

amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(G) Effect of Resale Certificate. The resale certificate relieves the seller from the burden of proof only if taken in good faith from a person who is engaged in the business of selling, leasing or renting taxable items. A resale certificate may be given by a purchaser, who at the time of purchasing the tangible personal property, intends to sell, lease or rent it in the regular course of business, transfer it as an integral part of a taxable service in the regular course of business or is unable to ascertain at the time of purchase whether the tangible personal property will be resold, leased, rented, or transferred in the regular course of business or will be used for some other purpose.”

Sec. 20. Subdivision (1), Section (H), Article 20.021, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(1) The certificate shall:

“(a) Be signed by and bear the name and address of the purchaser.

“(b) Indicate the number of the permit issued to the purchaser or that an application for such permit is pending before the Comptroller.

“(c) Indicate the general character of the tangible personal property sold, leased or rented by the purchaser in the regular course of business, or transferred as an integral part of a taxable service rendered in the regular course of business.”

Sec. 21. Section (I), Article 20.021, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(I) Liability of Purchaser Giving Resale Certificate. If a purchaser who gives a resale certificate makes any use of the tangible personal property other than retention, demonstration or display while holding it for sale, lease or rental in the regular course

of business or for transfer as an integral part of a taxable service in the regular course of business, the use shall be taxable to the purchaser as of the time when the tangible personal property is first so used, and the sales price of the tangible personal property to him shall be deemed the measure of the tax.”

Sec. 22. Section (J), Article 20.021, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(J) Improper Use of Resale Certificates. Any person who gives a resale certificate to the seller for tangible personal property which he knows, at the time of purchase, is purchased for the purpose of use rather than for the purpose of resale, lease or rental by him in the regular course of business or for transfer by him as an integral part of a taxable service rendered in the regular course of business is guilty of a misdemeanor and shall upon conviction suffer the penalties set forth in Article 20.12(B) of this Chapter.”

Sec. 23. Section (M), Article 20.021, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(M) Refunds and Allowances. Credit shall be allowed to the retailer for taxes paid on the amount of any refunds or credits allowed to a purchaser as a result of a bona fide renegotiation of a sales price. Such renegotiation shall include agreements by which the seller refunds or allows credit for any amount in satisfaction for an alleged breach of warranty with respect to taxable items previously sold by him to the person with whom said agreement is made.”

Sec. 24. Article 20.03, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 6, Chapter 2, Acts of the 60th Legislature, 1st Called Session, 1968, is amended to read as follows:

“Article 20.03. Imposition and Rate of Use Tax

“(A) An excise tax is hereby imposed on the storage, use or other consumption in this State of tangible personal property purchased, leased or rented from any retailer on or after September 1, 1961, for storage, use or other consumption in this State at the rate of four and one-half per cent (4½%) of the sales price of the property, or in the case of leases or rentals, of said lease or rental prices.

“(B) An excise tax is hereby imposed on the use or consumption in this State of taxable services purchased on or after January 1, 1970, for use or consumption in this State at the rate of four and one-half per cent (4½%) of the sales price of the taxable service.”

Sec. 25. Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, is amended by adding an Article 20.031 to read as follows:

“Article 20.031. Administration and Enforcement of Use Tax

“(A) Liability for Use Tax: Extinguishment of Liability. Every person storing, using or otherwise consuming in this state taxable items purchased from a retailer or leased or rented from another person for such purpose is liable for the tax. His liability is not extinguished until the tax has been paid to this State, except that a receipt from a retailer engaged in business in this State or from a retailer who is authorized by the Comptroller, under such rules and regulations as he may prescribe, to collect the tax and who is, for the purposes of this Chapter relating to the use tax regarded as a retailer engaged in business in this State, given to the purchaser pursuant to paragraph (B) of this Article is sufficient to relieve the purchaser from further liability for the tax to which the receipt refers.

“(B) Collection by Retailer: Purchaser's Receipt. Every retailer engaged in business in this State and selling, leasing or renting taxable items for storage, use, or other consumption in this State shall at the time of making the sale collect any use tax which may be due from the purchaser and give to the purchaser a receipt therefor in the manner and form prescribed by the Comptroller.

“‘Retailer engaged in business in this State’ as used in this Section (B) and the preceding Section (A) means and includes any of the following:

“(1) Any retailer maintaining, occupying, or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place or other place of business.

“(2) Any retailer having any representative, agent, salesman, canvasser or solicitor operating in this State under the authority of the retailer or its subsidiary for the purpose of selling, delivering, or the taking of orders for any taxable items.

“(C) Assumption, Absorption of Tax by Retailers. Unlawful Advertising. It is unlawful for any retailer to advertise or to hold out or to state to the public or to any customer, directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the retailer or that it will not be added to the selling, renting, or leasing price of the taxable item sold, rented or leased, or that it or any part thereof will be refunded.

“(D) Unlawful Acts. Any person convicted of violating paragraph (B) or (C) of this Article shall be guilty of a misdemeanor and shall suffer the penalties set forth in Article 20.12(D) of this Chapter.

“(E) Registration of Retailers. Every retailer selling, leasing or renting taxable items for storage, use or other consumption in this State shall register with the Comptroller and give:

“(1) The names and addresses of all agents operating in this State.

“(2) The location of all distribution or sales houses or offices or other places of business in this State.

“(3) Such other information as the Comptroller may require.

“(F) Presumption of Purchase for Use: Resale Certificate. For the purpose of the proper administration of this Chapter and to prevent evasion

of the use tax and of the duty to collect the use tax, it shall be presumed that tangible personal property sold, leased or rented by any person for delivery in this State is sold, leased or rented for storage, use or other consumption in this State until the contrary is established. The burden of proving the contrary is upon the person who sells, leases or rents the property unless he takes from the purchaser a certificate to the effect that the tangible personal property is purchased for resale, leasing, or renting.

“(G) Effect of Resale Certificate. The resale certificate relieves the seller from the burden of proof only if taken in good faith from a person who is engaged in the business of selling taxable items. A resale certificate may be given by a purchaser who, at the time of purchasing the tangible personal property, intends to sell, lease or rent it in the regular course of business, transfer it as an integral part of a taxable service rendered in the regular course of business or is unable to ascertain at the time of purchase whether the tangible personal property will be sold, leased or rented or will be used for some other purpose.

“(H) Form and Contents of Resale Certificate.

“(1) The certificate shall:

“(a) Be signed and bear the name and address of the purchaser.

“(b) Indicate the number of the permit issued to the purchaser or that an application for such permit is pending before the Comptroller.

“(c) Indicate the general character of the tangible personal property sold, leased or rented by the purchaser in the regular course of business or transferred as an integral part of a taxable service rendered in the regular course of business.

“(2) The certificate shall be substantially in such form as the Comptroller may prescribe.

“(I) Liability of Purchaser Giving Resale Certificate; Use of Article Bought for Resale. If a purchaser who gives a resale certificate makes

any use of the tangible personal property other than retention, demonstration or display while holding it for sale, lease or rental, in the regular course of business or for transfer as an integral part of a taxable service rendered in the regular course of business, the use shall be taxable to the purchaser as of the time when the tangible personal property is first so used, and the sales price of the property to him shall be deemed the measure of the tax.

“(J) Improper Use of Resale Certificates. Any person who gives a resale certificate to the seller for tangible personal property which he knows, at the time of purchase, is purchased for the purpose of use rather than for the purpose of resale, lease or rental by him in the regular course of business or for transfer as an integral part of a taxable service rendered in the regular course of business is guilty of a misdemeanor and shall upon conviction suffer the penalties set forth in Article 20.12(B) of this Chapter.

“(K) Resale Certificate: Commingled Fungible Goods. If a purchaser gives a resale certificate with respect to the purchase of fungible goods and thereafter commingles these goods with other fungible goods not so purchased but of such a similarity that the identity of the constituent goods in the commingled mass cannot be determined, sale from the mass of commingled goods shall be deemed to be sales of the goods covered by the resale certificate until a quantity of commingled goods equal to the quantity of such goods so commingled has been sold.

“(L) Presumption of Purchase from Retailer. It shall be further presumed in the absence of evidence to the contrary, that tangible personal property shipped or brought to this State by the purchaser after the effective date of this Chapter was purchased from a retailer on or after the effective date of this Chapter for storage, use or other consumption in this State, and that taxable services consumed in this State after January 1, 1970, were purchased from a retailer on or after January 1, 1970, for use or consumption in this State.”

Sec. 26. Article 20.04, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 2, H. B. No. 129, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows:

**"Article 20.04. Exemptions**

"(A) 'Exempted from taxes imposed by this Chapter' means exempted from the computation of the amount of the taxes imposed.

"(B) Exemption Certificates. If a purchaser certifies in writing to a seller that the taxable items purchased will be used in a manner or for a purchase entitling the seller to regard the receipts from the sale as exempted by this Chapter from the computation of the amount of the limited sales tax, and if the purchaser then uses the taxable items in some other manner or for some other purpose, the purchaser shall be liable for payment of the limited sales tax as if he were a retailer making a retail sale of the taxable items at the time of the use, and the cost of the taxable items to him shall be deemed the receipts from such retail sale for the purpose of determining the amount of tax for which he is liable.

"Any person who gives an exemption certificate to the seller for taxable items which he knows, at the time of purchase, will be used in a manner other than that expressed in the exemption certificate is guilty of a misdemeanor and shall upon conviction suffer the penalties set forth in Article 20.12(B) of this Chapter.

"(C) Constitution and Statutory Exemptions. There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of and the storage, use or other consumption in this State of taxable items the gross receipts from the sale, lease or rental of which, or the storage, use or other consumption of which, this State is prohibited from taxing under the Constitution or laws of the United States or under the Constitution of this State.

"(D) Items Taxed Under Existing Statutes.

"(1) There are exempted from the

taxes imposed by this Chapter the receipts from the sale, lease or rental, production or distribution, or the storage, use or other consumption in this State of:

"(a) oil as taxed under the provisions of Chapter 4 of this Title;

"(b) sulphur as taxed under the provisions of Chapter 5 of this Title;

"(c) cigarettes as defined and taxed under the provisions of Chapter 7 of this Title;

"(d) cigars and tobacco products as defined and taxed under the provisions of Chapter 8 of this Title;

"(e) motor fuels as defined, taxed or exempted under the provisions of Chapter 9 of this Title;

"(f) special fuels as defined, taxed or exempted under the provisions of Chapter 10 of this Title;

"(g) cement as taxed under the provisions of Chapter 18 of this Title; and

"(h) motor vehicles, trailers and semitrailers as defined, taxed or exempted under the provisions of Chapter 6 of this Title.

"(2) There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of, production, distribution or the storage, use or other consumption in this State of alcoholic beverages; including distilled spirits, beer, ale and wine, subject to a tax imposed by the Texas Liquor Control Act, as amended; except that any such alcoholic beverages shall be taxable when, and only when, consumed with food as a part of a meal served on or off the premises of the vendor for consumption at tables, chairs or counters or from trays, glasses, dishes or other tableware provided by the vendor.

"(3) There are exempted from the taxes imposed by this Chapter the receipts from the sale, production, distribution, lease or rental of and the storage, use or other consumption in this State of water.

"(E) Property Used in Manufacturing, Packaging and Containers.

"(1) Tangible Personal Property Used in Manufacturing. There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of, and the storage, use or other consumption in this State of:

"(a) tangible personal property which will enter into and become an ingredient or component part of tangible personal property manufactured, processed or fabricated for ultimate sale at retail within or without this State; and

"(b) tangible personal property used or consumed in or during any phase of such actual manufacturing, processing or fabricating operation, provided that the use or consumption of such tangible personal property is necessary or essential to the performance of such operations. Chemicals, catalysts, and other materials which are used during such operation and which are used for the purpose of producing or inducing a chemical or physical change during such operations or for removing impurities or otherwise placing a product in a more marketable condition are included within the exemption, as are other articles of tangible personal property used in such a manner as to be necessary or essential in the actual manufacturing, processing, or fabricating operations. The exemption provided herein does not include the following:

"(i) machinery, equipment and replacement parts and accessories therefor, having a useful life when new in excess of six (6) months;

"(ii) machinery, equipment, materials and supplies used in a manner that is merely incidental to the manufacturing, processing or fabricating operation such as intraplant transportation equipment, and maintenance and janitorial equipment and supplies;

"(iii) hand tools such as hammers, wrenches, saws, etc.; and

"(iv) tangible personal property used by a manufacturer, processor or fabricator in any activities other than the actual manufacturing, processing or fabricating operation such as office equipment and supplies, equipment and supplies used in selling or distributing activities, in research and

development of new products, or in transportation activities.

"(2) Wrapping, Packing and Packaging Supplies.

"(a) There are exempted from the taxes imposed by this Chapter the receipts from sales of all internal and external wrapping, packing, and packaging supplies and materials to any person for use in wrapping, packing or packaging any tangible personal property for the purpose of expediting or furthering in any way the sale of that property.

"(b) For the purpose of this Section, wrapping, packing and packaging supplies shall include, but shall not be limited to:

"(1) Wrapping paper, wrapping twine, bags, cartons, crates, crating materials, tape, rope, labels, staples, glue and mailing tubes.

"(2) Property used inside a package in order to shape, form, preserve, stabilize or protect the contents, such as, but not limited to, excelsior, straw, cardboard fillers, separators, shredded paper, ice, dry ice, cotton batting, shirt boards, hay and laths.

"(3) Containers.

"(a) There are exempted from the taxes imposed by this Chapter the receipts of sales, leases, or rentals of, and the storage, use or other consumption in this State of:

"(1) Nonreturnable containers when sold without the contents to persons who place the contents in the container and sell the contents together with the container.

"(2) Containers when sold with the contents if the sale price of the contents is not required to be included in the measure of the taxes imposed by this Chapter.

"(3) Returnable containers when sold with the contents in connection with a retail sale of the contents or when resold for refilling.

"(b) As used in this Article, the term 'returnable containers' means containers of a kind customarily returned by the buyer of the contents

for reuse. All other containers are 'nonreturnable containers.'

"(F) Certain Meals and Food Products. There are exempted from the taxes imposed by this Chapter the receipts from the sale of, and the storage, use or other consumption in this State of:

"(1) Meals and food products (including soft drinks and candy) for human consumption served by public or private schools, school districts, student organizations, or Parent-Teacher Associations pursuant to an agreement with the proper school authorities, in an elementary or secondary school during the regular school day.

"(2) Meals and food products (including soft drinks and candy) for human consumption when sold by a church or at a function of said church.

"(3) Meals and food products (including soft drinks and candy) for human consumption when served to patients and inmates of hospitals and other institutions licensed by the State for the care of human beings.

"(G) Interstate Shipments.

"(1) Property Shipped Outside State Pursuant to Sales Contract; Delivery by Retailer. There are exempted from the taxes imposed by this Chapter receipts from any sale of tangible personal property which, pursuant to the contract of sale, is shipped to a point outside this State by the retailer by means of:

"(a) facilities operated by the retailers;

"(b) delivery by the retailer to a carrier for shipment to a consignee at such point; or

"(c) delivery by the retailer to a customs broker or forwarding agent for shipment outside this State.

"(2) Common Carriers. There are exempted from the computation of the limited sales tax, the receipts from sales of tangible personal property to a common carrier, shipped by the seller via the purchasing carrier under a bill of lading, whether the freight is paid in advance or the ship-

ment is made freight charges collect, to a point outside this State and the tangible personal property is actually transported to the out-of-State destination for use by the carrier in the conduct of its business as a common carrier outside the State of Texas.

"(3) Special Use Tax Exemption. The use tax imposed herein shall not apply to:

"(a) The use, in this State, of tangible personal property which is acquired outside this State and which is moved into this State for use as a licensed and certificated carrier of persons or property.

"(b) The temporary storage in this State of tangible personal property which is acquired outside this State and which, subsequent to being brought into this State and stored here temporarily, is used solely outside this State or is physically attached to or incorporated into other tangible personal property which is used solely outside this State.

"(c) The storage, use or consumption of tangible personal property which is acquired outside this State, the sale, lease or rental or the storage, use or consumption of which tangible personal property would be exempt from the limited sales or use tax were it purchased within this State.

"(d) The storage and use, in this State, of tangible personal property acquired outside this State for use as a repair or replacement part for and actually affixed in this State to a self-propelled vehicle which is a licensed and certificated common carrier of persons or property.

"(H) United States, State; Political Subdivisions; Religious, Eleemosynary Organizations. There are exempted from the computation of the amount of the taxes imposed by this Chapter, the receipts from the sale, lease or rental of any taxable items to, or the storage, use or other consumption of taxable items by:

"(1) The United States, its unincorporated agencies and instrumentalities.

"(2) Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.

"(3) The State of Texas, its unincorporated agencies and instrumentalities.

"(4) Any county, city, special district or other political subdivision of this State.

"(5) Any organization created for religious, educational, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual.

"(I) Occasional Sales. There are exempted from the taxes imposed by this Chapter the receipts from the occasional sales of taxable items and the storage, use or other consumption in this State of taxable items the sale of which to the consumer constitutes an occasional sale or the sale of which to the consumer is made by way of an occasional sale.

"(J) Use Tax: Reciprocal Credit for Similar Taxes Paid Elsewhere. There shall be allowed as a credit to any taxpayer against the use tax imposed by this Chapter upon any taxable item, the amount of any like tax paid by that taxpayer in another state, territory or possession of the United States of America with respect to the sale, purchase or use of the items; provided that such other states, territories, or possessions provide for a similar tax credit for taxpayers of this State.

"(K) Use Tax Inapplicable When Limited Sales Tax Applies or When Use Tax Previously Paid. The storage, use or other consumption in this State of taxable items, the receipts from the sale, lease, rental or use of which are required to be included in the measure of the limited sales tax, or taxable items upon which a use tax has been paid by the taxpayer using said taxable items, is exempted from the use tax imposed by this Chapter.

"(L) Food and Food Products for

Human Consumption. There are exempted from the taxes imposed by this Chapter the receipts from sales of, and the storage, use or other consumption of, food products for human consumption.

"(1) 'Food products' shall include, except as otherwise provided herein, but shall not be limited to, cereals and cereal products; milk and milk products, including ice cream; oleomargarine; meat and meat products; poultry and poultry products; fish and fish products; eggs and egg products; vegetables and vegetable products; fruit and fruit products; spices, condiments and salt; sugar and sugar products; coffee and coffee substitutes; tea, cocoa products; or any combination of the above.

"(2) 'Food products' shall not include:

"(a) Medicines, tonics, vitamins and medicinal preparations in any form.

"(b) Carbonated and noncarbonated packaged soft drinks and diluted juices where sold in liquid or frozen form; and ice and candy.

"(c) Foods and drinks (which include meals, milk and milk products, fruits and fruit products, sandwiches, salads, processed meats and seafoods, vegetable juices, ice cream in cones or small cups) served, prepared or sold ready for immediate consumption in or by restaurants, drug stores, lunch counters, cafeterias, hotels or like places of business or sold ready for immediate consumption from push carts, motor vehicles, or any other form of vehicle. Provided, however, that food and drinks purchased by a common carrier for the purpose of serving passengers traveling en route aboard such carriers shall be exempt.

"(M) Drugs, Medicines, Prosthetic Devices. There are exempted from the taxes imposed by this Chapter the receipts from sales of, and the storage use or other consumption of insulin and of drugs and medicines when prescribed or dispensed for humans or animals by a licensed practitioner of the healing arts. There are also exempted from the taxes imposed by this Chapter, the receipts from sales of and the storage, use or other

consumption of braces, spectacles, hearing aids, orthopedic and dental prosthetic appliances, and replacement parts designed specifically for such products.

“(N) Animal Life; Feed; Seeds; Plants; Fertilizer. There are exempted from the taxes imposed by this Chapter the receipts from sales of, and the storage, use or other consumption of:

“(1) Any form of animal life of a kind the products of which ordinarily constitute food for human consumption. Horses, mules and work animals.

“(2) Feed for farm and ranch animals and for animals which are held for sale in the regular course of business.

“(3) Seeds and annual plants the products of which ordinarily constitute food for human consumption or are to be sold in the regular course of business.

“(4) Fungicides, insecticides, herbicides, defoliant and desiccants exclusively used or employed on farms or ranches in the production of food for human consumption, feed for any form of animal life, or other agricultural products to be sold in the regular course of business.

“(5) Fertilizer.

“(6) Machinery or equipment exclusively used or employed on farms or ranches in the production of food for human consumption, production of grass, the building or maintaining of roads and water facilities, feed for any form of animal life, or other agricultural products to be sold in the regular course of business.

“(O) Sale for Resale: Leasing or Renting.

“(1) There are exempted from the taxes imposed by this Chapter the receipts from all sales for resale, leasing, renting or for transfer as an integral part of a taxable service rendered in the regular course of business.

“(2) However, if a person purchases tangible personal property for the purpose of leasing or renting it to another person, and if he later sells

it by means of an occasional sale before he has collected and paid to this State as much tax on the rental or lease charges as would have been due and payable to this State had he not purchased the tangible personal property for the purpose of so renting and leasing it, he shall, at the time of his occasional sale of said tangible personal property include in his receipts from taxable sales the amount by which his purchase price exceeded the amount of rents collected by him on said tangible personal property.

“(3) When a lessor makes a retail sale of leased tangible personal property to a lessee of that tangible personal property under an agreement whereby certain rental payments are credited against the purchase price of that tangible personal property, he need not collect or pay any tax on the sale price to the extent that he has collected and paid on such rental payments.

“(P) Vessels.

“(1) There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of, or the storage, use or other consumption in this State of materials, equipment and machinery which enter into and become component parts of ships, vessels, including commercial fishing vessels, or barges, of fifty (50) tons displacement and over, built in this State, and the receipts from the sale of such ships, vessels, or barges when sold by the builder thereof.

“(2) The taxes imposed by this Chapter shall not apply to the receipts from the sale, lease or rental of, or the storage, use or other consumption in this State of materials and supplies purchased by the owners or operators of ships or vessels operating exclusively in foreign or interstate coastwise commerce, where such materials and supplies are loaded upon the ship or vessel for use or consumption in the maintenance and operation thereof; or to materials and supplies used in the repair of such ships and vessels where such materials and supplies enter into and become a component part of such ships or vessels.

“(3) The taxes imposed by this Chapter shall not apply to the receipts



from the sale, lease or rental of, or the storage, use or other consumption in this State of drilling equipment used in the exploration for or production of oil, gas, sulphur, or other minerals when such equipment is built for exclusive use outside the boundaries of the State and is removed forthwith from the State upon completion.

“(Q) Certain Aircraft. There are exempted from the taxes imposed by this Chapter the receipts from the sale, use, storage, lease or other consumption of aircraft sold to persons using such aircraft as certificated or licensed carriers of persons or property, or sold to any foreign government or sold to persons who are not residents of this State.

“(R) Gas and Electricity. There are exempted from the taxes imposed by this Chapter the sale, production, distribution, lease or rental of and the storage, use or other consumption in this State of gas and electricity except when sold for residential use or commercial use.

“For the purpose of this subsection, the terms ‘residential use’ and ‘commercial use’ shall have the following meanings:

“‘Residential use’ means use in a family dwelling or building or portion thereof occupied as the home, residence, or sleeping place of one or more persons.

“‘Commercial use’ means use by persons engaged in selling, warehousing or distributing a commodity or service, either professional or personal.

“The term ‘commercial use’ specifically does not include use by persons engaged in: (1) processing tangible personal property for sale as tangible personal property; (2) exploration for or production and transportation of a material extracted from the earth; (3) agriculture, including dairy or poultry operations and pumping water for farm and ranch irrigation; or, (4) electrical processes such as electroplating, electrolysis and cathodic protection.

