday, July 1, 1976, 10 a.m., in Room 408, 1110 San Jacinto, Austin, to meet with the Executive Committee of Independent Insurance Agents of Texas concerning market problems.

Additional information may be obtained from William J. Harding, 1110 San Jacinto, Austin, Texas 78786, telephone (512) 475-2950.

Filed June 21, 1976, 11 31 a.m.

Doc. No. 763302

Commission on Jail Standards

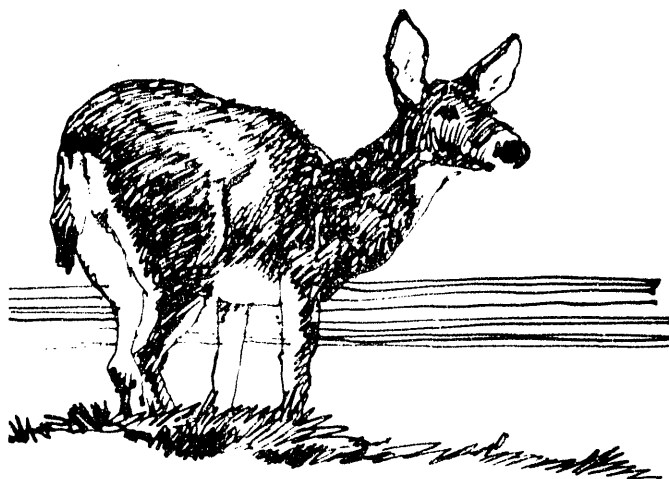
Emergency Meeting

An emergency meeting of the Commission on Jail Standards was held on Thursday, June 24, 1976, 11 a.m., at the Lieutenant Governor's Committee Room, State Capitol, Austin, to hear a report on the results of the search for an executive director and reports of subcommittees, and to discuss specific action on subcommittee reports. Commission members having arranged schedules to be in Austin on June 24, and notice having been placed in interagency mail on June 15, its delivery to the Secretary of State's Office having been inexplicably delayed, postponement of the June 24 meeting would have required too great an additional delay in hiring an executive director and scheduling hearings on jail standards.

Additional information may be obtained from James Greenwood III, 2550 First City National Bank Building, Houston, Texas 77002, telephone (713) 236-2663.

Filed June 17, 1976, 3:13 p.m.

Doc. No. 763247



Hearing

A hearing by the Commission of the Texas Parks and Wildlife Department will be held on Tuesday, June 29, 1976, 9 a.m., in Room 117, Sam Houston Building, 15th and Congress, Austin.

The commission will consider the master plan for Lost Maples State Natural Area; Goose Island State Recreation Area development plan and program, Phase II; the awarding of concession contract at Texas State Railroad State Historical Park; the purchase of two remote computer terminals for the Comprehensive Planning Branch; relocation assistance policies and procedures; acquisition project, Garner State Park; and McKinney Falls State Park, critical park problems; waiver to concession contract with San Antonio Conservation Society; rough fish removal permit program; current implications of federal laws which affect the department's procedures relative to permits involving wetlands; rules for administration of scientific and zoological permits; a quick copy center; wildlife operations plan; terms and conditions for grazing lease contract on the Chaparral Wildlife Management Area; 1976 park major repair program; 1976 fisheries maintenance and major repairs; Mustang Island State Park; Engineering Division budget adjustment; Lake Sam Rayburn Reservoir; Fort Leaton State Historic Site recreation construction; and Washington-on-the-Brazos State Historical Park acquisition eminent domain proceedings.

Additional information may be obtained from Perry Spalding, John H. Reagan Building, Austin, Texas 78701, telephone (512) 475-3074.

Filed: June 17, 1976, 1:55 p.m.

