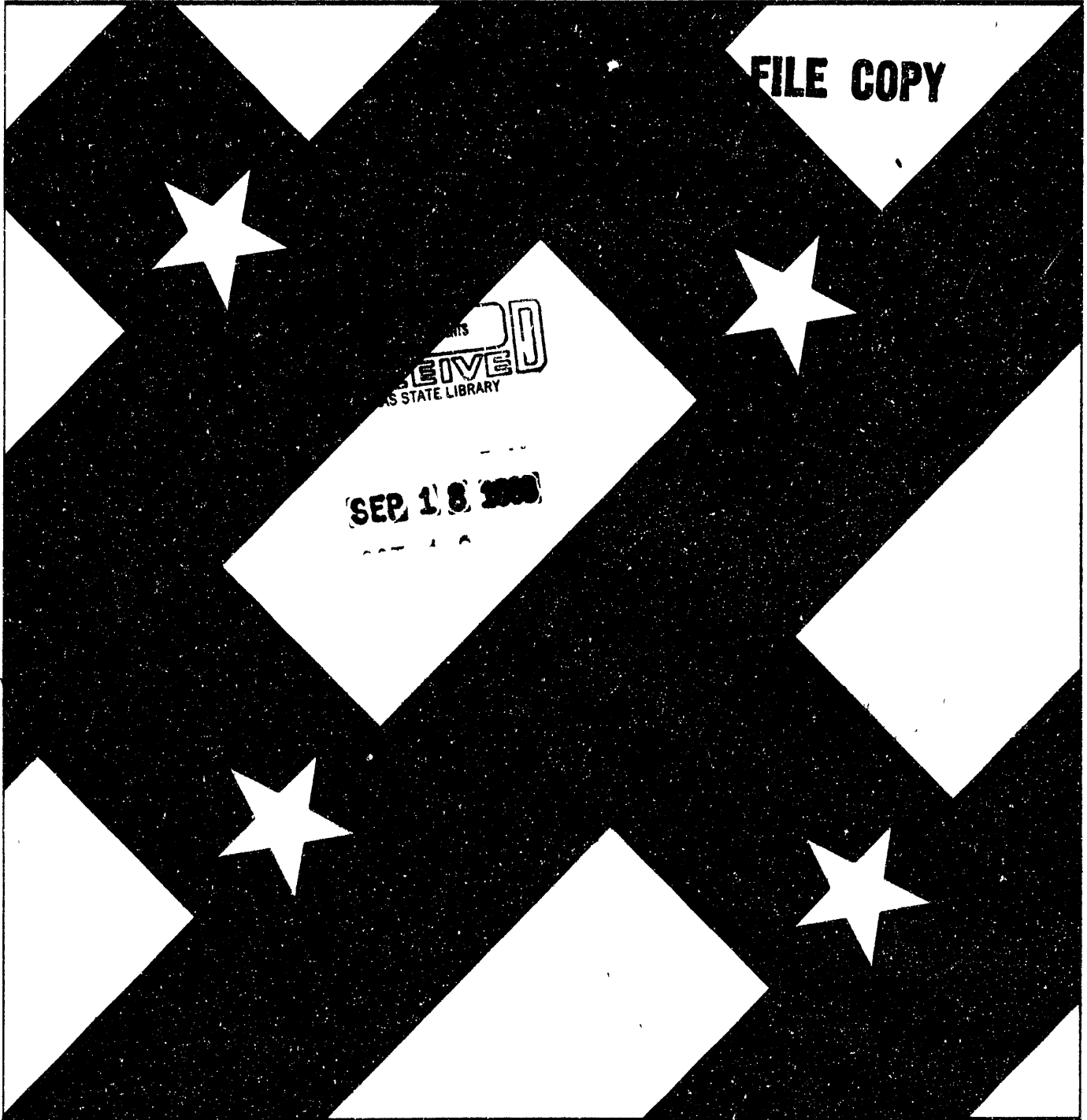


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Texas Register

Volume 11, Number 68, September 12, 1986

Pages 3911-3950



Highlights

The Texas State Board of Public Accountancy proposes a section concerning the independence requirement of the practitioners of public accounting when expressing an opinion on financial statements of an enterprise. Earliest possible date of adoption - October 13 **page 3920**

The Industrial Accident Board proposes a

section regarding contents of rule-making petitions to comply with Texas Civil Statutes, Article 6252-13a, §11. Earliest possible date of adoption - October 13 **page 3921**

The Comptroller of Public Accounts proposes an amendment concerning state sales and use tax. Earliest possible date of adoption - October 13 **page 3825**

Office of
the Secretary
of State

Texas Register

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- Governor—appointments, executive orders, and proclamations
- Secretary of State—summaries of opinions based on election laws
- State Ethics Advisory Commission—summaries of requests for opinions and opinions
- Attorney General—summaries of requests for opinions, opinions, and open records decisions
- Emergency Rules—rules adopted by state agencies on an emergency basis
- Proposed Rules—rules proposed for adoption
- Withdrawn Rules—rules withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the *Texas Register* six months after proposal publication date
- Adopted Rules—rules adopted following a 30-day public comment period
- Open Meetings—notices of open meetings
- The Legislature—bills submitted to, signed by, and vetoed by the Governor and bills that are submitted to the Governor and enacted without his signature
- In Addition—miscellaneous information required to be published by statute or provided as a public service

Specific explanations on the contents of each section can be found on the beginning page of the section. The division also publishes accumulative quarterly and annual indexes to aid in researching material published.

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In order that readers may cite material more easily, page numbers are now written as citations. Example: on page 2, in the lower left-hand corner of the page, would be written: "11 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 11 TexReg 3."

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

Texas Administrative Code

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

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

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

TAC stands for the *Texas Administrative Code*;

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



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Attorney General

Description of attorney general submissions. Under provisions set out in the Texas Constitution, Texas Civil Statutes (Article 4399), and numerous statutes, the attorney general is authorized to write advisory opinions for state and local officials. These advisory opinions are requested by agencies or officials when they are confronted with unique or unusually difficult legal questions. The attorney general also determines, under authority of the Texas Open Records Act, whether information requested for release from governmental agencies may be held from public disclosure. Requests for opinions, opinions, and open record decisions are summarized for publication in the *Register*.

Requests for Opinions

RQ-871. Request from Gibson D. (Gib) Lewis, speaker of the house, Texas House of Representatives, Austin, concerning whether capital gains on securities owned by the Permanent University Fund and the Permanent School Fund should be deposited in the Permanent University Fund and the Permanent School Fund or in the Available University Fund and the Available School Fund.

TRD-8608531

★ ★ ★

RQ-872. Request from Carlos Valdez, Nueces County attorney, Corpus Christi, concerning the validity of formation of Reinvestment Zone under Texas Civil Statutes, Article 1066e.

TRD-8608532

★ ★ ★

RQ-874. Request from Wallace Collins, administrator, Texas Real Estate Commission, Austin, concerning applicability of the Natural Resources Code, §61.025, to real estate contracts involving property in counties bordering on the Gulf of Mexico.

TRD-8608534

★ ★ ★

RQ-875. Request from Oscar H. Mauzy, chairman, Senate Committee on Jurisprudence, Austin, concerning authority of a municipality to enact a repair-and-deduct ordinance.

TRD-8608535

★ ★ ★

RQ-876. Request from J. Scott Chaffin, general counsel, University of Houston, Houston, concerning whether reports prepared in connection with an investigation into the football program at the University of Houston is subject to disclosure under the Open Records Act, Texas Civil Statutes, Article 6252-17a.

TRD-8608536

★ ★ ★

RQ-877. Request from Stephen Davidchik, Grayson County attorney, Sherman, concerning whether a county may expand public funds to construct a county parking lot on property owned by a church.

TRD-8608537

★ ★ ★

RQ-878. Request from Rolando J. Menchaca, County of Maverick, Eagle Pass, concerning whether a sheriff may prohibit county peace officers from carrying weapons into commercial establishments which serve alcoholic beverages.

TRD-8608538

★ ★ ★

Opinion

JM-529 (RQ-521). Request from William N. Kirby, commissioner of education, Texas Education Agency, Austin, concerning the applicability of the Texas Proprietary School Act to certain enterprises.

Summary of Opinion. Schools that teach courses in subjects that are generally considered to be for recreational or avocational purposes and that do not claim to be offering vocational training are exempt from the provisions of the Proprietary School Act, Texas Education Code, §§32.11-32.81. It is within the discretion of the commissioner of education to determine whether certain types of assistance offered to help customers learn to use a product are courses of instruction or study for purposes of the Proprietary School Act.

TRD-8608662

★ ★ ★

Proposed Rules

Before an agency may permanently adopt a new or amended rule, or repeal an existing rule, a proposal detailing the action must be published in the *Register* at least 30 days before any action may be taken. The 30-day time period gives interested persons an opportunity to review and make oral or written comments on the rule. Also, in the case of substantive rules, a public hearing must be granted if requested by at least 25 persons, a governmental subdivision or agency, or an association having at least 25 members.

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

TITLE 22. EXAMINING BOARDS

Part IX. Texas State Board of Medical Examiners

Chapter 163. Licensure

★22 TAC §§163.3, 163.5-163.9

The Texas State Board of Medical Examiners proposes amendments to §§163.3, 163.5-163.9, concerning licensure. The proposed changes update the wording of the sections including the recent name change of the National Board of Osteopathic Medical Examiners. The amendments exempt reciprocity applicants who are required to sit for Component II of the FLEX exam if they are specialty board certified within 10 years. The amendments also provide that the board should be a member of the American Board of Medical Specialties or the Advisory Board for Osteopathic Specialists.

Florence Allen, business manager, and Jean Davis, *Texas Register* liaison, have determined that for the first five-year period the proposed sections will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the sections.

Ms. Davis also has determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be a slight increase in the supply of qualified physician licensees from other states. There is no anticipated economic cost to individuals who are required to comply with the proposed sections.

Comments on the proposal may be submitted to Jean Davis, P.O. Box 13562, Austin, Texas 78711. Although no definite date has been set, a public hearing will be held on these proposed amendments. More information can be obtained from the board office.

The amendments are proposed under Texas Civil Statutes, Article 4495b, which provide the Texas State Board of Medical Examiners with the authority to make rules, regulations, and bylaws not inconsistent with this Act as may be necessary for the governing of its own proceedings, the performance of its duties, the regulation of the practice of medicine in this state, and the enforcement of this Act.

§163.3. *Examinations Required by the Board for Licensure.*

(a) (No change.)

(b) Applicants for licensure by reciprocal endorsement must have met one of the following examination requirements.

(1) An applicant must have passed the Texas medical jurisprudence examination, if the applicant for licensure is a licentiate of a state, territory, or province (except Florida, Virgin Islands, Guam, Tennessee Osteopathic Board, or Puerto Rico after June 30, 1963) based on passage of one of the following examinations.

(A) (No change.)

(B) National Board of [Examiners for] Osteopathic Medical Examiners [Physicians and Surgeons] examination prior to January 1, 1978, or National Board of [Examiners for] Osteopathic Medical Examiners [Physicians and Surgeons] examination after January 1, 1978, and passage by Day III of the FLEX prior to June 1985, or Component II of the FLEX.

(C)-(D) (No change.)

(E) With exception being that applicants in subparagraphs (A)-(D) of this paragraph who are required to pass Day III of the FLEX prior to June 1985, or Component II of the FLEX are exempt from these examinations if they have obtained specialty certification or recertification by a board that is a member of the American Board of Medical Specialties or the Advisory Board for Osteopathic Specialists.

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

§163.5. *Documentation Rules for All Applicants.*

(a) An applicant will not be granted licensure by reciprocal endorsement or be permitted to sit for the examinations until required documents have been furnished to the board. The board may, in unusual circumstances, allow substitute documents where proof of exhaustive efforts on the applicant's part to secure the required documents is presented. These exceptions are reviewed by the board's executive director [secretary-treasurer] on a case-by-case basis.

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

§163.6. *Temporary Licensure.*

(a) The [secretary-treasurer or] executive director of the board may issue a nonrenewable temporary license to a reciprocal endorsement applicant:

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

(b) The [secretary-treasurer or] executive director of the board may issue a nonrenewable temporary license to an examination applicant:

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

§163.7. *Distinguished Professor Permit.*

(a) The [secretary-treasurer or] executive director of the board may issue a distinguished professor permit to a reciprocal endorsement applicant:

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

(b) (No change.)

(c) The distinguished professor permit shall be valid for a continuous one-year period; however, the permit is revocable at any time the board deems necessary. The permit shall automatically expire one year after the date of issuance. The permit is renewable one time, at the discretion of the [secretary or] executive director of the board.

(d)-(e) (No change.)

§163.8. *State Health Agency Permit.* A reciprocal endorsement applicant may elect to apply for a state health agency permit in lieu of licensure granted by reciprocal endorsement. Such permit shall entitle the holder to all privileges of a licensed physician except the physician may not engage in clinical activities.

(1) The executive director [secretary-treasurer] of the board may issue such permit to an applicant:

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

(2)-(5) (No change.)

§163.9. *Procedural Rules for All Licensure Applicants.*

(a)-(c) (No change.)

(d) Prior to sitting for the FLEX after the third failure, the applicant must satisfactorily complete one year of training. After each subsequent failure, the applicant must satisfactorily complete one additional year of training before repeating the FLEX. This training must be acceptable to the [secretary-treasurer or] executive director of the board.

(e)-(g) (No change.)

(h) A licensure applicant who has not been examined for licensure in a 10-year period prior to the filing date of his or her application must pass Component II of FLEX, unless the applicant has obtained specialty certification or recertification by a board that is a member of the American Board of Medical Specialties or the Advisory Board for Osteo-

public Specialists within the preceding 10 years.

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

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

Issued in Austin, Texas, on September 3, 1986.

TRD-8608686

G. V. Brindley, Jr.
Executive Director
Texas State Board of
Medical Examiners

Earliest possible date of adoption:
October 13, 1986

For further information, please call
(512) 452-1078.

★ ★ ★

Chapter 171. Institutional Permits

★22 TAC §171.8

The Texas State Board of Medical Examiners proposes new §171.8, concerning permits for physicians employed by the National Health Service Corps who are practicing in Texas. The proposed new section outlines the requirements for a physician to qualify for such a permit.

Florence Allen, business manager, and Jean Davis, *Texas Register* liaison, have determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Ms. Davis also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be to help ensure quality physicians practicing in Texas under the National Health Service Corps permit. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Jean Davis, P.O. Box 13562, Austin, Texas 78711. A public hearing is expected on the proposed new section, but a date has not yet been determined. More information may be obtained by contacting the board office.

The new section is proposed under Texas Civil Statutes, Article 4495b, which provide the Texas State Board of Medical Examiners with the authority to make rules, regulations, and bylaws not inconsistent with this Act as may be necessary for the governing of its own proceedings, the performance of its duties, the regulation of the practice of medicine in this state, and the enforcement of this Act.

§171.8. *National Health Service Corps Permit.* The board may issue a permit to practice medicine to a person who has contracted

with the National Health Service Corps to practice medicine in Texas under the following terms and conditions.

(1) The person must be a graduate of an approved medical school. A copy of the diploma shall be submitted to the board before the permit is issued.

(2) The person must hold a valid, unrestricted license in another state to practice medicine. A copy of the license shall be submitted to the board before the permit is issued. If the person is not licensed in another state, he or she must have passed the FLEX examination. A certified transcript of the FLEX scores shall be submitted to the board from the Federation of State Medical Boards before the permit is issued.

(3) The person must have a valid contract with the National Health Service Corps. The permit will expire at the termination of the contract with the National Health Service Corps. A copy of the contract shall be submitted to the board before the permit is issued.

(4) The permit shall be issued for one year and may be renewed.

(5) The permit allows the physician to practice medicine only within the scope of his or her contract with the National Health Service Corps.

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

Issued in Austin, Texas, on August 29, 1986.

TRD-8608484

G. V. Brindley, Jr.
Executive Director
Texas State Board of
Medical Examiners

Earliest possible date of adoption.

October 13, 1986
For further information, please call
(512) 452-1078.

★ ★ ★

Chapter 175. Schedule of Fees

★22 TAC §175.1

The Texas State Board of Medical Examiners proposes an amendment to §175.1, concerning the schedule of fees. The board felt an increase in the annual registration fee required of all physicians who are licensed to practice medicine in the State of Texas should be inflated at this time.

Florence Allen, business manager, and Jean Davis, *Texas Register* liaison, have determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Ms. Davis also has determined that for each year of the first five years the section will be in effect there will be no public benefit anticipated as a result of enforcing

the section. The anticipated economic cost to individuals who are required to comply with the proposed section will be an increase in the annual registration fee of \$48 each year beyond the amount they currently pay.

Comments on the proposal may be submitted to Jean Davis, P.O. Box 13562, Austin, Texas 78711. A public hearing will be held on the proposed amendment, but no definite date has yet been set.

The amendment is proposed under Texas Civil Statutes, Article 4495b, which provide the Texas State Board of Medical Examiners with the authority to make rules, regulations, and bylaws not inconsistent with this Act as may be necessary for the governing of its own proceedings, the performance of its duties, the regulation of the practice of medicine in this state, and the enforcement of this Act.

§175.1. *Fees.* The board shall charge the following fees:

- (1) annual registration—\$84(\$36);
- (2)-(13) (No change.)

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

Issued in Austin, Texas, on September 3, 1986.

TRD-8608586

G. V. Brindley, Jr.
Executive Director
Texas State Board of
Medical Examiners

Earliest possible date of adoption:

October 13, 1986
For further information please call
(512) 452-1078.

★ ★ ★

Chapter 195. Administrative Sanction Procedure

★22 TAC §§195.1-195.4

The Texas State Board of Medical Examiners proposes amendments to §§195.1-195.4, concerning the administrative sanction procedure followed by the Texas State Board of Medical Examiners in certain disciplinary cases. Primarily, the amendment as proposed would cause the administrative sanction procedure to be more public in nature of reporting.

Florence Allen, business manager, and Jean Davis, *Texas Register* liaison, have determined that for the first five-year period the proposed sections will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the sections.

Ms. Davis also has determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be increased freedom of information between the public and the office

records. Much of the information now held by rule as confidential may be disclosed. There is no anticipated economic cost to individuals who are required to comply with the proposed sections.

Comments on the proposal may be submitted to Jean Davis, P.O. Box 13562, Austin, Texas 78711. A public hearing will be held on the proposed amendments perhaps in December. More information will be available at a later date from the board office.

The amendments are proposed under Texas Civil Statutes, Article 4495b, which provide the Texas State Board of Medical Examiners with the authority to make rules, regulations, and bylaws not inconsistent with this Act as may be necessary for the governing of its own proceedings, the performance of its duties, the regulation of the practice of medicine in this state, and the enforcement of this Act.

§195.1. Purpose. The purpose of these sections is to encourage the expeditious resolution or correction of medical activities resulting in a violation of the statutes or rules regulating a licensee of the board where the director of the Field Operations [Investigation] Division and the [secretary or] chief executive officer of the board concur that the alleged violation is either minor in nature or subject to proper resolution by voluntary restriction or limitation of the authority to practice medicine by the licensee. It is the further purpose of these sections to make public when possible the action taken to modify, limit, or restrict the physician's practice pattern.

§195.2. Approval for Administrative Sanction. Upon completion of investigation by the Field Operations [Investigation] Division, the director of the division shall evaluate the final investigation reports and if he or she determines that the alleged violations may be properly handled by the administrative sanction procedure, he or she shall present a summary of the investigation reports and his or her recommendation to the [secretary or] chief executive officer of the board. The [secretary or] chief executive officer of the board shall determine if violations are minor in nature or subject to proper resolution by voluntary restriction or limitation of the authority to practice medicine by the licensee, that the public health and welfare will not be adversely affected in any way by utilization of the administrative sanction procedure, that the public will be served by institution of the administrative sanction procedure in lieu of formal [the] disciplinary procedure as provided by law or rule [by the full board following formal filing of complaint and public hearing thereon], and that the matter may be more expeditiously handled by the utilization of the administrative sanction procedure. The [secretary or] chief executive officer of the board shall approve the matter for administrative sanction and notify the licensee as set out in this chapter.

§195.3. Procedure. If the [secretary or] chief executive officer of the board approves administrative sanction hearing procedure for the resolution of alleged violations of Texas Civil Statutes, Article 4495b, or the rules of the board, the following procedure is to be followed.

(1) The [secretary] or chief executive officer will notify the licensee in writing of the time, date, and place of the administrative sanction hearing. Such notice shall provide sufficient time for the licensee to adequately prepare and arrange for appearance at the site of the hearing but shall not be less than 10 nor more than 40 days following receipt of the notice. Such letter of notification shall inform the licensee that he or she may be represented by the counsel but need not be necessarily so represented, that the licensee may offer testimony of such witnesses as the licensee may desire, that the hearing will be before a hearings officer and one or more representatives of the board or members of a district review committee and that the licensee may exercise his or her option to have the matter presented by formal complaint as provided by law or rule [in a public hearing before the full board of medical examiners]. A copy of the board rules relating to the administrative sanction hearing shall be enclosed with the notice of the hearing. Notice of the hearing, with enclosures, shall be sent by certified mail, return receipt requested, to the current address of the licensee on file with the Texas State Board of Medical Examiners.