“(S) Rolling Stock. There are exempted from the taxes imposed by

this Chapter receipts from any sale, use, storage or other consumption of locomotives and rolling stock, including fuel or supplies essential to the operation of locomotives and trains.

“(T) There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of, and the storage, use or other consumption in this State of books consisting wholly of writings sacred to any religious faith and religious periodicals published or distributed by any religious faith consisting wholly of writings promulgating the teachings of such faith.

“(U) Vending Machine Sales. (1) There are exempted from the taxes imposed by this Chapter the receipts from the sale of tangible personal property when sold through a coin-operated vending machine for a total consideration of sixteen cents (16¢) or less.

“(2) There are exempted from the taxes imposed by this Chapter the receipts from the sale of telephone service paid for by inserting coins in coin-operated telephones.

“(V) Transfers Without Substantial Change in Ownership. There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental of, and the storage, use or other consumption in this State, pursuant to the terms of a good faith bona fide contractual relationship, of an interest in tangible personal property to a partner, co-owner or other person who before or after such a sale owns a joint or undivided interest (with the seller) in such tangible personal property where the Texas Limited Sales, Excise and Use Tax has previously been paid on such tangible personal property.

“(W) Casing, Drill Pipe, Tubing, and Other Pipe. There are exempted from the taxes imposed by this Chapter, the receipts from the sale, lease, or rental in this State of casing, drill pipe, tubing, and other pipe to be used in exploration for or production of oil, gas, sulphur, and other minerals, offshore, outside the territorial limits of the State.

“(X) Property for Use in Offshore Exploration and Production.

(a) There are exempted from the taxes imposed by this Chapter the receipts from the sale, lease or rental in this State of tangible personal property for use exclusively in the exploration for or the production of oil, gas, sulphur, or other minerals offshore and outside the territorial limits of the State.

“(b) The property described in Subdivision (a) of this section may be delivered to the purchaser or lessee in this State and removed by means of his own facilities or by any other means beyond the territorial limits of the State.

“(c) Receipts from the sale, lease or rental of property described in Subdivision (a) of this section are exempt when the property is shipped to any place in the State for further assembly or fabrication, and receipts from the sale, lease or rental of such property made upon completion of the assembly or fabrication are exempt if the property is forthwith removed beyond the territorial limits of the State.

“(Y) Contracts with Exempt Organizations. There are exempted from the computation of the amount of taxes imposed by this Chapter, the receipts from the sale, lease or rental of any tangible personal property to, or the storage, use or other consumption of tangible personal property by, any contractor for the performance of a contract for the improvement of realty for an exempt organization as defined in Section 20.04 (H) of this Chapter or otherwise exempt from the taxes imposed by this Chapter to the extent of the value of the tangible personal property so used or consumed or both in the performance of such contract.”

Sec. 27. Section (B), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 7, Chapter 2, Acts of the 60th Legislature, 1st Called Session, 1968, is amended to read as follows:

“(B) Method Retailer Is To Use in Computing Tax. The limited sales tax levied under Article 20.02 shall be computed and paid to the Comptroller on the basis of four and one-half per cent (4½%) of all receipts from the

total sales of taxable tangible personal property and taxable services sold by the retailer; provided any retailer who can establish to the satisfaction of the Comptroller that fifty per cent (50%) or more of his receipts from the sale of tangible personal property and taxable services arise from individual transactions where the total sales price is thirteen cents (13¢) or less may exclude the receipts from such sales when reporting and paying the tax imposed by Article 20.02 of this Chapter. No retailer shall avail himself of this provision without prior written approval of the Comptroller. The Comptroller shall grant such approval when he is satisfied that the retailer qualifies on the basis set forth in this Section and when the retailer has submitted satisfactory evidence that he can and will maintain records adequate to substantiate the exclusion herein authorized. Any attempt on the part of any retailer to exercise this provision without prior written approval of the Comptroller shall be deemed to be a failure and refusal to pay the Limited Sales, Excise and Use Tax and the retailer shall be subject to assessment for back taxes, penalties and interest as provided for in this Chapter.”

Sec. 28. Subsection 2, Section (C), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 770, Acts of the 60th Legislature, Regular Session, 1967, is amended to read as follows:

“(2) For purposes of the limited sales tax a return shall be filed by every person subject to the tax. For purposes of the use tax a return shall be filed by every retailer engaged in business in the State and by every person who has purchased taxable items, the storage, use or other consumption of which is subject to the use tax, but who has not paid the use tax due to a retailer required to collect the tax.”

Sec. 29. Section (D), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

“(D) Contents of Return.

"(1) For the purposes of the limited sales tax, the return shall show the sale or receipts of the retailer or seller during the preceding reporting period. For purposes of the use tax, in case of a return filed by a retailer, the return shall show the total receipts from sales of taxable items sold by him during the preceding reporting period which was purchased for the purpose of storage, use or consumption in this State.

"(2) Gross proceeds from taxable rentals or leases of tangible personal property shall be reported and the tax shall be paid with respect thereto in accordance with such rules and regulations as the Comptroller may prescribe.

"(3) In case of a return filed by the purchaser, the return shall show the total sales price of the taxable items purchased by him, the storage, use or consumption of which became subject to the use tax during the preceding reporting period.

"(4) The return shall also show the amount of the taxes for the period covered by the return and such other information as the Comptroller deems necessary for the proper administration of this Chapter."

Sec. 30. Subsection 2, Section (I), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(2) Notwithstanding any other provision of this Chapter, any vendor whose taxable receipts from the sale of taxable items are less than ten per cent (10%) of his total receipts may elect to report his taxable receipts from the sale of taxable items by the method set forth by paragraph (a) of subsection (1) of this Section (I) irrespective of the fact that such vendor may not fall within the definition of the term 'retail grocer' as that term is defined by paragraph (c) of subsection (1) of this Section (I)."

Sec. 31. Section (J), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 11, Chapter 2,

Acts of the 60th Legislature, 1st Called Session, 1968, is amended to read as follows:

"(J) Commingled Tax and Receipts. Any retailer who establishes an accounting system under which the amount of tax collected pursuant to this Chapter is commingled with the receipts from the sale of taxable items may determine taxable receipts in the following manner:

"(1) He shall subtract from his total receipts the receipts from any sales which are specifically exempt from or otherwise excluded from the tax imposed by this Chapter. The remainder shall consist of the receipts from the sale of taxable items plus the tax collected pursuant to the provisions of this Chapter.

"(2) This remainder shall then be divided by 1.04. The answer resulting shall be the taxable gross receipts of the retailer for reporting purposes as prescribed by Section (B) of this Article.

"The sole purpose of this Section is to permit the widest possible latitude in the internal accounting system of retailers and to avoid requiring certain retailers to remit to the State a tax computed upon a base which already includes the tax imposed by this Chapter. Nothing herein shall be construed to relieve the retailer of the obligation and duty of collecting the tax in the specific manner prescribed by Article 20.021 of this Chapter."

Sec. 32. Section (K), Article 20.05, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(K) Direct Payment Procedure Authorized. The Comptroller shall establish a system of direct payment which shall be applicable to those consumers who meet the qualifications set forth in this Section and who, after approval by the Comptroller, are issued a direct payment permit. The holder of a direct payment permit may issue to all of the vendors or sellers from whom purchases of taxable items are made a blanket exemption certificate covering all future purchases made by the direct payment permit holder and such certifi-

cate shall show the number of the direct payment permit and shall specify that the direct payment permit holder agrees to accrue and pay to the State of Texas all taxes which are or may in the future be due on taxable items purchased pursuant to exemption certificate.

“(1) Direct payment permits may be issued by the Comptroller after receipt of a written application for such a permit. The application shall be accompanied by:

“(a) Records establishing the fact that the applicant is a responsible person annually purchasing taxable items having a value when purchased equal to or in excess of Two Hundred Thousand Dollars (\$200,000) exclusive of any purchase for which a resale certificate authorized by Article 20.021(F) of this Chapter can be or could have been issued.

“(b) A description, in such detail as the Comptroller may require, of the accounting methods by which the applicant proposes to differentiate between taxable and exempt purchases.

“(c) An agreement, in a form prescribed by the Comptroller and signed by the applicant or, if a corporation, by a responsible officer thereof, under which the applicant agrees to accrue and pay all taxes imposed by Article 20.03 of this Chapter on all purchases not specifically exempted by Article 20.04 of this Chapter. The agreement shall stipulate that the applicant agrees to remit the taxes due quarterly on or before the last day of the month next succeeding each quarterly period. Such agreement shall also stipulate that the applicant agrees to waive any claim for the discount authorized by Article 20.05(E) of this Chapter on any tax paid by him pursuant to a direct payment permit, provided, however, that if the applicant holds a valid seller's permit issued under the provisions of Article 20.021(C) of this Chapter he shall continue to be entitled to claim the discounts authorized on sales made pursuant to such seller's permit.

“(2) A direct payment permit shall be issued to any applicant who meets, to the satisfaction of the Comptroller, the qualifications set forth in sub-

section (1) of this Section. The Comptroller shall be the sole judge of whether such qualifications have been met and refusal by the Comptroller to issue a direct payment permit shall not be appealable. Any applicant may, however, request an opportunity to submit an amended application or if denied a direct payment permit, after a reasonable length of time, he may submit a new application.

“(3) Persons holding direct payment permits hold them as a matter of revocable privilege and not as a matter of right and the Comptroller may, upon his own initiative and with reasonable notice, cancel any direct payment permit. A cancellation shall not be appealable. The Comptroller shall notify a direct payment permit holder that his permit has been cancelled by registered mail and, immediately upon receipt of such notification, the direct payment permit holder shall contact all of the vendors or sellers from whom purchases of taxable items are made and notify them that the exemption certificates issued to them pursuant to the direct payment permit are no longer valid. Failure of a person to so notify the vendors or sellers from whom purchases of taxable items are made of the cancellation of a direct payment permit shall be considered as a failure and refusal to pay the Limited Sales, Excise and Use Tax by the person required to issue such notices.

“(4) Any direct payment permit holder may voluntarily relinquish such permit by notifying the Comptroller of his desire to relinquish such permit. Such voluntary relinquishment of a direct payment permit shall not be effective until a termination notice is issued by the Comptroller. Immediately upon receipt of the Comptroller's termination notice, the direct payment permit holder shall contact all of the vendors or sellers from whom purchases of taxable items are made and notify them that the exemption certificates issued to them pursuant to the direct payment permit are no longer valid. Failure of a person to so notify the vendors or sellers from whom purchases of taxable items are made of the voluntary relinquishment of a direct payment permit shall be considered as a failure and refusal to pay the Limited Sales, Excise and

Use Tax by the person required to issue such notice."

Sec. 33. Section (C), Article 20.06, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(C) Notice of Comptroller's Determination; Service.

"(1) The Comptroller shall give to the retailer or person storing, using or consuming taxable items written notice of his determination.

"(2) The notice may be served personally or by mail; if by mail, the notice shall be addressed to the retailer or person storing, using or consuming taxable items at his address as it appears in the records of the Comptroller.

"(3) In case of service by mail of any notice required by this Chapter, the service is complete at the time of deposit in the United States Post Office."

Sec. 34. Subsection 2, Section (D), Article 20.06, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(2) The limitation specified in this Article does not apply in case of a limited sales tax proposed to be determined with respect to sales of taxable items for the storage, use or other consumption of which notice of a deficiency determination has been or is given pursuant to paragraphs (C), (D)(1) and (G) of this Article, and paragraph (B) of Article 20.07. The limitation specified in this Article does not apply in case of an amount of use tax proposed to be determined with respect to storage, use or other consumption of taxable items for the sale of which notice of a deficiency determination has been or is given pursuant to paragraphs (C), (D)(1), and (G) of this Article, and paragraph (B) of Article 20.07 and to subparagraph 1 of this paragraph."

Sec. 35. Subsection 1, Section (E), Article 20.06, Title 122A, Taxation-

General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(1) If any person fails to make a return, the Comptroller shall make an estimate of the receipts of the person, or, as the case may be, of the amount of the total sales, rent or lease price of taxable items sold, rented or leased or purchased, by the person, the storage, use or other consumption of which in this State is subject to the use tax. The estimate shall be made for the period or periods in respect to which the person failed to make a return and shall be based upon any information which is in the Comptroller's possession or may come into his possession upon the basis of this estimate, the Comptroller shall compute and determine the amount required to be paid to the State, adding to the sum thus arrived at a penalty equal to ten per cent (10%) thereof. One or more determinations may be made for one or for more than one period."

Sec. 36. Sections (C) and (D), Article 20.11, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(C) Records to be Kept by Sellers, Retailers and Others.

"(1) Every seller, every retailer, and every person storing, using or otherwise consuming in this State taxable items purchased from a retailer shall keep such records, receipts, invoices and other pertinent papers in such form as the Comptroller may reasonably require.

"(2) Every such seller, retailer or person shall keep such records for not less than four (4) years from the making of such records unless the Comptroller in writing sooner authorizes their destruction.

"(D) Examination of Records; Investigation of Business. The Comptroller, or any person authorized in writing by him, may examine the books, papers, records and equipment of any person selling taxable items and any person liable for the use

tax and may investigate the character of the business of the person in order to verify the accuracy of any return made, or, if no return is made by the person, to ascertain and determine the amount required to be paid."

Sec. 37. Section (F), Article 20.11, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(F) Reports for Administering Use Tax: Contents. In administration of the use tax, the Comptroller may require the filing of reports by any person or class of persons having in his or their possession or custody information relating to sales of taxable items, the storage, use or other consumption of which is subject to the tax. The report shall:

"(1) Be filed when the Comptroller requires.

"(2) Set forth the names and addresses of purchasers of the tangible personal property, the sales price of the property, the date of sale, and such other information as the Comptroller may require."

Sec. 38. Section (B), Article 20.12, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, 1963, is amended to read as follows:

"(B) Penalty for Improper Use of Resale Certificate. Any person who gives a resale certificate to the seller for property which he knows, at the time of purchase, is purchased for the purpose of use rather than the purpose of resale, lease or rental by him in the regular course of business or for transfer as an integral part of a taxable service in the regular course of business, is guilty of a misdemeanor and such person shall upon conviction be fined not more than Five Hundred Dollars (\$500) for each conviction."

Sec. 39. Article 20.13, Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, is amended to read:

"Art. 20.13. Disposition of Proceeds.

"All fees, taxes, interest and penalties imposed, and all amounts of tax required to be paid to the State under this Chapter shall be paid to the Comptroller in the form of remittances payable to the Comptroller of Public Accounts of Texas.

The Comptroller shall remit all fees, taxes, interest and penalties collected to the State Treasurer to be deposited in the State Treasury to the credit of the General Revenue Fund subject to the following allocations:

"(A) To the credit of the State Highway Fund so much of the proceeds of the taxes imposed by this Chapter as the Comptroller shall certify arises from the application of the taxes imposed by this Chapter to the sale and use of lubricating oils and motor oils used to propel motor vehicles over the public roadways.

"The amount to be deposited to the credit of the State Highway Fund shall be determined by the Comptroller based on available statistical data indicating the estimated average or actual consumption or sales of lubricants used to propel motor vehicles over the public roadways. In the event that satisfactory statistical data as to such consumption or use of lubricants is not available the Comptroller may, at his discretion, require that taxpayers making taxable sales or use of such lubricants in this State furnish such information to the Comptroller as is necessary to make the appropriate allocations required under this Article.

"(B) To each eligible city of the State a share of the additional tax imposed by Articles 20.02 (B) and 20.03 (B) determined in accordance with the provisions of this Article. The amounts so transmitted shall be used by the recipient city for public health, safety and welfare, general administration or any other governmental function performed by the recipient city in furtherance of general law for the interest of the public at large. However, no city may pledge the anticipated revenue from this source to secure the payment of bonds or other indebtedness. For the purpose of this Article, the term 'city' means any city, town or village incorporated in accordance with

the provisions of the laws of this State.

"(1) The Comptroller shall determine the percentage of the additional tax to be paid to each eligible city based on the ratio of the population of that city to the population of the State as a whole, except as limited in subsections (a) and (b).

"(a) No eligible city which shall have enacted a sales tax under the provisions of the 'Local Sales and Use Tax Act' with an effective date precedent to the effective date of this Act shall receive less than the amount which they would have collected annually from such tax. The amount that each such city would have collected annually under the 'Local Sales and Use Tax Act' shall be computed as follows: (i) In the case of a city in which the local sales tax was effective January 1, 1968, the amount of actual collections for the period January 1 through June 30, 1968, multiplied by two (2); and (ii) in the case of a city in which the local sales tax was effective April 1, 1968, the amount of actual collections for the period April 1 through June 30, 1968, multiplied by four (4). The term 'actual collections' shall mean ninety eight percent (98%) of the amount actually remitted to the Comptroller on or before midnight of July 31, 1968, without any subsequent adjustment for bad checks, refunds, delinquent collections, penalty or interest.

"(b) Except for the limitation in subsection (a) above, no eligible city shall receive in any one calendar year an amount greater than ninety percent (90%) of the total amount of current and delinquent ad valorem property tax collected by that city in calendar year 1967 or in the latest calendar year, whichever is greater.

"(c) The population of the State and the population of cities included in the latest available statewide Federal Census shall be determined by that Census.

"(d) The population of cities not included in the latest statewide Federal Census shall be estimated by the Division of Planning Coordination established pursuant to the provisions

of Acts 1967, 60th Legislature, Chapter 417 (compiled as Article 4413 (32a), Sec. 4, (VACS) as of the date of incorporation and such population estimate shall be used in computing the percentage allocation to each such city until the next statewide Federal Census.

"(e) Payments under this Section shall be made quarterly at a date designated by the Comptroller, but prior to the expiration of the next prior succeeding quarter.

"(2) Eligibility of cities under the provisions of this Article shall be established as follows:

"(a) Any city included in the 1960 Federal Census shall file, within sixty (60) days of the effective date of this Act, with the Comptroller a report signed by a duly elected official of the city which shall state the date of the city's incorporation, and attest to the amount of current and delinquent ad valorem property tax collected by such city in the year ended December 31, 1967.

"(b) Any city not included in the 1960 Federal Census shall, in addition to filing the report required in (a) above with the Comptroller, file with the Division of Planning Coordination satisfactory evidence that such city was incorporated in accordance with the laws of this State and such other information as the Division may require in order to determine the estimated population of such city on the date of incorporation.

"Any city incorporated subsequent to the effective date of this Act shall include in its initial report to the Comptroller a statement of the amount of current and delinquent ad valorem property tax collected by such city in the latest calendar year.

"(c) Eligibility shall be renewed each year by the filing of a report which shall attest to the total amount of current and delinquent ad valorem property tax collected by such city in the latest calendar year. These annual reports shall be filed with the Comptroller prior to March 1 of each year.

"(d) Any city which fails to file the initial or any subsequent report

as required by this Article shall not be eligible to share in the additional taxes imposed by Articles 20.02 (B) and 20.03 (B) during the year in which the report was due.

“(3) In the event that two or more cities consolidate into one city, the larger city shall be entitled to the combined shares of the additional tax to which the constituent cities were entitled prior to consolidation.”

Sec. 40. Acts 1967, 60th Legislature, Chapter 36, page 62, (Local Sales and Use Tax Act), is amended by adding a new Section 17 to read:

“Sec. 17. Suspension of Act.

“This Act is hereby suspended for so long as Article 20.13 (B), Chapter 20, Title 122A, Taxation-General, is operative. In the event that Article 20.13 (B) is made inoperative, by either legislative or judicial action, then this Act shall again become operative and all actions taken by cities under the provisions of this Act shall likewise become operative after the lapse of one full calendar quarter following the final legislative or judicial action.”

Mr. Traeger moved to table the above amendment offered by Mr. Pickens.

The motion to table prevailed.

Mr. Pickens offered the following amendment to Article I of Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2, Article I, Section 42, by striking all of Section 42 and substituting in lieu thereof the following:

Section 42. Subdivisions (1) and (2), Subsection B, Section 6, Chapter 36, Acts of the 60th Legislature, Regular Session, 1967 (Article 1066c, Vernon's Texas Civil Statutes), are amended to read as follows:

“(1) For the purposes of the local sales tax imposed by this Act, all retail sales, leases and rentals except sales of natural gas or electricity are consummated at the place of business of the retailer unless the tangible

personal property sold, leased, or rented is delivered by the retailer or his agent to an out-of-city or out-of-state destination or to a common carrier for delivery to an out-of-city or an out-of-state destination. In the event the retailer has no permanent place of business in the State, the place or places at which the retail sales, leases, or rentals are consummated for the purposes of the tax imposed by this Act shall be determined under rules and regulations prescribed by the Comptroller. If the retailer has more than one place of business in the State, the place or places at which retail sales, leases, and rentals are consummated shall be the retailer's place or places where the purchaser or lessee takes possession and removes from the retailer's premises the articles of tangible personal property to a point designated by the purchaser or lessee, then the sales, leases, or rentals are consummated at the retailer's place or places of business from which tangible personal property is delivered to the purchaser or lessee. The sale of natural gas or electricity is consummated at the point of delivery to the consumer.

“(2) For the purpose of the excise tax imposed by this Act on any retailer holding tangible personal property purchased on a Resale Certificate, and which property becomes subject to such excise tax by reason of use or other consumption of such property, such use or other consumption of such property is consummated at the place of business of the retailer, unless the tangible personal property is delivered by the retailer or his agent to an out-of-city destination or to a common carrier for delivery to an out-of-city destination. If the retailer has more than one place of business in the State, the place at which such use or consumption is consummated shall be the last place of business of such retailer where such property is stored or kept at the time of or just prior to its use or consumption.”

Mr. Traeger moved to table the above amendment offered by Mr. Pickens and the motion to table prevailed.

Mr. Williamson offered the follow-



ing amendment to Article I of Committee Amendment No. 1:

Amend the Committee Substitute to H. B. No. 2 by:

(1) Amending Section 15, Article 1, to read as follows:

Sec. 15. Article 20.02, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 4, Chapter 2, Acts of the 60th Legislature, 1st Called Session, 1968, is amended to read as follows:

“Article 20.02 Imposition of Limited Sales Tax

“(A) There is hereby imposed a limited sales tax at the rate of three percent (3%) on the receipts from sale at retail of all tangible personal property within this State.

“(B) There is hereby imposed an additional sales tax at the rate of one percent (1%) on the receipts from the sale at retail of all tangible personal property within this State. Unless otherwise indicated, for the purpose of collecting the taxes imposed and administering the provisions of this Chapter, the two taxes imposed by this Article shall be added together and applied as one tax at the combined rate.”

(2) Amending the quoted part of Section 16, Article 1, to read as follows:

(A) Every retailer shall add the sales tax imposed by Article 20.02 of this Chapter to his sale price and when added the tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase price. It is further specified that where tangible personal property is segregated in contemplation of transfer of title or possession and is thereafter to be transported by common carrier from the seller to the buyer, with the price fixed FOB the seller's place of business, and with transportation charges separately stated, the tax herein imposed shall be computed only upon the basis of the charge for the tangible personal property itself, exclusive of the separately stated and independently fixed trans-

portation charges. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedule:

Amount of Sale	Tax
\$ .01 to \$ .12	No Tax
.13 to .37	\$ .01
.38 to .62	.02
.63 to .87	.03
.88 to 1.12	.04
1.13 to 1.37	.05
1.38 to 1.62	.06
1.63 to 1.87	.07

“Provided, that for successive brackets for this schedule in this paragraph, the tax shall be computed by multiplying four percent (4%) times the amount of the sale. Any fraction of one cent (\$.01) which is less than one half of one cent (\$.005) of tax shall not be collected. Any fraction of one cent (\$.01) of tax equal to one half on one cent (\$.005) or more shall be collected as a whole cent (\$.01) of tax.