Doc. No. 763246

Texas Parks and Wildlife Department

Meeting

A meeting of the Commission of the Texas Parks and Wildlife Department will be held on Monday, June 28, 1976, 9 a.m., in Room 105, Sam Houston Building, 15th and Congress, Austin. The commission will consider the Lake Arrowhead State Recreation Area, LBJ State Historical Park development concept plans; migratory water fowl regulations and special rules and regulations for Sea Rim State Park for 1976-77 season; a report on Buescher Environmental Science Park; the Jose Antonio Navarro State Historic Site development concept plan; a survey of existing highway directional signing for state parks; a quick copy center; the wildlife operational plan; terms and conditions for grazing lease contract on the Chaparral Wildlife Management Area; and Lake Colorado City State Recreation Area and Mustang Island State Park design/development.

Additional information may be obtained from Perry Spalding, John H. Reagan Building, Austin, Texas 78701, telephone (512) 475-3074.

Filed: June 17, 1976, 1:54 p.m.

Doc. No. 763245

Hearing

A hearing by the Wildlife Division of the Texas Parks and Wildlife Department will be held on Wednesday, July 28, 1976, 10 a.m., in Room 100, John H. Reagan Building, Austin. The department will consider the request by Monsanto Company for a road right-of-way on the Gene Howe Wildlife Management Area in Hemphill County.

Additional information may be obtained from John R. Jefferson, John H. Reagan Building, Austin, Texas 78701, telephone (512) 475-5899.

Filed: June 18, 1976, 11:41 a.m.

Doc. No. 763271

Texas State Board of Public Accountancy

Meeting

A meeting of the Texas State Board of Public Accountancy will be held on Friday, June 25, 1976, 9 a.m., at the Waco Plaza Hotel, 411 Austin Avenue, Waco.

The board will consider approval of applications for the CPA examination and the CPA certificate by the board or by ratification; reciprocity with foreign countries; annual meeting of NASBA on October 21-23, 1976; rule concerning AICPA grade reports; policy in providing lists of exam candidates; procedures to control security of CPA certificates; approval or denial of the new Ad Hoc Committee on CPA Ethics Questionnaire appointed by Stanley Voelkel, President Elect of the Texas Society of Certified Public Accountants. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Pauline Thomas, 940 American Bank Tower, 221 West 6th Street, Austin, Texas 78701, telephone (512) 476-6971.

Filed: June 17, 1976, 3:12 p.m.

Doc. No. 763249

Public Utility Commission of Texas

Meeting

A meeting of the Public Utility Commission of Texas will be held on Monday, August 2, 1976, 9 a.m., in Suite 450N, 7800 Shoal Creek Boulevard, Austin. The commission will consider applications of electric utilities for

the counties of Angelina, Houston, Jasper, Nacogdoches, Newton, Polk, Sabine, San Augustine, Shelby, Trinity, and Tyler. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Roy J. Henderson, Suite 450N, 7800 Shoal Creek Boulevard, Austin, Texas 78757, telephone (512) 475-7921.

Filed: June 18, 1976, 9:24 a.m.

Doc. No. 763253

Railroad Commission of Texas

Emergency Meeting

An emergency meeting of the Gas Utilities Division of the Railroad Commission of Texas was held on Monday, June 21, 1976, 9 a.m., at the E. O. Thompson Building, 10th and Colorado, Austin, to discuss the application of Lone Star Gas Company for an exception to the order of the commission in Gas Utilities Docket 600 to permit Lone Star to make deliveries in excess of 3,000 Mcf/day to PPG Industries at its Corpus Christi chemical plant for the period of July 1 through 7.

Additional information may be obtained from Frank P. Youngblood, P.O. Drawer 12967, Capitol Station, Austin, Texas 78711, telephone (512) 475-2747.

Filed: June 18, 1976, 2:31 p.m.

Doc. No. 763289

Emergency Addition to Agenda

An emergency addition was made to the agenda of a meeting of the Oil and Gas Division of the Railroad Commission of Texas held on Monday, June 21, 1976, 11 a.m., at the E. O. Thompson Building, 10th and Colorado, Austin.