(2) Notice of the hearing, with enclosures, shall be sent by certified mail, return receipt requested, to the current address of the complainant on file with the Texas State Board of Medical Examiners. The complainant shall be given the opportunity to appear and testify. At the election of the complainant, a written statement may be submitted for consideration at the hearing.

(3)(2) The hearing procedure shall be informal in nature and need not follow the procedure established for other disciplinary hearings pursuant to a formal complaint, but the licensee, his or her attorney, and representatives [of the Investigation Division] of the board shall have the opportunity to question witnesses, make statements as are relevant to the hearing, present affidavits or statements of persons not in attendance, and present such documentary evidence as deemed appropriate by the hearings officer.

(4)(3) The administrative sanction hearing will be conducted by a hearings officer who shall explain to the licensee or his or her counsel the provisions of these sections relating to the conduct of the hearing, shall swear each witness, question each witness, and afford all parties to the hearing the opportunity to make such statements as are material and relevant. The hearings officer may exclude irrelevant, immaterial, or unduly repetitious evidence. The [secretary or] chief executive officer may designate one or more members of the board or members of a dis-

trict review committee to serve as board representatives for the hearing.

(5)(4) The hearings officer shall not require the parties to the hearing to offer proof of admissibility of documents and may receive and consider such statements as he or she deems relevant and material even though such testimony may be hearsay in nature.

(6)(5) The hearings officer may review the file of the Field Operations [Investigation] Division but may prohibit review of such file by the licensee, [or] his or her attorney, the complainant, and his or her representative, if such review would jeopardize confidential information or jeopardize an ongoing investigation.

(7)(6) Minutes of the hearing shall be taken by an employee of the board or, at the direction of the hearings officer, a recording of the testimony may be made in lieu of minutes. The minutes or recording, or transcription thereof, shall be for the exclusive use of the board and shall not be made available to the licensee, his or her attorney, or any other person, unless such minutes, recording, or transcription is to be used in a subsequent disciplinary proceeding.

(8)(7) The hearings officer shall exclude from the hearing room all persons except witnesses during their testimony, the licensee, his or her attorney, the complainant and his or her representative, board members, district review committee members, and board employees.

(9)(8) At the conclusion of the hearing or as soon thereafter as is practicable, the hearings officer and the board representatives, if any, shall make findings of fact and conclusions of law which shall be recorded and shall make recommendations for resolution or correction of the matters found in violation of the Medical Practice Act, Texas Civil Statutes, Article 4495b, or board rules. Such recommendations may include limitation or cancellation of the licensee's authority to practice medicine; limitation or cancellation of the licensee's authority to possess, prescribe, administer, or dispense drugs or medications; limitation or cancellation of hospital privileges; change or limitation of practice setting or practice organization; requirement that the licensee submit to care, counseling, or treatment of physicians designated by the [secretary or] chief executive officer of the board as a condition for initial, continued, or renewal of license or other authorization to practice medicine; requirement that the person participate in a program of education or counseling prescribed by the [secretary or] chief executive officer or recommended by the hearings officer; and requirement that the person practice under the direction of a physician designated by the [secretary or] chief executive officer of the board for a specified period of time.

(10)(9) Following the presentation of recommendations by the hearings officer and with the advice of counsel if licensee is so represented at the hearing, licensee shall either reject or voluntarily accept the recommendations of the hearings officer. If the li-

licensee accepts such recommendations, the licensee shall execute as soon thereafter as is practicable such letters, agreements, affidavits, or other documents as are necessary to effect the accomplishment of the voluntary acceptance of the recommendations. If the licensee rejects the recommendations of the hearings officer, the matter shall be automatically referred to the chief executive officer [Investigation Division] for appropriate action.

(11)(10) Following acceptance of the recommendations presented by the hearings officer and the execution of the necessary documents as provided in paragraph (10)(9) of this section, a report of the hearing, the findings made by the hearings officer and representatives of the board, and the executed documents shall be subject to review by [submitted to] the [secretary or] chief executive officer of the board who may approve or disapprove the recommendations and actions taken pursuant to the administrative sanction hearing.

(12)(11) If the [secretary or] chief executive officer approves the actions taken as a result of the hearing, then the approval shall be noted in the investigation file and the licensee and the complainant notified. The results and any letter, agreement, or affidavit shall be an open record [such notifications as are required by Texas Civil Statutes, Article 4495b, and as agreed upon in the affidavit or other document executed by licensee shall be made].

(12) The secretary or chief executive officer, the hearings officer, the district review committee members, the board employees, and the board members shall not disclose the nature of the hearing or the results thereof except as required by Texas Civil Statutes, Article 4495b, these sections, or order of a court, unless such disclosure is authorized by the licensee or his or her attorney; provided, however, that disclosure shall be made in accordance with the voluntary agreements or affidavits executed by licensee and shall be made to other state or federal agencies requesting such information which have jurisdiction or authorization over aspects of medical practice covered by such limitations or restrictions voluntarily accepted by licensee.]

§195.4. Approval by [Secretary or] Chief Executive Officer and Reporting to Board. Following recommendation by the hearings officer and upon presentation of a summary of the findings of the hearings officer and documents evidencing licensee's voluntary acceptance of the recommendations, the [secretary or] chief executive officer shall take the following actions.

(1) If the [secretary or] chief executive officer approves the recommendations of the hearings officer and the limitations or other restrictions, if any, voluntarily agreed upon by the licensee, the [secretary or] chief executive officer shall note his or her approval of such action and make a report at the next meeting of the board for its acceptance or rejection of the administrative sanction report or action concerning the licensee.

(2) The report of the [secretary or] chief executive officer to the board shall include the name and license number of the physician, the city or county of the physician's practice, and a summary of the action taken and voluntary acceptance of limitation or restriction of license, if any. [The report shall not include the name of the licensee.]

(3) Upon presentation of the administrative sanction report to the board, the board shall approve or disapprove the report. If the board approves the administrative sanction action, the approval [it] shall be noted in the minutes of the board and the investigation file, and the licensee and the complainant shall be so notified. The results, as well as the letters, agreements, and affidavits, shall be open records.

(4) If the board fails to approve the administrative sanction action, such failure to approve shall be likewise noted, [and] the licensee shall be so informed, and the matter shall be referred to the chief executive officer [Investigation Division] for filing of formal complaint for disciplinary action before the board or other appropriate action. In such event, where voluntary limitation of practice notification has been made under the provisions of Texas Civil Statutes, Article 4495b, or in accordance with these sections [or in accordance with the voluntary agreement of the licensee], such additional notification indicating failure to approve the action by the board shall be promptly made.

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

Issued in Austin, Texas, on September 3, 1986.

TRD-8808541

G. V. Brindley, Jr.
Executive Director
Texas State Board of
Medical Examiners

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 452-1078.

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Part XXII. Texas State Board of Public Accountancy Chapter 501. Professional Conduct Independence

★ 22 TAC §501.11

The Texas State Board of Public Accountancy proposes new §501.11, concerning the independence requirement of the practitioners of public accounting when expressing an opinion on the financial statements of an enterprise.

Bob E. Bradley, executive director, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or

local government or small businesses as a result of enforcing or administering the section.

Mr. Bradley also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be insurance that the prevailing requirements of the public accounting profession will be adhered to when expressing an opinion on financial statements of an enterprise. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to William A. Sansing, 1033 La Posada, Suite 340, Austin, Texas 78752-3882.

The new section is proposed under Texas Civil Statutes, Article 41a-1, §8(a), which provide the Texas State Board of Public Accountancy with the authority to promulgate rules of professional conduct relating to professional standards of the public accounting profession.

§501.11. Independence. A licensee who is performing an engagement in which the licensee will issue a report on financial statements of any enterprise (other than a report on a compilation) must be independent with respect to the enterprise in fact and in appearance. Independence will be considered to be impaired if, for example:

(1) during the period of his professional engagement, or at the time of issuing his report, the licensee:

(A) has or was committed to acquire any direct or material indirect financial interest in the enterprise;

(B) was a trustee of any trust or executor or administrator of any estate if such trust or estate had or was committed to acquire any direct or material indirect financial interest in the enterprise;

(C) had any joint closely held business investment with the enterprise or any officer, director, or principal stockholder thereof which was material in relation to the net worth of either the enterprise or the licensee;

(D) had any loan to or from the enterprise or any officer, director, or principal stockholder thereof other than loans of the following kinds made by a financial institution under normal lending procedures, terms, and requirements:

(i) loans obtained by the licensee which are not material in relation to the net worth of the borrower;

(ii) home mortgages; and

(iii) other secured loans, except those secured solely by a guarantee of the licensee;

(2) during the period covered by the financial statements, during the period of the professional engagement, or at the time of issuing his report, the licensee:

(A) was connected with the enterprise as a promoter, underwriter, or voting trustee, a director or officer or in any capaci-

ty equivalent to that of a member of management or an employee;

(B) was a trustee for any pension or profit-sharing trust of the enterprise;

(C) receives from a third party, or receives or has received a commitment from the enterprise or third party, with respect to services or products procured or to be procured by the client, for other compensation; or

(D) receives or has received a commitment from the enterprise for a contingent fee. For this purpose, a contingent fee means compensation for the performance of services which is contingent upon the findings or results of such services. The foregoing examples are not intended to be all-inclusive.

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

Issued in Austin, Texas, on September 5, 1986.

TRD-8608589

Bob E. Bradley
Executive Director
Texas State Board of
Public Accountancy

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 451-0241.

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TITLE 28. INSURANCE Part II. Industrial Accident Board

Chapter 41. Contents of Rule- Making Petitions

★ 28 TAC §41.8

The Industrial Accident Board proposes new §41.8, concerning the contents of rule-making petitions to comply with Texas Civil Statutes, Article 6252-13a, §11. This new section establishes the procedure to be followed when an interested person wishes to petition the board to adopt a rule.

William Treacy, executive director, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Mr. Treacy also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be that the section provides the procedure for submitting proposed rules to the board for adoption. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted in writing within 20 days after pub-

lication in the *Texas Register* to William Treacy, Executive Director, 200 East Riverside Drive, First Floor, Austin, Texas 78704.

The new section is proposed under Texas Civil Statutes, Article 8307, §4, which provide the Industrial Accident Board with the authority to promulgate rules.

§41.8. Contents of Rule-Making Petitions.

(a) Changes to these rules may be petitioned by any party. Rule-making petitions shall contain the following

(1) a brief statement summarizing the proposed section;

(2) the text of the proposed section:

(A) if an existing section, state the title and code number, and prepare the text to indicate the words and punctuation to be added, changed, or deleted;

(B) if a new section, prepare the text in the exact form proposed for adoption;

(3) a statement of the statutory source of the section;

(4) a suggested effective date;

(5) a cost-benefit analysis, estimating the public benefits to be expected as a result of adoption of the proposed section, and the probable economic cost to persons who are required to comply with the section;

(6) any other matter required by law;

(7) the petitioner's name, complete mailing address, and telephone number; and

(8) the petitioner's signature.

(b) Five copies of the petition shall be filed with the board by certified mail.

(c) Within 60 days after the petition is submitted, the board shall either initiate rulemaking procedures, or notify the petitioner in writing, stating the reasons for denial.

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608613

William Treacy
Executive Director
Industrial Accident Board

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 448-7963.

★ ★ ★

Chapter 55. Lump Sum Payments

★ 28 TAC §55.55

The Industrial Accident Board proposes new §55.55, concerning compromise settlement agreements after the board's award. The new section is proposed to encourage the settlement of workers' compensation claims following the board's award. The Workers' Compensation law restricts the board from approving a compromise settlement agreement after twenty days from the date the award is entered unless a notice of intention to appeal is filed extending the time 20 days.

William Treacy, executive director, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Mr. Treacy also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be that the section provides an easier and quicker procedure for approving settlements after a board's award. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted in writing within 20 days after publication in the *Texas Register* to William Treacy, Executive Director, 200 East Riverside Drive, First Floor, Austin, Texas 78704.

The new section is proposed under Texas Civil Statutes, Article 8307, §4, which provide the Industrial Accident Board with the authority to promulgate rules.

§55.55. *Compromise Settlement Agreement to Set Aside Award.* A compromise settlement agreement, properly executed between or among all parties to the claim, when filed in any board office in the period after an award has been entered but before it becomes final, or suit is filed, will serve to set aside the award as of the date the compromise settlement agreement is filed. If the board subsequently fails to approve the compromise settlement agreement, all parties will be notified, and the case will be reinstated on its original formal hearing docket.

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608614

William Treacy
Executive Director
Industrial Accident Board

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 448-7963.



TITLE 31. NATURAL RESOURCES AND CONSERVATION

Part XX. Texas Water Development Board

Chapter 355. Research and Planning Fund

Research and Planning Fund

★ 31 TAC §§355.101, 355.104-355.107

The Texas Water Development Board proposes amendments to §§355.101 and 355.104-355.107, concerning the research and planning fund. The amended §355.101 contains a definition of planning. Amended §355.104 establishes more specific guidelines for notices sent to affected political subdivisions regarding flood control and regional water supply and wastewater planning applications, and more specifically defines to whom notice must be sent. An applicant for flood control planning funds or regional water and wastewater planning funds would be required to provide with its application a copy of its notice and notice list. The amendment to §355.105 changes the comment period from "a minimum of 30 days" to 30 days and allows an applicant for planning funds to waive the 30-day comment period by providing consent from all affected political subdivisions. Revisions to §355.106 provide a more accurate title. The amendment to §355.107 allows the executive administrator discretion on when to utilize the technical advisory committee to review a research or planning application.

Gladys Stansberry, director of accounting, has determined that for the first five-year period the proposed sections will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the sections.

Ms. Stansberry also has determined that for each year of the first five years the sections are in effect the public benefit anticipated as a result of enforcing the sections will be greater certainty about the programs for which planning funds may be used, and more specific notice for planning applications. There is no anticipated economic cost to individuals who are required to comply with the proposed sections.

Comments on the proposal may be submitted to Suzanne Schwartz, General Counsel, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711.

The amendments are proposed under the Texas Water Code, §6.101, which provides the board with the authority to adopt rules necessary to carry out its powers and duties and under the Texas Water Code, Chapter 15.

§355.101. Definitions. The following words and terms, when used in this chapter [undesignated head], shall have the following meanings, unless the context clearly indicates otherwise.

Planning—

(A) For the purposes of the regional water supply, water quality protection, and flood protection planning programs, planning is defined as studies and analyses to:

(i) determine and describe problems relating to water supply, water quality protection, and/or flooding;

(ii) determine the views and needs of the affected public;

(iii) identify potential solutions;

(iv) estimate benefits and costs of potential solutions;

(v) evaluate environmental, social, and cultural factors, including the preparation of environmental assessments and environmental impact statements;

(vi) recommend feasible solutions to water supply, water quality protection, and/or flood protection problems, or preparation of work plans for further studies;

(vii) determine that any proposed solutions are consistent with appropriate regional or state-wide plans and relevant laws and regulations.

(B) As examples, planning would include activities comparable to comprehensive basin studies, reconnaissance and feasibility grade studies, and other phases of preconstruction planning of the U.S. Army Corps of Engineers, but would not include advanced engineering and design, which involves the preparation of final project plans and specifications for construction bids. Likewise, planning, as herein defined, would be the equivalent of Stage I planning of the U.S. Bureau of Reclamation, but would not include most activities associated with Stage II activities, which involve the preparation of final engineering plans and specifications for the selected project or projects. Also, planning for the development of publicly owned wastewater treatment works would be generally equivalent to Step I facilities planning as defined by the Environmental Protection Agency, but would not include the preparation of final construction design drawings and specifications and bidding documents. Planning as herein defined does not include those activities directly related to the preparation of applications for state and federal permits or other approvals, nor activities associated with administrative and/or legal proceedings by regulatory agencies.

§355.104. Criteria for Eligibility.

(a) To be eligible for money from the research and planning fund, the applicant must demonstrate:

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

(5) for flood control planning, as far as practicable:

(A)-(B) (No change.)

(C) all cities, counties, nonprofit water supply corporations, and all districts and authorities created under the Texas Constitution, Article III, §52, or Article XVI, §59, [affected political subdivisions] in the planning area have been notified by certified mail that an application for planning assistance is being filed with the board. The notice [notification] shall include: the name and address of the applicant; a brief description of the planning area and the purposes of the planning project; the board's name and address and the name of a contact person with the board; a statement [, and shall state] that any comments must be filed with the board and the applicant within 30 days of the date on which the notice is mailed. With its application to the board, the applicant must provide a copy of the notice sent to affected political subdivisions, a list of the political subdivisions to which notice is sent, and the dates on which the notice was sent [Evidence of this notification must be provided to the board within the application];

(6) for regional water supply or wastewater planning:

(A)-(B) (No change.)

(C) all cities, counties, nonprofit water supply corporations, and all districts and authorities created under the Texas Constitution, Article III, §52, or Article XVI, §59, [affected political subdivisions] in the planning area have been notified by certified mail that an application for planning assistance to develop regional water supply or wastewater plans for the area is being filed with the board. The notice [notification] shall include: the name and the address of the applicant; a brief description of the planning area and the purposes of the planning project; the board's address and the name of a contact person with the board; a statement [, and shall state] that any comments must be filed with the board and applicant within 30 days of the date on which the notice is mailed. With its application to the board, the applicant must provide a copy of the notice sent to affected political subdivisions, a list of the political subdivisions to which notice is sent, and the dates of which the notice was sent [Evidence of this notification must be provided to the board with the application]; and

(D) (No change.)

(b) (No change.)

§355.105. Procedures, Priorities, and Criteria, for Selection of Candidate Proposals.

(a)-(c) (No change.)

(d) Comments. For flood control and water supply or wastewater planning applications, the board will allow [a minimum of] 30 days from the date the application is filed to receive comments from affected political subdivisions. However, the board

may act on the application before the 30-day period expires if all political subdivisions to which notice is required to be mailed agree in writing to waive the notice period.

§355.106. [Request for] Submission of Proposals.

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

§355.107. Evaluation and Selection of Proposals.

(a) (No change.)

(b) Committee review. A technical advisory committee(s) may [will] be appointed by the executive administrator to assist in the review and evaluation of research and planning proposals. Technical advisory committee members will be selected so as to minimize conflicts of interest while maintaining the highest available level of expertise in the proposal area. Technical advisory committee members will be required to indicate potential conflicts of interest so that evaluations can be weighed accordingly.

(c)-(e) (No change.)

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608615 Suzanne Schwartz
General Counsel
Texas Water
Development Board

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 463-7850.

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Chapter 363. Rules Relating to Financial Programs Applications to the Board

★31 TAC §363.54

The Texas Water Development Board proposes an amendment to §363.54, concerning the required fiscal data. The proposed change alerts applicants for board funding of the need to consider water conservation requirements when proposing a rate structure. This helps assure that applicants do not structure their rates for purposes of loan payback without considering the possible use of rates as a conservation measure.

Gladys Stansberry, director of accounting, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Ms. Stansberry also has determined that for each year of the first five years the section is in effect the public benefit antici-

pated as a result of enforcing the section will be to assure that applicants for board financial assistance consider water conservation rate structures. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Suzanne Schwartz, General Counsel, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711.

The amendment is proposed under the Texas Water Code, §6.101, which provides the board with the authority to adopt rules necessary to carry out its powers and duties; the Texas Water Code, Chapters 15-17; and under the Texas Constitution.

§363.54. Required Fiscal Data.

(a)-(h) (No change.)

(i) The applicant shall provide a schedule of proposed rates required for financing the project under consideration, if different from subsection (h)(2) of this section. A rate structure to encourage water conservation should be considered by the applicant as part of its required water conservation program.

(j)-(n) (No change.)

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608616 Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 463-7850.

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Applications to the Board

★31 TAC §363.59

(Editor's note: The text of the following section proposed for repeal will not be published. The section may be examined in the offices of the Texas Water Development Board, P.O. Box 13231, Austin, or in the Texas Register office, Room 503F, Sam Houston Building, 201 East 14th Street, Austin.)

The Texas Water Development Board proposes the repeal of §363.59, concerning a required water conservation plan. The board proposes to eliminate the requirement for a water conservation plan at the time of application, but will require in §363.73 and §363.85 that a recipient of financial assistance enact a water conservation program with the same requirements currently imposed by §363.59 before the board will release funds to such applicant. The contents would remain the same, with only the timing of the require-

ment changing to allow more streamlined application processing.

Gladys Stansberry, director of accounting, has determined that for the first five-year period the proposed repeal will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the repeal.

Ms. Stansberry also has determined that for each year of the first five years the repeal is in effect the public benefit anticipated as a result of enforcing the repeal will be the streamlined processing of applications for board financial assistance. There is no anticipated economic cost to individuals who are required to comply with the proposed repeal.

Comments on the proposal may be submitted to Suzanne Schwartz, General Counsel, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711.