“When several articles or items of tangible personal property are purchased together and at the same time, the tax shall be computed on the total amount of the several items less the amount paid for any article or item of tangible personal property specifically exempt under the provisions of Article 20.04 of this Chapter.

“The use of tokens or stamps for the purpose of collecting or of enforcing the collection of the tax imposed in this Chapter or for any other purpose in connection with such tax is prohibited.”

(3) Amending the quoted part of Section 24, Article 1, to read as follows:

“Article 20.03. Imposition and Rate of Use Tax

“(A) An excise tax is hereby imposed on the storage, use or other consumption in this State of tangible personal property purchased, leased or rented from any retailer on or after September 1, 1961, for storage, use or other consumption in this State, at the rate of three percent (3%) of the sales price of the prop-

erty, or in the case of leases or rentals, of said lease or rental prices.

"(B) An excise tax is hereby imposed on the use or consumption in this State of taxable services purchased on or after January 1, 1970, for use or consumption in this State at the rate of three per cent (3%) of the sales price of the taxable service."

"(C) An additional excise tax is hereby imposed on the storage, use or other consumption in this State of tangible personal property purchased, leased or rented from any retailer for storage, use or other consumption in this State, at the rate of one percent (1%) of the sales price of the property or, in the case of leases or rentals, of said lease or rental prices. Unless otherwise indicated, for purposes of collecting the tax and administering the provisions of this Chapter, the two taxes imposed by this Article shall be added together and applied as one tax at the combined rate.

"(D) An additional excise tax is hereby imposed on the use or consumption in this State of taxable services purchased on or after January 1, 1970, for use or other consumption in this State, at the rate of one percent (1%) of the sales price of the taxable service."

(4) Amending the quoted part of Section 27, Article 1, to read as follows:

(B) Method Retailer Is to Use in Computing Tax. The limited sales tax levied under Article 20.02 hereof shall be computed and paid to the Comptroller on the basis of four percent (4%) of all receipts from the total sales of taxable tangible personal property sold by such retailer; provided any retailer who can establish to the satisfaction of the Comptroller that fifty percent (50%) or more of his receipts from the sale of tangible personal property arise from individual transactions where the total sales price is twelve cents (12¢) or less may exclude the receipts from such sales when reporting and paying the tax imposed by Article 20.02 of this Chapter. No retailer shall avail himself of this provision with-

out prior written approval of the Comptroller. The Comptroller shall grant such approval when he is satisfied that the retailer qualifies on the basis set forth in this Section and when the retailer has submitted satisfactory evidence that he can and will maintain records adequate to substantiate the exclusion herein authorized. Any attempt on the part of any retailer to exercise this provision without prior written approval of the Comptroller shall be deemed to be a failure and a refusal to pay the Limited Sales, Excise and Use Tax and the retailer shall be subject to assessment for back taxes, penalties and interest as provided for in this Chapter."

(5) Deleting Sections 39, 40, 41, 42, 43, and 44 of Article 1 and adding a new Section 39 to read as follows:

Sec. 39. Article 20.13, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 1, Chapter 138, Acts of the 58th Legislature, Regular Session, 1963, is amended to read as follows:

"Article 20.13. Disposition of Proceeds

"(A) All fees, taxes, interest and penalties imposed, and all amounts of tax required to be paid to the State under this Chapter shall be paid to the Comptroller in the form of remittances payable to the Comptroller of Public Accounts of Texas. The Comptroller shall remit all fees, taxes, interest and penalties collected to the State Treasurer to be deposited in the State Treasury in the following manner:

"(1) The State Treasurer shall deposit all proceeds from the three percent (3%) limited sales tax and the three percent (3%) use tax imposed by this Chapter to the credit of the General Revenue Fund except that portion of the proceeds which the Comptroller of Public Accounts shall certify arises from the application of the taxes imposed by this Chapter to the sale and use of lubricating oils and motor oils consumed on the public roads, streets and highways of this State.

"(2) The State Treasurer shall deposit to the credit of the State Highway Fund so much of the proceeds from the three percent (3%) limited sales tax and the three percent (3%) use tax imposed by this Chapter as the Comptroller shall certify arises from the application of the taxes imposed by this Chapter to the sale and use of lubricating oils and motor oils used to propel motor vehicles over the public roadways.

"(3) The amount to be deposited to the credit of the State Highway Fund shall be determined by the Comptroller based on available statistical data indicating the estimated average or actual consumption or sales of lubricants used to propel motor vehicles over the public roadways. In the event that satisfactory statistical data as to such consumption or use of lubricants is not available the Comptroller may, at his discretion, require that taxpayers making taxable sales or use of such lubricants in this State furnish such information to the Comptroller as is necessary to make the appropriate allocations required under this Article.

"(B) The State Treasurer shall allocate from the proceeds of the additional sales and use tax imposed by this Chapter to each eligible city of the State a share of seventy percent (70%) the additional tax imposed by Articles 20.02 and 20.03 determined in accordance with the provisions of this Article. The amounts so transmitted shall be used by the recipient city for public health, safety and welfare, general administration or any other governmental function performed by the recipient city in furtherance of general law for the interest of the public at large. However, no city may pledge the anticipated revenue from this source to secure the payment of bonds or other indebtedness. For the purpose of this Article, the term 'city' means any city, town or village incorporated in accordance with the provisions of the laws of this State.

"(1) The Comptroller shall determine the percentage of seventy percent (70%) of the additional tax to be paid to each eligible city based on the ratio of the population of that city to the population of the State as

a whole, except as limited in Subsection (a).

"(a) No eligible city shall receive in any one calendar year an amount greater than ninety percent (90%) of the total amount of current and delinquent ad valorem property tax collected by that city in calendar year 1967 or in the latest calendar year, whichever is greater.

"(b) The population of the State and the population of cities included in the latest available statewide Federal Census shall be determined by that Census.

"(c) The population of cities not included in the latest statewide Federal Census shall be estimated by the Division of Planning Coordination established pursuant to the provisions of Section 4, Chapter 417, Acts of the 60th Legislature, Regular Session, 1967 (Article 4413 (32a), Vernon's Texas Civil Statutes), as of the date of incorporation and such population estimate shall be used in computing the percentage allocation to each such city until the next statewide Federal Census.

"(d) Payments under this Section shall be made quarterly at a date designated by the Comptroller, but prior to the expiration of the next succeeding quarter.

"(2) Eligibility of cities under the provisions of this Article shall be established as follows:

"(a) Any city included in the 1960 Federal Census shall file, within sixty (60) days of the effective date of this Act, with the Comptroller a report signed by a duly elected official of the city which shall state the date of the city's incorporation, and attest to the amount of current and delinquent ad valorem property tax collected by such city in the year ended December 31, 1967.

"(b) Any city not included in the 1960 Federal Census shall, in addition to filing the report required in (a) above with the Comptroller, file with the Division of Planning Coordination satisfactory evidence that such city was incorporated in accordance with the laws of this State and such other information as the Division

may require in order to determine the estimated population of such city on the date of incorporation.

"Any city incorporated subsequent to the effective date of this Act shall include in its initial report to the Comptroller a statement of the amount of current and delinquent ad valorem property tax collected by such city in the latest calendar year.

"(c) Eligibility shall be renewed each year by the filing of a report which shall attest to the total amount of current and delinquent ad valorem property tax collected by such city in the latest calendar year. These annual reports shall be filed with the Comptroller prior to March 1 of each year.

"(d) Any city which fails to file the initial or any subsequent report as required by this Article shall not be eligible to share in the additional taxes imposed by Articles 20.02 and 20.03 during the year in which the report was due.

"(3) In the event that two or more cities consolidate into one city, the larger city shall be entitled to the combined share of the additional tax to which the constituent cities were entitled prior to consolidation.

"(C) The State Treasurer shall allocate from the proceeds of the additional sales and use tax imposed by this Chapter to each county of the State a share of seven and one-half percent ( $7\frac{1}{2}\%$ ) of the additional tax imposed by Articles 20.02 and 20.03 determined in accordance with the provisions of this Article. The amount so transmitted shall be used by the recipient county for public health, safety and welfare, general administration or any other governmental function performed by the recipient county in furtherance of general law for the interest of the public at large. However, no county may pledge the anticipated revenue from this source to secure the payment of bonds or other indebtedness.

"(1) The Comptroller shall determine the percentage of seven and one-half percent ( $7\frac{1}{2}\%$ ) of the additional tax to be paid to each eligible county based on the ratio of the population

of that county to the population of the State as a whole.

"(2) The population of the State and the population of counties included in the latest available statewide Federal Census shall be determined by that Census.

"(3) Payments under this Section shall be made quarterly at a date designated by the Comptroller, but prior to the expiration of the next succeeding quarter. Payments shall be made to the general fund of the county.

"(D) The State Treasurer shall allocate from the additional sales and use tax imposed by this Chapter to each independent school district of the State a share of twelve and one-half percent ( $12\frac{1}{2}\%$ ) of the additional tax imposed by Articles 20.02 and 20.03 determined in accordance with the provisions of this Article. The amounts transmitted shall be used by the recipient independent school district for the maintenance and support of primary and secondary education in the district. However, no independent school district may pledge the anticipated revenue from this source to secure the payment of bonds or other indebtedness. For the purpose of this Article, the term 'independent school district' means any independent school district created according to the law of this State.

"(1) The Comptroller shall determine the percentage of twelve and one-half percent ( $12\frac{1}{2}\%$ ) of the additional tax to be paid to each independent school district based on the ratio of the number of scholastics in the independent school district to the total number of scholastics in independent school districts in the State.

"(2) The number of scholastics of the State in independent school districts and of the independent school districts shall be determined by the Texas Education Agency. The Texas Education Agency shall report all necessary information upon request of the Comptroller.

"(3) Payments under this Section shall be made quarterly at a date designated by the Comptroller, but prior to the expiration of the next succeeding quarter.

“(E) All sums of the additional tax imposed by Articles 20.02 and 20.03 remaining after distribution under the provisions of Sections (B), (C), and (D) of this Article shall be paid to the State as provided in Section (A) of this Article.”

(6) Renumbering Section 45 as Section 40 and adding a new Section 41 to read as follows:

Sec. 41. Chapter 36, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 1066c Vernon’s Texas Civil Statutes), is repealed.

(7) Deleting Articles 2 and 3.

(8) Amending Section 2 of Article 6 by inserting the words “automobile racing,” between “to” and “horse” in Section (2) of quoted Article 21.02.

(9) Amending Section 1 of Article 7 by amending Subdivision (2) of Section (a) of quoted Article 26.01 by inserting between the words “charge” and “to” a comma and the words “or any other minimum or cover charge.”

(10) Deleting Section 4 of Article 8.

(11) Renumbering Articles 4, 5, 6, 7, 8, and 9 as Articles 2, 3, 4, 5, 6, and 7.

Mr. Traeger moved to table the above amendment offered by Mr. Williamson to Article I of Committee Amendment No. 1, and the motion to table prevailed.

Mr. Williamson offered the following amendment to Article I of Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by striking the word “therefor” found in Section 26, Article 1, in the quoted part of Subparagraph (i), Paragraph (b), Subsection (1), Section (E), of quoted Article 20.04 (p. 14, line 4, Second Printing).

Mr. Atwell moved to table the above amendment offered by Mr. Williamson to Article I and the motion to table prevailed.

Mr. Poerner offered the following

amendment to Article I of Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by deleting Subdivisions (3), (4), (5) and (6) of quoted Section (V) on page 6.

Mr. Atwell moved to table the above amendment offered by Mr. Poerner to Article I of Committee Amendment No. 1.

A record vote was requested on the motion to table.

The motion to table was lost by the following vote:

Yeas—57

Atwell	McKissack
Blaine	McLaughlin
Blanton	Moore of Dallas
Braecklein	Moyer
Burnett	Musgrove
Calhoun	Nabers
Carrillo	Ogg
Cavness	Orr
Cobb	Parker of Denton
Cole	Pickens
Cory	Pickett
Cummings	Presnal
Davis of Harris	Price
Dickson	Salter
Finney	Schulle
Golman	Shannon, Joe, Jr.,
Hale	of Tarrant
Harding	Shannon, Tommy,
Hawkins	of Tarrant
Heatly	Sherman
Hinson	Slack
Hull	Solomon
Jones of Lubbock	Swanson
Jones of Taylor	Tarbox
Jungmichel	Traeger
Knapp	Ward
Lemmon	Wayne
Longoria	Wieting
McAlister	Wright
McDonald	

Nays—87

Abraham	Bass of Harris
Adams	Bass of Van Zandt
Allen of Harris	Beckham
Allen of Gregg	Bigham
Allred	Braun
Angly	Bray
Archer	Burgess
Armstrong	Caldwell
Atwood	Christian
Baker	Clark of Harris

Clayton	Moreno
Craddock	Muniz
Cruz	Murray
Daniel	Neugent
Davis of Travis	of Galveston
Dramberger	Newman
Earthman	Nichols
Evans	Niland
Farenthold	Nowlin
Finnell	Nugent of Kerr
Floyd	Parker
Garcia	of Jefferson
Graves	Patterson
Hannah	Poerner
Harris	Ratcliff
Hawn	Ray
Haynes	Reed
Head	Rosson
Hendricks	Salem
Holland	Sanchez
Holmes of Hood	Santiesteban
Holmes of Dallas	Semos
Howard	Slider
Hubenak	Smith
Johnson	Stewart
Jones of Harris	Stroud
Kothmann	Thomas
Kubiak	Truan
Lee	Uher
Ligarde	Vale
Lombardino	Vance
Lovell	Weldon
Moore of Hill	Williams
Moore	Williamson
of McLennan	Willis

## Present—Not Voting

Clark of Dallas

## Absent

Doran Kilpatrick

## Absent-Excused

Finck

## REASON FOR VOTE

August 7, 1969

On Record Vote No. 3 Representative James H. Clark, Jr., voted "Present-Not Voting" due to a conflict of interest under Art. 3, Sec. 22 of the Constitution of the State of Texas.

Signed: JAMES H. CLARK, JR.

## RECESS

Mr. Jones of Lubbock moved that the House recess until 1:30 o'clock p.m. today.

A record vote was requested on the motion to recess.

The vote of the House was taken on the motion to recess until 1:30 o'clock p.m. today and the vote was announced Yeas 76, Nays 69.

A verification of the vote was requested and was granted.

The roll of those voting Yea was again called and the verified vote resulted as follows:

## Yeas—77

Allen of Gregg	McAlister
Atwell	McDonald
Blaine	McKissack
Blanton	McLaughlin
Braecklein	Moore of Hill
Burnett	Moore of Dallas
Calhoun	Moyer
Carrillo	Murray
Clayton	Musgrove
Cobb	Nabers
Cole	Neugent
Cory	of Galveston
Cummings	Nugent of Kerr
Davis of Harris	Ogg
Davis of Travis	Orr
Dickson	Parker of Denton
Doran	Presnal
Finney	Price
Floyd	Ray
Garcia	Rosson
Golman	Salter
Hale	Sanchez
Harding	Schulle
Hawkins	Semos
Hawn	Shannon, Joe, Jr.,
Head	of Tarrant
Heatly	Shannon, Tommy,
Hendricks	of Tarrant
Hinson	Sherman
Holland	Slack
Hubenak	Slider
Hull	Solomon
Jones of Lubbock	Tarbox
Jones of Taylor	Traeger
Jungmichel	Uher
Knapp	Ward
Lemmon	Wayne
Ligarde	Wieting
Longoria	Willis
Lovell	Wright

## Nays—69

Abraham	Archer
Adams	Armstrong
Allen of Harris	Atwood
Allred	Baker
Angly	Bass of Harris

Bass of Van Zandt	Lombardino
Beckham	Moore
Bigham	of McLennan
Braun	Moreno
Bray	Muniz
Burgess	Newman
Caldwell	Nichols
Cavness	Niland
Christian	Nowlin
Clark of Harris	Parker
Craddick	of Jefferson
Cruz	Patterson
Daniel	Pickens
Dramberger	Pickett
Earthman	Poerner
Evans	Ratcliff
Farenthold	Reed
Finnell	Salem
Graves	Santiesteban
Hannah	Smith
Harris	Stewart
Haynes	Stroud
Holmes of Hood	Swanson
Holmes of Dallas	Thomas
Howard	Truan
Johnson	Vale
Jones of Harris	Vance
Kilpatrick	Weldon
Kothmann	Williams
Kubiak	Williamson
Lee	

**Absent**

Clark of Dallas

**Absent-Excused**

Finck

By unanimous consent, the House dispensed with the verification of those voting Nay.

The Speaker stated that the motion to recess until 1:30 o'clock p.m. today prevailed by the above vote.

The House accordingly, at 11:57 o'clock a.m., took recess until 1:30 o'clock p.m. today.

**AFTERNOON SESSION**

The House met at 1:30 o'clock p. m. and was called to order by the Speaker.

**HOUSE AT EASE**

The Speaker stated that the House would stand at ease temporarily.

(Mr. Nugent of Kerr in the Chair)

The Chair called the House to order at 1:34 o'clock p. m.

**RESOLUTIONS SIGNED BY THE SPEAKER**

The Chair announced the signing by the Speaker in the presence of the House, after giving due notice thereof and their captions had been read severally, the following enrolled resolutions:

S. C. R. No. 7, Commending Postmaster Granville W. Elder and the Houston Post Office for instituting a training program for deaf applicants.

S. C. R. No. 8, Congratulating John Worth Cloud of Albany, Texas.

(Speaker in the Chair)

**HOUSE BILL NO. 2 ON PASSAGE TO ENGROSSMENT**

The Speaker laid before the House, as pending business, on its passage to engrossment, H. B. No. 2, raising revenue for the support of state government; amending Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended.

The bill was read second time on this morning. Committee Amendment No. 1 and an amendment offered by Mr. Poerner to Committee Amendment No. 1, are pending at this time.

Mr. Nugent of Kerr offered the following substitute amendment for the pending amendment offered by Mr. Poerner to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by striking out of Section 13V(4), on Page 6, the words "refrigerators and washing and drying machines."

Signed: NUGENT of Kerr and CLAYTON

Mr. Poerner moved to table the above substitute amendment offered by Mr. Nugent of Kerr.

A record vote was requested on the motion to table.

The motion to table was lost by the following vote:

Yeas—67

Abraham	Angly
Adams	Archer
Allen of Harris	Armstrong
Allred	Atwood

Bass of Harris	Lombardino
Bass of Van Zandt	Moore
Beckham	of McLennan
Bigham	Moreno
Braun	Muniz
Bray	Neugent
Caldwell	of Galveston
Clark of Harris	Nichols
Craddick	Niland
Cruz	Nowlin
Daniel	Parker
Dramberger	of Jefferson
Earthman	Patterson
Evans	Poerner
Farenthold	Ratcliff
Graves	Reed
Hale	Salem
Hannah	Santiesteban
Harris	Semos
Haynes	Smith
Head	Solomon
Hendricks	Stewart
Holmes of Hood	Stroud
Holmes of Dallas	Swanson
Howard	Thomas
Johnson	Truan
Jones of Harris	Vale
Kilpatrick	Vance
Kothmann	Weldon
Kubiak	Williams
Lee	Williamson

## Nays—80

Mr. Speaker	Holland
Allen of Gregg	Hubenak
Atwell	Hull
Baker	Jones of Lubbock
Blaine	Jones of Taylor
Blanton	Jungmichel
Braecklein	Knapp
Burgess	Lemmon
Burnett	Ligarde
Calhoun	Longoria
Carrillo	Lovell
Cavness	McAlister
Christian	McDonald
Clayton	McKissack
Cobb	McLaughlin
Cole	Moore of Hill
Cory	Moore of Dallas
Cummings	Moyer
Davis of Harris	Murray
Davis of Travis	Musgrove
Dickson	Nabers
Doran	Newman
Finnell	Nugent of Kerr
Finney	Ogg
Floyd	Orr
Garcia	Parker of Denton
Golman	Pickens
Harding	Pickett
Hawkins	Presnal
Hawn	Price
Heatly	Ray
Hinson	Rosson

Salter	Slider
Sanchez	Tarbox
Schulle	Traeger
Shannon, Joe, Jr.,	Uher
of Tarrant	Ward
Shannon, Tommy,	Wayne
of Tarrant	Wieting
Sherman	Willis
Slack	Wright

## Absent

Clark of Dallas

## Absent-Excused

Finck

The substitute amendment offered by Mr. Nugent of Kerr was then adopted.

## RECORD OF VOTE

Mr. Kubiak requested to be recorded as voting "Nay" on the adoption of the above substitute amendment offered by Mr. Nugent of Kerr.

## CONSIDERATION OF

H. B. NO. 2

(Continued)

Mr. Smith moved that further consideration of H. B. No. 2 be postponed until next Monday, August 11, at 11:00 o'clock a.m.

Mr. Traeger moved to table the above motion by Mr. Smith to postpone further consideration of H. B. No. 2.

A record vote was requested.

The motion to table prevailed by the following vote:

## Yeas—98

Abraham	Cobb
Allen of Gregg	Cole
Angly	Cory
Archer	Craddick
Armstrong	Cummings
Atwell	Davis of Harris
Baker	Davis of Travis
Bass of Harris	Dickson
Blaine	Doran
Blanton	Dramberger
Braecklein	Earthman
Burgess	Finnell
Burnett	Finney
Caldwell	Floyd
Calhoun	Garcia
Carrillo	Golman
Cavness	Hale
Christian	Harding
Clark of Dallas	Hawkins
Clayton	Hawn



Head	Orr
Heatly	Parker of Denton
Hendricks	Patterson
Hinson	Pickens
Holland	Pickett
Holmes of Hood	Presnal
Hubenak	Price
Hull	Ray
Jones of Lubbock	Rosson
Jones of Taylor	Salter
Jungmichel	Sanchez
Knapp	Santiesteban
Lee	Schulle
Lemmon	Semos
Ligarde	Shannon, Joe, Jr., of Tarrant
Lombardino	Shannon, Tommy, of Tarrant
Longoria	Sherman
Lovell	Slack
McAlister	Slider
McDonald	Solomon
McLaughlin	Swanson
Moore of Hill	Tarbox
Moore of Dallas	Traeger
Moyer	Ward
Murray	Wieting
Musgrove	Williamson
Nabers	Willis
Newman	Wright
Nugent of Kerr	
Ogg	

Nays—48

Adams	Moore
Allen of Harris	of McLennan
Allred	Moreno
Atwood	Muniz
Bass of Van Zandt	Neugent
Beckham	of Galveston
Bigham	Nichols
Braun	Niland
Bray	Nowlin
Clark of Harris	Parker
Cruz	of Jefferson
Daniel	Ratcliff
Evans	Reed
Farenthold	Salem
Graves	Smith
Hannah	Stewart
Harris	Stroud
Haynes	Thomas
Holmes of Dallas	Truan
Howard	Uher
Johnson	Vale
Jones of Harris	Vance
Kilpatrick	Wayne
Kothmann	Weldon
Kubiak	Williams
McKissack	

Absent

Poerner

Absent-Excused

Finck

The amendment offered by Mr. Poerner, as substituted, was then adopted.