The division considered an application by Amoco Production Company to conduct a pilot tertiary recovery program, Slaughter Field, Hockley County. Because this matter was scheduled for June 1, 1976, and was passed over at that meeting, this supplemental notice was urgently necessary so that the application could be considered at the called meeting.

Additional information may be obtained from A. H. Barbeck, P.O. Drawer 12967, Capitol Station, Austin, Texas 78711, telephone (512) 475-3003.

Filed: June 21, 1976, 8:52 a.m.

Doc. No. 763296

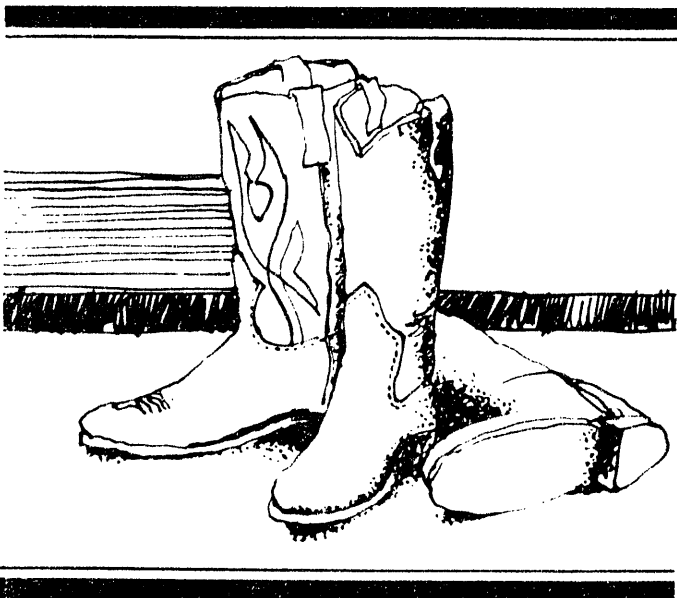
Meeting

A meeting of the Transportation Division of the Railroad Commission of Texas will be held on Monday, June 28, 1976, 9 a.m., in the E. O. Thompson Building, 10th and Colorado Streets, Austin. The division will consider contested and uncontested public convenience and necessity applications; contested and uncontested rate applications; a fee reinstatement; voluntary suspension; exempt commodity authority; I.C.C. authority; and bus schedule changes. The complete agenda is posted in the East Wing of the State Capitol.

Additional information may be obtained from Meiling Newman, P.O. Box 12967, Capitol Station, Austin, Texas 78711, telephone (512) 475-3207.

Filed: June 18, 1976, 2:01 p.m.

Doc. No. 763294



Texas A&M University System

Meeting

A meeting of the Board of Regents of The Texas A&M University System will be held on Friday, July 9, 1976, 9 a.m., in Room A, Tarleton Center, Tarleton State University, Stephenville, to consider the sale of Permanent University Fund bonds.

Additional information may be obtained from Robert G. Cherry, Texas A&M University, College Station, Texas 77843, telephone (713) 845-4334.

Filed: June 21, 1976, 10:46 a.m.

Doc. No. 763297

Texas Water Rights Commission

Meeting

A meeting of the Texas Water Rights Commission will be held on Monday, June 28, 1976, 10 a.m., at the Stephen F. Austin Building, 1700 North Congress, Austin.

The commission will consider water district matters; applications for permits in the Trinity River Basin and the Brazos River Basin; proposed amendments to Rule 129.04.10.001 and 129.09.01.004; the 1978-1979 budget proposal; a federal project entitled "Burnett, Crystal, and Scott Bays, Baytown, Texas-- Feasibility Report for Flood Damage Reduction"; a contractual application by N. H. Huff and application to amend Permit 1248A by C. W. Zwahr; examiner's proposals for decision on an application by Henry E. Harris; and a staff recommendation of the return of a contractual application by El Paso Natural Gas Company. The complete agenda is posted in the East Wing of the State Capitol.

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

Filed: June 17, 1976, 3:12 p.m.