The repeal is proposed under the Texas Water Code, §6.101, which provides the Texas Water Development Board with the authority to adopt rules necessary to carry out its powers and duties.

§363.59. Required Water Conservation Plan.

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608617 Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 463-7850.

★ ★ ★

Formal Action by the Board

★31 TAC §363.73

The Texas Water Development Board proposes new §363.73, concerning a water conservation program. This new section specifies that the board shall require a water conservation program approved by the executive administrator before money is released to the applicant. The section incorporates language from the current §363.59, which is proposed for repeal and which defines when a water conservation program may not be required by the board.

Gladys Stansberry, director of accounting, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Ms. Stansberry also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the streamlined processing of applications for board financial assistance, while still requiring a strong conservation program from an applicant. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Suzanne Schwartz, General Counsel, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711.

The new section is proposed under the Texas Water Code, §6.101, which provides the Texas Water Development Board with the authority to adopt rules necessary to carry out its powers and duties.

§363.73. Water Conservation Program. The board shall require the applicant to adopt a program of water conservation to be approved by the executive administrator before any funds are released to the applicant. The board may not require an applicant to provide a water conservation program if the board determines an emergency exists, the amount of financial assistance to be provided is \$500,000 or less, or implementation of a water conservation program is not reasonably necessary to facilitate water conservation.

(1) An emergency exists when:

(A) a public water system or wastewater system has already failed or is in a condition which poses an imminent threat of failure, causing the health and safety of the citizens served to be endangered;

(B) sudden, unforeseen demands are placed on a water system or wastewater system (i.e., because of military operations or emergency population relocation);

(C) a disaster has been declared by the governor or president; or

(D) the governor's division of emergency management of the Texas Department of Public Safety has determined that an emergency exists.

(2) The board shall review an application for which an emergency is determined to exist six months after the board commits to financial assistance, and also at the time of any extensions of the loan commitment. If the board finds that the emergency no longer exists, it may then require submission within six months of a water conservation program satisfactory to the executive administrator before making any further disbursements on the commitment.

(3) Submission of a program is not necessary to facilitate water conservation if the applicant already has a program in effect that meets the requirements of §363.85 of this title (relating to Water Conservation Program Prerequisites).

This agency hereby certifies that the proposal has been reviewed by legal counsel

and found to be within the agency's authority to adopt.

Issued in Austin, Texas, on September 8, 1986.

TRD-8608618

Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption:
October 13, 1986

For further information, please call
(512) 463-7850.

★ ★ ★

Prerequisites to Release of State Funds

★31 TAC §363.85

The Texas Water Development Board proposes an amendment to §363.85, concerning Water Conservation Program prerequisite. This amendment clarifies the contents required in the Water Conservation Program to be submitted and approved by the executive administrator prior to release of financial assistance funds. The change is necessary because the board proposes the elimination of §363.59, which requires the submission of a water conservation plan prior to an application being submitted to the board, and which currently states the content requirements which also relate to the enacted water conservation program. The change will assure that an applicant properly addresses all conservation matters before state funds are released, but will streamline the application process by requiring this information only after approval of loans by the board.

Gladys Stansberry, director of accounting, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Ms. Stansberry also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the streamlined processing of applications for board financial assistance, while still requiring a strong conservation program from an applicant. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Suzanne Schwartz, General Counsel, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711.

The amendment is proposed under the Texas Water Code, §6.101, which provides the Texas Water Development Board with the authority to adopt rules necessary to carry out its powers and duties.

§363.85. Water Conservation Program Prerequisites.

(a) [Prior to the release of funds.] If the board has not declared an applicant exempt from filing a water conservation program, the applicant shall submit two copies of the applicant's water conservation program, including documentation of local adoption, to [shall be submitted to and approved by] the executive administrator prior to the release of funds. Funds may not be released until the program is approved by the executive administrator. To the extent personnel are available, the executive administrator may provide technical assistance to an applicant in developing a comprehensive water conservation program [that is consistent with the approved conservation plan]. The water conservation program shall be designed to meet existing and anticipated local needs and conditions and shall be developed according to criteria and guidelines for water conservation planning available from the executive administrator. The program shall consist of a long-term water conservation program and an emergency water demand management program. At a minimum, the program shall consider, and as appropriate include, each of the elements in subsections (b) and (c) of this section. Reasons for not including any of the elements stated in subsections (b) and (c) of this section shall be clearly stated.

(b)-(c) (No change.)

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

Issued in Austin, Texas, on September 8, 1986.

TRD-8608619

Suzanne Schwartz
General Counsel
Texas Water Development
Board

Earliest possible date of adoption:
October 13, 1986

For further information, please call
(512) 463-7850.

★ ★ ★

TITLE 34. PUBLIC FINANCE

Part I. Comptroller of Public Accounts

Chapter 3. Tax Administration Subchapter O. State Sales and Use Tax

★34 TAC §3.299

The Comptroller of Public Accounts proposes an amendment to §3.299, concerning newspapers, magazines, publishers, sacred writings, and broadcasters. The amendment requires those publishers who distribute newspapers without charge to readers but who charge advertisers higher advertising rates to advertise in these publications than they do advertisers in

subscription newspapers to collect sales tax from the advertisers based on the sales price. The amendment also sets out how the sales price of these publications is determined.

John Moore, director of the comptroller's economic analysis center, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Mr. Moore also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be a marginal increase in equity in the distribution of tax liability. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Mona Ezell Shoemate, Tax Administration, P.O. Box 13528, Austin, Texas 78711.

The amendment is proposed under the Texas Tax Code, §111.002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the provisions of the Tax Code, Title 2.

§3.299. *Newspapers, Magazines, Publishers, Sacred Writings, Broadcasters.*

(a) Newspapers.

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

(5) For the purposes of this section, nonsubscription newspapers means newspapers paid for by advertisers rather than by recipients of the newspapers. The advertising rates for nonsubscription newspapers are the same or higher than subscription newspapers purchased by recipients [Sales tax is not due on newspapers given away without charge].

(6) For the purposes of this section, freely distributed newspapers means newspapers paid for by advertisers rather than recipients of the newspapers, but whose advertising rates are lower than subscription newspapers.

(7) The sale, lease, or rental in this state of newspapers is taxable. This includes subscription, nonsubscription, and over-the-counter sales. The sales price of nonsubscription newspapers must be separately stated from the charge for advertising and must be a reasonable amount for such publication. The sales price will be considered reasonable if the sales price equals the sales price of comparable subscription newspapers or equals the incremental difference between the advertising rates in nonsubscription newspapers and the advertising rates in subscription newspapers.

(8) Sales tax is not due on the transfer of freely distributed newspapers.

(b)-(e) (No change.)

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

Issued in Austin, Texas, on September 5, 1986.

TRD-8608505

Bob Bullock
Comptroller of Public
Accounts

Earliest possible date of adoption:

October 13, 1986

For further information, please call
(512) 463-4004.

★ ★ ★

TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

Chapter 16. ICF/SNF

Services and Supplies Included in the Vendor Payment

★40 TAC §16.3807

The Texas Department of Human Services proposes new §16.3807, concerning limitations on provider charges to patients, in its chapter governing intermediate-care and skilled-nursing facilities (ICF/SNF). The proposed section prohibits Medicaid providers from charging recipient-patients for claims denied or reduced because of the providers' failure to comply with department requirements.

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

Mr. Packard also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the protection of Medicaid recipients and their family members from liability for claims denied or reduced by the department because of provider failure to comply with regulations. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Cathy Rossberg, Administrator, Policy Development Support Division-436, Texas Department of Human Services 153-E, P.O. Box 2960, Austin, Texas 78769, within 30 days of publication in the *Texas Register*.

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

§16.3807. *Limitations on Provider Charges to Patients.* A provider of Medicaid (Title XIX) services may neither charge nor take other recourse against Medicaid recipient-patients, their family members, or their rep-

resentatives for any claim denied or reduced by the department because of the provider's failure to comply with any department rule, regulation, or procedure.

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

Issued in Austin, Texas, on September 4, 1986.

TRD-8608505

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Earliest possible date of adoption:

October 13, 1986

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

★ ★ ★

Chapter 27. ICF-MR Subchapter Z. Change in Status of Intermediate MR Sections

★40 TAC §27.2503

The Texas Department of Human Services proposes an amendment to §27.2503, concerning vendor payments, in its chapter governing intermediate care facilities for the mentally retarded (ICF-MR). The proposed amendment prohibits Medicaid providers from charging recipient-patients for claims denied or reduced because of the providers' failure to comply with department requirements.

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

Mr. Packard also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the protection of Medicaid recipients and family members from liability for claims denied or reduced by the department because of provider failure to comply with regulations. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Cathy Rossberg, Administrator, Policy Development Support Division-436, Texas Department of Human Services 153-E, P.O. Box 2960, Austin, Texas 78769, within 30 days of publication in the *Texas Register*.

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

§27.2503. Vendor Payments.

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

(c) A provider of Medicaid (Title XIX) services may neither charge nor take other recourse against Medicaid recipient-residents, their family members, or their representatives for any claim denied or reduced by the department because of the provider's failure to comply with any department rule, regulation, or procedure.

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

Issued in Austin, Texas, on September 4, 1986.

TRD-8608506

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Earliest possible date of adoption:

October 13, 1986

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

★ ★ ★

**Chapter 47. Primary Home
Care**

Claims Payment

★ 40 TAC §47.3905

The Texas Department of Human Services proposes new §47.3905, concerning limitations on provider charges to patients, in its chapter governing primary home care. The proposed section prohibits Medicaid providers from charging recipient-patients for claims denied or reduced because of the providers' failure to comply with department requirements.

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

Mr. Packard also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the protection of Medicaid recipients and their family members from liability

for claims denied or reduced by the department because of provider failure to comply with regulations. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Cathy Rossberg, Administrator, Policy Development Support Division-436, Texas Department of Human Services 153-E, P.O. Box 2960, Austin, Texas 78769, within 30 days of publication in the *Texas Register*.

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

§47.3905. Limitations on Provider Charges to Patients. A provider of Medicaid (Title XIX) services may neither charge nor take other recourse against Medicaid recipient-patients, their family members, or their representatives for any claim denied or reduced by the department because of the provider's failure to comply with any department rule, regulation, or procedure.

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

Issued in Austin, Texas, on September 4, 1986.

TRD-8608507

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Earliest possible date of adoption:

October 13, 1986

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

**Chapter 50. Day Activity and
Health Services**

Provider Eligibility

★ 40 TAC §50.2909

The Texas Department of Human Services proposes new §50.2909, concerning limitations on provider charges to patients, in its chapter governing the Day Activity and Health Services Program. The proposed section prohibits Medicaid providers from charging recipient-patients for claims denied or reduced because of the providers' failure to comply with department requirements.

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

Mr. Packard also has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be the protection of Medicaid recipients and their family members from liability for claims denied or reduced by the department because of provider failure to comply with regulations. There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Cathy Rossberg, Administrator, Policy Development Support Division-436, Texas Department of Human Services 153-E, P.O. Box 2960, Austin, Texas 78769, within 30 days of publication in the *Texas Register*.

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

§50.2909. Limitations on Provider Charges to Patients. A provider of Medicaid (Title XIX) services may neither charge nor take other recourse against Medicaid recipient-patients, their family members, or their representatives for any claim denied or reduced by the department because of the provider's failure to comply with any department rule, regulation, or procedure.

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

Issued in Austin, Texas, on September 4, 1986.

TRD-86C8508

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Earliest possible date of adoption:

October 13, 1986

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

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Withdrawn

Rules

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

**TITLE 22. EXAMINING
BOARDS**
**Part XXII. Texas State Board
of Public Accountancy**
**Chapter 501. Professional
Conduct**
Independence
★22 TAC 501.11

The Texas State Board of Public Accountancy has withdrawn from consideration §501.11, concerning independence. The text of the new section appeared in the June 27, 1986, issue of the *Texas Register* (11 TexReg 2942). The effective date of the withdrawal is September 5, 1986.

Issued in Austin, Texas, on September 5, 1986.

TRD-8608590

William A. Sansing
Enforcement Coordinator
Texas State Board of
Public Accountancy

Filed: September 5, 1986
For further information, please call
(512) 451-0241.

**TITLE 31. NATURAL
RESOURCES AND
CONSERVATION**
**Part IX. Texas Water
Commission**
Chapter 293. Water Districts
**Underground Water Conservation
Districts Generally**
★31 TAC §§293.21-293.24

The Texas Water Commission has withdrawn from consideration §§293.21-293.24, concerning underground water conservation districts generally. The text of the amendments appeared in the July 1, 1986, issue of the *Texas Register* (11 TexReg 3026). The effective date of the withdrawal is September 5, 1986.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608547

James K. Rourke, Jr.
General Counsel
Texas Water Commission

Filed: September 4, 1986
For further information, please call
(512) 463-8087.



Adopted Rules

An agency may take final action on a rule 30 days after a proposal has been published in the *Register*. The rule becomes effective 20 days after the agency files the correct document with the *Texas Register*, unless a later date is specified or unless a federal statute or regulation requires implementation of the action on shorter notice.

If an agency adopts the rule without any changes to the proposed text, only the preamble of the notice and statement of legal authority will be published. If an agency adopts the rule with changes to the proposed text, the proposal will be republished with the changes.

TITLE 22. EXAMINING BOARDS

Part XXI. Texas State Board of Examiners of Psychologists

Chapter 461. General Ruling

★22 TAC §461.16

The Texas State Board of Examiners of Psychologists adopts new §461.16, without changes to the proposed text published in the August 5, 1986, issue of the *Texas Register* (11 TexReg 3462).

The new section indicates the need to increase witness fees for persons appearing before the board to an amount that is more reasonable with current expenses incurred in attending hearings.

Witnesses will be reimbursed for expenses incurred in attending board administrative hearings.

No comments were received regarding adoption of the new section.

The new section is adopted under Texas Civil Statutes, Article 4512 C, which provide the Texas State Board of Examiners of Psychologists with the authority to make all rules, not inconsistent with the constitution and laws of this state, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 3, 1986.

TRD-8608494

Patti Bizzell
Executive Director
Texas State Board of
Examiners of
Psychologists

Effective date: September 24, 1986
Proposal publication date: August 5, 1986
For further information, please call
(512) 835-2036.

Chapter 463. Applications

★22 TAC §463.8

The Texas State Board of Examiners of Psychologists adopts an amendment to §463.8, without changes to the proposed text published in the July 29, 1986, issue of the *Texas Register* (11 TexReg 3435).

The section is being expanded to allow persons enrolled in doctoral programs to use a portion of their doctoral course work (if necessary) to satisfy the requirements for psychological associate certification.

Applicants for certification as a psychological associate will have an alternative route to satisfy the requirements.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 4512 C, which provide the Texas State Board of Examiners of Psychologists with the authority to make all rules, not inconsistent with the constitution and laws of this state, which are reasonably necessary for the proper performance of its duties and regulations of proceedings before it.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on August 29, 1986

TRD-8608496

Patti Bizzell
Executive Director
Texas State Board of
Examiners of
Psychologists

Effective date: September 24, 1986
Proposal publication date: July 29, 1986
For further information, please call
(512) 835-2036.

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TITLE 40. SOCIAL SERVICES AND ASSISTANCE

Part I. Texas Department of Human Services

Chapter 15. Medicaid Eligibility

The Texas Department of Human Services adopts amendments to §§15.2101, 15.3112, and 15.5209, in its chapter governing Medicaid eligibility, without changes to the proposed text published in the March 25, 1986, issue of the *Texas Register* (11 TexReg 1506).

The amendments are justified because they clarify the definition of unpaid medical bill as it pertains to three-months-prior coverage. Section 15.2101, as amended, will function by specifying that an individual's bill may be considered unpaid if the provider has agreed to reimburse the individual and to bill Medicaid for the expense.

The amendments to §15.3112 and §15.5209 will function by making these sections consistent with the amendment to §15.2101. The proposed text of §15.3112 is changed to include the full title of a referenced section.

The department received one written comment on the proposed changes from East Texas Legal Services, Inc. The comment expressed concern that an individual's eligibility for three-months-prior coverage depended upon the provider's willingness to cooperate. The department agrees with this comment. To resolve this issue, the department will amend §16.6119, concerning refunds, in its intermediate care facility/skilled nursing facility (ICF/SNF) standards for participation. The amendment will require nursing facilities to refund payments for prior periods when individuals or their responsible parties request them and when eligibility has been established for those periods.

Subchapter V. Eligibility During Three Months Prior to Application

★40 TAC §15.2101

The amendment is adopted under the Human Resources Code, Title 2, Chapters 22

and 32, which authorizes the department to administer public and medical assistance programs.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608500

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: September 25, 1986
Proposal publication date: March 25, 1986
For further information, please call
(512) 450-3766.

★ ★ ★

Subchapter FF. SSI Basic Program Requirements

★ 40 TAC §15.3112

The amendment is adopted under the Human Resources Code, Title 2, Chapters 22 and 32, which authorizes the department to administer public and medical assistance programs.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608501

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: September 25, 1986
Proposal publication date: March 25, 1986
For further information, please call
(512) 450-3766.

★ ★ ★

Subchapter AAA. Procedures for Application for Medical Assistance

★ 40 TAC §15.5209

The amendment is adopted under the Human Resources Code, Title 2, Chapters 22 and 32, which authorizes the department to administer public and medical assistance programs.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608502

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: September 25, 1986
Proposal publication date: March 25, 1986
For further information, please call
(512) 450-3766.

Chapter 49. Child Protective Services

The Texas Department of Human Services (DHS) adopts amendments to §§49.337-49.343 and new §49.344. Sections 49.338-49.340 are adopted with changes to the proposed text published in the July 18, 1986, issue of the *Texas Register* (11 Tex-Reg 3296). The other sections are adopted without changes and will not be republished.

The department adopts the amended and new sections to improve and streamline the adoption subsidy approval process as well as clarify existing policy.

The sections include a decentralized application process and policy regarding eligibility criteria for state-paid and Title IV-E adoption subsidies, the amount of subsidy payments, the effective dates of subsidy benefits, and fair hearings rights.

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

The department made several changes to the sections to incorporate provisions in the Consolidated Omnibus Budget Reconciliation Act (COBRA) which requires the following changes to be in effect by October 1, 1986.

The Act specifies that Title IV-E adoption subsidies may be provided before adoptions are consummated. Medicaid only benefits may be received under Title IV-E without the receipt of cash assistance. Also, the state where the child lives is responsible for providing Medicaid coverage for Title IV-E subsidies. Currently, the state that provides the subsidy payment provides Medicaid even though the child may no longer live in that state.

In §49.333, paragraphs (a)(2) and (b)(4) are changed to specify that if a child's adoption is consummated, the consummation must have occurred after September 30, 1982. Paragraphs (a)(5) and (b)(3) of that section are changed to clarify the time requirements for eligibility. Subsection (c) is added to incorporate the requirements for Medicaid only benefits for children from other states who live in Texas.

The title of §49.339 is changed from payments to benefits to be consistent with the option of providing Medicaid benefits without providing cash assistance. In §49.339, a new subsection (e) is added to include the policy regarding receipt of Medicaid only coverage. Proposed subsections (e) and (f) are changed to (f) and (g).

In §49.340, paragraph (b)(4) is added to clarify the date that subsidies for SSI-related children are effective. Proposed subsection (c) is deleted.

Subchapter C. Eligibility for Child Protective Services

★ 40 TAC §§49.337-49.343

The amendments are adopted under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs, and Chapter 47, which authorizes the department to administer a program to promote the adoption of hard-to-place children.

§49.338. *Additional Eligibility Requirements for Title IV-E Subsidy.*

(a) In addition to the requirements for state-paid subsidies listed in §49.337 of this subchapter (relating to Eligibility Requirements for State-Paid Adoption Subsidies), the following eligibility requirements apply for Title IV-E subsidies for children in DHS managing conservatorship.

(1) Parental rights to the child must have been terminated by the court before filing of the petition to adopt.

(2) If the child's adoption has been consummated, the consummation must have occurred after September 30, 1982.

(3) During the month that court proceedings were initiated resulting in the child's removal from the home, one of the following must apply:

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

(4) the child was deprived of parental support according to AFDC eligibility requirements immediately before parental rights were terminated;

(5) if the child does not meet the requirements of paragraphs (3) and (4) of this section, then the child must have been eligible for SSI sometime during the period between filing of the petition to adopt and legal consummation of the child's adoption.

(b) In addition to the requirements in §49.337, (2)-(7) of this subchapter (relating to Eligibility Requirements for State-Paid Adoption Subsidies), the following eligibility requirements apply for Title IV-E subsidies for children who are not in DHS' managing conservatorship.

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

(3) Sometime during the period between filing of the petition to adopt and the legal consummation of the adoption, the child must have been eligible to receive Supplemental Security Income (SSI).

(4) If the child's adoption has been consummated, the consummation must have occurred after September 30, 1982.

(c) Title IV-E Medicaid only benefits are provided to other state's Title IV-E adoption subsidy recipients who live in Texas. The state from which the child is placed is responsible for determining the child's eligibility for Title IV-E Medicaid only benefits.