Mr. Cory offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill No. 2 as follows:

1. Strike the figures "1.04" on line 1 of page 22 of the Second Printing and insert the figures "1.035."

2. Strike the words "four percent (4%)" on line 47 of Page 25 of the Second Printing and insert the words "three and one-half percent (3.5%)."

The amendment offered by Mr. Cory was adopted without objection.

Mr. Atwell offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Hill No. 2 by adding after the word "property" on line 3, Page 6, the following:

" , except such services obtained through self-service coin-operated laundry and dry cleaning devices;"

The amendment offered by Mr. Atwell to Committee Amendment No. 1 was adopted without objection.

Mr. Musgrove offered the following amendment to Committee Amendment No. 1:

Amend Section 16 of Committee Amendment No. 1 to H. B. No. 2 to read as follows:

Sec. 16. Section (A), Article 20.021, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as last amended by Section 5, Chapter 2, Acts of the 60th Legislature, 1st Called Session, 1968, is amended to read as follows:

"(A) Every retailer shall add the sales tax imposed by Article 20.02 of this Chapter to his sale price and when added the tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase

price. It is further specified that where tangible personal property is segregated in contemplation of transfer of title or possession and is thereafter to be transported by common carrier from the seller to the buyer, with the price fixed FOB the seller's place of business, and with transportation charges separately stated, the tax herein imposed shall be computed only upon the basis of the charge for the tangible personal property itself, exclusive of the separately stated and independently fixed transportation charges. When the sale price shall involve a fraction of a dollar, the tax shall be added to the sale price upon the following schedule:

Amount of Sale	Tax
\$ .01 to \$ .13	No Tax
.14 to .41	.01
.42 to .69	.02
.70 to .97	.03
.98 to 1.25	.04
1.26 to 1.53	.05
1.54 to 1.81	.06
1.82 to 2.14	.07

Provided, that for successive brackets for this schedule in this paragraph, the tax shall be computed by multiplying three and one-half percent (3½%) times the amount of the sale. Any fraction of one cent (\$.01) which is less than one-half of one cent (\$.005) of tax shall not be collected. Any fraction of one cent (\$.01) of tax equal to one-half of one cent (\$.005) or more shall be collected as a whole cent (\$.01) of tax.

"When several taxable items are purchased together and at the same time, the tax shall be computed on the total amount of the several items less the amount paid for any article or item of tangible personal property specifically exempt under the provisions of Article 20.04 of this Chapter.

"The use of tokens or stamps for the purpose of collecting or of enforcing the collection of the tax imposed in this Chapter or for any other purpose in connection with such tax is prohibited."

The above amendment offered by Mr. Musgrove to Committee Amendment No. 1 was adopted without objection.

Mr. Smith offered the following

amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by striking out all of lines 10 through 14 of Page 6, Second Printing.

Mr. Nugent of Kerr moved to table the above amendment offered by Mr. Smith.

A record vote was requested on the motion to table.

The motion to table prevailed by the following vote:

Yeas—81

Mr. Speaker	McKissack
Atwell	McLaughlin
Baker	Moore of Hill
Bass of Harris	Moore of Dallas
Blaine	Moyer
Blanton	Murray
Braecklein	Musgrove
Burgess	Nabers
Burnett	Newman
Calhoun	Nugent of Kerr
Carrillo	Ogg
Cavness	Orr
Clark of Dallas	Parker of Denton
Clayton	Pickens
Cobb	Pickett
Cory	Presnal
Cummings	Price
Davis of Harris	Ray
Davis of Travis	Rosson
Dickson	Salter
Doran	Sanchez
Finnell	Schulle
Finney	Semos
Floyd	Shannon, Joe, Jr., of Tarrant
Golman	Shannon, Tommy, of Tarrant
Harding	Sherman
Hawkins	Slack
Hawn	Slider
Heatly	Solomon
Hinson	Swanson
Holland	Tarbox
Hull	Traeger
Jones of Lubbock	Uher
Jones of Taylor	Ward
Jungmichel	Wayne
Knapp	Wieting
Lemmon	Williamson
Ligarde	Willis
Longoria	Wright
Lovell	
McAlister	
McDonald	

Nays—67

Abraham	Adams
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Allen of Harris	Hubenak
Allen of Gregg	Johnson
Allred	Jones of Harris
Angly	Kilpatrick
Archer	Kothmann
Armstrong	Kubiak
Atwood	Lee
Bass of Van Zandt	Lombardino
Beckham	Moore
Bigham	of McLennan
Braun	Moreno
Bray	Muniz
Caldwell	Neugent
Christian	of Galveston
Clark of Harris	Nichols
Cole	Niland
Craddick	Nowlin
Cruz	Parker
Daniel	of Jefferson
Dramberger	Patterson
Earthman	Poerner
Evans	Ratcliff
Farenthold	Reed
Garcia	Salem
Graves	Santiesteban
Hale	Smith
Hannah	Stewart
Harris	Stroud
Haynes	Thomas
Head	Truan
Hendricks	Vale
Holmes of Hood	Vance
Holmes of Dallas	Weldon
Howard	Williams

Absent-Excused

Finck

Mr. Smith offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by striking out all of lines 3 and 4 on Page 6 of the Second Printing of the bill.

Signed: SMITH and ALLRED

Mr. Traeger moved to table the above amendment offered by Mr. Smith.

A record vote was requested on the motion to table.

The motion to table prevailed by the following vote:

Yeas—81

Mr. Speaker	Blaine
Atwell	Blanton
Bass of Harris	Braecklein

Burgess	Murray
Burnett	Musgrove
Calhoun	Nabers
Carrillo	Newman
Cavness	Niland
Clark of Dallas	Nugent of Kerr
Cobb	Ogg
Cole	Orr
Cory	Parker of Denton
Cummings	Patterson
Davis of Harris	Pickens
Dickson	Pickett
Doran	Presnal
Finney	Price
Floyd	Ray
Garcia	Rosson
Golman	Salter
Harding	Sanchez
Hawkins	Santiesteban
Heatly	Schulle
Hinson	Semos
Holland	Shannon, Joe, Jr.,
Hubenak	of Tarrant
Hull	Shannon, Tommy,
Jones of Lubbock	of Tarrant
Jones of Taylor	Sherman
Jungmichel	Slack
Knapp	Solomon
Lemmon	Swanson
Ligarde	Tarbox
Longoria	Traeger
Lovell	Uher
McAlister	Ward
McDonald	Wayne
McKissack	Wieting
McLaughlin	Williamson
Moore of Hill	Willis
Moore of Dallas	Wright
Moyer	

Nays—64

Abraham	Evans
Adams	Farenthold
Allen of Harris	Finnell
Allen of Gregg	Graves
Allred	Hale
Angly	Hannah
Archer	Harris
Armstrong	Hawn
Atwood	Head
Baker	Hendricks
Bass of Van Zandt	Holmes of Hood
Beckham	Holmes of Dallas
Bigham	Howard
Braun	Johnson
Bray	Jones of Harris
Caldwell	Kilpatrick
Clark of Harris	Kothmann
Craddick	Kubiak
Cruz	Lee
Daniel	Lombardino
Davis of Travis	Moore
Dramberger	of McLennan
Earthman	Moreno

Muniz	Slider
Neugent	Smith
of Galveston	Stewart
Nichols	Stroud
Nowlin	Thomas
Parker	Truan
of Jefferson	Vale
Poerner	Vance
Ratcliff	Weldon
Reed	Williams
Salem	

## Absent

Christian	Haynes
Clayton	

## Absent-Excused

Finck

Mr. Lee offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by deleting Subdivisions (1) (2) (3) (5) and (6) of quoted Section 13 on Pages 5 and 6.

Mr. Atwell moved to table the above amendment offered by Mr. Lee.

A record vote was requested on the motion to table.

The motion to table prevailed by the following vote:

## Yeas—90

Mr. Speaker	Doran
Allen of Gregg	Finnell
Angly	Finney
Armstrong	Floyd
Atwell	Garcia
Baker	Golman
Blaine	Hale
Blanton	Harding
Braecklein	Hawkins
Burgess	Hawn
Burnett	Haynes
Calhoun	Heatly
Carrillo	Hinson
Cavness	Holland
Clark of Dallas	Hubenak
Clayton	Hull
Cobb	Jones of Lubbock
Cole	Jones of Taylor
Cory	Jungmichel
Cummings	Kilpatrick
Davis of Harris	Knapp
Davis of Travis	Lemmon
Dickson	Ligarde

Longoria	Salter
Lovell	Sanchez
McAlister	Santiesteban
McDonald	Schulle
McKissack	Semos
McLaughlin	Shannon, Joe, Jr.,
Moore of Hill	of Tarrant
Moore of Dallas	Shannon, Tommy,
Moyer	of Tarrant
Murray	Sherman
Musgrove	Slack
Nabers	Slider
Newman	Solomon
Niland	Stewart
Nugent of Kerr	Swanson
Ogg	Tarbox
Orr	Traeger
Parker of Denton	Uher
Pickett	Ward
Presnal	Wayne
Price	Wieting
Ray	Williamson
Rosson	Wright

## Nays—56

Abraham	Kothmann
Adams	Kubiak
Allen of Harris	Lee
Allred	Lombardino
Archer	Moore
Atwood	of McLennan
Bass of Harris	Moreno
Bass of Van Zandt	Muniz
Beckham	Neugent
Bigham	of Galveston
Braun	Nichols
Bray	Nowlin
Caldwell	Parker
Clark of Harris	of Jefferson
Craddick	Patterson
Cruz	Pickens
Daniel	Poerner
Dramberger	Ratcliff
Earthman	Reed
Evans	Salem
Farenthold	Smith
Graves	Stroud
Hannah	Thomas
Harris	Truan
Head	Vale
Holmes of Hood	Vance
Holmes of Dallas	Weldon
Howard	Williams
Johnson	Willis
Jones of Harris	

## Absent

Christian	Hendricks
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## Absent-Excused

Finck

Mr. Traeger moved to limit the consideration of amendments to H. B. No. 2 to those amendments on the Speaker's Desk at present.

The motion was not seconded.

Mr. Smith offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by adding the following between line 14 and line 15 of the Second Printing of the bill:

"No sales tax shall be charged on service or repairs unless the total cost of the service or repair exceeds ten dollars (\$10.00)."

Mr. Nugent of Kerr moved to table the above amendment offered by Mr. Smith and the motion to table prevailed.

Mr. Traeger moved to reconsider the vote by which the motion to table the amendment offered by Mr. Smith prevailed.

The motion to reconsider the vote prevailed without objection.

A record vote was requested on the motion to table the amendment offered by Mr. Smith.

The motion to table the amendment offered by Mr. Smith prevailed by the following vote:

Yeas—93

Mr. Speaker	Cory
Allen of Gregg	Cummings
Angly	Davis of Harris
Archer	Davis of Travis
Armstrong	Dickson
Atwell	Doran
Baker	Earthman
Bass of Harris	Finnell
Blaine	Finney
Blanton	Floyd
Braecklein	Garcia
Burgess	Golman
Burnett	Hale
Calhoun	Harding
Carrillo	Hawkins
Cavness	Hawn
Clark of Dallas	Heatly
Clayton	Hendricks
Cobb	Hinson
Cole	Holland

Hull	Presnal
Jones of Lubbock	Price
Jones of Taylor	Ray
Jungmichel	Rosson
Knapp	Salter
Lee	Sanchez
Lemmon	Santiesteban
Longoria	Schulle
Lovell	Semos
McAlister	Shannon, Joe, Jr.,
McDonald	of Tarrant
McKissack	Shannon, Tommy,
McLaughlin	of Tarrant
Moore of Hill	Sherman
Moore of Dallas	Slack
Moyer	Slider
Murray	Solomon
Musgrove	Swanson
Nabers	Tarbox
Newman	Traeger
Niland	Uher
Nugent of Kerr	Ward
Ogg	Wayne
Orr	Wieting
Parker of Denton	Williamson
Patterson	Willis
Pickens	Wright
Pickett	

Nays—54

Abraham	Jones of Harris
Adams	Kilpatrick
Allen of Harris	Kothmann
Allred	Kubiak
Atwood	Lombardino
Bass of Van Zandt	Moore
Beckham	of McLennan
Bigham	Moreno
Braun	Muniz
Bray	Neugent
Caldwell	of Galveston
Christian	Nichols
Clark of Harris	Nowlin
Craddick	Parker
Cruz	of Jefferson
Daniel	Poerner
Dramberger	Ratcliff
Evans	Reed
Farenthold	Salem
Graves	Smith
Hannah	Stewart
Harris	Stroud
Haynes	Thomas
Head	Truan
Holmes of Hood	Vale
Holmes of Dallas	Vance
Howard	Weldon
Hubenak	Williams
Johnson	

Absent

Ligarde

## Absent-Excused

Finck

There being no further amendments to Article I of Committee Amendment No. 1 to H. B. No. 2, Article I was then adopted.

Mr. Cory moved to reconsider the vote by which Article I of Committee Amendment No. 1 was adopted and to table the motion to reconsider.

The motion to table prevailed.

## REASON FOR VOTE

Mr. Speaker:

I would like to place the following statement in the House Journal:

If a record vote had been had on the adoption of Section I of the tax bill, to increase the sales tax, I would have voted "No" because I feel that at this time sufficient funds can be raised by other tax measures than by raising the sales tax.

Signed: JOHN WRIGHT

## RECORD OF VOTES

Mr. Archer, Mr. Lee, Mr. Pickens, Mr. Nugent of Kerr and Mr. Adams requested to be recorded as voting "Nay" on the adoption of Article I of Committee Amendment No. 1 to H. B. No. 2.

CONSIDERATION OF H. B. NO. 2  
(Continued)

The House proceeded to the consideration of Article II.

Mr. Williamson offered the following amendment to Article II of Committee Amendment No. 1 to H. B. No. 2:

Amend the Committee Substitute to H. B. No. 2 by: (1) deleting Article II, and renumbering the remaining Articles accordingly.

Mr. Atwell moved to table the above amendment offered by Mr. Williamson and the motion to table prevailed.

A record vote was requested on the adoption of Article II of Committee Amendment No. 1 to H. B. No. 2.

Article II was adopted by the following vote:

## Yeas—104

Mr. Speaker	Longoria
Adams	Lovell
Allen of Gregg	McAlister
Allred	McDonald
Angly	McKissack
Armstrong	McLaughlin
Atwell	Moore of Hill
Baker	Moore of Dallas
Beckham	Moyer
Bigham	Murray
Blaine	Musgrove
Blanton	Nabers
Braecklein	Neugent
Burgess	of Galveston
Burnett	Newman
Caldwell	Niland
Calhoun	Nowlin
Carrillo	Nugent of Kerr
Cavness	Ogg
Christian	Orr
Clark of Dallas	Parker
Clayton	of Jefferson
Cobb	Parker of Denton
Cole	Patterson
Cory	Pickett
Cummings	Poerner
Daniel	Presnal
Davis of Harris	Price
Davis of Travis	Ratcliff
Dickson	Ray
Doran	Salem
Dramberger	Salter
Finnell	Sanchez
Floyd	Santiesteban
Garcia	Schulle
Golman	Semos
Hannah	Shannon, Joe, Jr.,
Harding	of Tarrant
Hawkins	Shannon, Tommy,
Hawn	of Tarrant
Heatly	Sherman
Hendricks	Slack
Hinson	Slider
Holland	Solomon
Howard	Stewart
Hubenak	Stroud
Hull	Tarbox
Jones of Taylor	Thomas
Jungmichel	Uher
Kilpatrick	Ward
Knapp	Wayne
Kubiak	Wieting
Lemmon	Willis
Lombardino	Wright

Nays—37

Abraham	Johnson
Allen of Harris	Jones of Harris
Archer	Kothmann
Atwood	Lee
Bass of Harris	Moore
Braun	of McLennan
Bray	Moreno
Clark of Harris	Muniz
Craddick	Nichols
Cruz	Pickens
Earthman	Reed
Evans	Rosson
Farenthold	Smith
Graves	Swanson
Hale	Truan
Harris	Vale
Haynes	Weldon
Head	Williams
Holmes of Hood	Williamson

Absent

Bass of Van Zandt	Ligarde
Finney	Traeger
Holmes of Dallas	Vance
Jones of Lubbock	

Absent-Excused

Finck

The House proceeded to the consideration of Article III.

Mr. Williamson offered the following amendment to Article III:

Amend the committee substitute to H. B. No. 2 by (1) deleting Article 3 and renumbering the remaining Articles accordingly.

Mr. Atwell moved to table the above amendment offered by Mr. Williamson.

A record vote was requested on the motion to table.

The motion to table the above amendment offered by Mr. Williamson was lost by the following vote:

Yeas—45

Allen of Harris	Braecklein
Archer	Bray
Armstrong	Clark of Dallas
Atwell	Dickson
Blaine	Earthman
Blanton	Garcia

Golman	Moyer
Hale	Nowlin
Harding	Ogg
Hawn	Orr
Head	Parker of Denton
Heatly	Ratcliff
Hull	Schulle
Jones of Lubbock	Semos
Jones of Harris	Shannon, Tommy,
Jungmichel	of Tarrant
Kothmann	Sherman
Lee	Slider
Lemmon	Stroud
Lombardino	Tarbox
McKissack	Traeger
McLaughlin	Wieting
Moore of Dallas	Willis

Nays—99

Adams	Holmes of Dallas
Allen of Gregg	Howard
Allred	Hubenak
Angly	Johnson
Atwood	Jones of Taylor
Baker	Kilpatrick
Bass of Harris	Knapp
Bass of Van Zandt	Kubiak
Beckham	Ligarde
Bigham	Longoria
Braun	Lovell
Burgess	McAlister
Burnett	McDonald
Caldwell	Moore of Hill
Calhoun	Moore
Carrillo	of McLennan
Cavness	Moreno
Christian	Muniz
Clark of Harris	Murray
Clayton	Musgrove
Cole	Nabers
Cory	Neugent
Craddick	of Galveston
Cruz	Newman
Cummings	Nichols
Daniel	Niland
Davis of Harris	Nugent of Kerr
Davis of Travis	Parker
Doran	of Jefferson
Dramberger	Patterson
Evans	Pickens
Farenthold	Pickett
Finnell	Poerner
Finney	Presnal
Floyd	Price
Graves	Ray
Hannah	Reed
Harris	Rosson
Hawkins	Salem
Haynes	Salter
Hendricks	Sanchez
Hinson	Santiesteban
Holland	Shannon, Joe, Jr.,
Holmes of Hood	of Tarrant

Slack	Vale
Smith	Vance
Solomon	Ward
Stewart	Weldon
Swanson	Williams
Thomas	Williamson
Truan	Wright
Uher	

Absent

Abraham	Wayne
Cobb	

Absent-Excused

Finck

The amendment offered by Mr. Williamson to Article III was then adopted.

Mr. Williamson moved to reconsider the vote by which the above amendment offered by himself was adopted and to table the motion to reconsider.

The motion to table prevailed.

The House then proceeded to the consideration of Article IV.

Article IV was adopted without objection.

The House proceeded to the consideration of Article V.

There were no amendments offered to Article V.

A record vote was requested on the adoption of Article V.

Article V was adopted by the following vote:

Yeas—88

Mr. Speaker	Cobb
Angly	Cole
Archer	Cory
Atwell	Craddick
Baker	Cummings
Blaine	Davis of Harris
Blanton	Davis of Travis
Braecklein	Dickson
Burnett	Dramberger
Calhoun	Earthman
Cavness	Finnell
Christian	Finney
Clark of Dallas	Floyd
Clayton	Golman

Harding	Ogg
Hawn	Orr
Head	Parker of Denton
Heatly	Patterson
Hinson	Presnal
Holland	Price
Holmes of Hood	Ratcliff
Howard	Ray
Hubenak	Rosson
Hull	Sanchez
Jones of Lubbock	Santiesteban
Jones of Harris	Schulle
Jones of Taylor	Semos
Jungmichel	Shannon, Joe, Jr., of Tarrant
Knapp	Shannon, Tommy, of Tarrant
Kothmann	Sherman
Lee	Slack
Lemmon	Slider
Lombardino	Solomon
McAlister	Stroud
McDonald	Swanson
McKissack	Tarbox
McLaughlin	Traeger
Moore of Hill	Ward
Moore of Dallas	Wayne
Moyer	Wieting
Murray	Williamson
Musgrove	Willis
Nabers	Wright
Neugent of Galveston	
Newman	

Nays—57

Adams	Kilpatrick
Allen of Harris	Kubiak
Allen of Gregg	Ligarde
Allred	Longoria
Armstrong	Lovell
Atwood	Moore of McLennan
Bass of Harris	Moreno
Bass of Van Zandt	Muniz
Beckham	Nichols
Bigham	Nowlin
Braun	Nugent of Kerr
Bray	Parker of Jefferson
Caldwell	Pickens
Carrillo	Pickett
Clark of Harris	Poerner
Cruz	Reed
Doran	Salem
Evans	Salter
Farenthold	Smith
Finck	Stewart
Garcia	Thomas
Graves	Truan
Hale	Uher
Hannah	Vale
Harris	Vance
Hawkins	Weldon
Haynes	Williams
Hendricks	
Holmes of Dallas	
Johnson	



Absent

Abraham Daniel  
Burgess Niland

Mr. Traeger moved to reconsider the vote by which Article V was adopted and to table the motion to reconsider.

The motion to table prevailed.

The House proceeded to the consideration of Article VI.

There were no amendments offered to Article VI.

A record vote was requested on the adoption of Article VI.

Article VI was adopted by the following vote:

Yeas—115

Mr. Speaker	Golman
Adams	Hale
Allen of Gregg	Hannah
Allred	Harding
Angly	Hawkins
Archer	Hawn
Armstrong	Heatly
Atwell	Hendricks
Atwood	Hinson
Baker	Holland
Bass of Harris	Holmes of Hood
Bass of Van Zandt	Holmes of Dallas
Beckham	Howard
Blaine	Hubenak
Braecklein	Hull
Burgess	Jones of Lubbock
Burnett	Jones of Taylor
Calhoun	Jungmichel
Carrillo	Knapp
Cavness	Kothmann
Christian	Kubiak
Clayton	Lemmon
Cobb	Lombardino
Cole	Longoria
Cory	Lovell
Cruz	McAlister
Cummings	McDonald
Davis of Harris	McKissack
Davis of Travis	McLaughlin
Dickson	Moore of Hill
Doran	Moore of Dallas
Dramberger	Moyer
Earthman	Muniz
Evans	Murray
Finck	Musgrove
Finnell	Nabers
Finney	Neugent
Floyd	of Galveston
Garcia	Newman

Nugent of Kerr	Shannon, Joe, Jr.,
Ogg	of Tarrant
Orr	Shannon, Tommy,
Parker	of Tarrant
of Jefferson	Sherman
Parker of Denton	Slack
Patterson	Slider
Pickens	Solomon
Pickett	Stewart
Poerner	Stroud
Presnal	Tarbox
Price	Thomas
Ratcliff	Traeger
Ray	Uher
Reed	Ward
Rosson	Wayne
Salter	Wieting
Sanchez	Williamson
Santiesteban	Willis
Schulle	Wright
Semos	

Nays—29

Allen of Harris	Lee
Bigham	Ligarde
Braun	Moore
Bray	of McLennan
Caldwell	Moreno
Clark of Harris	Nichols
Clark of Dallas	Niland
Craddick	Nowlin
Farenthold	Salem
Graves	Swanson
Harris	Truan
Haynes	Vale
Head	Vance
Jones of Harris	Weldon
Kilpatrick	Williams

Absent

Abraham	Johnson
Blanton	Smith
Daniel	

Mr. Traeger moved that further consideration of amendments to H. B. No. 2 be limited to those amendments now on the Speaker's Desk.