Doc. No. 763248

Hearing

A hearing by the Texas Water Rights Commission will be held on Tuesday, July 27, 1976, 10 a.m., at the Stephen F. Austin Building, 1700 North Congress, Austin. The dissolution of the Village Public Utility District will be considered. The complete agenda is posted in the East Wing of the State Capitol.

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

Filed: June 18, 1976, 11:13 a.m.

Doc. No. 763270

Hearing

A hearing by the Texas Water Rights Commission will be held on Friday, August 20, 1976, 10 a.m., in the Stephen F. Austin Building, 1700 North Congress, Austin, to consider Application 3614, by John W. Zimmerman; Application 3615, by Charles Weir; and Application 3613, by the Texas National Guard Armory Board. The complete agenda is posted in the East Wing of the State Capitol.

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

Filed: June 18, 1976, 3:31 p.m.

Doc. No. 763292

Hearing

A hearing by the Texas Water Rights Commission will be held on Tuesday, August 31, 1976, 10 a.m., in the Stephen F. Austin Building, 1700 North Congress, Austin, to consider Application 3611, by Texaco, Inc.; Application 3610, by Hillsboro Country Club; and Application 3616, by Mary E. Rippetoe and Mabel I. Griffin. The complete agenda is posted in the East Wing of the State Capitol.

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

Filed: June 18, 1976, 3:33 p.m.

Doc. No. 763293

Hearing

A hearing by the Texas Water Rights Commission will be held on Wednesday, September 1, 1976, 10 a.m., in the Stephen F. Austin Building, 1700 North Congress, Austin, to consider Application 3612, by Arnold T. Sikes. The complete agenda is posted in the East Wing of the State Capitol.

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

Filed: June 18, 1976, 3:31 p.m.

Doc. No. 763291

Quasi-State Agencies

Meetings Filed June 17, 1976

The Educational Personnel Development Consortium D, Executive Board, will meet at the Holiday Inn, Garland, on July 2, 1976, at 10:30 a.m. Further information may be obtained from Billy N. Pope, P.O. Box 1300, Richardson, Texas 75080, telephone (214) 238-8179.

Doc. No. 763250



Meetings Filed June 18, 1976

The Coastal Bend Council of Governments will meet in the Central Jury Room, Nueces County Courthouse, Corpus Christi, on June 25, 1976, at 2 p.m. Further information may be obtained from Robert Weaver, P.O. Box 6609, Corpus Christi, Texas 78411, telephone (512) 854-3081.

The Coastal Bend Council of Governments will meet at the Petroleum Club, Corpus Christi, on June 25, 1976, at noon. Further information may be obtained from Robert Weaver, P.O. Box 6609, Corpus Christi, Texas 78411, telephone (512) 854-3081.

The Permian Basin Regional Planning Commission, Board of Directors, met at the Conference Room, Air Terminal Office Building, Midland, on June 23, 1976, at 1:30 p.m. Further information may be obtained from Ernie Crawford, P.O. Box 6391, Midland, Texas 79701, telephone (915) 563-1061.

The Education Service Center Region XIII, Board of Directors, met at the Tracor Cafeteria, 6500 Tracor Lane, Austin, on June 24, 1976, at 2 p.m. Further information may be obtained from Joe Parks, 6504 Tracor Lane, Austin, Texas 78721, telephone (512) 926-8080.

The Copano Bay Soil Conservation District 329 will meet at the Refugio City Hall Council Room, Refugio, on June 28, 1976, at 8 p.m. Further information may be obtained from Jim Wales, Drawer 340, Refugio, Texas 78377, telephone (512) 526-2334.

Doc No. 763272

Meetings Filed June 21, 1976

The Panhandle Regional Planning Commission, Board of Directors, met at the Chamber of Commerce Conference Room, 1st floor of the Amarillo Building, Amarillo, on June 24, 1976, 1:30 p.m. Further information may be obtained from George Loudder, P.O. Box 9257, Amarillo, Texas 79105, telephone (806) 376-4238.