§49.339. *Determination of Subsidy Benefits.*

(a) The subsidy paid to adoptive parents is negotiated and determined on a case-by-case basis. The determination is based on

the current service needs of the child, the child's income, and the financial ability of the parents to provide the child's financial needs. The maximum amount of subsidy payment available to a child in a continuous 12-month period may not exceed the yearly cost of foster family care minus the child's income. Income deducted from the subsidy payment ceiling includes RSDI, VA, and any other dependent or survivor's benefits the child receives related to his biological family.

(b) Income such as child support and RSDI the child receives related to his adoptive family or employment is not deducted from the payment ceiling.

(c) When negotiating the amount of subsidy needed, DHS and the parents must also consider the following.

(1) The adoptive parents' ability to contribute to the child's needs and what additional assistance may be needed. The adoptive parents must apply their income and resources toward meeting the child's needs.

(2) The adoptive parents' documentation of the child's need for services and costs of services if they request a subsidy for services for the child. If the parents cannot provide actual cost figures, DHS accepts projected reasonable cost figures. DHS does not provide subsidies to cover the cost of medical services for children who are Medicaid recipients if Medicaid covers the cost of the services. DHS also does not provide subsidies for the cost of medical services if the services are reimbursable from other health coverage available to the parents or child.

(d) When a subsidy is needed primarily for routine support, the subsidy must not exceed 90% of the monthly foster family care rate minus the child's income.

(e) When a subsidy is needed only for medical care and the child is eligible under Title IV-E policy, no money payment is provided.

(f) DHS uses a 30-day month to calculate subsidy payments. Payment amounts are determined in whole dollars.

(g) If a subsidy is authorized for both the ongoing needs of the child and to pay legal fees, the costs of the legal fees are budgeted in the monthly payment amount.

§49.340. *Effective Dates of Subsidy Benefits.*

(a) DHS approves and provides subsidies for no longer than 12 months at a time.

(b) DHS uses the following to determine the earliest period that the child is entitled to a state-paid subsidy:

(1) the first of the month after the month of placement if the adoptive parents apply before or during the month of placement and other eligibility requirements are met;

(2) (No change.)

(3) the first of the month after the month the adoption is consummated if the child's eligibility for foster care assistance is continued until consummation;

(4) the first of the month following

the month the petition to adopt is filed for children whose eligibility is dependent upon their being SSI-related and their application is made in or before that month.

(c) The month of application is the month the adoption subsidy application is received from the adoptive parents.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608503

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: October 1, 1986

Proposal publication date: July 18, 1986

For further information, please call

(512) 450-3766.

★ ★ ★

★ 40 TAC §49.344

The new section is adopted under the Human Resources Code, Title 2, Chapter 22, which authorizes the department to administer public assistance programs, and Chapter 47, which authorizes the department to administer a program to promote the adoption of hard-to-place children.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608504

Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: October 1, 1986

Proposal publication date: July 18, 1986

For further information, please call

(512) 450-3766.

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Part V. Veterans Land Board Chapter 179. Farm and Ranch Program

★ 40 TAC §§179.1-179.22

The Veterans Land Board adopts new §§179.1-179.22. New §§179.2, 179.3, 179.5-179.7, 179.9-179.14, 179.16, 179.17, 179.19, and 179.20 are adopted with changes to the proposed text published in the July 8, 1986, issue of the *Texas Register* (11 Tex-Reg 3151). The other sections are adopted without changes and will not be republished.

This new chapter covers the application procedures, eligibility, loan commitment, severances, forfeitures, prizes, and other aspects of the administration of the Farm and Ranch Finance Program.

Comments were received from the office of Hobby McCall, bond counsel, Veterans Land Board. These comments involved grammatical changes to §§179.2, 179.3, 179.5-179.7, 179.10-179.14, 179.16, 179.17, and 179.20.

The staff of the Veterans Land Board also recommended changes to §179.19 that more clearly outline the use of tax and insurance escrow accounts. The suggested changes in no way affected the substance of the sections as originally proposed; therefore, they were incorporated into the sections.

The new sections are adopted under the Natural Resources Code, §163.037, which provides the Veterans Land Board with the authority to adopt rules that it considers necessary to insure the proper administration of the Farm and Ranch Program.

§179.2. *Bonds.* Procedures for issuance and sale of bonds will be set by resolution of the board. The chairman of the board and the executive secretary of the board are authorized to work with the bond counsel selected by the board in determining the terms and conditions of any bonds to be sold. The chairman, executive secretary of the board, financial consultant, and bond counsel will prepare a draft of the official notice of sale of bonds for the approval by the board. The notice of sale will be published, either in full or abbreviated form, in the manner and to the extent required by applicable law. The board has the right to reject any and all bids received.

§179.3. *Application/Eligibility.*

(a) Application to participate in the Farm and Ranch Finance Program must be made on forms furnished by the board. Such forms and other materials may be obtained from the Veterans Land Board, Stephen F. Austin Building, 1700 North Congress Avenue, Austin, Texas 78701. Persons desiring to purchase land under this program, or desiring to have a determination of his or her eligibility made, shall forward the appropriate application fee and request application materials.

(b) Upon receipt of a completed application, the board shall refer the application to the local committee for the county in which the land is located and in the county in which the applicant resides.

(1) For purposes of this chapter, the county judge for each county in Texas shall appoint a local committee consisting of two resident agricultural producers and an officer of a financial institution located in the county, and designate the chairman. The members of the local committee shall serve for a term of two years.

(2) The local committee shall review the application and determine both the eligibility of the applicant and the value of the land, within these general rules, and without regard to race, color, religion, or national origin of the applicant.

(c) To participate in the program an applicant must meet the following eligibility requirements:

- (1) be at least 18 years of age;
- (2) be a citizen of the United States;
- (3) have been a Texas resident for not less than five years immediately preceding the application:

(A) for purposes of this chapter, Texas resident means a person domiciled in the State of Texas for the preceding five years with the intention to remain;

(B) in order to assist the local committee in determining whether the applicant qualifies as a Texas resident, each applicant should include with the application packet one or more of the following:

- (i) Texas driver's licenses or identification cards issued by the Texas Department of Public Safety;
- (ii) Texas voter registration cards;
- (iii) Texas motor vehicle registrations;
- (iv) receipts for the payment of mortgage, rent, or utilities, showing the veteran's name and address;
- (v) Texas property tax receipts;
- (vi) payroll checks, or other employment records containing the applicant's name and address; or
- (vii) other documentation that the board deems applicable;

(4) be a member of a household which derived at least 35% of its gross income from farming or ranching for the preceding three years;

(A) for purposes of this chapter, household means those individuals who are legally bona fide residents of the applicant's home;

(B) income from farming and ranching means agricultural income and includes proceeds derived from stock, dairy, poultry, fruit, fur-bearing animals, truck farms, plantations, ranches, nurseries, timber, ranges, aquaculture, vitaculture, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards, with inclusion on the land used for such purposes, activities, and functions contributing to the production of food and fiber. Also included are proceeds received by agricultural professionals and managers who are indirectly involved with the production of food and fiber by virtue of their professional advice to producers. Proceeds from other activities, as recommended by the local committee and approved by the board, may also be included;

(C) gross income requirements from farming and ranching may be documented by the following:

(i) submission of completed income tax returns for each of the three preceding years, with averaging of the three years permissible by the local committee for overall qualification of the 35% gross income requirement;

(ii) local committee review and

recommendations; and

(iii) any other documentation the board deems appropriate;

(5) have a net worth of less than \$250,000. For purposes of this section, this requirement may be satisfied by the following:

(A) completion and submission of the financial statement in the application material and endorsed by the applicant's primary financial institution used for financial transactions;

(B) local committee review and recommendation; or

(C) any other documentation the board deems appropriate;

(6) be an applicant for the purchase of not less than 50 acres with a maximum loan request of \$100,000, less a 5.0% cash down payment. Down payments may be increased by request of the applicant, local committee, or by decision of the board.

(d) An applicant must provide the board information on the proposed use for the land to be acquired. The information provided should contain sufficient details on anticipated income and cash flow analysis for the local committee and the board to evaluate the soundness of the investment, as well as the applicant's ability to pay the contract indebtedness, to the extent that anticipated income may not always be realized. The local committee will make a recommendation concerning the intended use, income, and cash flow projections of the land to the board.

(e) A credit report will be attached to each application if the local committee so desires or requests.

(f) For applicants applying for loans to purchase land, the board may require a cosignor to the contract of sale and purchase.

(g) As soon as practicable after receipt of an application recommended by the local committee, the board shall approve or deny the application and notify the applicant.

(h) A person may participate in the program one time only. Such participation may be by way of an original contract, or by successfully bidding in a forfeited land sale.

(i) If an eligible applicant dies after having filed an application and contract of sale with the board, but before the application and contract of sale has been completed, the surviving spouse may complete the transaction. For the purposes of the Farm and Ranch Finance Program, the surviving spouse shall be deemed an applicant.

(j) Applications and contracts must be signed by the applicant. An attorney in fact may not sign these documents for the applicant.

(k) No application shall be approved to purchase land under the program:

(1) which provides for or recognizes a second or subordinate lien as a part of the original purchase price for any tract; or

(2) where there is evidence that the benefits derived from the use of the land will

not pass to the purchaser.

(l) An application may also be rejected and the contract declared breached by the chairman of the board, at his or her option, if:

(1) the applicant or seller fails to perform any contractual obligation within a reasonable length of time;

(2) there is a failure to convey marketable title; or

(3) there exists any other good and sufficient reason, as determined by the chairman of the board

(m) If for any reason an application is not processed to completion, the down payment will be refunded to the applicant, together with the unused portion of any fees that have been deposited with the board.

(n) Each application will be considered as a wholly separate transaction, independent of any other agreement, transaction, or contingency. The board will not consider an application which contains a provision making it contingent upon the success or completion of another agreement or transaction.

§179.5. Change in Use. Should any borrower change the use of land acquired under this program from agricultural production into other uses without prior board approval, the board can call the contract of sale due and payable in full.

§179.6. Land Description.

(a) Land selected to be purchased by the board must be described by a legally sufficient metes and bounds description. The property description must contain a general description of the land specifying the county, acreage contained, parent tract, and original survey or grant in which the land is located. The general description may also contain references to instruments in the chain of title, to recorded plats and subdivisions, and to other like data, if applicable. A specific description of the land, describing each side of the land by specific courses and distances, and further identifying the land by calls for bounds, such as trees, fences, adjacent boundaries, and monuments.

(b) If the land selected is in a subdivision, a lot and block description of the tract may be substituted for the metes and bounds description. If a lot and block description is to be used, the board must be furnished a copy of the recorded subdivision plat. This plat must show the recording information and the signatures of the county commissioners evidencing their acceptance of the plat. The plat must also show courses and distances for the boundary lines of all tracts. If the tract selected is not located on a public road, the easement to the tract required to be conveyed pursuant to this chapter must be shown on the plat. The appropriate language dedicating any easement to the public or to the subdivision owners must also be included on the plat.

(c) Field note descriptions must tie to a corner of an original survey or grant, if such a tie is not impractical to obtain. If it

is impractical to tie to the corner of the original survey or grant, the description may tie to the surrounding properties and to permanent landmarks or monuments. It may also tie to an established subdivision corner. If the tie is to a subdivision corner, a certified copy of the subdivision plat must be provided.

(d) The field note description must be prepared from a ground survey and must be of a kind generally acceptable to title companies in the State of Texas for the purpose of deleting the survey exception clause, which clause deletion is required.

(e) Each corner of the land must be conspicuously and permanently marked by concrete or steel monuments or by monuments of like substances, either natural or artificial. All monuments must be incorporated into the field note description of the property.

(f) When a roadway or easement of like nature crosses a tract, the same shall be so described that its location and acreage may be determined.

(g) Property descriptions may be examined by the board for closure and acreage. The board's calculation of acreage will control.

(h) The surveyor should be instructed to include only that land to which the seller has good title. He should not include any land outside an encroaching fence or the like, unless the fence or other object can be removed and reestablished along the survey line, or an appropriate quitclaim or boundary agreement can be obtained from the adjacent owner or owners.

§179.7. Appraisal of Land.

(a) Before property is purchased it shall be appraised by one of the board's appraisers. Each appraisal will consider market value as defined by the courts of Texas and professional appraisal organizations. The appraisal has no connection with the negotiations between the applicant and the seller regarding purchase price. It is made exclusively for the benefit of the board to assure that the board's investment will be properly secured. A tract of land may have a specific value to a particular veteran which is greater than the amount which the board may invest in the property. In this event, the applicant must pay the cash difference between the amount of the board's loan amount and the purchase price.

(b) If the appraisal amount is less than the purchase price agreed upon, the applicant may cancel the transaction. The applicant should provide a written cancellation notice to the seller and the board and request that the board return his down payment and the unused portion of the fee deposits.

(c) Each applicant must personally accompany one of the board's appraisers on a physical inspection of the land to be purchased; provided that the applicant may have a personal representative inspect the land with the appraiser, when, for good cause, the applicant is unable to meet the appraiser.

(d) Any improvement existing on the land may be considered by the board in making the appraisal. If improvements are considered in determining the value of the property, the board will require the purchaser to obtain an insurance policy covering fire and hazard losses, with the premiums incorporated in the payment schedule and held in an escrow account until the premiums are due. Applicable appraisal fees and insurance escrow deposits are included in §179.19 of this title (relating to Fees and Deposits).

§179.9. Title Examination and Closing Requirements.

(a) The board will designate an attorney or title company in the county where the land is located to serve as its closing representative. The applicant may submit the name of a closing representative for the board's consideration. The representative will be paid for closing the transaction. If the designated representative is an attorney, a fee of \$100 will be paid. If the representative is a title company, a \$25 fee will be paid. The board will also pay up to \$30 to cover recording costs. The board will not pay a closing representative for preparing and filing application papers, drafting instruments, or for rendering services of a similar nature. If an attorney provides such services, he is to be paid directly by the applicant or seller.

(b) It is the seller's responsibility to obtain a commitment for title insurance and to provide copies to the closing representative and the board.

(c) The seller shall also provide the following, as applicable:

(1) evidence that taxes have been prorated as of the date of sale, or that satisfactory arrangements have been made with the applicant regarding taxes, including rollback taxes;

(2) releases of any mineral leases that have expired, or an affidavit of nonproduction and nonpayment of annual delay rentals;

(3) any instruments in the chain of title necessary for the board to make a proper showing of ownership to a lessee under an existing mineral lease; and

(4) fees for recording all instruments other than the deed from the seller to the board and the contract of sale between the board and applicant.

(d) Among other things, the applicant will be required to:

(1) furnish a fire and hazard insurance policy if there are any improvements on the land which have been considered by the board in determining the amount to be invested, together with a receipt showing the first year's premium has been paid; and

(2) execute an affidavit showing that he has taken possession of the land, has inspected the land and found no one in adverse possession, and that the taxes have been prorated to his satisfaction.

(e) If an attorney is designated as the seller's closing representative, he or she or the seller shall prepare a deed conveying title

of the land to the board. This deed must:

(1) name the Veterans Land Board of the State of Texas as grantee;

(2) state the full and true consideration to be paid;

(3) specify all reservations of oil, gas, and other minerals affecting the property;

(4) specify all easements, leases, and/or other exceptions which might affect the property; and

(5) contain a general warranty (special warranty deeds are not acceptable).

(f) If a title company is designated as the seller's closing representative, it or the seller may also prepare the deed for conveying title of the land to the board.

(g) When the title insurance commitment has been completed and submitted, the closing representative shall forward it along with the original and one copy of the proposed deed, if any, to the board. The board also must be provided copies of all reservations and exceptions listed in the title insurance commitment or proposed deed. The board's attorneys will examine the closing papers (and draft a warranty deed if needed). If all is in order, the board will request the state comptroller to issue a treasury warrant in the amount of the purchase price. When the warrant is received by the board, it will be forwarded with the other closing materials to the closing representative so that the transaction can be completed.

(h) When the closing representative is satisfied that all closing requirements have been met, he shall require the seller to execute and tender the deed, and shall on behalf of the board, tender the consideration to the seller. The closing representative shall also require the applicant to execute the contract of sale and purchase which the applicant must execute.

(i) The closing representative shall file the deed and contract of sale and purchase for recording, together with any additional instruments which should be recorded. The recorded originals of the deed to the board and the contract of sale and purchase shall be sent to the board, where they will be made a part of the applicant's permanent file.

(j) The board has obtained a group credit life insurance policy for the benefit of applicants who are purchasing land through the program. Utilization of this insurance is not mandatory; however, if the contract holder obtains the insurance and dies while it is in force, the principal balance (exclusive of any delinquencies) of the account as of the date of death will be paid in full. The policy will be terminated when the contract holder dies or pays the account in full.

(k) Applicable fees and deposits for taxes and insurance escrow accounts are included in §179.19 of this title (relating to Fees and Deposits). At the time of loan closing the borrower will be required to deposit three months estimated amounts (based on annual estimated amounts) for taxes and insurance.

(l) It is the borrowers responsibility each year or as required by law, to file,

declare, or classify the property for tax purposes as applicable for agricultural use, open space, or rollback taxes. If for any reason taxes are assessed on market, productivity, or best use basis, the board will bill the borrower for any amount required in addition to tax escrow balances available for the payment of annual taxes.

§179.10. Contract of Sale and Purchase.

(a) The contract of sale and purchase will be prepared by the board. It is to be executed by both the applicant (hereinafter referred to as the purchaser) and the chairman of the board.

(b) The contract of sale and purchase must provide that using land (other than incidentally used) acquired under this chapter for a purpose other than agriculture subjects the contract of sale and purchase to be due and payable in full.

(c) The board will specify the terms of the contract for each transaction. Those applicants who represent to the board that they will not have monthly income may request quarterly, semiannual or, annual payments. Based on how a borrower will receive income, and with local committee and board approval, payment schedules may be set on a quarterly, semiannual, or annual basis. These borrowers will also be required to submit cash flow statements to the board on March 1 of each year that will justify continuing payments on other than a monthly basis.

(d) Each contract of sale and purchase shall bear a rate of interest designated by the board and shall not exceed 30 years in duration.

(e) If the tract contains improvements or is located in an underground irrigation water area, the chairman may require accelerated installments for the purpose of protecting the board's investment.

(f) Installment payments on a purchaser's contract of sale and purchase shall be due and payable on the installment dates specified in the contract.

(g) A purchaser is entitled to pay any or all installments remaining unpaid on any installment date. When making an advance payment, the purchaser should provide the board with written instructions as to the nature of the payment (i.e. whether it is an additional payment against principal or an advance installment payment for a future installment date). Making an additional payment against principal will not relieve the purchaser of his obligation to make regular installments as they become due.

(h) The board requires that an escrow account be created from amounts incorporated with scheduled payments and held for the payment of taxes as they become due. Applicable fees and deposits are included in §179.19 of this title (relating to Fees and Deposits).

(i) If there are any material errors in the contract, the chairman may execute a correction contract. This instrument will then be provided to the purchaser for his signature.

§179.11. Death of a Purchaser.

(a) Upon the death of a purchaser, if the account is insured under the group life insurance plan, the board should be notified at once, and furnished with a certified copy of the death certificate and an \$80 deed fee, which is not paid under the group insurance plan.

(b) If the account is not insured at the time of the purchaser's death, the board should be furnished:

(1) certified copies of all probate proceedings, if any; or

(2) an affidavit of heirship, if the purchaser dies intestate, and no administration is necessary for the estate.

(c) The person or persons acquiring the rights of the deceased purchaser should indicate to the board that they accept the rights, duties, and obligations of the deceased purchaser under the contract of sale and purchase.

(d) Upon receipt of the items listed in subsections (a)-(c) of this section, the records of the board will be changed to reflect the new ownership.

§179.12. Insurance Losses.

(a) All proceeds received from hazard insurance losses must be deposited with the board. These proceeds may be used to repair or replace the damaged or destroyed improvements, or they may be applied to the principal balance of the purchaser's account.

(b) When there has been a loss, the insurance company has issued a check jointly payable to the purchaser and to the board, the purchaser should endorse the check and forward it to the board. The proceeds therefrom will be held in a special account until the damaged or destroyed improvements have been repaired or replaced, or until it has been determined by the board that the proceeds are to be applied to the principal balance of the purchaser's account.

(c) If there has been a partial loss, repairs shall be made in order to prevent further deterioration. If the loss is total, the purchaser will have the option of rebuilding the improvement or applying the proceeds to the principal balance of his account. If applying the proceeds to the principal balance of the account pays it in full, any unused funds will be refunded to the purchaser, or his or her designee, as soon thereafter as practicable.

(d) When an improvement is repaired or replaced, and the loss is under \$500, the purchaser should:

(1) submit to the board itemized statements showing the materials and labor furnished; and

(2) submit to the board an affidavit showing that all of the materials and labor specified in the statements were actually used in the repair or replacement of the damaged or destroyed improvement.