The motion was seconded.

The motion to limit the consideration of amendments to H. B. No. 2 then prevailed.

Mr. Traeger moved to reconsider the vote by which the above motion to limit the consideration of amendments to H. B. No. 2 prevailed and to table the motion to reconsider.

The motion to table prevailed.

The House proceeded to the consideration of Article VII.

Mr. Williamson offered the following amendment to Article VII:

Amend the committee substitute to H. B. No. 2 by amending Section 1 of Article 7 by amending Subdivision (2) of Section (a) of quoted Article 26.01 by inserting between the words "charge" and "to" a comma and "or any other minimum or cover charge,"

Mr. Cory moved to table the above amendment offered by Mr. Williamson, and the motion to table prevailed.

A record vote was requested on the adoption of Article VII.

Article VII was adopted by the following vote:

Yeas—107

Mr. Speaker	Hannah
Adams	Harding
Allen of Gregg	Hawkins
Allred	Hawn
Angly	Haynes
Armstrong	Heatly
Atwell	Hinson
Baker	Holland
Bass of Harris	Holmes of Hood
Bass of Van Zandt	Holmes of Dallas
Beckham	Howard
Blaine	Hubenak
Blanton	Hull
Burgess	Jones of Lubbock
Burnett	Jungmichel
Calhoun	Knapp
Carrillo	Kubiak
Cavness	Lemmon
Christian	Ligarde
Clark of Dallas	Longoria
Clayton	Lovell
Cobb	McAlister
Cole	McDonald
Cory	McKissack
Cummings	McLaughlin
Daniel	Moore of Hill
Davis of Harris	Moyer
Davis of Travis	Murray
Dickson	Musgrove
Doran	Nabers
Finck	Neugent
Finnell	of Galveston
Finney	Newman
Floyd	Niland
Golman	Nugent of Kerr
Hale	Ogg

Orr	Shannon, Tommy, of Tarrant
Parker of Denton	Sherman
Patterson	Slack
Pickens	Slider
Pickett	Solomon
Poerner	Stewart
Presnal	Stroud
Price	Swanson
Ratcliff	Tarbox
Ray	Thomas
Reed	Traeger
Rosson	Uher
Salter	Ward
Sanchez	Wayne
Santiesteban	Wieting
Schulle	Williamson
Semos	Willis
Shannon, Joe, Jr., of Tarrant	Wright

Nays—36

Allen of Harris	Johnson
Archer	Jones of Harris
Atwood	Kilpatrick
Bigham	Kothmann
Braecklein	Lee
Braun	Lombardino
Bray	Moore
Caldwell	of McLennan
Clark of Harris	Moreno
Craddick	Muniz
Cruz	Nichols
Dramberger	Nowlin
Earthman	Parker
Evans	of Jefferson
Farenthold	Salem
Garcia	Truan
Graves	Vale
Harris	Weldon
Head	Williams

Present—Not Voting

Abraham

Absent

Jones of Taylor	Smith
Moore of Dallas	Vance

Absent-Excused

Hendricks

PAIRED

Mr. Abraham (present), who would vote "nay" with Mr. Hendricks (absent) who would vote "yea."

LEAVE OF ABSENCE GRANTED

Mr. Hendricks was granted leave of absence for the remainder of the

day on account of illness, on motion of Mr. Beckham.

**CONSIDERATION OF H. B. NO. 2**  
(Continued)

The House proceeded to the consideration of Article VIII.

Mr. Williamson offered the following amendment to Article VIII:

Amend the Committee Substitute to H. B. No. 2 by deleting Section 4 of Article 8, and

Mr. Cory moved to table the above amendment offered by Mr. Williamson, and the motion to table prevailed.

Article VIII was then adopted without objection.

The House proceeded to the consideration of Article IX.

There were no amendments offered to Article IX.

Article IX was adopted without objection.

Mr. Truan offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to H. B. No. 2 by adding a new article to be numbered appropriately and to read as follows:

**ARTICLE \_\_\_\_\_ .**

Section \_\_\_\_ Section 1, Chapter 620, Acts of the 51st Legislature, Regular Session, 1949, as amended by Section XVIII, Chapter 402, Acts of the 52nd Legislature, 1951 (Article 7064a, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 1. Every group of individuals, society, association, group hospital service plan, or corporation (all of which shall be deemed included in the term 'insurance organization' wherever used in this Act) organized under the laws of this State and transacting the business of life insurance, personal accident insurance, life and accident insurance, or health and accident insurance for profit or otherwise, or for mutual benefit, or protection in this State shall on or

before the first day of March of each year file its annual statement showing the gross amount of premiums collected during the year ending December 31st, preceding, from persons residing or domiciled in this State on policies of insurance, and showing in separate columns the first-year premiums and the renewal premiums collected on such Texas policies, and each such insurance organization, except local mutual aid associations, fraternal benefit societies, and fraternal insurance associations or societies that limit their membership to one (1) occupation, shall pay an annual tax of 1.1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas on policies of insurance. Each such insurance organization shall also report to the Board of Insurance Commissioners on or before the first day of March of each year the amount that it had invested on the 31st day of December, preceding, in Texas securities as defined by Article 4766 of the Revised Civil Statutes of Texas, 1925, as amended; provided, however, that all such insurance companies whose gross premium receipts are less than Four Hundred and Fifty Thousand Dollars (\$450,000) for the preceding year ending December 31st, wherever and irrespective of from whom collected, according to its annual statement which shall disclose such information, shall pay a tax of 55/80 of 1% of the gross amount of premiums collected during such year from persons residing or domiciled in the State of Texas except as to first-year premiums as provided herein; provided, however, that the gross premium taxes herein imposed shall not be applicable to first-year premiums; and provided further that where any policy is written on a term plan only the premium collected during the first year shall be deducted on such policy or any renewal, extension or substitution thereof by the company issuing such term policy, and providing further that the amount of all examination and valuation fees paid in such taxable year to or for the use of the State of Texas by any insurance organization hereby affected shall be allowed as a credit on the amount of premium taxes to be paid by any such insurance organization for such taxable

year. Such gross premium receipts so reported shall not include premiums received from other licensed companies for reinsurance of business in Texas and there shall be no deduction for premiums paid for reinsurance. If any such insurance organization does more than one (1) kind of insurance business, then it shall pay the tax herein levied upon the gross premiums on each kind of insurance written. The report of the gross premium receipts and the invested assets shall be made upon the sworn statement of two (2) principal officers.

"Upon receipt by it of the sworn statement above provided, the Board of Insurance Commissioners shall certify to the State Treasurer the amount of taxes due by such insurance organization which shall be paid to the State Treasurer on or before the 15th day of March, following, and the State Treasurer shall issue his receipt therefor as evidence of the payment of such tax. Such taxes shall be for and on account of business transacted within this State during the calendar year ending December 31st, in which such premiums were collected, or for that portion of the year during which the insurance organization transacted business in this State. The taxes aforesaid shall constitute all taxes and license fees collectible under the laws of this State from any such insurance organization, organized under the laws of this State, except, and only except unemployment compensation taxes levied under Senate Bill No. 5, passed at the Third Called Session of the Forty-fourth Legislature and amendments thereto; and the fees provided for under Article 3920 of the Revised Civil Statutes of Texas, 1925, the deposit fees prescribed by that Article and amendments thereto; and in case of companies writing workman's compensation insurance, the taxes otherwise provided by law on account of such business; and no other taxes shall be levied or collected by the State or any county, city or town except State, county, and municipal ad valorem taxes upon real or personal properties of such insurance organization."

Mr. Cory moved to table the above amendment offered by Mr. Truan.

A record vote was requested on the motion to table.

The motion to table the above amendment offered by Mr. Truan prevailed by the following vote:

Yeas—84

Abraham	Jungmichel
Adams	Kothmann
Allen of Gregg	Lee
Angly	Lombardino
Archer	Longoria
Armstrong	Lovell
Atwell	McAlister
Atwood	McDonald
Bass of Harris	McKissack
Blaine	Moore of Hill
Blanton	Moore of Dallas
Braecklein	Moyer
Burgess	Murray
Burnett	Nabers
Cavness	Neugent
Christian	of Galveston
Clark of Dallas	Newman
Clayton	Niland
Cobb	Nowlin
Cory	Nugent of Kerr
Craddick	Ogg
Cummings	Pickens
Davis of Harris	Presnal
Davis of Travis	Ray
Dickson	Rosson
Doran	Sanchez
Dramberger	Shannon, Joe, Jr.,
Evans	of Tarrant
Finck	Shannon, Tommy,
Finney	of Tarrant
Garcia	Sherman
Golman	Slack
Harding	Slider
Hawkins	Solomon
Hawn	Tarbox
Head	Traeger
Heatly	Uher
Hinson	Vale
Holmes of Hood	Ward
Howard	Wayne
Hull	Wieting
Johnson	Willis
Jones of Lubbock	Wright
Jones of Taylor	

Nays—57

Allen of Harris	Carrillo
Allred	Clark of Harris
Baker	Cole
Beckham	Cruz
Bigham	Daniel
Braun	Earthman
Bray	Farenthold
Caldwell	Finnell

Floyd	Orr
Graves	Parker
Hale	of Jefferson
Hannah	Patterson
Harris	Pickett
Haynes	Poerner
Holland	Price
Holmes of Dallas	Ratcliff
Hubenak	Reed
Jones of Harris	Salem
Kilpatrick	Santiesteban
Knapp	Schulle
Kubiak	Semos
Lemmon	Smith
Ligarde	Stewart
McLaughlin	Stroud
Moore	Swanson
of McLennan	Thomas
Moreno	Truan
Muniz	Weldon
Musgrove	Williams
Nichols	

Absent

Bass of Van Zandt	Salter
Calhoun	Vance
Parker of Denton	Williamson

Absent-Excused

Hendricks

Mr. Williamson offered the following amendment to Committee Amendment No. 1 to H. B. No. 2:

Amend Committee Amendment No. 1 to H. B. No. 2 by adding a new Article to be numbered appropriately to read as follows and renumbering other Articles as necessary:

ARTICLE\_\_\_\_\_.

Section 21, Article I, Texas Liquor Control Act, as last amended by Section 2(1), Chapter 1, Acts of the 56th Legislature, 3rd Called Session, 1959 (Article 666-21, Vernon's Texas Penal Code), is amended to read as follows:

"Section 21. (1) There is hereby levied and imposed on the first sale in addition to the other fees and taxes levied by this Act the following:

"(a) A tax of Two Dollars (\$2) per gallon on each gallon of distilled spirits, providing the minimum tax on any package of distilled spirits shall be \$0.20.

"(b) A tax of \$0.132 on each gallon of vinous liquor that does not contain over fourteen per cent (14%) of alcohol by volume.

"(c) A tax of \$0.264 on each gallon of vinous liquor containing more than fourteen per cent (14%) and not more than twenty-four per cent (24%) of alcohol by volume.

"(d) A tax of \$0.330 on each gallon of artificially carbonated and natural sparkling vinous liquor.

"(e) A tax of \$0.660 on each gallon of vinous liquor containing alcohol in excess of twenty-four per cent (24%) by volume.

"(f) A tax of \$0.165 on each gallon of malt liquor containing alcohol in excess of four per cent (4%) by weight.

"(2) The term 'first sale' as used in Article I of this Act shall mean and include the first sale, possession, distribution, or use in this State of any and all liquor refined, blended, manufactured, imported into, or in any other manner produced or acquired, possessed, or brought into this State.

"(3) The tax herein levied shall be paid by affixing a stamp or stamps on each bottle or container of liquor, except malt liquor; said stamps shall be affixed in strict accordance with any rule or regulation promulgated in pursuance of this Act; provided, however, any holder of a permit as a retail dealer as that term is defined herein shall be held liable for any tax due on any liquor sold on which the tax has not been paid.

"(4) It shall be the duty of each person who makes a first sale of any liquor in this State, except malt liquor, to affix said stamps on each bottle or container of liquor and to cancel the same in accordance with any rule and regulation of the Board. The Board shall have power to relax the foregoing provision when in its judgment it would be impracticable to require the affixing of such stamp on the bottle or container, irrespective of any other provision of this Act. And any person,

persons, or association who violates any portion of this Section shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than One Hundred Dollars (\$100) nor more than One Thousand Dollars (\$1,000), or by imprisonment in the county jail for not less than thirty (30) days nor more than one (1) year. Every holder of a permit authorizing the wholesaling of liquor, upon receipt of a shipment of liquor for sale within this State, under the provisions of this Act, shall prepare and furnish such information and such reports as may be required by rules and regulations of the Board. Any person authorized to export liquor from this State having in his possession any liquor intended for shipment to any place without the State, shall keep such liquors in a separate compartment from that of liquors intended for sale within the State so that the same may be easily inspected and shall attach to each such package of liquor so intended for shipment without the State a stamp of the kind and character that shall be required by proper rule or regulation denoting that the same is not intended for sale within the State. When such liquors are so kept and so stamped, no tax on account thereof shall be charged. For defraying the expenses thereof, a charge of twenty-five cents (25¢) shall be made for every such stamp, except that a charge of ten cents (10¢) shall be made for each such stamp placed on vinous or malt liquors of twenty-four per cent (24%) alcoholic content or less. All such permittees authorized to transport liquor beyond the boundaries of this State shall furnish to the Board duplicate copies of all invoices for the sale of such liquors, within twenty-four (24) hours after such liquors have been removed from their place of business."

Mr. Hale moved to table the above amendment offered by Mr. Williamson.

A record vote was requested on the motion to table.

The motion to table prevailed by the following vote:

Yeas—86

Abraham Allen of Harris

Allen of Gregg  
Archer  
Armstrong  
Atwell  
Atwood  
Bass of Harris  
Blaine  
Blanton  
Braecklein  
Braun  
Bray  
Burnett  
Carrillo  
Cobb  
Cory  
Craddick  
Cruz  
Cummings  
Davis of Harris  
Dickson  
Dramberger  
Earthman  
Farenthold  
Finck  
Finney  
Floyd  
Garcia  
Golman  
Hale  
Harding  
Harris  
Haynes  
Hubenak  
Hull  
Johnson  
Jones of Harris  
Jungmichel  
Kilpatrick  
Kothmann  
Lee  
Lemmon  
Ligarde  
Lombardino  
Longoria  
McDonald  
McKissack  
McLaughlin  
Moore of Dallas  
Moreno  
Moyer  
Muniz  
Murray  
Neugent  
of Galveston  
Newman  
Nichols  
Niland  
Nowlin  
Nugent of Kerr  
Ogg  
Parker  
of Jefferson  
Patterson  
Pickens  
Pickett  
Poerner  
Price  
Ratcliff  
Salem  
Sanchez  
Santiesteban  
Schulle  
Semos  
Shannon, Joe, Jr.,  
of Tarrant  
Shannon, Tommy,  
of Tarrant  
Sherman  
Slack  
Smith  
Stroud  
Swanson  
Truan  
Uher  
Vale  
Vance  
Weldon  
Willis

Nays—58

Adams  
Allred  
Angly  
Baker  
Bass of Van Zandt  
Beckham  
Bigham  
Caldwell  
Calhoun  
Cavness  
Christian  
Clark of Harris  
Clark of Dallas  
Clayton  
Cole  
Daniel  
Davis of Travis  
Evans  
Finnell  
Graves  
Hannah  
Hawkins  
Hawn  
Head  
Heatly  
Hinson  
Holland  
Holmes of Hood  
Holmes of Dallas  
Howard  
Jones of Lubbock  
Jones of Taylor  
Knapp  
Kubiak

Lovell	Slider
McAlister	Solomon
Moore of Hill	Stewart
Moore	Tarbox
of McLennan	Thomas
Musgrove	Traeger
Nabers	Ward
Orr	Wayne
Presnal	Wieting
Ray	Williams
Reed	Williamson
Rosson	Wright
Salter	

**Absent**

Burgess	Parker of Denton
Doran	

**Absent-Excused**

Hendricks

Mr. Doran offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill No. 2 by adding a new Article appropriately numbered to read as follows:

**ARTICLE \_\_\_\_\_**

Section 1. Subsection A, Section 21½, Article I, Texas Liquor Control Act, as added by Section 17, Chapter 38, Acts of the 61st Legislature, Regular Session, 1969 (Article 666-21½, Vernon's Texas Penal Code), is amended to read as follows:

"A. The power granted to the Texas Liquor Control Board by Section 21, Article I, Texas Liquor Control Act, as heretofore amended, the same being that provision codified as Article 666-21 of Vernon's Texas Penal Code, to relax the provisions requiring the affixing of a stamp or stamps on each bottle or container of liquor at the time of 'first sale' as means of payment of the taxes levied, is hereby clarified and restricted to the extent that such power shall hereafter be exercised in conformity with the following provisions:

"1. Unless the Board by specific order requires the payment of taxes by the affixing of stamps to bottles or containers, any holder of a permit authorizing the importation into this state of any liquor, other than ale

or malt liquor, shall pay the tax or taxes levied thereon by the laws of this state by the reporting system under bond in compliance with the following provisions:

"(a) The Board shall require of each holder of a permit authorizing the importation into this state of liquor a bond or bonds executed by the permit holder as principal and a surety company duly qualified and doing business in this state as surety, and said bond or bonds shall be made payable to the State of Texas and conditioned as the Board may require and approved by the Attorney General of Texas as to form. Said bond or bonds shall be in such amount as will adequately protect the State of Texas against the anticipated tax liability of the principal during any six (6) weeks' period.

"(b) The tax on liquor, other than ale or malt liquor, imported into this state, shall become due and payable and shall be paid by the permit holder on or before the 15th day of the month following that month in which the liquor was imported into this state.

"(c) The tax shall be computed in accordance with the applicable provision or provisions in Section 21, Article I, Texas Liquor Control Act, and remittance therefor made payable to the State Treasurer shall be due at the office of the Texas Liquor Control Board in Austin, Travis County, Texas, on or before the 15th day of the month due less two per cent (2%) of the amount due which shall be withheld by the permit holder for the keeping of records, furnishing of bonds, and properly accounting for the remittance of the tax due; provided, however, that no allowance shall be granted or permitted when the tax is delinquent at the time of payment.

"(d) Such sworn statements of taxes due as may be required by the Board, and remittances therefor made payable to the State Treasurer, shall be forwarded to the Board each month not later than the due date set out herein. All such remittances shall be turned over by the Board to the State Treasurer for allocation in conformity with the terms of Section 46, Article I, Texas Liquor Control Act.

"(e) If any permit holder, in computing and paying the tax due, through oversight, mistake, error, or miscalculation, has paid more tax than is legally due, the permit holder who paid such excess tax shall be entitled to a refund thereof, and a claim for such refund may be made at the time and in the manner prescribed by the Board or Administrator, and such excess tax shall be refunded to the permit holder who has paid the same, or credit may be allowed on future tax payment. Refunds for overpayments of tax may be made by the Board from the revenues derived from the collection of the tax before the same has been allocated, and so much of such funds as may be necessary is hereby appropriated for that purpose.

"(f) The permit holder shall report to the Board each receipt of shipment of liquor, other than ale and malt liquor, for sale within this state, under the provisions of this Act, and shall prepare and furnish any such further information and such reports as may be required by rules and regulations of the Board.

"(g) In any suit brought to enforce the collection of any tax owed by a permit holder, a certificate by the Board or Administrator showing the deficiency shall be prima facie evidence of the levy of tax or the delinquency of the amount of tax and penalty set forth therein and compliance by the Board with all provisions of this Act in relation to the computation and levy of the tax.

"2. It is not intended that the tax levied in Section 21 of Article I of the Texas Liquor Control Act shall be collected on liquor shipped out of this state for consumption outside this state or sold aboard ship for ship's supplies, and the Board shall provide forms for obtaining exemption from or credit for such taxes and shall provide by rule and regulation for equitable and final disposition of any tax credit brought about by such payment of any such unintended or excess tax.

"3. Every Wholesaler's Permit holder converting to payment of taxes by the reporting system under bond as specified in paragraph 1 above, shall on the effective date of

this Act or at such date as may be specified by the Board, render and submit to the Texas Liquor Control Board at Austin, Travis County, Texas, a true and correct inventory of all liquors, other than ale or malt liquor, within his possession, setting forth in detail the size of the containers and the quantity thereof and stating therein whether or not stamps have been affixed to the containers. The inventory shall also contain a statement as to the number of stamps which the permit holder may have on hand which have not been affixed to bottles or containers. The sworn inventory shall be rendered upon a form to be prescribed and furnished by the Texas Liquor Control Board. The value of any unused stamps may be refunded by the Board in the same manner as refunds are made under the circumstances specified in Section 45(d) of Article I of the Texas Liquor Control Act."

Mr. Hale moved to table the above amendment offered by Mr. Doran.

A record vote was requested on the motion to table.

The motion to table prevailed by the following vote:

Yeas—93

Allen of Harris	Golman
Allred	Graves
Angly	Hale
Archer	Harris
Armstrong	Hawn
Atwell	Haynes
Atwood	Holland
Bass of Harris	Holmes of Dallas
Beckham	Hubenak
Bigham	Hull
Blaine	Johnson
Blanton	Jones of Lubbock
Braecklein	Jones of Harris
Braun	Jungmichel
Bray	Kilpatrick
Burnett	Kothmann
Carrillo	Kubiak
Cobb	Lee
Cory	Lemmon
Craddick	Ligarde
Cruz	Lombardino
Cummings	Longoria
Davis of Harris	McAlister
Earthman	McDonald
Farenthold	McKissack
Finck	McLaughlin
Finney	Moore of Dallas



Moreno	Semos
Muniz	Shannon, Joe, Jr., of Tarrant
Murray	Shannon, Tommy, of Tarrant
Musgrove	Sherman
Neugent of Galveston	Slack
Newman	Smith
Nichols	Stewart
Niland	Stroud
Nowlin	Swanson
Ogg	Truan
Orr	Vale
Parker of Jefferson	Vance
Patterson	Ward
Pickens	Wayne
Price	Weldon
Ratcliff	Wieting
Reed	Williams
Salem	Willis
Sanchez	Wright
Santiesteban	

Nays—46

Abraham	Hawkins
Adams	Head
Allen of Gregg	Hinson
Baker	Holmes of Hood
Bass of Van Zandt	Howard
Burgess	Jones of Taylor
Caldwell	Knapp
Calhoun	Lovell
Cavness	Moore of Hill
Clark of Harris	Nabers
Clark of Dallas	Nugent of Kerr
Clayton	Pickett
Cole	Poerner
Daniel	Presnal
Davis of Travis	Rosson
Dickson	Salter
Doran	Schulle
Dramberger	Solomon
Evans	Tarbox
Finnell	Thomas
Floyd	Traeger
Garcia	Uher
Hannah	Williamson

Absent

Christian	Moyer
Harding	Parker of Denton
Heatly	Ray
Moore of McLennan	Slider

Absent-Excused

Hendricks

Mr. Jones of Taylor offered the following amendment to Committee Amendment No. 1:

Amend Committee Amendment No. 1 to House Bill No. 2 by adding a new article to be numbered appropriately to read as follows:

ARTICLE\_\_\_\_\_.

Section 1. Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, is amended to add a new Chapter 27 to read as follows:

“Chapter 27. Documentary Stamp Tax

“Article 27.01 Imposition of Documentary Stamp Tax. From and after the effective date of this chapter, there is hereby imposed on each deed, instrument, or writing by which any lands, tenements or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or purchasers, or any other person or persons by his or their direction, when a consideration or value of the interest of property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds \$100, a tax at the rate of 55 cents, for each \$500, or fractional part thereof.