Doc. No. 763298



Office of State-Federal Relations

Meeting

Highway Safety Program Standards

Notice is given that the National Highway Traffic Safety Administration (NHTSA) will hold a meeting in Fort Worth, Texas, on Friday, July 9, 1976, to receive public comments on proposed revisions in highway safety program standards. Standards affected include periodic motor vehicle inspection, motor vehicle registration, motorcycle safety, driver education, driver licensing, codes and laws, traffic courts, alcohol in relation to highway safety, traffic records, emergency medical services, pedestrian safety, police traffic services, debris hazard control and cleanup, pupil transportation safety, and accident investigation and reporting. The meeting will be held in the Astor Room of the Hilton Inn at Interstate 20 and Commerce Street, between the hours of 9 a.m. and noon, 1:30 and 4 p.m., and 6 and 10 p.m.

Persons who wish to speak at the meeting are encouraged to register in advance by writing to the Docket Section 76-2, NHTSA, Room 5108, 400 Seventh Street, S.W., Washington, D.C. 20590, or by calling Len Tabor at (202) 426-9581. Written comments may be submitted at the meeting or by mail.

Additional information may be obtained from Dennis Thomas, P.O. Box 13005, Capitol Station, Austin, Texas 78711.

Issued in Austin, Texas, on June 15, 1976.

Doc. No. 763267 Dennis Thomas
Associate Director
Office of State-Federal
Relations

Filed: June 18, 1976, 8 29 a m

For further information, please call (512) 475-7805.

Meeting

Municipal Water Programs

Notice is given that the Subcommittee on Municipal Operations Strategy of the State-Federal Water Programs Advisory Committee will meet in Dallas, Texas, on June 30, to give further consideration to municipal operations strategy issues. The meeting will be held between the hours of 9 a.m. and 4 p.m., at the U.S. Environmental Protection Agency, 2600 Patterson Street, Dallas.

Further information may be obtained from Ralph Pruiett, U.S. Environmental Protection Agency, 401 M Street, S.W., (WH-556), Washington, D.C. 20460 at (202) 755-0330, or from Dennis Thomas, P.O. Box 13005, Capitol Station, Austin, Texas 78711.

Issued in Austin, Texas, on June 15, 1976.

Doc No. 763268 Dennis Thomas
Associate Director
Office of State-Federal
Relations

Filed: June 18, 1976, 8 29 a m

For further information, please call (512) 475-7805.

Texas State Board of Public Accountancy

In the Public Interest

Public accounting, by its very nature, serves the public interest and the free enterprise system. CPAs were possibly the first "consumer protection activists" in modern society, and continue in that role. Accounting, at first largely recordkeeping, has been an integral part of business since the earliest days of trading but has grown more sophisticated through the years. The ever-increasing complexity of business organizations and the widespread growth in public ownership has necessitated independent examination of and reporting on the financial statements of large corporations.

Under the Texas Public Accountancy Act of 1945, as amended, the public accounting profession has grown rapidly to meet the demands of the public and continues to accelerate its growth without relaxing its high standards of performance. The act, administered by the Texas State Board of Public Accountancy, provides for examination, licensing, and control of certified public accountants (CPAs) and public accountants. It does not provide for jurisdiction over bookkeepers or tax return preparers except to prohibit their holding themselves out to the public as public accountants by titles or designations that might be confused with CPA or public accountant.

What is public accounting? Public accounting is the work of individuals and firms who offer to all those wishing to engage them independent professional accounting skills consisting principally of the design and installation of financial and cost accounting systems, audits, investigations and reports based on audits, advice on management and financial policies, and various federal and state tax planning and return preparation services.

Who are certified public accountants? CPAs have met the statutory requirements of a state (in this case, Texas) or other political subdivision of the United States as to age, education, residence, moral character, and experience, and have satisfactorily passed a uniform examination given by the appropriate regulatory authority. In Texas, this authority is the board.