(e) When an improvement is repaired or replaced, and the loss is over \$500, the purchaser should:

(1) submit to the board itemized statements showing the materials and labor

furnished; and

(2) allow sufficient time for board approval of the repaired or replaced improvement.

(f) Reimbursement may be made from the insurance proceeds directly to the purchaser or his creditors. If reimbursement is to be made to the purchaser, the itemized statements mentioned in subsections (d)(1) and (e)(1) of this section must show that payment has already been made by the purchaser. If reimbursement is to be made to the creditors, the purchaser must authorize the board in writing to pay the creditors.

(g) Reimbursements can be accomplished only when the damaged or destroyed improvement has been repaired or restored.

(h) If proceeds from insurance losses are not completely used in restoring improvements to their original condition, the remaining balance on deposit will be applied to the principal balance of the purchaser's account.

(i) The application of insurance proceeds to the principal balance of the purchaser's account shall not relieve him of the obligation to make the regular installment payments.

§179.13. Transfer of Contract of Sale and Purchase.

Any attempted transfer of ownership of the land before the entire principal and interest have been paid by the purchaser is an act giving rise to forfeiture of the contract, except for a transfer to a spouse or heirs of a deceased participant in the program, when prior board approval has been obtained, or when there has been an involuntary transfer results from a divorce. In the case of a sheriff's sale, the new purchaser must obtain board approval for any intended changes in use.

§179.14. Severances.

(a) If a purchaser wishes to have clear title to not in excess of one acre of the land he is purchasing, for use as a homestead, he may obtain a severance deed from the board. Applicable severance fees are included in §179.19 of this title (relating to Fees and Deposits). To accomplish this the following steps should be taken.

(1) A current ground survey of the portion to be severed must be made by a qualified surveyor. The survey requirements of §179.6 of this title (relating to Land Description) must be met. The field notes and plat prepared from the ground survey must be submitted to the board.

(2) Both the tract to be severed and the remaining tract must have access to a public road. Severance appraisals and recommendations will be made to the chairman of the board and will be limited only to those tract areas in which both the severed tract the remaining tract will have existing access to a public road.

(3) Upon receipt of the field notes and plat, the board will have an appraisal made to determine the amount to be paid for the severed acreage. The purchaser will be notified of the result of this appraisal.

This amount, which will be applied against the principal of the purchaser's account, should be submitted to the board, along with an \$80 deed fee. The board will then issue a deed, conveying clear title to the severed portion.

(b) The board will not issue severance deeds conveying to anyone other than the original purchaser, except for the spouse or heirs of the original purchaser if the original purchaser is deceased.

(c) All requests for severances will be subject to the account being current, and the approval of the chairman of the board.

(d) The chairman of the board is authorized to enter into, and execute on behalf of the board, an agreement recognizing that an improvement, when constructed, shall not attach to and become a part of the realty for the duration of any obligation incurred by a purchaser in connection with the erection of such improvement.

§179.16. Mineral Leases.

(a) When applicable, a purchaser may execute mineral leases covering the land being purchased through the board. The following conditions must be met.

(1) No oil and gas lease will be accepted unless the board's standard form is used. Copies of this form will be furnished upon request.

(2) The lease must be approved by the chairman of the board.

(3) Each lease must state the actual and true consideration to be paid.

(4) At least 1/2 of all proceeds, including rentals and royalties received under the terms of such leases, shall be paid to the board and applied toward the principal balance of the account. If an account is delinquent, the board will require that additional payments of bonus, rental, and royalty be paid until the delinquency is satisfied. Payments made in this manner will not relieve the purchaser of his obligation to make regular installment payments.

(5) The lease term may not exceed 10 years, except when a lease is held in force by production. However coal and lignite leases may be executed with board approval, for terms up to 40 years.

(6) No lease may contain a provision for an option, renewal, or release for any term, nor may such provision be provided for by separate instrument.

(b) Each executed mineral lease must be submitted to the board in duplicate. The approved original will be returned for recording with the county clerk. One-half of the bonus payment should accompany the lease, along with a service fee in the amount of \$100. If the account is delinquent, all of the bonus payment, or as much as may be required, shall be sent to the board to satisfy the delinquency.

(c) At least five acres around and including improvements on a tract must be excluded from all leases executed for iron ore, gravel, coal, or other substances, the min-

ing or development or which tends to destroy the surface value of the land.

(d) The purchaser may lease the property for agricultural, hunting, or grazing purposes or for other surface uses without obtaining the approval of the board. However, if the tract is forfeited, the rights of the lessee are then terminated, subject to their being reinstated until the board orders the tract for sale.

§179.17. Approval of Easements.

(a) A contract holder may, with the approval of the board, grant easements or rights of way for the following purposes.

(1) A right of way granted to the state, or county or political subdivision for roads, channels, etc. The forms to be used in granting such an easement may be obtained from the board or the State Department of Highways and Public Transportation.

(2) Utility easements for electric lines, etc. The board requires use of its form when granting such an easement, except when an easement for a waterline is to be granted. In that case the Farmers Home Administration (FHA) form may be used. If an FHA form is used, a course and distance description of the waterline must be attached.

(3) Flowage easements granted in connection with dams and reservoir projects. The agency administering the project shall furnish the forms for such easements. An elevation-contour map of the acreage involved, together with an engineer flood data sheet, may be used in place of a course and distance description.

(4) Easement for right of way purposes. The board does not require the use of a specified form for easements of this type. However, a form that may be used as a guide is available from the board.

(b) If a board form is not used, the following paragraph must be inserted into the grant of easement. This paragraph more fully explains the conditions of ownership of the tract of land: "The land herein described is under contract of sale and purchase to grantor herein who will receive a deed to said lands from the Veterans Land Board when all the terms of said contract have been complied with. Grantor executes this instrument with the approval of the Veterans Land Board in accordance with the regulations of said board, which approval is signified by the signature hereon of its chairman." A signature block must be provided at the conclusion of the instrument, as follows:

Approved this _____ day of _____, 19____
Veterans Land Board of the State of Texas

by _____

(c) The contract holder must submit two original grants of easements to the board. These must be signed by the contract holder and acknowledged by a notary public.

(d) A fee of \$40 per easement is to be paid to the board for review and approval of such easements. This fee is to be submitted

to the board, along with the duplicate easement documents and any consideration paid, at the time the board's approval is requested.

(e) The consideration paid for the easement must be stated clearly and accurately. Statements such as "ten dollars and other good and valuable consideration" are not acceptable.

(f) All cash consideration paid for an easement must be submitted to the board. The board will distribute the consideration in light of the account's payment record, the amount of consideration and the effect on the value of the land. At least 1/2 of the consideration will be retained by the board and applied to the principal balance of the account.

(g) Any payments made to compensate for damage to growing crops should be paid directly to the contract holder. The amount of such payment and its purpose must be specifically stated in the grant of easement.

(h) If payment is made for permanent damage to, or depletion, of the land (such as the cutting of timber), 1/2 of that amount must be paid to the board. This amount is to be applied to the principal of the purchaser's account.

(i) If the easement is to be donated, the grant of easement should so state.

§179.19. Fees and Deposits. In addition to the fees cited in this chapter, the board is authorized and required to collect the following fees when they are applicable:

(1) application fee—\$50;

(2) appraisal fee—\$120;

(3) loan service fee—1.0% of loan amount; The loan service fee is payable at the time the buyer and seller execute the contract of sale and purchase. Once the Veterans Land Board has approved a loan and authorized a bond sale to finance a loan, the loan service fee is nonrefundable;

(4) taxes escrow deposits—three months deposit based upon the estimate of annual taxes payable to the Veterans Land Board at loan closing;

(5) insurance escrow deposit—as applicable, three months deposit based upon the estimate of annual premium amounts payable to the Veterans Land Board at loan closing;

(6) contract of sale and purchase transfer fee for each transfer—\$140;

(7) mineral lease service fee for each lease executed by the purchasers—\$100;

(8) reappraisal fee, when required by the board—\$150;

(9) fee for servicing and filing each easement—\$40;

(10) fee for homestead, severance deed, or pay-in-full deed—\$80;

(11) fee for reinstatement of a forfeited account:

(A) if forfeited for the first time—\$25 for each month (or any portion thereof) the account has been in a forfeited status;

(B) if forfeited for the second time—\$50 for each month (or any portion thereof) the account has been in a forfeited status;

(C) if forfeited for the third time (and thereafter)—\$250 for each month (or any portion thereof) the account has been in a forfeited status.

§179.20. Resale of Forfeited Land. Land revested in the Farm and Ranch Program Fund by forfeiture of a contract may be resold to the highest bidder in a forfeited land sale. The board shall set terms, conditions, and guidelines governing the sale and shall make these available to any prospective bidder for a reasonable fee. These terms shall include, but are not limited to the following.

(1) The first time a tract is offered for sale it may only be resold to a qualified applicant who meets the eligibility require-

ments of §179.3 of this title (relating to Application/Eligibility).

(2) Any tract not purchased the first time it is offered for sale may be resold to any bidder approved by the board.

(3) Each bidder shall be required to deposit, in cash, an amount designated by the board.

(4) The land may be sold under contract of sale and the purchase and shall not exceed 30 years in duration.

(5) Each contract of sale and purchase shall conform to the provisions of the Natural Resources Code and shall be in such form, and contain such terms and conditions, as the chairman of the board may prescribe.

(6) The board may reject any and all bids.

(7) If a successful bidder refuses to execute a contract of sale and purchase, the money submitted with his bid is forfeited and

shall be deposited in the state treasury and credited to the fund.

This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on September 3, 1986.

TRD-8608489

Garry Mauro
Chairman
Veterans Land Board

Effective date: September 24, 1986
Proposal publication date: July 8, 1986
For further information, please call
(512) 463-6000.



State Board of Insurance Exempt Filings

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

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

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

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

The State Board of Insurance has approved amendments to the Texas workers' compensation unit statistical plan.

The Insurance Code, Article 5.58, authorizes the board to promulgate statistical plans to be used by each insurer writing workers' compensation insurance in this state in the recording of its loss experience and such other data that the board may require. The Insurance Code, Article 5.96, authorizes the State Board of Insurance to adopt amendments to statistical plans according to the procedure specified therein.

This amended Texas workers' compensation unit statistical plan will be applicable for all policies effective at 12:01 a.m., January 1, 1986, and subsequent, and is applicable to all companies reporting data under this plan.

This notification is filed pursuant to the Insurance Code, Article 5.96, which exempts it from the requirements of the Administrative Procedure and Texas Register Act.

Issued in Austin, Texas, on August 29, 1986.

TRD-8608485

Nicholas Murphy
Chief Clerk
State Board of Insurance

Effective date: September 28, 1986
For further information, please call
(512) 463-6327.

Open Meetings

Agencies with statewide jurisdiction must give at least seven days notice before an impending meeting. Institutions of higher education or political subdivisions covering all or part of four or more counties (regional agencies) must post notice at least 72 hours prior to a scheduled meeting time. Some notices may be received too late to be published before the meeting is held, but all notices are published in the *Register*.

Emergency meetings and agendas. Any of the governmental entities named above must have notice of an emergency meeting, an emergency revision to an agenda, and the reason for such emergency posted for at least two hours before the meeting is convened. Emergency meeting notices filed by all governmental agencies will be published.

Posting of open meeting notices. All notices are posted on the bulletin board outside the Office of the Secretary of State on the first floor of the East Wing in the State Capitol, Austin. These notices may contain more detailed agendas than what is published in the *Register*.

Texas Department of Agriculture

Tuesday, September 23, 1986, 3 p.m. The Texas Department of Agriculture will meet in the District Office, Expressway 83, two blocks west of Morningside Road, San Juan. According to the agenda, the department will conduct an administrative hearing to review the alleged violation of Texas Agriculture Code, §76.116(a)(1), by John Houston, holder of commercial applicator license.

Contact: Deborah E. Brown, P.O. Box 12847, Austin, Texas 78711, (512) 463-7583.

Filed: September 8, 1986, 1:56 p.m.
TRD-8608628

Tuesday, September 30, 1986, 10:30 a.m. The Texas Department of Agriculture will meet in the District Office, Expressway 83, two blocks west of Morningside Road, San Juan. According to the agenda, the department will conduct an administrative hearing to review the alleged violation of Texas Agriculture Code, §76.116(a)(1), by Pat Kornegay, doing business as Sun Valley Dusting Company.

Contact: Deborah E. Brown, P.O. Box 12847, Austin, Texas 78711, (512) 463-7583.

Filed: September 8, 1986, 1:56 p.m.
TRD-8608629

Tuesday, October 7, 1986, 10 a.m. The Texas Department of Agriculture will meet in the District Office, Suite C, 5501 IH 40 West, Amarillo. According to the agenda, the department will conduct an administrative hearing to review the alleged violation of Texas Agriculture Code, §76.116(a)(1), by Darl and Art Finkenbinder, doing business as Freedom Flyers, holder of a commercial applicator license.

Contact: Deborah E. Brown, P.O. Box 12847, Austin, Texas 78711, (512) 463-7583.

Filed: September 8, 1986, 1:56 p.m.
TRD-8608630

Tuesday, October 7, 1986, 10:15 a.m. The Texas Department of Agriculture will meet in the District Office, Suite C, 5501 IH 40

West, Amarillo. According to the agenda, the department will conduct an administrative hearing to review the alleged violation of Texas Agriculture Code, §76.116(a)(1), by Joe E. Thompson, doing business as Thompson Farms, holder of a commercial applicator license.

Contact: Deborah E. Brown, P.O. Box 12847, Austin, Texas 78711, (512) 463-7583.

Filed: September 8, 1986, 1:55 p.m.
TRD-8608631

Wednesday, November 12, 1986, 10 a.m. The Texas Department of Agriculture will meet in the District Office, 421 East Ferguson Street, Tyler. According to the agenda, the department will conduct an administrative hearing to review the alleged violation of Texas Agriculture Code, §76.116(a)(1), by Lawrence Allen, holder of private applicator license.

Contact: Deborah E. Brown, P.O. Box 12847, Austin, Texas 78711, (512) 463-7583.

Filed: September 8, 1986, 1:55 p.m.
TRD-8608632

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Texas Commission on Alcohol and Drug Abuse

Wednesday, September 17, 1986, 10 a.m. The Task Force on Alcohol and Drug Abuse of the Texas Commission on Alcohol and Drug Abuse will meet in Room 103, John H. Reagan Building, Room 103, Austin. Items on the agenda include the review of testimony previously received by the task force; and the development of draft recommendations for needed changes in alcohol and drug abuse laws. No testimony will be accepted at this meeting. Written comments will be accepted through September 15, 1986. Persons interested in submitting written testimony should send them to Randall Schmidt, Chair, Task Force on Alcohol and Drug Abuse, Texas Commission on Alcohol

and Drug Abuse, 1705 Guadalupe, Austin, Texas 78701-1214.

Contact: Becky Davis, 1705 Guadalupe, Austin, Texas 78701, (512) 463-5510.

Filed: September 8, 1986, 4 p.m.
TRD-8608640

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Texas Commission on the Arts

Committees of the Texas Commission on the Arts will meet in the Colorado Room, Walker Creek Plaza Hotel, 500 IH 35 North, Austin. Days, times, committees, and agendas follow.

Tuesday, September 15, 1986, 10 a.m. The Assistance Review Committee will consider the minutes for the May 20, 1986, Assistance Review Committee; items for individual consideration, including the new application form, panel statues, the National Endowment for the Arts Grants Review, the Touring Grants Review, and membership in Mid-American Arts Alliance.

Contact: A. Patrice Walker, P.O. Box 13406, Austin, Texas 78711, (512) 463-5535.

Filed: September 5, 1986, 3:10 p.m.
TRD-8608591

Tuesday, September 16, 1986, 2:30 p.m. The Education Committee will consider the minutes of April 22, 1986, Education Committee meeting; items for individual consideration, including the progress report, the task force membership report, and a report on the TAP arrangements.

Contact: A. Patrice Walker, P.O. Box 13406, Austin, Texas 78711, (512) 463-5535.

Filed: September 5, 1986, 3:10 p.m.
TRD-8608592

Tuesday, September 16, 1986, 3:30 p.m. The Executive Committee will consider items for individual consideration, including fiscal years 1986-1989.

Contact: A. Patrice Walker, P.O. Box 13406, Austin, Texas 78711, (512) 463-5535.

Filed: September 5, 1986, 3:10 p.m.
TRD-8608593

Wednesday, September 17, 1986, 9:30 a.m. The full commission will consider items for individual consideration and informational items only. The commission also will meet in executive session pursuant to Texas Civil Statutes, Article 6252m, s(g), to consider the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, if necessary.

Contact: A. Patrice Walker, P.O. Box 13406, Austin, Texas 78711, (512) 463-5535.

Filed: September 5, 1986, 3:10 p.m.
TRD-8608594

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State Banking Board

Monday, September 8, 1986, 2 p.m. The State Banking Board made an emergency addition to the agenda for a meeting held at 2601 North Lamar Boulevard. The addition concerned the change of domicile application for the Bank of Van Zandt, Canton. The emergency status was necessary in order that the affected applications be most efficiently and economically implemented.

Contact: William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Filed: September 4, 1986, 10:07 a.m.
TRD-8608511

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State Bar of Texas

Friday and Saturday, September 12 and 13, 1986, 9 a.m. The Board of Directors of the State Bar of Texas made an emergency revision to the agenda for a meeting to be held at the Mayan Dude Ranch, Bandera. The revision concerns increasing membership of the District Nine Grievance Committee from nine to twelve members. The emergency status was necessary because the item was delayed in submission for consideration.

Contact: Paula Welch, 1414 Colorado Street, Austin, Texas 78711, (512) 463-1451.

Filed: September 8, 1986, 3:24 p.m.
TRD-8608637

Friday and Saturday, September 12 and 13, 1986, 9 a.m. daily. The Board of Directors of the State Bar of Texas will meet at the Mayan Dude Ranch, Bandera. According to the agenda summary, the board will consider the ratifications of actions taken at the July 17, August 15, and September 4, 1986, executive committee meetings; hear reports of the president and considerations; reports of the executive director concerning budgetary matters, personnel matters, consideration of the print shop facility property, and adop-

tion of the MCLE guidelines; reports of the general counsel and considerations; the adoption of the revision of bylaws of the Criminal Law Section; the adoption of the legislative package; considerations regarding the publication in the Texas Bar Journal; reports of the immediate past president, immediate past board chairman, the supreme court liaison, federal judiciary liaison, judicial liaison, and TYLA president; hear reports of the board committees; and reports of group coordinators.

Contact: Paula Welch, 1414 Colorado Street, Austin, Texas 78711, (512) 463-1451.

Filed: September 4, 1986, 3:57 p.m.
TRD-8608545

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Texas County and District Retirement System

Tuesday, September 16, 1986, 9 a.m. The Board of Trustees of the Texas County and District Retirement System will meet at La Mansion, 6505 IH 35 North, Austin. According to the agenda summary, the board will consider the minutes of the June 20, 1986, regular board meeting; consider and pass on applications for service retirement benefits and disability retirement benefits; review and act on reports from the director, actuary, legal counsel, and investment counsel; and set the date of the December meeting.

Contact: J. Robert Brown, 400 West 14th Street, Austin, Texas 78701, (512) 476-6651.

Filed: September 4, 1986, 2:07 p.m.
TRD-8608516

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Texas Education Agency

Tuesday and Wednesday, September 9 and 10, 1986, 2 p.m. and 9 a.m. The Price Differential Index Advisory Committee of the Texas Education Agency met in emergency session in Rooms 1-104 and 1-109, William B. Travis Building, 1701 North Congress Avenue, Austin. According to the agenda, the committee approved the minutes, discussed component indices; discussed weighting schemes; adopted component indices and weighting schemes; and adopted report. The emergency status was necessary to ensure that the committee can complete its work on schedule.

Contact: Maureen Moore Scheevel, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9701.

Filed: September 9, 1986, 8:10 a.m.
TRD-8608651

Friday, September 12, 1986. Committees of the Texas Education Agency (TEA) of the State Board of Education will meet in the William B. Travis Building, 1701 North Congress Avenue, Austin. Times, rooms, committees, and agendas follow.