“Article 27.02 Exemptions. (a) The tax imposed herein shall not apply to any instrument:

“(1) or writing given to secure a debt;

“(2) to or from the United States of America, this State, or any instrumentality, agency, or subdivision thereof;

“(3) executed solely in order to provide or release security for a debt or obligation; or executed to or by a trustee or receiver for the benefit of creditors;

“(4) which conforms or corrects a deed previously recorded;

“(5) between husband and wife, or parent and child with only nominal actual consideration therefor;

“(6) of sale for delinquent taxes or assessments, or trustee's sale under foreclosure;

“(7) of partition;

“(8) from agent to principal or from trustee to beneficiary for the purpose of placing record title in the real owner;

“(9) transferring title to oil, gas, or other minerals, or any interests therein, including but not limited to, oil and gas leases, mineral leases, mineral interests, royalty and overriding royalty interests, and production payments payable out of oil, gas, or other minerals or the proceeds thereof, which transfers do not include the transfer of an estate or interest in the surface of the property other than such interest in the surface as is an incident of the oil, gas, or other mineral interest which is transferred;

“(10) pursuant to mergers of corporations; corporate reorganizations; transfers between parent and subsidiary corporations; and transfers whereby the real or ultimate ownership of such property is substantially similar to that which existed before such transfer.

“(b) For the purposes of this chapter, stockholders, bondholders, partners, or other persons holding an interest in a corporation or other entity, are regarded as having the ‘real or ultimate ownership’ of the property of such corporation or other entity.

“Article 27.03 Powers and Duties of the Comptroller of Public Accounts. The Comptroller of Public Accounts shall prescribe rules and regulations reasonably necessary to facilitate and expedite the imposition, collection, and administration of the tax imposed by this chapter; and shall prepare and distribute all the instructions, regulations, directions, forms, blanks, and stamps; and shall provide proper and sufficient adhesive stamps.

“Article 27.04 Powers and Duties of Local Officials. Any officer, agent, official, or employee of any political subdivision of this State, is hereby authorized, empowered, and required to exercise and carry out the provisions and regulations imposed by the Comptroller of Public Accounts of the State of Texas pursuant to the administration of this chapter.

“Article 27.05 Liability for Tax. The taxes imposed by this chapter shall be paid by any person or persons who make, sign, issue, or sell any of the documents and instruments subject to the taxes imposed herein, or for whose use or benefit the same are made, signed, issued, or sold.

“Article 27.06 Allocation of Tax. All revenue collected from the taxes imposed herein shall be allocated to the General Revenue Fund of the State of Texas.

“Article 27.07 Penalties. Any person, required under this chapter to pay any tax or conform to any rule or regulation or who shall wilfully understate the value of the property or interest conveyed in paying the tax shall be guilty of a misdemeanor and upon conviction thereof, fined not more than \$1,000 or confined in the county jail for not more than one year, or by both such fine and imprisonment for each offense.”

Mr. Ogg moved to table the above amendment offered by Mr. Jones of Taylor.

A record vote was requested on the motion to table.

The motion to table the above amendment offered by Mr. Jones of Taylor prevailed by the following vote:

Yeas—92

- |                 |                  |
|-----------------|------------------|
| Abraham         | Daniel           |
| Allen of Harris | Davis of Harris  |
| Allred          | Davis of Travis  |
| Angly           | Dickson          |
| Archer          | Dramberger       |
| Armstrong       | Earthman         |
| Baker           | Evans            |
| Bass of Harris  | Finck            |
| Beckham         | Finnell          |
| Blaine          | Finney           |
| Blanton         | Garcia           |
| Braecklein      | Hannah           |
| Bray            | Harding          |
| Burgess         | Hawn             |
| Burnett         | Head             |
| Caldwell        | Heatly           |
| Carrillo        | Holland          |
| Cavness         | Holmes of Dallas |
| Christian       | Hull             |
| Clark of Dallas | Johnson          |
| Cobb            | Jones of Harris  |
| Craddick        | Jungmichel       |
| Cummings        | Kilpatrick       |

Kothmann	Ratcliff
Lee	Ray
Lemmon	Salter
Ligarde	Sanchez
Lombardino	Santiesteban
Lovell	Shannon, Joe, Jr., of Tarrant
McAlister	Shannon, Tommy, of Tarrant
McDonald	Sherman
McKissack	Slack
McLaughlin	Smith
Moore of Hill	Stewart
Moore of Dallas	Stroud
Musgrove	Swanson
Nabers	Tarbox
Neugent of Galveston	Thomas
Nowlin	Truan
Ogg	Uher
Orr	Vale
Patterson	Vance
Pickens	Ward
Pickett	Williams
Poerner	Wright
Presnal	
Price	

Nays—52

Adams	Jones of Taylor
Allen of Gregg	Knapp
Atwell	Kubiak
Atwood	Longoria
Bass of Van Zandt	Moreno
Bigham	Moyer
Braun	Muniz
Calhoun	Murray
Clark of Harris	Newman
Clayton	Nichols
Cole	Niland
Cory	Nugent of Kerr
Cruz	Parker of Jefferson
Doran	Reed
Farenthold	Rosson
Floyd	Salem
Golman	Schulle
Graves	Semos
Hale	Slider
Harris	Solomon
Hawkins	Wayne
Haynes	Weldon
Hinson	Wieting
Holmes of Hood	Williamson
Howard	Willis
Hubenak	
Jones of Lubbock	

Absent

Moore of McLennan	Parker of Denton Traeger
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Absent-Excused

Hendricks

Mr. Lemmon offered the following

amendment to Committee Amendment No. 1 to H. B. No. 2:

Amend Committee Amendment No. 1 to House Bill No. 2 by striking all below the enacting clause and substituting the following:

Section 1. Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, is amended by adding a new Chapter 16 to read as follows:

“Chapter 16. Stock, Bond, and Security Transaction Tax.

“Article 16.01. Definitions. In this Act, unless the context requires a different definition:

“(1) ‘Transaction’ means a sale or purchase of or agreement to sell or buy shares, certificates, bonds, or securities issued by a particular company or governmental entity, originating in the State of Texas.

“(2) ‘Shares’ or ‘certificates’ means any shares or certificates of stock, certificates of rights to subscribe or receive stock, certificates of deposit representing any interest in taxable shares or certificates, certificates of interest in any business conducted by trustee or trustees, and certificates of indebtedness.

“Article 16.02. Imposition of Tax; Exceptions. (a) There is imposed a tax of \$2.00 on each transaction as that term is defined in Article 16.01 of this chapter, if either the seller or buyer is domiciled in Texas.

“(b) The tax imposed by this Article does not apply to:

“(1) the initial issue of stocks by a corporation;

“(2) the sale of stocks owned by a mutual fund so long as it is not the stocks of the mutual fund itself which are sold;

“(3) a sale or purchase on which the tax has already been paid as a tax on an agreement to sell or buy those same shares, certificates, bonds, or securities; or

“(4) bonds or securities issued by the United States government, a

state or local government, a county, or any political subdivision.

"Article 16.03. Liability To Pay Tax. If, in a transaction covered by this chapter, the seller and the buyer are both domiciled in Texas both shall pay the tax imposed by this chapter. If only the seller or only the buyer is domiciled in Texas, that party so domiciled is liable for the tax. A corporate buyer or seller is liable for the tax on the same basis as an individual.

"Article 16.04. Initial Collection. The tax imposed by Article 16.02 of this chapter shall be collected by the broker. If there is no broker involved in the transaction, the seller of the stock, bond, or security shall collect the tax. If the person collecting the tax is a broker, he may retain 10 per cent of the amount collected as payment for collecting the tax.

"Article 16.05. Payment to Comptroller. The person collecting the tax shall pay the tax, less his reimbursement of 10 percent if applicable, to the Comptroller of Public Accounts, within thirty days after the transaction.

"Article 16.06. Comptroller's Regulations. The Comptroller of Public Accounts shall issue necessary regulations providing for collection of the transactions tax and for keeping of records.

"Article 16.07. Allocation of Revenue. Revenues received from the tax imposed by this chapter shall be paid into the General Revenue Fund.

"Article 16.08. Penalty. Any broker who fails to collect the tax imposed by this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more than \$200."

Sec. 2. The importance of this legislation and the crowded condition of the calendars in both Houses create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and this Rule is hereby suspended, and that this Act take effect Oct. 1, 1969, and be in force

from and after that date, and it is so enacted.

Mr. Cory offered the following substitute amendment for the above amendment offered by Mr. Lemmon to Committee Amendment No. 1:

Amend the Lemmon Amendment to the Committee Amendment to House Bill No. 2 by striking all of the Lemmon amendment and inserting a new article to be known as Article 3 to be inserted in its proper numerical order as follows:

### ARTICLE 3

Section 1. Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, is amended by adding a new Chapter 16 to read as follows:

"Chapter 16. Stock, Bond, and Security Transaction Tax.

"Article 16.01. Definitions. In this Act, unless the context requires a different definition:

"(1) 'Transaction' means a sale or purchase of, or agreement to sell or buy shares, certificates, bonds, or securities issued by a particular company or governmental entity originating in the State of Texas.

"(2) 'Shares' or 'certificates' means any shares or certificates of stock, certificates of rights to subscribe or receive stock, certificates of deposit representing any interest in taxable shares or certificates, certificates of interest in any business conducted by trustee or trustees, and certificates of indebtedness.

"Article 16.02. Imposition of Tax; Exceptions. (a) There is imposed a tax of \$0.10 on each transaction as that term is defined in Article 16.01 of this chapter, if either the seller or buyer is domiciled in Texas.

"(b) The tax imposed by this Article does not apply to:

"(1) the initial issue of stocks by a corporation;

"(2) the sale of stocks owned by a mutual fund so long as it is not the stocks of the mutual fund itself which are sold;

“(3) a sale or purchase on which the tax has already been paid as a tax on an agreement to sell or buy those same shares, certificates, bonds, or securities; or

“(4) bonds or securities issued by the United States government, a state or local government, a county, or any political subdivision.

“Article 16.03. Liability To Pay Tax. If, in a transaction covered by this chapter, the seller and the buyer are both domiciled in Texas both shall pay the tax imposed by this chapter. If only the seller or only the buyer is domiciled in Texas, that party so domiciled is liable for the tax. A corporate buyer or seller is liable for the tax on the same basis as an individual.

“Article 16.04. Initial Collection. The tax imposed by Article 16.02 of this chapter shall be collected by the broker. If there is no broker involved in the transaction, the seller of the stock, bond, or security shall collect the tax. If the person collecting the tax is a broker, he may retain 10 percent of the amount collected as payment for collecting the tax.

“Article 16.05. Payment to Comptroller. The person collecting the tax shall pay the tax, less his reimbursement of 10 percent if applicable, to the Comptroller of Public Accounts, within 30 days after the transaction.

“Article 16.06. Comptroller’s Regulations. The Comptroller of Public Accounts shall issue necessary regulations providing for collection of the transactions tax and for keeping of records.

“Article 16.07. Allocation of Revenue. Revenues received from the tax imposed by this chapter shall be paid into the General Revenue Fund.

“Article 16.08. Penalty. Any broker who fails to collect the tax imposed by this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more than \$200.”

A record vote was requested on the adoption of the substitute amendment offered by Mr. Cory.

The substitute amendment offered

by Mr. Cory was adopted by the following vote:

Yeas—91

Mr. Speaker	McLaughlin
Allen of Gregg	Moore of Hill
Angly	Moore of Dallas
Atwell	Moyer
Baker	Murray
Blaine	Nabers
Blanton	Neugent
Braecklein	of Galveston
Burgess	Newman
Burnett	Niland
Calhoun	Nowlin
Carrillo	Nugent of Kerr
Cavness	Ogg
Christian	Orr
Clark of Dallas	Patterson
Clayton	Pickens
Cole	Pickett
Cory	Poerner
Cummings	Presnal
Davis of Harris	Price
Davis of Travis	Ray
Dickson	Rosson
Finck	Salem
Finnell	Sanchez
Garcia	Santiesteban
Golman	Schulle
Hale	Semos
Harding	Shannon, Joe, Jr.,
Hawkins	of Tarrant
Hawn	Shannon, Tommy,
Heatly	of Tarrant
Hinson	Sherman
Holland	Slack
Howard	Slider
Hubenak	Solomon
Hull	Stewart
Jones of Lubbock	Stroud
Jones of Taylor	Swanson
Jungmichel	Tarbox
Knapp	Traeger
Lemmon	Uher
Ligarde	Ward
Longoria	Wayne
Lovell	Wieting
McAlister	Williamson
McDonald	Willis
McKissack	Wright

Nays—55

Abraham	Bigham
Adams	Braun
Allen of Harris	Bray
Allred	Caldwell
Archer	Clark of Harris
Armstrong	Cobb
Atwood	Craddick
Bass of Harris	Cruz
Bass of Van Zandt	Daniel
Beckham	Dramberger

Earthman	Moore
Evans	of McLennan
Farenthold	Moreno
Finney	Muniz
Floyd	Musgrove
Graves	Nichols
Hannah	Parker
Harris	of Jefferson
Haynes	Ratcliff
Head	Reed
Holmes of Hood	Salter
Holmes of Dallas	Smith
Johnson	Thomas
Jones of Harris	Truan
Kilpatrick	Vale
Kothmann	Vance
Kubiak	Weldon
Lee	Williams
Lombardino	

**Absent**

Doran Parker of Denton

**Absent-Excused**

Hendricks

The amendment offered by Mr. Lemmon, as substituted, was then adopted.

Mr. Cory moved to reconsider the vote by which the amendment offered by Mr. Lemmon, as substituted, was adopted and to table the motion to reconsider.

The motion to table prevailed.

**RECORD OF VOTES**

Mr. Archer and Mr. Lee requested to be recorded as voting "Nay" on the adoption of the amendment offered by Mr. Lemmon, as substituted, to the Committee Amendment No. 1 to H. B. No. 2.

**CONSIDERATION OF H. B. NO. 2 (Continued)**

Committee Amendment No. 1, as amended, was then adopted.

**RECORD OF VOTES**

Mr. Archer and Mr. Lee requested to be recorded as voting "Nay" on the adoption of Committee Amendment No. 1 to H. B. No. 2.

**CONSIDERATION OF H. B. NO. 2 (Continued)**

Mr. Parker of Jefferson moved to

recommit H. B. No. 2 to the Committee on Penitentiaries.

(Mr. Stewart occupied the Chair temporarily.)

(Speaker in the Chair)

Mr. Atwell moved to table the motion to recommit H. B. No. 2.

A record vote was requested on the motion to table.

The motion to table the motion to recommit H. B. No. 2 to the Committee on Penitentiaries prevailed by the following vote:

**Yeas—116**

Mr. Speaker	Hawn
Abraham	Haynes
Allen of Gregg	Head
Angly	Heatly
Archer	Hinson
Armstrong	Holland
Atwell	Holmes of Hood
Atwood	Holmes of Dallas
Baker	Howard
Bass of Harris	Hubenak
Beckham	Hull
Blaine	Jones of Lubbock
Blanton	Jones of Harris
Braecklein	Jones of Taylor
Burgess	Jungmichel
Burnett	Knapp
Calhoun	Kothmann
Carrillo	Kubiak
Cavness	Lee
Christian	Lemmon
Clark of Dallas	Lombardino
Clayton	Longoria
Cobb	Lovell
Cole	McAlister
Cory	McDonald
Craddick	McKissack
Cummings	McLaughlin
Daniel	Moore of Hill
Davis of Harris	Moore of Dallas
Davis of Travis	Moyer
Dickson	Murray
Doran	Musgrove
Dramberger	Nabers
Earthman	Neugent
Evans	of Galveston
Finck	Newman
Finnell	Niland
Finney	Nowlin
Floyd	Nugent of Kerr
Garcia	Ogg
Golman	Orr
Hale	Patterson
Harding	Pickens
Hawkins	Pickett

Poerner	Slack
Presnal	Slider
Price	Solomon
Ratcliff	Stewart
Ray	Stroud
Reed	Swanson
Rosson	Tarbox
Salter	Traeger
Sanchez	Uher
Schulle	Ward
Semos	Wayne
Shannon, Joe, Jr., of Tarrant	Wieting
Shannon, Tommy, of Tarrant	Williamson
Sherman	Willis
	Wright

Nays—31

Adams	Moore
Allen of Harris	of McLennan
Allred	Moreno
Bass of Van Zandt	Muniz
Bigham	Nichols
Braun	Parker
Bray	of Jefferson
Caldwell	Salem
Clark of Harris	Santiesteban
Cruz	Smith
Farenthold	Thomas
Graves	Truan
Hannah	Vale
Harris	Vance
Johnson	Weldon
Kilpatrick	Williams
Ligarde	

Absent

Parker of Denton

Absent-Excused

Hendricks

A record vote was requested on the passage of H. B. No. 2 to engrossment.

H. B. No. 2 was passed to engrossment by the following vote:

Yeas—87

Mr. Speaker	Carrillo
Allen of Gregg	Cavness
Angly	Christian
Atwell	Clayton
Baker	Cobb
Blaine	Cole
Blanton	Cory
Braecklein	Cummings
Burgess	Davis of Harris
Burnett	Davis of Travis
Calhoun	Dickson

Doran	Newman
Finck	Niland
Finnell	Nugent of Kerr
Floyd	Ogg
Garcia	Orr
Golman	Pickens
Harding	Pickett
Hawkins	Poerner
Hawn	Presnal
Heatly	Price
Hinson	Ray
Holland	Rosson
Holmes of Hood	Salter
Howard	Sanchez
Hubenak	Schulle
Hull	Semos
Jones of Lubbock	Shannon, Joe, Jr., of Tarrant
Jones of Taylor	Shannon, Tommy, of Tarrant
Jungmichel	Sherman
Knapp	Slack
Lemmon	Slider
Longoria	Solomon
Lovell	Stewart
McAlister	Tarbox
McDonald	Traeger
McKissack	Uher
McLaughlin	Ward
Moore of Hill	Wayne
Moore of Dallas	Wieting
Moyer	Williamson
Murray	Willis
Nabers	Wright
Neugent of Galveston	

Nays—59

Adams	Haynes
Allen of Harris	Head
Allred	Holmes of Dallas
Archer	Johnson
Armstrong	Jones of Harris
Atwood	Kilpatrick
Bass of Harris	Kothmann
Bass of Van Zandt	Kubiak
Beckham	Lee
Bigham	Ligarde
Braun	Lombardino
Bray	Moore
Caldwell	of McLennan
Clark of Harris	Moreno
Clark of Dallas	Muniz
Craddick	Musgrove
Cruz	Nichols
Daniel	Nowlin
Dramberger	Parker
Earthman	of Jefferson
Evans	Patterson
Farenthold	Ratcliff
Finney	Reed
Graves	Salem
Hale	Santiesteban
Hannah	Smith
Harris	Stroud

Swanson  
Thomas  
Truan  
Vale

Vance  
Weldon  
Williams

Present—Not Voting

Abraham

Absent

Parker of Denton

Absent-Excused

Hendricks

PAIRED

Mr. Abraham (present) who would vote "Nay" with Mr. Hendricks (absent) who would vote "Yea."

Mr. Atwell moved to reconsider the vote by which H. B. No. 2 was passed to engrossment and to table the motion to reconsider.

The motion to table prevailed.

REMARKS OF REPRESENTATIVE  
RAUL MUNIZ

On motion of Mr. Johnson, and by unanimous consent, the following remarks of Mr. Muniz, made on today in addressing the House on the passage of H. B. No. 2 to engrossment, were ordered printed in the Journal:

"Today was a sad one in my personal life.

My ancestors have known no other citizenship but the American.

We know no other history but the American History — one that has great heritage and has developed the greatest nation ever known to man in this world.

During our colonial period, our vast land was abundant in riches and resources, but the greatest resource was the human element; men like Patrick Henry who loved liberty so dearly that he was willing to die for it.

I oppose this bill on the basis of an historical fact that is almost 200 years old.

The thought came to my mind during the lunch period when approximately 24 Members switched their votes on the Poerner amendment. I am not criticizing the tactics; I understand this is the name of the ball game.

The greatest argument between the colonies and England was 'taxation without representation.' Today I feel that the public of Texas has no million dollar lobby; their lobby is you and I. When 24 votes switch, the common public is left unprotected, and we have faltered in our responsibility.

Can you imagine the King's lieutenants changing convictions in the colonies? If they had, the Declaration of Independence would have never been written.

On the basis of taxation without representation, I oppose this bill.

Thank you."

Signed: RAUL MUNIZ

REMARKS ORDERED PRINTED  
IN THE JOURNAL

Mr. Cummings moved that the remarks of Mr. Hinson, made on today in addressing the House on H. B. No. 2, be reduced to writing and be printed in the Journal

The motion prevailed without objection.

MESSAGE FROM THE SENATE

Austin, Texas, August 7, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir:

I am directed by the Senate to inform the House that the Senate has passed the following:

S.C.R. No. 9, By Brooks: In Memory of South Houston Police Chief Ike F. Genzer.

S.C.R. No. 10, By Bernal: Commending Jose Francisco Ruiz.



S.C.R. No. 11, By Watson: In tribute to Mr. Vernie C. Marshall.

Respectfully,  
**CHARLES A. SCHNABEL**  
 Secretary of the Senate

**ADJOURNMENT**

Mr. Atwell moved that the House adjourn until 6:20 o'clock p.m. today.

Mr. Graves moved that the House adjourn until 11:00 o'clock a.m. next Monday.

A record vote was requested on the motion to adjourn until 6:20 o'clock p.m. today.

The motion to adjourn until 6:20 o'clock p.m. today prevailed by the following vote:

**Yeas—116**

Mr. Speaker	Floyd
Adams	Garcia
Allen of Gregg	Golman
Angly	Harding
Archer	Hawkins
Armstrong	Hawn
Atwell	Haynes
Atwood	Head
Baker	Heatly
Bass of Harris	Hinson
Beckham	Holland
Blaine	Holmes of Hood
Blanton	Howard
Braecklein	Hubenak
Bray	Hull
Burgess	Jones of Lubbock
Burnett	Jones of Harris
Calhoun	Jones of Taylor
Carrillo	Jungmichel
Cavness	Kilpatrick
Christian	Knapp
Clark of Dallas	Kubiak
Clayton	Lee
Cobb	Lemmon
Cole	Ligarde
Cory	Lombardino
Craddick	Longoria
Cummings	Lovell
Daniel	McAlister
Davis of Harris	McDonald
Davis of Travis	McKissack
Dickson	McLaughlin
Doran	Moore of Hill
Dramberger	Moore of Dallas
Earthman	Moyer
Evans	Murray
Finck	Musgrove
Finnell	Nabers
Finney	

Neugent	Shannon, Joe, Jr.,
of Galveston	of Tarrant
Newman	Shannon, Tommy,
Niland	of Tarrant
Nugent of Kerr	Sherman
Ogg	Slack
Orr	Slider
Patterson	Smith
Pickens	Solomon
Pickett	Stewart
Poerner	Stroud
Presnal	Swanson
Price	Tarbox
Ratcliff	Traeger
Ray	Uher
Rosson	Ward
Salter	Wayne
Sanchez	Wieting
Santiesteban	Williamson
Schulle	Willis
Semos	Wright

**Nays—30**

Allen of Harris	Moore
Allred	of McLennan
Bass of Van Zandt	Moreno
Bigham	Muniz
Braun	Nichols
Caldwell	Nowlin
Clark of Harris	Parker
Cruz	of Jefferson
Farenthold	Reed
Graves	Salem
Hale	Thomas
Hannah	Truan
Harris	Vale
Holmes of Dallas	Vance
Johnson	Weldon
Kothmann	Williams

**Absent**

Abraham	Parker of Denton
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**Absent-Excused**

Hendricks

The House accordingly, at 6:06 o'clock p.m., adjourned until 6:20 o'clock p.m. today.