Who are public accountants? In Texas, public accountants generally are those accountants who are not CPAs but who were in public accounting practice or in the armed forces of the United States when the act was passed (June 6, 1945), and who applied for and were granted a license. Many pre-1945 public accountants have since become CPAs upon satisfactory completion of the CPA examination. Pre-1945 public accountants are entitled to re-licensing by the board as public accountants annually upon payment of the required fee.

Who may become a CPA? Section 12 of the act describes how a person may become a CPA in Texas. Generally, anyone who is a United States citizen and Texas resident, over 18 years old, of good moral character, who meets the education and experience requirements, and who passes a uniform, nationwide, two and one-half day written examination may become a CPA. Applications are screened by the board, which has reasonable discretion in applying the act in unusual situations. Forty colleges and universities in Texas offer courses of study designed to prepare CPA candidates for their profession.

How is the CPA examination prepared, given, and graded? The uniform CPA examination is prepared by the American Institute of Certified Public Accountants (the American Institute), given simultaneously in all 50 states and four other jurisdictions by the appropriate authorities (in Texas, the board), graded by the American Institute, and subject, in Texas, to re-grading by the board.

There are several important aspects of the uniform CPA exam. First, it is based on problems submitted by CPAs throughout the country and administered by the American Institute. It is interesting to note that of the 414 questions recently accumulated by the American Institute for possible inclusion in future examinations, 83 were submitted by Texas CPAs. Second, the uniformity of the examination assures consistency and a basis for reciprocity between states. A CPA, by passing the examination in Texas, has demonstrated the competence necessary to be granted a license to practice his profession in other states. Third, the final grading of the examination and the ultimate decision for licensing is retained by the State of Texas through the board.

Fourth, consistent standards for entry into the profession are continually upgraded to reflect ever-changing business problems, thus encouraging continued competence in the performance of high-quality work for clients and the public.

What ethical guidelines apply to CPAs and public accountants? Rules of professional conduct, promulgated by the board, apply to all Texas CPAs and public accountants. These have the force of law under the authority given to the board by the act.

Are Texas CPAs and public accountants controlled by any national organization? No. Control over Texas CPAs and public accountants is exercised by the board under its authority to issue CPA certificates, to renew licenses to practice, and to discipline holders of Texas licenses.

Is there a need for more CPAs? Yes. As business grows more complex and tax compliance becomes more difficult, the need for qualified professionals grows proportionately. There will always be a need for more CPAs. The profession welcomes more qualified individuals, and it actively recruits capable students from Texas schools and elsewhere. Texas schools had an estimated 18,000 students enrolled as accounting majors as of January 1, 1976.

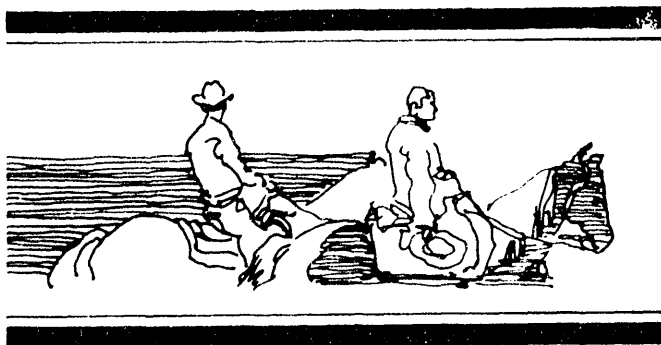
Should standards be lowered? No. One of the continuing concerns of a profession is quality before quantity. To lower the standards of entrance into the accounting profession would be contrary to the requirements of business, which grow progressively more demanding and complex. It also would be contrary to the ever-increasing concern for consumers in the 1970s.

Issued in Austin, Texas, on June 9, 1976.

Doc. No. 763152 Pauline Thomas
Administrative Director
Texas State Board of Public
Accountancy

Filed: June 11, 1976, 11:28 a.m.

For further information, please call (512) 476-6971.



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