8:30 a.m. In Room 1-104, the Committee for Finance and Programs will consider the permanent school fund; the price differential index; the TEA audit functions; the Advisory Committee for Budgeting, Accounting, and Auditing; the State Textbook Program; the adult basic and secondary education; the TEA operating budget of 1986-1987; the Public Education Information Management System; the Texas Educational Assessment of Minimum Skills; Education of the Handicapped, Part C, Funds; the trustee for Lackland Independent School District (ISD); the trustee for Fort Sam Houston ISD; the trustee for Randolph Field ISD; the master plan for vocational education; vocational education; apprenticeship training for 1985-1986; the proration of enrichment equalization allotment; the Accountable Costs Advisory Committee; school insurance issues; and legislative proposals.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:48 p.m.
TRD-8608517

8:30 a.m. In Room 1-109, the Committee for Personnel will consider the public school finance-personnel; inservice training in instructional leadership for district administrators; general management inservice programs; alternative certification of teachers; the review of the 1984 standards for teacher education; the appraisal training and teacher orientation to the Texas Teacher Appraisal System; legislative proposals; a discussion of a process to extend to the Texas college graduates certain provisions of Title 19 TAC, Chapter 141, Subchapter J, Requirements for Issuance of Texas Certificate Based on Certificates and College Credentials from Other States.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:49 p.m.
TRD-8608518

8:30 a.m. In Room 1-111, the Committee for Students will consider special education, including referral of students for placement at Texas School for the Blind or Texas School for the Deaf; curriculum; special education, including general program requirements; kindergarten; public concerns relating to families; the Texas Educational Assessment of Minimum Skills; advanced placement; credit by examination; extracurricular activities; accreditation process; the State Textbook Committee recommendations on textbooks; legislative proposals; and a discussion of vocational education.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:49 p.m.
TRD-8608519

3 p.m. In Room 1-110, the Committee for Long-Range Planning will consider regional education service centers; the status report on the long-range plan for public education in Texas; an update on accreditation process; and legislative proposals.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:49 p.m.
TRD-8608520

4:30 p.m. In Room 2-115, the Ad Hoc Committee on Awards and Recognition will discuss the awards and recognition for achievement in education.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:50 p.m.
TRD-8608521

Friday, September 12, 1986, 6:30 p.m. The State Board of Education of the Texas Education Agency will meet in the Ballroom, Embassy Suites Hotel, 5901 IH 35, Austin. According to the agenda, the board will have a dinner meeting to receive reports from the chairmen of the State Board of Education committees, including the Committee for Finance and Programs, Committee for Students, Committee for Personnel, and Committee for Long-Range Planning, concerning items discussed in the committee meeting on Friday, September 12, 1986.

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:50 p.m.
TRD-8608522

Saturday, September 13, 1986, 8:30 a.m. The State Board of Education of the Texas Education Agency will meet in Room 1-104, William B. Travis Building, 1701 North Congress Avenue, Austin. Items on the agenda summary include the permanent school fund; the price differential index; TEA audit functions; the Advisory Committee for Budgeting, Accounting, and Auditing; the State Textbook Program; adult basic and secondary education; the revised TEA operating budget of 1986-1987; Public Education Information Management System; Texas Educational Assessment of Minimum Skills; Education of the Handicapped Act, Part C, Funds; the trustee for Lackland ISD; the trustee for Fort Sam Houston ISD; the trustee for Randolph Field ISD; the master plan for vocational education; special education; curriculum; kindergarten; public concerns relating to families; teacher certification public school finance-personnel; inservice training for district administrators; and regional education service centers. The board also will meet in executive session to discuss pending litigation and personnel matters in accordance with Texas Civil Statutes, Article 6252-17, §2(e) and (g).

Contact: W. N. Kirby, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-8985.

Filed: September 4, 1986, 1:50 p.m.
TRD-8608523

Committees of the Commission on Standards For the Teaching Profession of the Texas Education Agency will meet in Room 1-110, William B. Travis Building, 1701 North Congress Avenue, Austin. Days, times, committees, and agendas follow.

Thursday, September 18, 1986, 11 a.m. The Interim Reports Committee will consider interim reports from Abilene Christian University and Schreiner College.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:51 p.m.
TRD-8608524

Thursday, September 18, 1986, 1:30 p.m. The Committee on Certification Programs and Requirements will consider the staff report on the review of 1984 standards by the State Board of Education; discuss the criteria for alternative certification programs; consider the status report on certification tests; individual programs (1955 standards) of Stephen F. Austin State University; individual programs (1984 standards) of Abilene Christian University, Howard Payne University, Southwestern University, Stephen F. Austin State University, Tarleton State University, and the University of Texas at Arlington.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:51 p.m.
TRD-8608525

Thursday, September 18, 1986, 3 p.m. The Committee on Standards and Procedures for Institutional Approval will discuss the residency requirements in professional certificate programs.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:51 p.m.
TRD-8608526

Thursday, September 18, 1986, 4 p.m. The Teacher Education Conference Planning Committee will discuss and possibly recommend the site for the 1988 conference in Dallas; and hear the progress report on plans for the 1986 conference in Arlington.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:52 p.m.
TRD-8608527

Friday, September 19, 1986, 8:15 a.m. The Executive Committee will review the agen-

da items with the committee chairmen.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:52 p.m.
TRD-8608528

Friday, September 19, 1986, 9 a.m. The Commission on Standards for the Teaching Profession of the Texas Education Agency will meet in Room 1-104, William B. Travis Building, 1701 North Congress Avenue, Austin. According to the agenda summary, the commission will consider information items, including the report on the State Board of Education actions; hear the report on activities of the Select Committee on Higher Education; the report on legislative actions; hear committee reports, including the Interim report, Certification Programs and Requirements, Standards and Procedures for Institutional Approval Teacher Education Conference Plannings and Executive Committees.

Contact: Edward M. Vodicka, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9337.

Filed: September 4, 1986, 1:51 p.m.
TRD-8608529

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Texas Employment Commission

Wednesday, September 10, 1986, 8:30 a.m. The Texas Employment Commission (TEC) made an emergency addition to the agenda for a meeting held in Room 644, TEC Building, 101 East 15th Street, Austin. The addition concerned Docket 36—tax case, Account Number 00-854511-1. The emergency status was necessary to meet federal time requirements.

Contact: Courtenay Browning, 101 East 15th Street, Austin, Texas 78778, (512) 463-2226.

Filed: September 4, 1986, 10:23 a.m.
TRD-8608512

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Texas Housing Agency

Thursday, September 4, 1986, 1 p.m. The Advisory Executive Search Committee of the Texas Housing Agency met in emergency session in Suite 2100, 1360 Post Oak Boulevard, Houston. According to the agenda summary, the committee met in executive session to consider and possibly act on the development of procedures to select an executive administrator and candidates for interviews. The emergency status was necessary because of the urgent need of the board of directors to fill the critical vacancy in the position of executive administrator of the

agency. The meeting was rescheduled from September 4, 1986, at 2 p.m.

Contact: Dan A. McNeil, P.O. Box 13941, Austin, Texas 78711, (512) 474-2974.

Filed: September 4, 1986, 10:28 a.m.
TRD-8608513

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Texas Department of Human Services

Friday, September 12, 1986, 9:30 a.m. The Family Violence Advisory Committee of the Texas Department of Human Services will meet in Classroom 2, Second Floor, West Tower, 701 West 51st Street, Austin. According to the agenda summary, the committee will consider the minutes; announcements, including the use of summary statements, the explanation of absences, speaking from the audience, regional information sharing, the Texas Council on Family Violence Conference, and a review of the agenda; hear reports on program status and the Texas Council on Family Violence; consider old business, including bylaws revision, subcommittee status on criminal justice, research, and public education, and fiscal year 1987 meeting dates; discuss new business, including fiscal year 1987 Family Violence Advisory Committee goals and objectives.

Contact: James Marquart, P.O. Box 2960, Austin, Texas 78769, (512) 450-3365.

Filed: September 4, 1986, 11:28 a.m.
TRD-8608515

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State Board of Insurance

Friday, September 12, 1986, 8:45 a.m. The State Board of Insurance will meet in Room 414, State Insurance Building, 1110 San Jacinto Building, Austin. According to the agenda summary, the board will consider the adoption of amendments to the workers' compensation rules to require filing of daily reports only if estimated annual premium is \$1,500 or more; consider the final adoption of proposed Rules 28 TAC §§5.7001, 5.7010, 5.7013, 5.7014, cancellation, denial, and nonrenewal of certain property and casualty insurance coverage 11 TexReg 3464; board orders on several different matters; the fire marshal's report on personnel; matters from the commissioner concerning personnel matters and pending and contemplated litigation.

Contact: Pat Wagner, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6328.

Filed: September 4, 1986, 3:09 p.m.
TRD-8608543

Friday, September 12, 1986, 9 a.m. The State Board of Insurance will meet in Room 414, San Jacinto Street, Austin. According

to the agenda, the board will consider the appeal from the Act of Texas Workers' Compensation Assigned Risk Pool surcharge by American Remodeling, Inc.

Contact: Pat Wagner, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6328.

Filed: September 4, 1986, 3:09 p.m.
TRD-8608544

Hearing Sections of the State Board of Insurance will meet at 1110 San Jacinto Street, Austin. Days, times, rooms, sections, and dockets follow.

Monday, September 15, 1986, 9 a.m. In Room 342, the Commissioner's Hearing Section will consider Docket 9335—application of Kenneth R. Boyd, Irving, to acquire control of Ensign Insurance Company, Dallas.

Contact: James W. Norman, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6525.

Filed: September 5, 1986, 11:19 a.m.
TRD-8608584

Tuesday, September 16, 1986, 9 a.m. In Room 342, the Commissioner's Hearing Section will consider Docket 9337—application to amend the certificate of authority of Texas Livestock Insurance Marketing, Inc., Marlin, adding Fidelity and Surety.

Contact: O. A. Cassity, III, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6498.

Filed: September 8, 1986, 1:02 p.m.
TRD-8608620

Tuesday, September 16, 1986, 9 a.m. In Room 353, the Fire Marshal's Hearing Section will consider Docket FM-043—whether disciplinary action should be taken against Adept Electric Company, Inc., who holds a certificate of registration to install fire detection and alarm devices and systems.

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6524.

Filed: September 8, 1986, 1:02 p.m.
TRD-8608621

Tuesday, September 16, 1986, 1:30 p.m. In Room 353, the Fire Marshal's Hearing Section will consider Docket FM-044—whether disciplinary action should be taken against Alarms, Inc., who holds a certificate of registration to install fire detection and alarm devices and systems.

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6524.

Filed: September 8, 1986, 1:02 p.m.
TRD-8608622

Thursday, September 18, 1986, 9 a.m. In Room 353, the Fire Marshal's Hearing Section will consider Docket FM-045—whether disciplinary action should be taken against

Chamber Security Systems of San Antonio, who holds a certificate of registration to install fire detection and alarm devices and systems.

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6498.

Filed: September 8, 1986, 1:01 p.m.
TRD-8608623

Thursday, September 18, 1986, 9:30 a.m. In Room 342, the Commissioner's Hearing Section will consider Docket 9333—application of Savers Annuity Insurance Company, Hurst, for a waiver of investment provision under the Texas Insurance Code, Article 3.33, §4(k)(5).

Contact: O. A. Cassity, III, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6498.

Filed: September 8, 1986, 1:02 p.m.
TRD-8608624

Thursday, September 18, 1986, 1:30 p.m. In Room 342, the Fire Marshal's Hearing Section will consider Docket FM-046—whether disciplinary action should be taken against Chambers Fire Protection Systems, Inc., who holds a certificate of registration to install fire detection and alarm devices and systems.

Contact: J. C. Thomas, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6524.

Filed: September 8, 1986, 1:01 p.m.
TRD-8608625

Monday, September 22, 1986, 9 a.m. In Room 342, the Commissioner's Hearing Section will consider Docket 9338—application for approval of the articles of agreement of American Excel Lloyd's Insurance Company, Dallas.

Contact: James W. Norman, 1110 San Jacinto Street, Austin, Texas 78701-1998, (512) 463-6525.

Filed: September 8, 1986, 1:01 p.m.
TRD-8608626

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Texas Advisory Commission on Intergovernmental Relations

Friday, September 19, 1986. Committees of the Texas Advisory Commission on Intergovernmental Relations will meet in Room 102, John H. Reagan, 105 West 15th Street, Austin. Times, rooms, committees, and agendas.

8:30 a.m. In Room 102, the Special Committee on Operations and Funding will review the fiscal year 1986 finances; consider the revised operating budget for fiscal year 1987; the potential new grants and contracts; and the status of the *Handbook of Governments*.

Contact: Jay G. Stanford, P.O. Box 13206, Austin, Texas 78711, (512) 463-1812.

Filed: September 9, 1986, 9:59 a.m.
TRD-8608656

9:30 a.m. In Room 102, the New Federalism Committee will consider the progress reports on projects, including productivity and management, high-level radioactive waste issues, low-level radioactive issues, and the State Data Center.

Contact: Jay G. Stanford, P.O. Box 13206, Austin, Texas 78711, (512) 463-1812.

Filed: September 9, 1986, 10 a.m.
TRD-8608657

9:30 a.m. In Room 103, the State Local Issues Committee will hear progress reports on projects, including juvenile probation, Dallas Alliance/Intergroup relations, risk management for regional councils, and cancer/indigent health care; and hold a roundtable discussion on state-local issues.

Contact: Jay G. Stanford, P.O. Box 13206, Austin, Texas 78711, (512) 463-1812.

Filed: September 9, 1986, 9:59 a.m.
TRD-8608658

10:30 a.m. In Room 103, the Texas Advisory Commission on Intergovernmental Relations will consider the executive director's report; committee reports, including the Operations and Funding Committee, State-Local Issues Committee, and New Federalism Committee; and consider a revised operating budget for fiscal year 1987.

Contact: Jay G. Stanford, P.O. Box 13206, Austin, Texas 78711, (512) 463-1812.

Filed: September 9, 1986, 9:59 a.m.
TRD-8608659

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Lamar University System

September 8, 1986. Committees of the Board of Regents of Lamar University System (LU) met in the Lamar Room, Gray Library, Beaumont. Times, committees, and agendas follow.

1:15 p.m. The Finance Audit Committee of the LU System considered the approval of the June 1986 monthly financial operations report for LU-Beaumont, -Orange, -Port Arthur, John Gray Institute, and the office of the chancellor; approved the July 1986, monthly financial operations report for LU-Beaumont, -Orange, -Port Arthur, and office of the chancellor; considered the revision to LU System operating budgets 1986-1987; approved the assessment of drop/add fee of \$10 per transaction; LU-Beaumont considered the approval of proposed rate reduction on University Drive Apartments; LU-Port Arthur considered the request to assess fees for use of Port Arthur Child Care Center; and the John Gray Institute considered the approval of the operating budget

for 1986-1987. The committee also met in executive session to consider a report regarding independent audit of pledged collateral for LU-Beaumont.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:19 a.m.
TRD-8608558

1:45 p.m. The Buildings and Grounds Committee of LU-Beaumont considered the ratification of the contract with Doty Construction, Vidor, for paving and site work on the religious plaza, and with Houston Package and Boiler to evaluate and bring to new 1986 code all university boilers, and ratification of actions taken in response to the natural gas explosion in the Plummer Administration Building; considered bids and award contract to replace selected transformers, and for re-roofing Home Economics Building; received the status report on proposed utility upgrades; and LU-Port Arthur considered the recommendation for Matrix Engineering, Inc., for renovations to Ruby Ruth Fuller Educational Educational Building. The committee also met in executive session to receive the status report on Pleasure Island property for LU-Beaumont.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:19 a.m.
TRD-8608559

2 p.m. The Academic Affairs Committee of LU-Beaumont considered the resolution establishing the Gulf Coast Hazardous Waste Research Center at LU-Beaumont.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:20 a.m.
TRD-8608560

2:15 p.m. The Personnel Committee of LU-System considered the approval of the policy manual; and LU-Beaumont considered the approval of resolutions of appreciation for exceptional service in response to the natural gas explosion in the Plummer Administration Building. The committee also met in executive session to consider the approval of staff merit awards for LU-Beaumont and approval of administrative reorganization for the John Gray Institute.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:20 a.m.
TRD-8608561

2:45 p.m. The Development and Public Relations Committee met in executive session to consider approval of the Development Plan for the Lamar System.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:20 a.m.
TRD-8608562

Thursday, September 11, 1986, 1:15 p.m. The Board of Regents of Lamar University System met in the Spindletop Room, Gray Library, Lamar University, Beaumont. According to the agenda, the board considered the swearing-in of Regent Donna Davis; considered the approval of the May 1986, minutes; the chairman's comments; the chancellor's report; considered the approval of committee recommendations, including the Finance/Audit Committee, Building and Grounds Committee, Personnel Committee, Academic Affairs Committee, and Development and Public Relations Committee; and considered regents comments and suggestions. The board also met in executive session to discuss legal matters and personnel.

Contact: Dr. George McLaughlin, P.O. Box 11900, Beaumont, Texas 77710, (409) 880-2304.

Filed: September 5, 1986, 9:20 a.m.
TRD-8608563

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Texas State Board of Medical Examiners

Thursday, September 11, 1986, 8 a.m. The Disciplinary Process Review Committee of the Texas State Board of Medical Examiners met in emergency session at 1101 Camino La Costa, Austin. The meeting was rescheduled from Tuesday, September 9, 1986. The emergency status was necessary because the committee had to change the beginning time for the meeting and reduce the number of days originally scheduled for the meeting.

Contact: Jean Davis, P.O. Box 13652, Austin, Texas 78711, (512) 452-1078.

Filed: September 5, 1986, 1:46 p.m.
TRD-8608587

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Texas Department of Mental Health and Mental Retardation

Monday, September 8, 1986, 6:30 p.m. The Texas Board of Mental Health and Mental Retardation (MHMR) of the Texas Department of MHMR met in emergency session in Room 24C, Central Office, 909 West 45th Street, Austin. According to the agenda, the board approved the minutes of August 8, 1986; and litigation. The emergency status was necessary because of the immediate need for information to be provided to the board regarding the impact of Sunset staff recommendations on two major lawsuits.

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

Filed: September 5, 1986, 3:41 p.m.
TRD-8608597

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Board of Nurse Examiners

Tuesday-Thursday, September 16-18, 1986, 8 a.m. daily. The Board of Nurse Examiners will meet at the Sunrise Motor Hotel, 7622 IH 35 North at Highway 183, Austin. According to the agenda summary, the board will consider disciplinary hearings, consent to board orders and other action by the executive secretary in relation to hearings; reinstatement hearings; set the 1987 board meeting dates; consider proposed changes to certain education rules; review the survey visit schedule, list of accredited schools, enrollment data, and a faculty petition from Howard College in Big Spring; review the July examination results and consider miscellaneous requests from various individuals; and elect the officers.

Contact: Margaret Rowland, Room C-225, 1300 East Anderson Lane, Austin, Texas 78752, (512) 835-4880.

Filed: September 4, 1986, 2:12 p.m.
TRD-8608530

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State Occupational Information Coordinating Committee

Thursday, September 18, 1986, 9 a.m. The State Occupational Information Coordinating Committee will meet in Room 644, Texas Employment Commission Building (TEC), 15th and Congress Avenue, Austin. According to the agenda summary, the committee will discuss current projects, past and current operating budgets, and the status of the state plan for labor market information. The committee also will meet in executive session to select a chairman.

Contact: Michael R. Fernandez, Room 644, TEC Building, 15th and Congress Avenue, Austin, Texas 78778, (512) 463-2399.

Filed: September 8, 1986, 2:07 p.m.
TRD-8608633

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Board of Pardons and Paroles

Monday-Friday, September 15-19, 1986, 1:30 p.m. daily Monday-Thursday and 11 a.m. Friday. A three-member panel of the Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. According to the agenda summary, the panel will receive, review, and consider information

and reports concerning prisoners and inmates and administrative releasees subject to the board's jurisdiction and initiate and carry through with appropriate action.

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

Filed: September 5, 1986, 10:43 a.m.
TRD-8608565

Tuesday, September 16, 1986, 1:30 p.m. The Board of Pardons and Paroles will meet at 8610 Shoal Creek Boulevard, Austin. According to the agenda, the board will consider executive clemency recommendations and related actions, other than out-of-country conditional pardons, including full pardons and restoration of civil rights of citizenship; emergency medical reprieves; commutations of sentence; and other reprieves, remissions, and executive clemency actions.

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

Filed: September 5, 1986, 10:43 a.m.
TRD-8608566

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Texas State Board of Public Accountancy

Tuesday, September 16, 1986, 1 p.m. The Texas State Board of Public Accountancy will meet in Suite 340, 1033 La Posada, Austin. According to the agenda, the board will conduct a board hearing on proposed substantive rules, including §501.2, Definitions; §501.13, Payment of Commissions; §501.14, Receipt of Other Compensation; §501.43, Advertising; and §501.44, Soliciting.

Contact: Bob E. Bradley, Suite 340, 1033 La Posada, Austin, Texas 78752, (512) 451-0241.

Filed: September 8, 1986, 4:27 p.m.
TRD-8608646

Wednesday, September 17, 1986, 9:30 a.m. The Texas State Board of Public Accountancy will meet in Suite 340, 1033 La Posada, Austin. According to the agenda, the board will conduct a panel hearing to discuss the possible violations of individuals not in compliance with the mandatory continuing education requirement.

Contact: Bob E. Bradley, Suite 340, 1033 La Posada, Austin, Texas 78752, (512) 451-0241.

Filed: September 8, 1986, 4:30 p.m.
TRD-8608648

Wednesday, September 17, 1986, 2 p.m. The Examination Committee of the Texas State Board of Public Accountancy will meet in Suite 340, 1033 La Posada, Austin. According to the agenda summary, the committee will discuss information relating to the November 1986, Uniform CPA Examination; information relating to future examinations;

and review other pertinent topics coming before the committee.