**SEVENTH DAY**

(Thursday, August 7, 1969)

The House met at 6:20 o'clock p.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called

and the following Members were present:

Mr. Speaker	Hinson
Abraham	Holland
Adams	Holmes of Hood
Allen of Harris	Holmes of Dallas
Allen of Gregg	Howard
Allred	Hubenak
Angly	Hull
Archer	Johnson
Armstrong	Jones of Lubbock
Atwell	Jones of Harris
Atwood	Jones of Taylor
Baker	Jungmichel
Bass of Harris	Kilpatrick
Bass of Van Zandt	Knapp
Beckham	Kothmann
Bigham	Kubiak
Blaine	Lee
Blanton	Lemmon
Braecklein	Ligarde
Braun	Lombardino
Bray	Longoria
Burgess	Lovell
Burnett	McAlister
Caldwell	McDonald
Calhoun	McKissack
Carrillo	McLaughlin
Cavness	Moore of Hill
Christian	Moore of Dallas
Clark of Harris	Moore
Clark of Dallas	of McLennan
Clayton	Moreno
Cobb	Moyer
Cole	Muniz
Cory	Murray
Craddick	Musgrove
Cruz	Nabers
Cummings	Neugent
Daniel	of Galveston
Davis of Harris	Newman
Davis of Travis	Nichols
Dickson	Niland
Doran	Nowlin
Dramberger	Nugent of Kerr
Earthman	Ogg
Evans	Orr
Farenthold	Parker
Finck	of Jefferson
Finnell	Patterson
Finney	Pickens
Floyd	Pickett
Garcia	Poerner
Golman	Presnal
Graves	Price
Hale	Ratcliff
Hannah	Ray
Harding	Reed
Harris	Rosson
Hawkins	Salem
Hawn	Salter
Haynes	Sanchez
Head	Santiesteban
Heatly	Schulle

Semos	Thomas
Shannon, Joe, Jr., of Tarrant	Traeger
Shannon, Tommy, of Tarrant	Truan
Sherman	Uher
Slack	Vale
Slider	Vance
Smith	Ward
Solomon	Wayne
Stewart	Wieting
Stroud	Williams
Swanson	Williamson
Tarbox	Willis
	Wright

#### Absent-Excused

Hendricks	Parker of Denton
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A quorum of the House was announced present.

#### LEAVES OF ABSENCE GRANTED

The following Member was granted leave of absence for today on account of important business:

Mr. Parker of Denton on motion of Mr. Dramberger.

The following Member was granted leave of absence for today on account of illness:

Mr. Hendricks on motion of Mr. Heatly.

#### MEMORIAL RESOLUTION ADOPTED

The following Memorial Resolution was adopted unanimously by a rising vote:

S. C. R. No. 9, In memory of South Houston Police Chief Ike F. Genzer.

#### PROVIDING FOR THE HANGING IN THE STATE CAPITOL OF AN OFFICIAL PORTRAIT OF VERNIE C. MARSHALL

The Speaker laid before the House the following resolution:

#### S. C. R. No. 11

Whereas, The State of Texas is unsurpassed in its abundance of natural resources, but without a state-wide program of soil conservation our great state would soon become a veri-

table wasteland and our agricultural production would be in imminent danger; and

Whereas, A truly great Texan, Vernie C. Marshall, envisioned the need for a program to conserve the soil and through his efforts to organize Texas into soil conservation districts practically all of Texas land has been saved from waste and destruction; and

Whereas, As a farmer and rancher in Heidenheimer in Bell County, Texas, Mr. Marshall began his crusade to save Texas soil in the early 1900's; he led the campaign in the 1930's to pass a state conservation districts law and to harmonize the conflicting interests in agriculture; and

Whereas, As a tribute to his leadership Mr. Marshall became the first chairman of the State Soil Conservation Board, and he traveled throughout the state, coordinating the needs of farmers with agricultural agencies and demonstrating the various soil conservation programs; and

Whereas, He later became executive director of the board, and his dedicated and zealous leadership gained converts from all professions for soil conservation; and he is appropriately called "The Father of Soil Conservation in Texas"; and

Whereas, Although Mr. Marshall retired as executive director of the State Soil Conservation Board in 1955, he remained with the board as a field representative, and until his death in 1968, at the age of 82, he remained an influential and articulate spokesman for the needs of Texas farmers and for the programs of soil conservation; now, therefore, be it

Resolved, by the Senate of the State of Texas, the House of Representatives concurring, that the 61st Legislature, 1st Called Session, honor Vernie C. Marshall for his great vision and outstanding leadership by placing his portrait in the State Capitol; and, be it further

Resolved, That the Board of Control, by this Resolution, be authorized

to make all necessary arrangements for hanging in the State Capitol an official portrait of Vernie C. Marshall, a great Texas leader, whose contributions to agriculture progress in Texas are immeasurable.

The resolution was adopted without objection.

**PROVIDING FOR THE OFFICIAL CELEBRATION OF THE BIRTH DATE OF JOSE FRANCISCO RUIZ, PATRIOT OF THE REPUBLIC OF TEXAS**

The Speaker laid before the House the following resolution:

**S. C. R. No. 10**

Whereas, The history of Texas, like an intricate and beautiful fabric, is richly interwoven with the contributions of individuals from various ethnic backgrounds; and

Whereas, Those earliest citizens of what is now the State of Texas were a courageous and freedom-loving people, whose indelible imprint is reflected in the culture and Spanish surnames that bind together in friendship the Southwestern States of this nation and the 28 states of the Republic of Mexico; and

Whereas, A great number of those first Texas-born liberals were in the forefront of the revolutionary movement which carried the Texas forces through the turbulent and bloody struggle against the tyrannical forces of General Antonio de Santa Anna and culminated in victory and the formation of the Republic of Texas; and

Whereas, Distinguished among those valiant Texians was Jose Francisco Ruiz, who, throughout his lifetime, fought for right, justice, and truth for the people of Texas in dedication to his belief in and desire to live under a democratic system of government; and

Whereas, Educated in Spain, he was exposed to the enlightenment philosophy that was sweeping Europe at the time, and when he returned home, he was one of the two

native San Antonians to sign the Texas Declaration of Independence from Mexico; and

Whereas, He was the elected delegate from Bexar at Washington-on-the-Brazos, and again represented Bexar as Senator to the first Congress of the Republic of Texas; and

Whereas, He continued his devotion to liberty and his service to his people until his death on January 20, 1840, and he was at last laid to rest in the land he knew and loved as Texas; and

Whereas, The Texas Legislature wishes to recognize this illustrious and courageous Texian, Jose Francisco Ruiz, who lived and died by the principles that founded the Republic of Texas and made the United States of America the symbol of freedom throughout the world; now, therefore, be it

Resolved, by the Senate of the 61st Legislature, 1st Called Session, the House of Representatives concurring, That the Texas Legislature hereby pay tribute to Jose Francisco Ruiz, a great Texas patriot and liberator; and, be it further

Resolved, That the birthday of Jose Francisco Ruiz, September 1, 1969, be celebrated officially by appropriate observances throughout the State of Texas in recognition of this distinguished Texian, whose significant role in Texas history is an inspiration to all who love liberty.

The resolution was adopted unanimately.

#### CONGRATULATING MRS. RUBY MANESS ON HER NOTABLE SERVICE TO THE STATE OF TEXAS

Mr. Wright offered the following resolution:

H. S. R. No. 28

Whereas, The House of Representatives today wishes to congratulate an outstanding resident of Dallas, Mrs. Ruby Maness; and

Whereas, Mrs. Maness served as Democratic Chairman of Precinct 222

in Dallas for over 25 years until her retirement early in 1969; and

Whereas, This gracious lady, who will celebrate her 80th birthday in November, always served the Democratic Party as a dedicated and conscientious official, always rendering capable service to the citizens of Dallas; now, therefore, be it

Resolved, That the House of Representatives of the 61st Legislature, 1st Called Session, extend congratulations to Mrs. Ruby Maness on her notable service to the State of Texas and wish her many happy years of retirement; and, be it further

Resolved, That a copy of this Resolution be prepared for Mrs. Ruby Maness as an expression of appreciation from the House of Representatives for her distinguished achievements, and that all necessary rules be suspended and this resolution be printed in full in the House Journal.

Signed: Wright, Golman, Hawn, Atwell, McKissack, Holmes of Dallas, Reed, Braecklein, Blanton, Clark of Dallas, Moore of Dallas, Semos, Orr, Ratcliff and Stroud.

The resolution was adopted unanimately.

#### CONGRATULATORY RESOLUTIONS ADOPTED

The following Congratulatory Resolutions were adopted unanimately:

H. S. R. No. 30, By Orr: Commending the Jaycees of De Soto, Texas for outstanding civic endeavor evidenced by the PAL Project.

H. S. R. No. 31, By Orr: Congratulating the Texas Trial Lawyers Association upon the award of merit the organization has received from the American Trial Lawyers Association.

On motion of Mr. Ray the names of all the Members of the House were added to H. S. R. No. 31 as signers thereof.

#### HOUSE BILL NO. 2 ON THIRD READING

The Speaker laid before the House on its third reading and final passage,

H. B. No. 2, A bill to be entitled An Act raising revenue for the support of State Government, amending Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by raising the rate on limited sales, excise, and use tax; amending the collection schedule to conform to the new rate; removing exemptions on alcoholic beverages; making conforming amendments to the Local Sales and Use Tax (Article 1066c, Vernon's Texas Civil Statutes); amending Chapter 6, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by raising the tax rate on the retail sale of motor vehicles; amending Chapter 7, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by levying an additional tax on cigarettes; amending Chapter 12, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, to levy additional corporate franchise taxes for a two year period; providing an effective date; and declaring an emergency.

The bill was read third time and was passed by the following vote:

**Yeas—87**

Mr. Speaker	Hawn
Allen of Gregg	Heatly
Angly	Hinson
Atwell	Holland
Baker	Holmes of Hood
Blaine	Howard
Blanton	Hubenak
Braecklein	Hull
Burgess	Jones of Lubbock
Burnett	Jones of Taylor
Calhoun	Jungmichel
Carrillo	Knapp
Cavness	Lemmon
Christian	Longoria
Clayton	Lovell
Cobb	McAlister
Cole	McDonald
Cory	McKissack
Cummings	McLaughlin
Davis of Harris	Moore of Hill
Davis of Travis	Moore of Dallas
Dickson	Moyer
Doran	Murray
Finck	Nabers
Finnell	Neugent
Floyd	of Galveston
Garcia	Newman
Golman	Niland
Harding	Nugent of Kerr
Hawkins	Ogg

Orr	Sherman
Pickens	Slack
Pickett	Slider
Poerner	Solomon
Presnal	Stewart
Price	Tarbox
Ray	Traeger
Rosson	Uher
Salter	Ward
Sanchez	Wayne
Schulle	Wieting
Semos	Williamson
Shannon, Joe, Jr., of Tarrant	Willis
Shannon, Tommy, of Tarrant	Wright

**Nays—58**

Adams	Johnson
Allen of Harris	Jones of Harris
Allred	Kilpatrick
Archer	Kothmann
Armstrong	Kubiak
Atwood	Lee
Bass of Harris	Ligarde
Bass of Van Zandt	Lombardino
Beckham	Moreno
Bigham	Muniz
Braun	Musgrove
Bray	Nichols
Caldwell	Nowlin
Clark of Harris	Parker
Clark of Dallas	of Jefferson
Craddick	Patterson
Cruz	Ratcliff
Daniel	Reed
Dramberger	Salem
Earthman	Santiesteban
Evans	Smith
Farenthold	Stroud
Finney	Swanson
Graves	Thomas
Hale	Truan
Hannah	Vale
Harris	Vance
Haynes	Weldon
Head	Williams
Holmes of Dallas	

**Present—Not Voting**

Abraham

**Absent**

Moore  
of McLennan

**Absent-Excused**

Hendricks                      Parker of Denton

**PAIRED**

Mr. Abraham (present), who would

vote "Nay" with Mr. Hendricks (absent) who would vote "Yea."

Mr. Wayne moved to reconsider the vote by which H. B. No. 2 was passed and to table the motion to reconsider.

The motion to table prevailed.

### ADJOURNMENT

Mr. Heatly moved that the House adjourn until 2:00 o'clock p.m. next Monday.

The motion prevailed without objection.

The Benediction was offered by Chaplain Clinton Kersey, as follows:

"The following words are found in Scripture:

'Humble yourselves in the sight of the Lord, and he shall lift you up.

Speak not evil one of another, brethren. He that speaketh evil of his brother, and judgeth his brother, speaketh evil of the law, and judgeth the law: but if thou judge the law, thou art not a doer of the law, but a judge.

There is one lawgiver, who is able to save and to destroy: who art thou that judgest another?"

James 4: 10-11-12

In accordance with the motion to adjourn, the House, at 6:33 o'clock p.m., adjourned until 2:00 o'clock p.m. next Monday.

### APPENDIX

#### REPORT OF THE COMMITTEE ON ENROLLED AND ENGROSSED BILLS

Austin, Texas, August 7, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom was referred

H. B. No. 2,

has carefully compared same and finds it correctly engrossed.

WARD, Chairman

### EIGHTH DAY

(Monday, August 11, 1969)

The House met at 2:00 o'clock p.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Finney
Abraham	Floyd
Adams	Garcia
Allen of Gregg	Golman
Angly	Hale
Archer	Hannah
Armstrong	Harding
Atwell	Harris
Atwood	Hawkins
Baker	Hawn
Bass of Harris	Haynes
Bass of Van Zandt	Head
Beckham	Heatly
Bigham	Hendricks
Blaine	Hinson
Blanton	Holland
Braecklein	Holmes of Hood
Braun	Holmes of Dallas
Bray	Howard
Burnett	Hubenak
Caldwell	Hull
Calhoun	Johnson
Carrillo	Jones of Harris
Cavness	Jones of Taylor
Christian	Jungmichel
Clark of Harris	Kilpatrick
Clark of Dallas	Knapp
Clayton	Kothmann
Cobb	Kubiak
Cole	Lee
Cory	Lemmon
Craddick	Ligarde
Cruz	Lombardino
Cummings	Longoria
Daniel	Lovell
Davis of Harris	McDonald
Davis of Travis	McKissack
Dickson	McLaughlin
Doran	Moore of Hill
Dramberger	Moore of Dallas
Earthman	Moore
Evans	of McLennan
Farenthold	Moreno
Finck	Moyer
Finnell	Muniz

Murray	Semos
Musgrove	Shannon, Joe, Jr., of Tarrant
Nabers	Shannon, Tommy, of Tarrant
Neugent of Galveston	Sherman
Newman	Short
Nichols	Slack
Niland	Slider
Nowlin	Smith
Nugent of Kerr	Solomon
Ogg	Stewart
Orr	Stroud
Parker of Jefferson	Swanson
Parker of Denton	Tarbox
Patterson	Thomas
Pickens	Traeger
Pickett	Truan
Poerner	Uher
Presnal	Vale
Price	Vance
Ratcliff	Ward
Ray	Wayne
Reed	Weldon
Rosson	Wieting
Salem	Williams
Salter	Williamson
Sanchez	Willis
Santiesteban	Wright
Schulle	

**Absent**

Allen of Harris Graves

**Absent-Excused**

Allred Jones of Lubbock  
Burgess McAlister

A quorum of the House was announced present.

The Invocation was offered by the Reverend Thomas H. Swygert, Pastor of St. Paul's Evangelical Lutheran Church of Brenham, Texas, as follows:

Almighty and Merciful God, to Whom belong the Kingdom, and the Power, and the Glory, for ever and ever, yet Who has ordained human government for the temporal welfare of mankind: we thank You for the succession of legislators who have sought the common good for our State. We pray that You will continually raise up men and women who have been taught the wisdom of the Kingdom of Christ and who will serve in public life the general welfare of all peoples. Let Your benediction be upon the Members of this Legislature as You endow each with a

right understanding, a pure purpose and sound speech; enable them to rise above all self-seeking and party zeal into the sentiments of public good and human brotherhood. Grant them to seek those things which belong to our peace that our State may indeed be to the praise of Your Name and the good of all mankind; through Him Who is our Peace, even Jesus Christ, Your Son, our Lord. Amen.

**LEAVES OF ABSENCE GRANTED**

The following Members were granted leaves of absence for today on account of important business:

Mr. McAlister on motion of Mr. Tommy Shannon of Tarrant.

Mr. Jones of Lubbock on motion of Mr. Tommy Shannon of Tarrant.

The following Member was granted leave of absence for today on account of illness:

Mr. Burgess on motion of Mr. Adams.

The following Member was granted leave of absence for today on account of illness in his family:

Mr. Allred on motion of Mr. Thomas.

(Mr. Nugent of Kerr in the Chair)

**RESOLUTIONS SIGNED BY THE SPEAKER**

The Chair announced the signing by the Speaker in the presence of the House, after giving due notice thereof and their captions had been read severally, the following enrolled resolutions:

S. C. R. No. 9, In memory of South Houston Police Chief, Ike F. Genzer.

S. C. R. No. 10, Providing for the official celebration of the birth date of Jose Francisco Ruiz, Patriot of the Republic of Texas.

S. C. R. No. 11, Providing for the hanging in the State Capitol of an official portrait of Vernie C. Marshall.

**MEMORIAL RESOLUTION  
ADOPTED**

The following Memorial Resolution was adopted unanimously by a rising vote:

H. C. R. No. 9, By Earthman, Cummings, Jones of Harris, Archer and Lee: In memory of George W. Strake of Houston, Texas.

(Speaker in the Chair)

**OATH OF OFFICE  
ADMINISTERED**

Speaker Mutscher stated that the Honorable E. L. Short of Lynn County, Representative-elect of District 73, who was present in the House, would now take the Constitutional Oath of Office.

Mr. Short then took the Constitutional Oath of Office as a Member of the House of Representatives of the 61st Legislature, the Oath being administered by the Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives.

Speaker Mutscher then introduced Mr. Short to the House.

Mr. Short addressed the House briefly.

**CONGRATULATORY  
RESOLUTIONS ADOPTED**

The following Congratulatory Resolutions were adopted unanimously:

H. S. R. No. 32, By Speaker Mutscher: Commending Mr. Frank W. Sharp, of Houston, Texas, for his religious leadership toward ecumenical brotherhood and to congratulate him as a Jesuit "Founder."

H. S. R. No. 33, By Parker of Jefferson: Commending Madison Monroe, President of Port Arthur College.

H. S. R. No. 34, By McLaughlin, Tommy Shannon of Tarrant, Joe Shannon, Jr., of Tarrant, Sherman and Burnett: Commending Mr. H. E. (Eddie) Chiles of Fort Worth, Texas, for his distinguished contributions to the State of Texas.

**EXPLAINING THE PURPOSE OF  
H. B. NO. 579, ENACTED BY THE  
61ST LEGISLATURE, RELATING  
TO COIN-OPERATED MACHINES**

Mr. Clark of Dallas offered the following resolution:

H. C. R. No. 7

Whereas, The 61st Legislature, at its Regular Session, enacted H. B. No. 579, which added Article 13.17 to Chapter 13, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, relating to licensing and regulation of businesses dealing in coin-operated machines; and

Whereas, It is the stated purpose of the Article to provide comprehensive regulation of music and skill or pleasure coin-operated machines and businesses dealing in these machines, and to prevent persons in these businesses from having concurrent financial interests in certain alcoholic beverage businesses; and

Whereas, Due to the ambiguity of some of the language in the Article considerable confusion exists concerning the necessity of obtaining a license, as required by Sections 8(1) and 16(1) of Article 13.17, by one who owns and operates a music or skill or pleasure coin-operated machine used exclusively in the operation of other businesses that are not required to be licensed by the Article; now, therefore, be it

Resolved, by the House of Representatives of the 61st Legislature, 1st Called Session, the Senate concurring, That in enacting H. B. No. 579 it was not the legislative intent to require a licensee or permittee under the Texas Liquor Control Act, or the owner of a restaurant, store, or other retail service establishment, to obtain a license under Section 8(1) of Article 13.17 merely because he owns coin-operated machines, so long as they are used exclusively on premises owned or leased by him in connection with that business.

The resolution was referred to the Committee on Judiciary.



**CREATING AN INTERIM COMMITTEE TO INVESTIGATE ALL MATTERS PERTAINING TO THE TAXATION OF FARM, RANCH AND FOREST LANDS**

Mr. Burgess offered the following resolution:

**H. C. R. No. 8**

Whereas, Senate Joint Resolution No. 15 was adopted by both Houses of the 61st Legislature of Texas proposing that the Constitution be amended so as to permit the taxation of farm, ranch and forest lands on a fair, just and equitable basis; and

Whereas, It is appropriate for the Legislature to consider all pertinent factors relating to the establishment of a uniform method of assessment of farm, ranch and forest lands which should include such vital factors as, but not limited to, cost of production, all relevant taxes, and reasonable profit; and

Whereas, The owners and operators of farm, ranch and timber lands have unique and pressing problems under current tax practices which should be considered promptly; and

Whereas, Thorough consideration should be given to any new method of assessment of such property in order that the interest not only of the taxpayers but also of the various taxing jurisdictions in the State will be fairly and reasonably protected; now, therefore, be it

Resolved, by the House of Representatives of the State of Texas, the Senate concurring, That a special interim committee be created to investigate and study all matters pertaining to the taxation of farm, ranch and forest lands, on the basis of their capability to support the raising of livestock and/or to produce farm and forest crops, including without limitation the proper classification of lands which shall be taxed on such basis and all matters incident to the mechanics of evaluating or assessing such lands on said basis; and, be it further

Resolved, That the membership of such committee shall consist of five (5) Members of the House of Representatives to be appointed by the

Speaker of the House, five (5) Members of the Senate to be appointed by the Lieutenant Governor and five (5) members of the public to be appointed by the Governor, including one each from the farm industry, the ranch industry and the timber industry; and, be it further

Resolved, That the terms of all members shall commence immediately upon their appointment, and shall terminate on the convening of the next Regular Session of the Legislature following adoption of this Resolution and that any vacancies occurring after appointment for any cause may be filled by the respective appointing officers; and, be it further

Resolved, That from the Contingent Expense Funds of the House and the Senate equally, the members of the committee shall be reimbursed for their actual and necessary expenses incurred in carrying out the purposes of this Resolution, that other necessary expenses of the Committee shall be paid from the Contingent Expense Funds of the House and Senate equally; and, be it further

Resolved, That the committee shall prepare a budget for its operating expenses and shall submit the budget to the Contingent Expense Committee of the Senate and to the House Administration Committee, and before any payment may be made from the Contingent Expense Fund of either House, the budget must be approved by the Contingent Expense Committee of the Senate and the House Administration Committee, and that before any nonbudgeted expense may be paid, prior approval must be obtained from both the Contingent Expense Committee of the Senate and the House Administration Committee; and, be it further

Resolved, That for consideration by the next Regular Session of the Legislature, the Committee shall make such recommendations for the enactment of such laws, if any, and shall prepare drafts of such legislation as it may deem appropriate to carry into effect the assessment of the farm, ranch and forest lands on the basis authorized by the aforesaid constitutional amendment in a manner which shall be fair, just and equitable to all concerned; and, be it further

Resolved, That in the conduct of such investigation and study, such committee shall have the right to hold public hearings and, in the manner provided by law, shall have the right to compel the attendance of witnesses and production of instruments and documents, and that representatives of such state agencies or departments and officials of such municipal corporations and political subdivisions of the State which levy ad valorem taxes as may be deemed necessary by the committee are hereby authorized and directed to cooperate fully and completely with the committee in the making of the study and preparation of any report; and, be it further

Resolved, That the Committee is authorized to accept grants and donations of funds from any source in order to complete this study; and, be it further

Resolved, That the Committee shall report in writing and file a signed copy of the same with the Governor of Texas, the Lieutenant Governor of Texas and the Speaker of the House not later than thirty (30) days after the convening of the next Regular Session of the Legislature, but copies of such report shall be distributed to each Member of the Senate and of the House and that testimony given at any hearing conducted pursuant to this Resolution shall be reduced to writing and shall be given under oath subject to the penalties of perjury; and, be it further

Resolved, That the staff of the Texas Legislative Council be and it is hereby requested to assist the Committee in this study.