Contact: Bob E. Bradley, Suite 340, 1033 La Posada, Austin, Texas 78752, (512) 451-0241.

Filed: September 8, 1986, 4:27 p.m.
TRD-8608647

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Public Utility Commission of Texas

Friday, September 5, 1986, 1 p.m. The Hearings Division of the Public Utility Commission of Texas met in emergency session in Suite 450N, 7800 Shoal Creek Boulevard, Austin. According to the agenda, the division considered action regarding contracts with consultants in the Four State Palo Verde Audit. The emergency status was necessary to limit possible contractual liability.

Contact: Rhonda Colbert Ryan, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: September 4, 1986, 4:47 p.m.
TRD-8608555

Wednesday, November 19, 1986, 10 a.m. The Hearings Division of the Public Utilities Commission of Texas will meet in Suite 450N, 7800 Shoal Creek Boulevard, Austin. According to the agenda, the division will conduct a hearing on the merits in Docket 6985—application of South Plains Electric Cooperative, Inc., for authority to change rates.

Contact: Rhonda Colbert Ryan, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: September 8, 1986, 9:30 a.m.
TRD-8608610

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State Purchasing and General Services Commission

Monday, September 15, 1986, 10:30 a.m. The State Purchasing and General Services Commission will meet in Room 916, LBJ Building, 1111 East 17th Street, Austin. According to the agenda summary, the commission will consider information on criminal activity in the capitol complex during 1986; the results of converting Telecommunications System (STS or TEXAN) from individual channel rates to spare circuits per AT&T Communications contract; and maintenance and operations delegation to occupying agencies for facilities constructed from bonds issued by TPBA; the status of the TPBA projects and elimination of "Hot Shot" emergency mail and reduction to once-a-day mail delivery; a report on the legislation passed during the 69th Legislature, Second Called Session; consider the

protests of Southwestern Bell and AT&T Information Systems to Request USW-6-36679-J, on behalf of UT Dallas Health Science Center; and set the date of the next meeting. The commission also will meet in executive session.

Contact: John R. Neel, P.O. Box 13047, Austin, Texas 78711, (512) 463-3446.

Filed: September 5, 1986, 7:55 a.m.
TRD-8608556

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Railroad Commission of Texas

Monday, September 8, 1986, 9 a.m. The Oil and Gas Division of the Railroad Commission of Texas made an emergency revision to the agenda for a meeting held in the 12th Floor Conference Room, William B. Travis Building, 1701 North Congress Avenue, Austin. The revision concerned whether to use state funds to plug a leaking well of California Petroleum, Brown Lease, Well No. 2, Stephens County. The emergency status was necessary because the well is leaking approximately 60 barrels of saltwater per day. The water has a chloride content of 55,000 PPM. It is causing pollution and could be a threat to the public's health, safety, and welfare.

Contact: Willia Steed, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6830.

Filed: September 5, 1986, 4:12 p.m.
TRD-8608607

Monday, September 15, 1986, 9 a.m. The Railroad Commission of Texas will meet in the 12th Floor Conference Room, William B. Travis Building, 1701 North Congress Avenue, Austin. The commission will consider and act on division agendas as follows.

The Administrative Services Division director's report on division administration, budget, procedures, and personnel matters.

Contact: Roger Dillon, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7257.

Filed: September 5, 1986, 10:48 a.m.
TRD-8608568

The Automatic Data Processing Division director's report on division administration, budget, procedures, equipment acquisitions, and personnel matters.

Contact: Bob Kmetz, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7251.

Filed: September 5, 1986, 10:48 a.m.
TRD-8608567

The Flight Division director's report on division administration, budget, procedures, and personnel matters.

Contact: Ken Fossler, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-6787.

Filed: September 5, 1986, 10:48 a.m.
TRD-8608569

Various matters falling within the Gas Utilities Division's regulatory jurisdiction.

Contact: Lucia Sturdevant, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7003.

Filed: September 5, 1986, 10:48 a.m.
TRD-8608570

Consideration of Gas Utilities Docket 6313—statement of intent filed by Arkansas Louisiana Gas Company to increase residential and commercial rates in the environs of the City of Gilmer.

Contact: Lucia Sturdevant, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7003.

Filed: September 5, 1986, 3:34 p.m.
TRD-8608596

The Office of Information Services director's report on division administration, budget, procedures, and personnel matters.

Contact: Brian W. Schaible, P.O. Drawer 12967, Austin, Texas 78711-2967, (512) 463-6710.

Filed: September 5, 1986, 10:49 a.m.
TRD-8608571

The LP-Gas Division director's report on division administration, budget, procedures, and personnel matters; and consideration of various matters falling within the LP-Gas regulatory jurisdiction.

Contact: Thomas D. Petru, P.O. Drawer 12967, Austin, Texas 78711-2967, (512) 463-6931.

Filed: September 5, 1986, 10:49 a.m.
TRD-8608572

Various matters falling within the Oil and Gas Division's regulatory jurisdiction.

Contact: Timothy A. Poe, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6713.

Filed: September 5, 1986, 10:49 a.m.
TRD-8608573

Additions to the previous agenda:

Consideration of category determinations under the Natural Gas Policy Act of 1978, §§102(c)(1)(B), 102(c)(1)(C), 103, 107, and 108.

Contact: Margie L. Osborn, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6755.

Filed: September 5, 1986, 10:49 a.m.
TRD-8608574

Consideration of the application of Cox, Edwin L., and Cox, Berry R., to consider the complaint of Edwin L. Cox and Berry R. Cox alleging improper field classification and wrongful commingling by GHR Energy Corporation in the Hirsch Well No. 2, McLean (Lobo) Field, Webb County, Docket 4-86, 855.

Contact: William Osborn, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6924.

Filed: September 5, 1986, 10:49 a.m.
TRD-8608575

Consideration of Oil and Gas Docket 4-87,136—application of Transamerican Natural Gas Corporation, Exc. to SWR 10, Hirsch Lease, Well Nos. 2 and 3 in the Hirsch (Lobo 9760) Field, Webb and Zapata Counties.

Contact: William Owsborn, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6924.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608576

Consideration of Oil and Gas Dockets 3-86,210; 3-86,211; and 3-86,276—whether to enter a commission order assessing administrative penalties and/or requiring compliance with commission regulations on the Whitehead, Betty Production Company; Arco Castillo Lease, Well No. 3 (105410) Lease, Bessmay (miocene) Field; Arco Castillo Lease Well No. 2 (089605), Bessmay, W. (3780 Miocene) Filed; Henry Webb (11731) Lease, Well No. 2, Henry Webb (Yegua 7130) Field, all in Jasper County.

Contact: Barbara Epstein, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6713.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608577

The Personnel Division director's report on division administration, budget, procedures, and personnel matters.

Contact: Mark K. Bogan, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6981.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608578

The Office of Research and Statistical Analysis director's report on division administration, budget, procedures, and personnel matters.

Contact: Gail Gemberling, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-6976.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608579

The Office of the Special Counsel director's report relating to pending litigation, state and federal legislation, and other budget, administrative, and personnel matters.

Contact: Walter Earl Lilie, 1124 IH 35 South, Austin, Texas 78704, (512) 463-7149.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608580

The Surface Mining and Reclamation Division director's report on division administration, budget, procedures, and personnel matters; consideration of awarding a contract for backfilling and enclosing mine shafts at the Terlingua Abandoned Mine Land Project in Brewster County; and the proposed amendment to 16 TAC §11.221, State Program Regulations, consisting of the adoption by reference of revised coal mining regulations concerning effluent limita-

tions, prime farmland, notices of violations, and land unsuitable for mining.

Contact: J. Randel (Jerry) Hill, William B. Travis Building, 1701 North Congress Avenue, Austin, Texas, (512) 463-7149.

Filed: September 5, 1986, 10:50 a.m.
TRD-8608581

Various matters falling within the Transportation Division's regulatory jurisdiction.

Contact: Michael A. James, P.O. Drawer 12967, Austin, Texas 78711, (512) 463-7122.

Filed: September 5, 1986, 10:51 a.m.
TRD-8608582

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State Rural Medical Education Board

Sunday, September 14, 1986, 9 a.m. The State Rural Medical Education Board met in emergency session in the Seventh Floor Conference Room, Southwest Tower Building, 211 East Seventh Street, Austin. Items on the agenda included general business; the position of the director; student loans, potential defaults; defaults; and other business. The emergency status was necessary because of personnel changes.

Contact: Renee Luckie, 211 East Seventh Street, Room 408, Austin, Texas 78701, (512) 463-5501.

Filed: September 8, 1986, 1:56 p.m.
TRD-8608627

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Texas Savings and Loan Department

Tuesday, September 16, 1986, 9 a.m. The Texas Savings and Loan Department will meet in Suite 201, 2601 North Lamar Boulevard, Austin. According to the agenda summary, the department will accumulate a record of evidence in regard to the application of Coastal Bend Savings and Loan Association, Port Lavaca, Calhoun County, to change the name to Coastal Banc Savings Association, from which record the commissioner will determine whether to grant or deny the application.

Contact: Laura M. Hale, Suite 201, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 479-1250.

Filed: September 4, 1986, 4:44 p.m.
TRD-8608554

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School Land Board

Tuesday, September 16, 1986, 10 a.m. The School Land Board will meet in Room 831, General Land Office, Stephen F. Austin

Building, 1700 North Congress Avenue, Austin. According to the agenda, the board will approve the minutes of the previous board meeting; consider pooling applications; pooling agreement amendments; lease suspension applications; applications to lease highway rights-of-way for oil and gas; the final approval of land trades; excess acreage applications; direct land sales; coastal public lands—commercial lease applications; lease applications; easement applications; final approval of rules on coastal public land fees.

Contact: Linda K. Fisher, Room 836, 1700 North Congress Avenue, Austin, Texas 78711, (512) 463-5016.

Filed: September 8, 1986, 4:12 p.m.
TRD-8608645

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University Interscholastic League

Wednesday, September 10, 1986, 9:30 a.m. The Waiver Review Board of the University Interscholastic League met in Room 2.110, Thompson Conference Center, 26th and Red River Streets, Austin. According to the agenda summary, the board reviewed hearings on student eligibility.

Contact: Bob Young, P.O. Box 8028, Austin, Texas 78713, (512) 471-5883.

Filed: September 5, 1986, 2:09 p.m.
TRD-8608588

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Texas Water Commission

The Texas Water Commission will meet in Room 118, Stephen F. Austin Building, 1700 North Congress Avenue, Austin. Days, times, and agendas follow.

Wednesday, October 8, 1986, 2 p.m. The commission will consider the petition for creation of Remington Municipal Utility District No. 2, containing 405.42 acres of land.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 4, 1986, 3:56 p.m.
TRD-8608550

Wednesday, October 8, 1986, 2 p.m. The commission will consider the petition of creation of Remington Municipal Utility District No. 1, containing 211.44 acres of land.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 4, 1986, 3:56 p.m.
TRD-8608551

Wednesday, October 8, 1986, 2 p.m. The commission will consider the petition for creation of Remington Municipal Utility District No. 3, containing 465.10 acres of land.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 4, 1986, 3:55 p.m.
TRD-8608552

Tuesday, October 21, 1986 2 p.m. The commission will consider the petition for creation of Williamson County Municipal Utility District No. 4, containing 622.286 acres of land.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 4, 1986, 3:56 p.m.
TRD-8608553

Tuesday, October 28, 1986, 10 a.m. The commission will consider Joe R. Love, No. 5083, who seeks a permit to maintain an existing dam and reservoir on Dry Fork Brushy (Bear) Creek, tributary of Brushy Creek, tributary of Little River, tributary of Brazos River, Brazos River Basin, for recreational (aesthetic), domestic and livestock purposes Williamson County.

Contact: Rhonda Colbert Ryan, 7800 Shoal Creek Boulevard, Austin, Texas 78757, (512) 458-0100.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608598

Tuesday, October 28, 1986, 10 a.m. The commission will consider City of Robinson, No. 5085, who seeks a permit to construct and maintain an off channel reservoir complex which will consist of four off-channel dams and reservoirs and upon completion of construction, to divert for storage and subsequent municipal use in the city's service area in McLennan County, Brazos River Basin.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608599

Tuesday, October 28, 1986, 10 a.m. The commission will consider George A. and Lavonia McAlister, No 5086, who seek a permit to divert water from dams and reservoirs on Onion Creek, tributary of the Colorado River, Colorado River Basin, for irrigation purposes in Hays County.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608600

Tuesday, October 28, 1986, 10 a.m. The commission will consider the Tahitian Village Property, No. 5084, which seeks a permit to maintain a dam and reservoir on an unnamed tributary of the Colorado River, Colorado River Basin, Bastrop County, for irrigation purposes.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608601

Tuesday, October 28, 1986, 10 a.m. The commission will consider the Sabine Mining Company, No. 5082, who seeks a permit to construct and maintain two dams creating reservoir on unnamed tributaries of Hatley Creek, tributary of Sabine River, Sabine River Basin, and to divert not to exceed five acre-feet of water per year from each reservoir for industrial purposes, Harrison County.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608602

Tuesday, October 28, 1986, 10 a.m. The commission will consider Brazos Coal Limited, No. 5081, which seeks a permit to build and maintain three dams and three reservoirs on two unnamed tributaries of Lick Creek and an unnamed tributary of Alum Creek, tributary of Lick Creek, tributary of Navasota River, tributary of Brazos River, Brazos River Basin, for recreational use and erosion control purposes 11 miles southeast of Bryan, Brazos County.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:53 p.m.
TRD-8608603

Tuesday, October 28, 1986, 10 a.m. The commission will consider the application by GWR Operating Company seeking approval of preliminary plans for levees constructed on Bowman Creek and the Navasota River in the floodway of the Navasota River in Brazos and Grimes Counties.

Contact: Mary Ann Hefner, P.O. Box 13087, Austin, Texas 78711, (512) 463-7898.

Filed: September 5, 1986, 3:52 p.m.
TRD-8608604

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Regional Agencies

Meetings Filed September 4

The Tax Appraisal District of Bell County, Board of Directors, will meet at 411 East Central, Belton, on September 24, 1986, at 7 p.m. Information may be obtained from Tolly Moore, P.O. Box 390, Belton, Texas 76513-0390, (817) 939-3521, ext. 410.

The Blanco County Appraisal District, Board of Directors, met at the Courthouse Annex, Johnson City, on September 9, 1986, at 6 p.m. Information may be obtained from Hollis Petri, P.O. Box 338, Johnson City, Texas 78636, (512) 833-4414.

The Cass County Appraisal District, Board of Directors, met at 208 West Houston

Street, Linden, on September 9, 1986, at 6 p.m. Information may be obtained from Janelle Clements, P.O. Box 1150, Linden, Texas 75563-1150, (214) 756-7545.

The Concho Valley Council of Governments, Executive Committee, met at 5002 Knickerbocker Road, San Angelo, on September 10, 1986, at 7 p.m. Information may be obtained from Robert R. Weaver, P.O. Box 60050, San Angelo, Texas 76906, (915) 944-9666.

The Deep East Texas Council of Governments-Area Agency on Aging, Regional Aging Advisory Council, will meet at the Senior Center, 2801 Valley Avenue, Lufkin, on September 12, 1986, at 1:30 p.m. Information may be obtained from Martha Jones, 274 East Lamar Street, Jasper, Texas 75951, (409) 384-5704.

The Edwards Underground Water District, Executive Committee, met at 1615 North St. Mary's, San Antonio, on September 9, 1986, at 9 a.m. Information may be obtained from Thomas P. Fox, 1615 North St. Mary's, San Antonio, Texas 78215, (512) 222-2204.

The Fisher County Appraisal District, Board of Directors, met at the Fisher County Tax Appraisal District, Roby, on September 9, 1986, at 7:30 p.m. Information may be obtained from Teddy Kral, P.O. Box 516, Roby, Texas 79543, (915) 776-2733.

The Lavaca County Central Appraisal District, Board of Directors, will meet at 113 North Main, Hallettsville, on September 15, 1986, at 4 p.m. Information may be obtained from Diane Munson, P.O. Box 386, Hallettsville, Texas 77964, (512) 798-4396.

The South Plains Association of Governments, Executive Committee, and Board of Directors, met at 1323 58th Street, Lubbock, on September 9, 1986, at 9 a.m. and 10 a.m. Information may be obtained from Jerry D. Castevens, P.O. Box 3730, Lubbock, Texas 79452, (806) 762-8721.

The South Texas Development Council, Regional Review Advisory Committee, met in the Falcon Room, Zapata National Bank, Zapata, on September 9, 1986, at 2:30 p.m. Information may be obtained from Juan Vargas, P.O. Box 2187, Laredo, Texas 78044-2187, (512) 722-3995.

The Sulphur River Basin Authority, Board of Directors, met at the Chamber of Commerce, 1604 North Jefferson Street, Mt. Pleasant, on September 9, 1986, at 1:30 p.m. Information may be obtained from C. B. Wheeler, 310 Texarkana National Bank Building, P.O. Box 1838, Texarkana, Texas 75504, (214) 794-3121.

The Swisher County Appraisal District, Board of Directors, met at 130 North Armstrong, Tulia, on September 11, 1986, at 7:30 p.m. Information may be obtained from Rose Lee

Powell, P.O. Box 8, Tulia, Texas 79088, (806) 995-4118.

TRD-8608514

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Meetings Filed September 5

The Dallas Area Rapid Transit, Minority Affairs Committee, Search Committee, and Board of Directors, met at 601 Pacific Avenue, Dallas, on September 9, 1986, at 2 p.m., 2:30 p.m., and 4 p.m. Information may be obtained from Sue Bauman, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6216.

The Deep East Texas Council of Governments, Board of Directors, will meet at the Woodville Inn, Woodville, on September 18, 1986, at 1:30 p.m. Information may be obtained from Katie Bayliss, 274 East Lamar, Jasper, Texas 75951, (409) 384-5704.

The Garza County Appraisal District, Board of Directors, met at the Courthouse, Post, on September 11, 1986, at 9 a.m. Information may be obtained from Jean M. Westfall, P.O. Drawer F, Post, Texas 79356, (806) 495-3518.

The Gray County Appraisal District, Board of Directors, met in Suite 196-A, Hughes Building, 400 West Kingmill, Pampa, on September 11, 1986, at 5 p.m. Information may be obtained from Charles Buzzard, P.O. Box 836, Pampa, Texas 79065, (806) 665-0791.

The Harris County Appraisal District, Board of Directors, will meet on the eighth floor, 2800 North Loop West, Houston, on September 12, 1986, at 10 a.m. Information may be obtained from Jim Robinson, P.O. Box 920975, Houston, Texas 77292-0975, (713) 957-5203.

The Heart of Texas Council of Governments, Executive Committee, will meet in the Conference Room, 320 Franklin Avenue, Waco, on September 18, 1986, at 10 a.m. Information may be obtained from Mary McDow, 320 Franklin Avenue, Waco, Texas 76701-2297, (817) 756-6631.

The Henderson County Appraisal District, Board of Directors, will meet at 101 East Corsicana, Athens, on September 15, 1986, at 7:30 p.m. Information may be obtained from Ron Groom, 101 East Corsicana, Athens, Texas 7, (214) 675-9296.

The Hickory Underground Water Conservation District 1, Board and Advisors, met in emergency session at 2005 Nine Road, Brady, on September 11, 1986, at 7 p.m. and 11 p.m., respectively. Information may be obtained from Rick Illgner, P.O. Box 1214, Brady, Texas 76825, (915) 597-2785.

The Kendall County Appraisal District, Board of Review, will meet at 207 East San Antonio Street, Boerne, on September 16, 1986, at 8:30 a.m. The Board of Directors will meet at the same location, on September 17, 1986, at 7 p.m. and 8 p.m. Information may be obtained from Sue R. Wiedenfeld, P.O. Box 788, Boerne, Texas 78006, (512) 249-8012.

The Middle Rio Grande Development Council, Area Advisory Council of Aging, met in the Reading Room, Civic Center, Uvalde, on September 10, 1986, at 10 a.m. Information may be obtained from Estella Hernandez, P.O. Box 1199, Carrizo Springs, Texas 78834, (512) 876-3533.

The Texas Municipal Power Agency, Board of Directors Annual Meeting, was held at E-Systems Recreational Hall, FM Road 1570, Greenville, on September 11, 1986, at 10 a.m. Information may be obtained from Jim Baily, P.O. Box 7000, Bryan, Texas 77805, (409) 873-2013.

The Panhandle Regional Planning Commission, Board of Directors, met at the Sheraton-Amarillo Hotel, 3100 IH 40 West at Georgia, Amarillo, on September 11, 1986, at 5:15 p.m. Information may be obtained from Polly Jennings, P.O. Box 9257, Amarillo, Texas 79105-9257, (806) 372-3381.
TRD-8608564

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Meetings Filed September 8

The Bexar Appraisal District, Appraisal Review Board, will meet at 535 South Main, San Antonio, on September 12, 1986, at 9 a.m. and on September 24, 1986, at 8:30 a.m. Information may be obtained from Bill Burnette, 535 South Main, San Antonio, Texas 78204, (512) 224-8511.

The Cass County Appraisal District, Appraisal Review Board, met at 208 West Houston Street, Linden, on September 11, 1986, at 10 a.m. Information may be obtained from Janelle Clements, P.O. Box 1150, Linden, Texas 75563, (214) 756-7545.

The Central Texas Council of Governments, Central Texas Private Industry Council, will meet at 302 East Central, Belton, on September 18, 1986, at 10 a.m. Information may be obtained from Walton B. Reedy, P.O. Box 729, Belton, Texas 76513, (817) 939-3771.

The East Texas Council of Governments, JTPA Board of Directors, met at the Ramada Inn, Highway 259, Kilgore, on September 11, 1986, at noon. Information may be obtained from Glynn J. Knight, 3800 Stone Road, Kilgore, Texas 75662, (214) 984-8641.

The Education Service Center Region XI, Board of Directors, will meet at 3001 North

Freeway, Fort Worth, on September 23, 1986, at noon. Information may be obtained from R. P. Campbell, Jr., 3001 North Freeway, Fort Worth, Texas 76106, (817) 625-5311, ext. 102.

The Golden Crescent Service Delivery Area, Private Industry Council, Inc., met in emergency session at Town Hall, First Victoria National Bank, 101 South Main, Victoria, on September 10, 1986, at 6:30 p.m. Information may be obtained from Cleve F. Schoener, P.O. Box 2149, Victoria, Texas 77901, (512) 578-0341.

The Hunt County Tax Appraisal District, Board of Directors, met in the boardroom, Hunt County Tax Appraisal District, 4815-B King Street, Greenville, on September 11, 1986, at 7 p.m. Information may be obtained from Joe Pat Davis or Jeanette Jordan, P.O. Box 1339, Greenville, Texas 75401, (214) 454-3510.

The Appraisal District of Jones County, Board of Directors, will meet at 1137 East Court Plaza, Anson, on September 18, 1986, at 8 a.m. Information may be obtained from John Steele, 1137 East Court Plaza, Anson, Texas, (915) 823-2422.

The Lamb County Appraisal District, Board of Directors, will meet in the boardroom, 330 Phelps Avenue, Littlefield, on September 18, 1986, at noon. Information may be obtained from Murlene J. Bilbrey, P.O. Box 552, Littlefield, Texas 79339, (806) 385-6474.

The Lower Neches Valley Authority, Board of Directors, will meet at 7850 Eastex Freeway, Beaumont, on September 16, 1986, at 10:30 a.m. Information may be obtained from J. D. Nixon, P.O. Drawer 3464, Beaumont, Texas 77704, (409) 892-4011.

The Middle Rio Grande Development Council, Texas Review and Comment System Committee, will meet in the Commissioner's Courtroom, 600 Quarry, Eagle Pass, on September 16, 1986, at 10 a.m. Information may be obtained from Oralia Saldua, 612 D. Bedell, Del Rio, Texas 78840, (512) 775-4160.

The Mills County Appraisal District, will meet at the Mills County Courthouse, Goldthwaite, on September 18, 1986, at 7:30 p.m. Information may be obtained from Doran E. Lemke, P.O. Box 565, Goldthwaite, Texas 76844, (915) 648-2253.

The Nortex Regional Planning Commission, General Membership Committee, and North Texas State Planning Region Consortium, will meet in the Bounty Room, Trade Winds Motor Hotel, 1212 Broad Street, Wichita Falls, on September 18, 1986, at noon and 1 p.m., respectively. Information may be obtained from Edwin B. Daniel, 2101 Kemp Boulevard, Wichita Falls, Texas 76309, (817) 322-5281.

The Nueces-Jim Wells-Kleberg SWCD, Board of Directors, will meet at 818 East Main, Robstown, on September 16, 1986, at 2 p.m. Information may be obtained from Carol Freeman, P.O. Box 142, Alice, Texas 78333, (512) 568-9390.

The Palo Pinto Appraisal District, Board of Directors, will meet at the Courthouse, Palo Pinto, on September 17, 1986, at 3 p.m. Information may be obtained from Jack Samford, P.O. Box 250, Palo Pinto, Texas 76072, (817) 659-3651, ext. 223.

The Central Appraisal District of Rockwall County, Board of Directors, will meet in the District Courtroom, Courthouse, Rockwall, on September 16, 1986, at 7:30 p.m. Information may be obtained from Ray Helm, 106 North San Jacinto, Rockwall, Texas 75087, (214) 722-2034.

The San Antonio River Authority, Board of Directors, will meet at 100 East Guenther Street, San Antonio, on September 17, 1986, at 2 p.m. Information may be obtained from Fred N. Pfeiffer, P.O. Box 9284, San Antonio, Texas 78204, (512) 227-1373.

The South East Texas Regional Planning Commission, Executive Committee will meet in City Council Chambers, Beaumont, on September 17, 1986, at 7:30 p.m. Information may be obtained from Jackie Vice, P.O. Drawer 1387, Nederland, Texas 77627, (409) 727-2384, ext. 13.

The West Texas Council of Governments, Board of Directors, will meet in the boardroom, Westin Paso del Norte, 101 South El Paso Street, El Paso, on September 16, 1986, at 10:30 p.m. The Full Council board meeting will be held at the same location, on the same date, at 11:45 p.m. Information may be obtained from Cecile C. Gamez, 123 Pioneer Plaza, Suite 210, The Centre, El Paso, Texas 79901, (915) 533-0998.

The Wheeler County Appraisal District, Board of Directors, will meet at the County Courthouse Square, Wheeler, on September 15, 1986, at 2 p.m. Information may be obtained from Marilyn Copeland, P.O. Box 349, Wheeler, Texas 79096, (806) 826-5900.
TRD-8608609

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Meetings Filed September 9

The Central Counties Center for Mental Health and Mental Retardation Services, Board of Trustees, will meet at 302 South 22nd Street, Temple, on September 16, 1986, at 7:45 p.m. Information may be obtained from Steven B. Schnee, P.O. Box 518, Temple, Texas 76503, (817) 778-4841.

The Dallas Area Rapid Transit, Minority Affairs Committee, Board of Directors, and Search Committee, met in emergency session

at 601 Pacific Avenue, Dallas, on September 9, 1986, at 3 p.m., 6:30 p.m., and 7:30 p.m., respectively. Information may be obtained from Sue Bauman, 601 Pacific Avenue, Dallas, Texas 75202, (214) 658-6216.

The West Central Texas Council of Governments, Ombudsman Task Force, will meet at 1025 East North 10th Street, Abilene, on September 19, 1986, at 2 p.m. Information may be obtained from Jimmy Walls, 1025 East North 10th Street, Abilene, Texas 79604, (915) 672-8544.

TRD-8608650

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In Addition

The Register is required by statute to publish certain documents, including applications for purchase control of state banks, notices of state callings, changes in interest rates and applications to install remote service units and consumer proposal requests and awards.

To disseminate this information quickly and effectively, other information of general interest to the public is published as space allows.

Office of Consumer Credit Commissioner

Notice of Rate Callings

The consumer credit commissioner of Texas has announced the following rate callings pursuant to the grounds and methods described in Texas Civil Statutes, Title 99, Articles 1.04, 1.05, 1.11, and 15.02, and amended Texas Civil Statutes, Articles 6059-1.04, 1.05, 1.11 and 15.02:

Type of Rate Calling (Article of Texas Civil Statutes)	Consumer Credit Commissioner (Article 6059-1.04)	Consumer Credit Commissioner (Article 6059-1.05)
Interest Rate - Weekly Article - Article 1.04(A)(1) 080001006-14406	1.5000%	1.5000%
Interest Rate - Monthly Article - Article 1.04(B)(1) 080001006-08990006	1.5000%	1.5000%
Standard Quantity Rate - Article 1.04(A)(2) 1.0001006-1271006	1.5000%	1.5000%
Retail Credit Card Quantity Rate - Article - 1.11(1) 1.0001006-1271006	1.5000%	N/A
Retail Credit Card Quantity Rate - Article - 1.11(2)(B) 1.0001006-1271006	1.4000%	N/A
Standard Quantity Rate - Article 1.04(A)(2) 1.0001006-1271006	1.5000%	1.5000%
Retail Credit Card Quantity Rate - Article - 1.11(1) 1.0001006-1271006	1.5000%	N/A
Article 1.11(2)(B) - Retail Credit Card Quantity Rate - Article - 1.11(2)(B) 1.0001006-1271006	1.5000%	N/A
Highway Rate - Article 1.15(1)(C) 080001006-08990006	1.2200%	1.2200%

(1) - General consumer credit transactions.
 (2) - Motor vehicle credit transactions.
 (3) - Retail credit transactions.
 (4) - Motor vehicle credit transactions.

Issued at Austin, Texas, on September 22, 1986.

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 A. E. Hines,
 Consumer Credit
 Commissioner

Filed September 24, 1986

For further information, please call (512) 463-6800.

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Texas Economic Development Commission Private Activity Bond Allocation Report

Private activity bonds (PABs) which were sold to the market since 9/1/84, are subject to allocation pursuant to the Federal Debt Limit Reduction Act of 1984. This cap is equal to \$10 per capita or approximately \$2.3 billion for the State of Texas for calendar year 1986.

House Bill 690 states that the procedure for allocating this cap will be on a first come, first served basis with the Texas Economic Development Commission (TEDMC) being the ranking agency for the program. The information that follows is a summary report of the allocation activity for the week of July 21-August 29, 1986.

Total unallocated private activity bonds issued since 9/1/84 through August 29, 1986:

\$2,443,994,560

Of these bonds, \$1,600,000,000 were allocated to the State of Texas through August 29, 1986:

Issuer	Use	Amount
Brown County, Texas Economic Development Commission	Third Row Economic Development Program Project	\$17,500,000
Nolan County, Texas Economic Development Authority, Inc.	Manufacturing Plant	\$3,000,000
Tarrant County Economic Development Commission	Manufacturing Plant	\$3,000,000

Total private activity bonds issued through August 29, 1986:

\$364,155,260

Of these bonds, \$1,600,000,000 were allocated to the State of Texas through August 29, 1986:

Issuer	Use	Amount
City of Dallas Economic Development Authority	Manufacturing Plant	\$1,600,000,000

Brazos Harbor Industrial Development Corporation	The Dow Chemical Company Project	\$17,300,000
Nacogdoches Industrial Development Authority, Inc.	Southwest Cannery of Texas, Inc.	\$3,800,000
Tom Green County Health Facilities Development Corporation	Meadowcreek Nursing Center	\$3,450,000

The allocations were granted by the TEDC in accordance with the procedures set forth in Texas Civil Statutes, Article 5190.9 (House Bill 690). The TEDC is fully aware of certain measures in House Resolution 3838, as passed by the U.S. House of Representatives on December 17, 1985, which proposes to limit the current allocation system administered by the TEDC. The TEDC is also aware that the House/Senate Conferees reached a final agreement regarding the unified volume cap under House Resolution 3838, with an effective date of August 15, 1986. The TEDC is aware that any adverse provisions enacted by Congress may have an effective date prior to the issuance of the bonds, and an allocation granted on or after August 15, 1986, may not be valid if House Resolution 3838 is enacted into law in its present form. The issues are not assured an allocation should House Resolution 3838 or any other proposed allocation system be implemented.

Issued in Austin, Texas, on September 4, 1986.

TRD-8608608 David V. Brandon
Executive Director
Texas Economic Development
Commission

Filed: September 8, 1986
For further information, please call (512) 472-5050.

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Texas Department of Human Services Consultant Contract Award

In accordance with Texas Civil Statutes, Article 6252-11c, the Texas Department of Human Services (DHS) furnishes this notice of contract awards. The notice for request for proposals was published in the May 13, 1986, issue of the *Texas Register* (11 TexReg 2262).

Description of Services. The contractors will provide consulting services to abused and neglected children and their families in Dallas and Collin Counties. The program includes psychological testing, evaluations, and counseling.

Name of Contractors and Value of Contracts. Child Study Center, 1300 West Lancaster, Ft. Worth, Texas 76102—\$60,000; Dallas Child Guidance, 2101 Welborn, Dallas, Texas 75219—\$180,000; Dallas County Mental Health/Mental Retardation, 1353 North Westmoreland, Dallas, Texas 75211-1655—\$90,000; Family Services, 716 West Magnolia, Ft. Worth, Texas 76104—\$236,380; Hunt County Family Services Center, Inc., 4200 Stuart Street, Greenville, Texas 75401—\$15,000; Dr. Jesse C. Ingram, 122 West Colorado, Suite 302, Dallas, Texas 75208—\$20,000; Dr. Donald R. Lammers, 8215 Westchester, Suite 130, Dallas, Texas 75225—\$20,000; Mental Health/Mental Retardation Services of Texoma, 203 Airport Drive, Denison, Texas 75020—\$32,750; Parenting Guidance Center, 2928 West 5th Street, Ft. Worth, Texas 76107—

\$252,166; Dr. Alvin Smith, Carillon Towers, Suite 217, 13601 Preston Road, Dallas, Texas 75230—\$35,000; University Affiliated Center, 6011 Harry Hines Boulevard, Suite V 7.406, Dallas, Texas 75235—\$34,112; Dr. Thomas A. Van Hoose, 1509 Main at Akard, Suite 625, Dallas, Texas 75201—\$47,000; Steve Young and Associates, 367 Timerline Drive, RHE, Granbury, Texas 76048—\$30,000. Effective Date of Contracts. The contracts began September 1, 1986, and will end August 31, 1987.

Issued in Austin, Texas, on September 8, 1986.

TRD-8608612 Martin W. Johneton
Commissioner
Texas Department of Human Services

Filed: September 8, 1986
For further information, please call (512) 450-3786.

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Correction of Error

A proposed section of the Texas Department of Human Services contained an error as submitted in the August 26, 1986, issue of the *Texas Register* (11 TexReg 3788).

Section 48.2603(1) should read: "determining service eligibility. The applicant must meet each criterion as specified in §48.2602 of this title (relating to Client Eligibility Criteria)."

Public Utility Commission of Texas Telephone Extended Area Service

The Public Utility Commission of Texas proposes to accept comments and subsequently to convene an informal conference pursuant to the Administrative Procedure and Texas Register Act, Texas Civil Statutes, Article 6252-13a, §5(f), to discuss potential modifications to its policy and substantive rule on telephone extended area service (EAS) (16 TAC §23.3 and §23.49). The meeting will be scheduled after comments are received. The commission has expressed concern over the lengthy time period currently required to process an EAS request pursuant to the existing sections. The commission is soliciting alternative recommendations from interested parties on how to correct errors or omissions in the existing sections, streamline the process to shorten the current timeframes, and possibly to simplify the analyses involved to eliminate points of delay in the process. The commission is considering two broad options. The first option could be considered a local approach that would consist of maintaining the existing sections, but fine tuning the sections by addressing areas which may warrant modification or which are not currently addressed by the sections. The second approach is a more global approach and would represent a significant departure from the existing process by formulation of an average rate structure for EAS rather than a route specific investigation of each request, as is currently mandated by the sections. Individuals wishing to file comments may wish to address either or both alternatives as outlined by the following questions. Parties filing comments should refrain from presenting argument on pending matters and requests before the commission, but should limit comments to possible rule modifications. Any interested persons must file comments or suggestions within 45 days of this published notice. Ten copies of comments should be submitted, referencing Project Number 7007, Extended Area Service Rule Modification, to Martha Bartow, Public Utility Commission of Texas, 7800 Shoal Creek Boulevard, Austin, Texas 78757.

The following are global approach questions for comment.

Are statewide EAS rates for a telephone company achievable? If so, through what methodology or process would they be set?

Are statewide EAS rates for a telephone company desirable?

Can the concept of compensatory EAS rates be achieved through application of statewide EAS rates within a particular company?

What are the benefits of offering optional EAS? What are the drawbacks? Do the drawbacks outweigh the benefits? If so, how? If not, how not?

If EAS is pursued only on a nonoptional basis, what demand issues should be considered? How would those issues be reviewed, i.e., on a generic basis or on a case-by-case basis?

If EAS is pursued on both a nonoptional and an optional basis but at statewide average rates, what demand issues should be considered? How would they be reviewed?

The following are local approach questions for comment.

What actions could be taken to accelerate the docketing and prehearing of EAS cases?

What type of notice should be provided in cases involving EAS requests? When in the process should notice be provided? Does that notice need to be contained within the EAS rule or can reference be made to applicable portions of the commission's procedural rules? Who should bear the cost of providing notice, the utility(ies) or the requesting community? Why?

Should traffic studies, as required by paragraph (c)(1) of the EAS rule, be conducted as soon as a request has been judged to be valid in the opinion of the commission staff? Would such an approach enable the number of pending EAS requests to be pared down in a more reasonable time frame? What difficulties would arise from determining that a request meets the community of interest thresholds of paragraph (c)(2) substantially prior to a point where the request could reasonably be docketed?

In the case of optional EAS requests, are there alternatives to performing full demand analysis? For example, instead of performing the demand analyses, would it be advisable to conduct public opinion polls to determine how many ratepayers would subscribe to optional EAS at each price level in a range of specific prices? If so, why? If not, why not? Or if the full demand analyses were retained, could such polls be used as a way of screening out optional EAS requests which have little chance of meeting minimum subscription levels at realistic prices? How?

Should the commission allow communities to pick between optional and nonoptional EAS? If so, why? If not, why not? What demand analysis issues would need to be analyzed if only nonoptional EAS was to be considered? How would those issues be addressed?

If the commission continues to allow communities to pick between optional and nonoptional EAS, should subsection (c) be modified to more explicitly set out what studies a utility(ies) is required to undertake in the event that a community is unsure whether it wishes to pursue optional or nonoptional EAS? If so, how? If not, why not?

Are there alternatives which could shorten the time required to conduct cost studies? What are they? How would they be conducted?

What costing methodology is most appropriate for EAS rate setting? What costing methodology would be best suited for consideration of plant facilities that are presently used to provide toll service but that would be transferred to the provision of EAS?

If EAS is to be provided on an optional basis, would the nonrecurring costs associated with number changes and service order activity be included in the costs used to set the recurring EAS rate additive? If so, why? Should those nonrecurring costs be recovered through the application of service connection charges? If not, why not?

Should the definition of EAS in §23.3 of the Public Utility Commission of Texas' substantive rules be modified to make more explicit the question of what types of requests can be considered within §23.49? If so, how?

Issued in Austin, Texas, on September 5, 1986.

TRD-8608611 Rhonda Colbert Ryan
Secretary
Public Utility Commission of Texas

Filed: September 8, 1986

For further information, please call (512) 468-0100.

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Railroad Commission of Texas Correction of Error

Open meeting notices submitted by the Railroad Commission of Texas contained an error as published in the September 5, 1986, issue of the *Texas Register* (11 TexReg 3873).

The meetings were held Monday, September 8, 1986.

LP-Gas Advisory Committee Meeting

The LP-Gas Division of the Railroad Commission of Texas announces a meeting of the LP-Gas Advisory Committee to be held on Wednesday, October 8, 1986, at 8:30 a.m. in Room 7-144 at 1701 North Congress, Seventh Floor, William B. Travis Building, Austin.

Issued in Austin, Texas, on September 5, 1986.

TRD-8608583 Walter Earl Lille
Special Counsel
Railroad Commission of Texas

Filed: September 5, 1986

For further information, please call (512) 463-7149.

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Texas Water Commission Enforcement Orders

Pursuant to the Texas Water Code, which states that if the commission finds that a violation has occurred and a civil penalty is assessed, the commission shall file notice of its decision in the *Texas Register* not later than the 10th day after the date on which the decision is adopted, the following information is submitted.

An enforcement order was issued to Torque Petroleum Products Company on September 2, 1986, assessing \$15,000 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting Ann Bjork, Staff Attorney, Texas Water Commission, P.O. Box 13087, Austin, Texas, 78711-3087, (512) 463-8069.

Issued in Austin, Texas, on September 2, 1986.

TRD-8608492 Mary Ann Hefner
 Chief Clerk
 Texas Water Commission

Filed: September 3, 1986
For further information, please call (512) 463-7898.

An enforcement order was issued to City of Mt. Pleasant on September 3, 1986, assessing \$42,520 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting Ramon Dasch, Staff Attorney, Texas Water Commission, P.O. Box 13087, Austin, Texas, 78711-3087, (512) 463-8069.

Issued in Austin, Texas, on September 2, 1986.

TRD-8608605 Mary Ann Hefner
 Chief Clerk
 Texas Water Commission

Filed: September 3, 1986
For further information, please call (512) 463-7898.

An enforcement order was issued to Marathon Letourneau Company on September 3, 1986, assessing \$4,000 in administrative penalties.

Information concerning any aspect of this order may be obtained by contacting Ann Bjork, Staff Attorney, Texas Water Commission, P.O. Box 13087, Austin, Texas, 78711-3087, (512) 463-8069.

Issued in Austin, Texas, on September 4, 1986

TRD-8608606 Mary Ann Hefner
 Chief Clerk
 Texas Water Commission

Filed: September 5, 1986
For further information, please call (512) 463-7898.

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