The resolution was referred to the Committee on Interim Activities.

#### TO GRANT PERMISSION TO SUE HARRIS COUNTY

Mr. Dickson offered the following resolution:

H. C. R. No. 10

Whereas, Fredrick P. Adams, alleges that on or about March 26, 1967, the County of Harris, Texas, acting through its agents and employees suddenly without warning or

necessity raised the drawbridge across Cedar Bayou on the Tri-City Road and thereafter lowered a barricade onto and in front of Fredrick P. Adams, who at that time was traveling by motorcycle on and crossing the bridge in a safe and careful manner, causing Fredrick P. Adams to strike the barricade and thereby suffer grievous physical and mental injury resulting in part in paralysis of limbs; and

Whereas, The said Fredrick P. Adams alleges that the injuries suffered are compensable under the laws of the State of Texas; and

Whereas, The said Fredrick P. Adams alleges that Harris County, Texas, has a duty imposed by law to exercise care and caution in the operation of its bridge machinery, and by the conduct here alleged the County has breached its duty and acted in a negligent and imprudent manner, thereby causing injury and damage to the said Fredrick P. Adams; now, therefore, be it

Resolved, by the House of Representatives of the State of Texas, the Senate concurring, That Fredrick P. Adams be and is hereby granted permission to bring suit in any court of competent jurisdiction in Harris County, Texas, against Harris County, Texas, and that the case shall be tried as other civil cases reserving to either party the right of appeal; and be it further

Resolved, That in the event such a suit is filed, service of citation or any other necessary process shall be had upon the Commissioners Court of Harris County of any member thereof; and, be it further

Resolved, That nothing herein shall be construed as an admission on the part of the County of Harris, Texas, as to the validity of any allegations or claims asserted in said suit, but that all allegations or claims asserted in said suit must be proved as in other suits under the same rules of evidence and the same laws as apply in, and govern the trial of, other civil cases.

Signed: DICKSON and OGG.

The resolution was referred to the Committee on State Affairs.

### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Schulle:

H. B. No. 36, A bill to be entitled An Act relating to sale of hospitals and hospital facilities by certain counties; and declaring an emergency.

Referred to Committee on Counties.

By Joe Shannon, Jr., of Tarrant:

H. B. No. 37, A bill to be entitled An Act relating to the creation of the 238th Judicial District in Tarrant County; and declaring an emergency.

Referred to Committee on Judicial Districts.

By Joe Shannon, Jr., of Tarrant:

H. B. No. 38, A bill to be entitled An Act relating to the establishment of the Criminal District Court No. 4 of Tarrant County; and declaring an emergency.

Referred to Committee on Judicial Districts.

By Graves:

H. B. No. 39, A bill to be entitled An Act relating to reports by manufacturers and wholesalers of certain drugs; amending Subsections (2) and (3), Section 9, Chapter 169, Acts of the 45th Legislature, Regular Session, 1937, as amended (Article 725b, Vernon's Texas Penal Code); amending Section 5, Chapter 425, Acts of the 56th Legislature, Regular Session, 1959 (Article 726d, Vernon's Texas Penal Code); and declaring an emergency.

Referred to Committee on Criminal Jurisprudence.

By Moore of Hill and Poerner:

H. B. No. 40, A bill to be entitled An Act amending Chapter 21, Texas Insurance Code, by adding a new Article 21.49 authorizing and directing the State Board of Insurance to prescribe, adopt, promulgate, and enforce

notice requirements for cancellation and nonrenewal of policies for general casualty insurance, fire insurance, and motor vehicle insurance, homeowners policies; providing for severability; and declaring an emergency.

Referred to Committee on Insurance.

By Ligarde:

H. B. No. 41, A bill to be entitled An Act constituting a local law for the maintenance of public roads and highways in Webb County by authorizing the County to issue certificates of indebtedness for the purpose of acquiring rights-of-way for designated state highways, including farm-to-market highways, or for federal highways, or for acquiring rights-of-way for county roads, or for the construction, maintenance, or improvement of the county roads in Webb County, Texas; stating the terms and conditions of issuance of such certificates of indebtedness; requiring the levy of a tax to pay such certificates and the interest thereon; requiring such certificates to be approved by the Attorney General and registered by the Comptroller of Public Accounts and prescribing the effect thereof; providing for and authorizing the refunding of said certificates; enacting other provisions relating to the subject; making the Act cumulative; providing a severability clause; and declaring an emergency.

Referred to Committee on Counties.

By Cory:

H. B. No. 42, A bill to be entitled An Act relating to certain motor vehicle liability insurance policies involving vehicles owned or held for sale or repair by a person engaged in such business and the applicability of such policies to persons other than the named insured; amending the Texas Insurance Code by adding Article 5.06-2; providing for severability; and declaring an emergency.

Referred to Committee on Insurance.

By Lemmon:

H. B. No. 43, A bill to be entitled An Act imposing an occupation tax

on securities dealers and securities registered representatives; requiring certain reports by those dealers and representatives; and declaring an emergency.

Referred to Committee on Revenue and Taxation.

By Nugent of Kerr:

H. B. No. 44, A bill to be entitled An Act extending to September 1, 1971, the date for filing claims to water rights with the Texas Water Rights Commission; amending Subsection (c), Section 4, Chapter 45, Acts of the 60th Legislature, Regular Session, 1967 (Article 7542a, Vernon's Texas Civil Statutes); and declaring an emergency.

Referred to Committee on Conservation and Reclamation.

By Smith:

H. B. No. 45, A bill to be entitled An Act relating to the establishment of an advisory council for the study and research of the problems of children with learning disabilities and defining the duties of the Texas Education Agency and the Commissioner of Education concerning study and research into the problems of children with learning disabilities, and the development and carrying out of diagnostic and treatment programs for such children; and declaring an emergency.

Referred to Committee on Appropriations.

By Jones of Taylor:

H. B. No. 46, A bill to be entitled An Act amending Article 21.07, Texas Insurance Code, same being S. B. No. 236, Acts of the 52nd Legislature, Regular Session, 1951, page 868, Chapter 491, as amended, by amending Article 21.07, and enacting a new Article 21.07; providing applicability of Article 21.07 to all persons acting or seeking authority to act as an agent of any local mutual aid association, local mutual burial association, statewide mutual assessment corporation, stipulated premium company, county mutual insurance company, casualty company writing accident and health insurance or any other type of insurance carrier licensed to do business in the State

of Texas and which insurance carrier's agents are required to be licensed under the provisions of Article 21.07, Texas Insurance Code, 1951, as amended, on the date that this Act shall become effective; providing that each such person prior to acting as an agent shall obtain a license under the provisions of Article 21.07 and be appointed to act as an agent by some duly authorized insurance carrier designated by the provisions of Article 21.07; permitting any person desiring to act as an agent of any insurance carrier licensed in the State of Texas and writing health and accident insurance to obtain a separate license to write health and accident insurance under the provisions of Article 21.07; prescribing the procedures for each person making application for a license and requiring completion of forms prescribed and furnished by the State Board of Insurance accompanied with a certificate of insurance carrier setting forth therein certain required information; providing that the State Board of Insurance shall issue such a license if such person is found to be of good character and trustworthy, except that such person shall not be authorized to write health and accident insurance unless such person shall have first passed a written examination as provided for in Article 21.07 or such person will act only as a ticket-selling agent of a public carrier with respect to accident life insurance covering risks of travel or as an agent selling credit life, health and accident insurance issued exclusively in connection with credit transactions or will write policies or riders to policies providing only lump sum cash benefits in the event of accidental death, or death by accidental means, or dismemberment or providing only ambulance expense benefits in event of accident or sickness; prescribing for a written examination for persons desiring to write health and accident insurance, excepting that no written examination shall be required of an applicant for renewal of a license which is currently in force at the effective date of this Act or to an applicant whose license expired less than one year prior to the date of application may, in discretion of State Board of Insurance, be issued a license without written examination; requiring State Board of Insurance to within sixty days of effective date of this Act adopt rules

and regulations with respect to scope, type and conduct of such written examination and times and places within State where same will be held and such rules and regulations shall designate textbooks, manuals and other materials in connection with such examinations and provides that the same shall be available for purchase; limiting the questions to be asked, and requiring a fee of \$10.00 for the privilege of taking examination; permitting State Board of Insurance to authorize any insurance carrier to conduct written examinations to persons or its agents subject to such reasonable conditions, requirements and standards as the State Board of Insurance shall require and establish but also providing authority to revoke such authority if the State Board of Insurance shall find that such insurance carrier has violated the conditions, requirements and standards required to conduct written examinations; requiring the State Board of Insurance to license any person authorizing such person to write health and accident insurance after passing such examination and complying with the other provisions of Article 21.07; authorizing the State Board of Insurance in its sole discretion to establish an Advisory Board; providing that the State Board of Insurance may, under certain circumstances, require any agent who held a license authorizing such agent to write health and accident insurance at the effective date of this Act to take such written examination as authorized by Article 21.07 within ninety days thereafter and upon failure of such agent to take such examination or upon failure of such agent to pass such examination, the State Board of Insurance may terminate such agent's license; providing for return of fees charged a person under certain circumstances if such license is not issued; authorizing agents to represent additional insurance carriers and prescribing the procedures for appointment by insurance carriers and the fees to be charged; prescribing that each license so issued shall expire one year from date; permitting renewal of each license not revoked or suspended from year to year; prescribing the license fee of \$10.00 and an annual renewal license fee of \$10.00; providing that appointments by insurance carriers of agents shall be continuous unless otherwise terminated, and effect

thereof, except that on or before April 1 of each year, commencing on April 1, 1970, each insurance carrier shall file with the State Board of Insurance on prescribed forms a list of its appointed agents and failure to so file shall be deemed and considered as termination of such appointment; providing for issuance by State Board of Insurance of ninety day temporary licenses to agents selling health and accident insurance and all other applicable insurance coverage without passing written examination, and prescribing the methods, procedures and requirements for the obtaining of such temporary licenses and precluding the writing of insurance upon certain specified individuals while such agent holds a temporary license and limiting certain commissions thereon; requiring notification to State Board of Insurance by each insurance carrier of termination of any appointment of any agent and authorizing State Board of Insurance to terminate license but providing that any such information required to be or furnished to the State Board of Insurance relating to any such termination of a license shall be deemed a privileged communication and limited to introduction in court; prescribing for the denial, refusal, suspension or revocation of licenses issued pursuant to Article 21.07 under certain circumstances and based upon certain reasons; providing for notice and hearing before denial, suspension or revocation of license and filing of findings of facts if license denied, revoked or suspended; limiting the right to receive a new license for a period of one year following denial, refusal or revocation of license (except for failure to pass a required written examination) unless good cause be shown to waive the same; providing for judicial review of all acts of the State Board of Insurance and prescribing the methods, procedure and precedence therefor and that such review shall be by trial de novo; establishing a penalty of not more than \$500.00 or imprisonment not more than six months, or both, for violations of the provisions of Article 21.07; authorizing the State Board of Insurance to establish, and from time to time amend, reasonable rules and regulations for administration of Article 21.07; prescribing an annual license fee of \$10.00 for each agent and for each initial appointment of \$4.00; establishing that all

fees shall constitute a fund to be used by State Board of Insurance for administration of Article 21.07, State Board of Insurance is authorized to use such funds to employ persons it may deem necessary to make investigations and report upon alleged violations of Article 21.07 and further granting to the State Board of Insurance additional authority; providing the method for use of any residue of said funds; requiring that said fund be deposited with the State Treasurer at least once each week; providing further for termination and disposition of such fund at the end of each biennium; providing any person who holds a license under the provisions of Article 21.07-1 shall be entitled to receive a license under Article 21.07 to write health and accident insurance without being required to pass written examination; providing any person who holds a license under Article 21.14, Texas Insurance Code, 1951, as amended, shall be entitled to certain exemptions; providing that any license authorizing the agent to write health and accident insurance shall have stamped thereon the words "Health and Accident Insurance"; providing that each license issued prior to the effective date of this Act under the provisions of Article 21.07 and re-

maining in force at the effective date of this Act shall continue in full force and effect until such license would otherwise expire and each such license so expiring shall be subject to renewability in accordance with the provisions of this Act upon each respective license expiration date but may be revoked as otherwise provided in this Act; providing that this Act shall be cumulative of all other existing laws but in event of any conflict the provisions of this Act shall prevail and all laws or parts of laws in conflict with this Act are repealed to the extent of such conflict; providing a severability clause; and declaring an emergency.

Referred to Committee on Insurance.

#### ADJOURNMENT

Mr. Sherman moved that the House adjourn until 11:00 o'clock a. m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 2:35 o'clock p. m., adjourned until 11:00 o'clock a. m. tomorrow.

**In Memory of the**

**Honorable Lon E. Alsup**

Mr. Ray offered the following resolution:

H. C. R. No. 11

Whereas, The life of one of the outstanding public servants in the history of Texas ended on Thursday, August 7, with the death of Lon E. Alsup in San Antonio; and

Whereas, This courageous leader was born on April 25, 1898, in Carthage, Texas, the son of Eric Elmer and Carrie Alsup; and

Whereas, Blind from birth, he entered the Texas School for the Blind at the age of seven, and was graduated in 1918; and

Whereas, Having studied piano tuning at the school, upon graduation he borrowed money to establish himself as a piano tuner and later operated the Alsup Music Company in Carthage until the onset of the depression in 1930; and

Whereas, In 1930 he campaigned successfully for a seat in the Texas Legislature against an incumbent representative by carrying his Model T Bandwagon, highlighted by a string band, through the piney woods of East Texas, thereby setting a standard for many future Texas political campaigns; and

Whereas, The Honorable Lon E. Alsup and Miss Zela Jordan, also of Carthage, were married in 1932, and the couple had one daughter, Juanita; and

Whereas, Representative Alsup cosponsored the bill creating the State Commission for the Blind during his freshman term in the House: he became known as the "watchdog of the treasury" due to his keen insight into appropriation bills; and

Whereas, Resigning from the Legislature in 1941, he became executive Secretary-Director of the State Commission for the Blind in 1942, a position which he held for 22 years until his retirement on August 31, 1964; and

Whereas, His public service also included a term as president of the Texas Rehabilitation Association and active membership in the State's Vocational Council, the American Association of Workers for the Blind, and the Council of Executives of Agencies for the Blind; and

Whereas, Among his many honors is a 1960 Citation of Merit from the National Rehabilitation Association, an Award of Merit from the Counseling Service for the Blind, and a listing in "Who's Who in the South and Southwest"; and

Whereas, It is appropriate that the Texas Legislature and all the people of Texas pay tribute to Lon E. Alsup for his 34 years of dedicated public service, and extend sympathy to his family; now, therefore, be it

Resolved, by the House of Representatives of the 61st Legislature, the Senate concurring, That this Resolution stand in memory of Lon E. Alsup, courageous leader, outstanding citizen, and devoted public servant; and, be it further

Resolved, That official copies of this Resolution be prepared for his wife, Mrs. Zela Alsup, and his daughter, Mrs. Juanita Krause; and, be it further

Resolved, That when the House of Representatives and the Senate adjourn this day, they do so in memory of and in tribute to Lon E. Alsup.

The resolution was unanimously adopted by a rising vote.



**NINTH DAY**

(Tuesday, August 12, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Harris
Abraham	Hawkins
Adams	Hawn
Allen of Harris	Haynes
Allen of Gregg	Head
Angly	Heatly
Archer	Hendricks
Armstrong	Hinson
Atwell	Holland
Atwood	Holmes of Hood
Bass of Harris	Holmes of Dallas
Bass of Van Zandt	Howard
Beckham	Hubenak
Bigham	Hull
Blaine	Johnson
Blanton	Jones of Harris
Braecklein	Jones of Taylor
Braun	Jungmichel
Bray	Kilpatrick
Burnett	Knapp
Caldwell	Kothmann
Calhoun	Kubiak
Carrillo	Lee
Cavness	Lemmon
Christian	Ligarde
Clark of Harris	Lombardino
Clark of Dallas	Longoria
Clayton	Lovell
Cobb	McDonald
Cole	McKissack
Cory	McLaughlin
Craddick	Moore of Hill
Cruz	Moore
Cummings	of McLennan
Daniel	Moreno
Davis of Harris	Moyer
Davis of Travis	Muniz
Dickson	Murray
Doran	Musgrove
Dramberger	Nabers
Earthman	Neugent
Evans	of Galveston
Farenthold	Newman
Finck	Nichols
Finnell	Niland
Finney	Nowlin
Floyd	Nugent of Kerr
Garcia	Ogg
Golman	Orr
Graves	Parker
Hale	of Jefferson
Hannah	Parker of Denton
Harding	Patterson

Pickens	Slider
Pickett	Smith
Poerner	Solomon
Presnal	Stewart
Price	Stroud
Ray	Swanson
Reed	Tarbox
Rosson	Thomas
Salem	Traeger
Salter	Truan
Sanchez	Uher
Santiesteban	Vale
Schulle	Vance
Semos	Ward
Shannon, Joe, Jr.,	Wayne
of Tarrant	Weldon
Shannon, Tommy,	Wieting
of Tarrant	Williams
Sherman	Williamson
Short	Willis
Slack	Wright

Absent

Moore of Dallas

Absent-Excused

Allred	Jones of Lubbock
Baker	McAlister
Burgess	Ratcliff

A quorum of the House was announced present.

The Invocation was offered by Chaplain Clinton Kersey, as follows:

"Our Heavenly Father, we know of no better way to begin the work of another day than by dedicating our lives to Thee and to do our best to serve Thee by serving our fellowman.

The disappointments and indecisions in our lives teach us that we, ourselves, are not in tune with Thee as we should be. Help us to find Thy will this day.

We ask Thee to minister to those in sickness; may Thy Holy Spirit comfort each one is our prayer.

In Jesus' Name. Amen."

**LEAVES OF ABSENCE GRANTED**

The following Members were granted leaves of absence for today on account of important business:

Mr. McAlister on motion of Mr. Wayne.

Mr. Ratcliff on motion of Mr. Presnal.

Mr. Jones of Lubbock on motion of Mr. Tommy Shannon of Tarrant.

The following Member was granted leave of absence for today on account of illness:

Mr. Burgess on motion of Mr. Adams.

The following Member was granted leave of absence for today on account of the birth of a son:

Mr. Allred on motion of Mr. Thomas.

The following Member was granted leave of absence for today on account of a death in his family:

Mr. Baker on motion of Mr. Hubenak.

#### MESSAGE FROM THE SENATE

Austin, Texas, August 12, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir: I am directed by the Senate to inform the House that the Senate has passed the following:

S. C. R. No. 12, By Herring and all Members of the Senate: In commendation of William J. Burke.

S. C. R. No. 13, By Bernal, Grover, Herring, Cole, McKool, and all Members of the Senate: Commending His Excellency, Archbishop Francis J. Furey.

Respectfully,  
CHARLES A. SCHNABEL  
Secretary of the Senate

#### MEMORIAL RESOLUTION ADOPTED

The following Memorial Resolution was adopted unanimously by a rising vote:

H. S. R. No. 35, By Kubiak: In memory of Mrs. Norine Beard of Thorndale, Texas.

#### CONGRATULATORY RESOLUTIONS ADOPTED

The following Congratulatory Resolutions were adopted unanimously:

H. S. R. No. 36, By Golman: Commending Curtis Cokes, the former welterweight boxing champion of the world.

H. S. R. No. 37, By Nowlin: Expressing appreciation to Senor Hector Martinez of Mexico City, D.F., for his capable service to his country and to his many friends in the United States.

S. C. R. No. 12, Extending good wishes to William J. Burke on his retirement as Executive Director of the State Board of Control.

S. C. R. No. 13, Extending highest commendations to His Excellency, Archbishop Francis J. Furey.

#### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Ogg, Cummings, Bass of Harris, Jones of Harris, Lemmon, Davis of Harris, Braun, Swanson, Allen of Harris, Lee, Clark of Harris, Nichols and Earthman:

H. B. No. 47, A bill to be entitled An Act creating and establishing in and for Harris County, Texas, two additional district courts of general jurisdiction to be known as the 189th and 190th District Courts and four additional district courts of criminal jurisdiction to be known as the 182nd, 183rd, 184th, and 185th District Courts; amending Article 199, Revised Civil Statutes of Texas, 1925, as amended, as it relates to district courts in Harris County; providing for the organization of the courts; providing for the transfer and docketing of cases; providing for trial and disposition of cases in the district courts named in this Act during the absence of the judge; prescribing the qualifications, jurisdiction, duties, and powers of the judges; providing for the appointment, election, and compensation for the judges; provid-

ing for seals of each of the courts of criminal jurisdiction; providing for the sheriff, district attorney, and clerk of the courts of criminal jurisdiction; providing for appointment and compensation of an assistant district attorney and of special deputy clerks; providing for the appointment of official court reporters; fixing the time for holding the terms of the courts and providing for jury service and empaneling of grand juries; limiting and conforming the jurisdiction of the courts of criminal jurisdiction to the jurisdiction of the 174th, 176th, 177th, 178th, 179th, and 180th District Courts; repealing all laws and parts of laws in conflict with the provisions of this Act to the extent of any conflict; and declaring an emergency.

Referred to Committee on Judicial Districts.

By Murray, Garcia and Sanchez:

H. B. No. 48, A bill to be entitled An Act relating to the transfer of certain probated proceedings to the County Court at Law of Cameron County; adding a new Section 6a to Chapter 59, Acts of the 40th Legislature, 1st Called Session, 1927, as amended (Article 1970-305, Vernon's Texas Civil Statutes); and declaring an emergency.

Referred to Committee on Judicial Districts.

By Carrillo:

H. B. No. 49, A bill to be entitled An Act relating to the creation, administration, powers, duties, and financing of the Starr County Hospital District of Starr County, Texas, by authority of Article IX, Section 9, of the Texas Constitution; and declaring an emergency.

Referred to Committee on Counties.

By Smith:

H. B. No. 50, A bill to be entitled An Act relating to the acquisition of the Beaumont School for the Deaf by the State Board of Education for the benefit of the Texas School for the Deaf; and declaring an emergency.

Referred to Committee on Appropriations.

By Hawkins:

H. B. No. 51, A bill to be entitled An Act relating to the salary of a county judge in certain counties; and declaring an emergency.

Referred to Committee on Counties.

By Shannon, Tommy, of Tarrant:

H. B. No. 52, A bill to be entitled An Act to be known as the Texas Depositor Protection Act; providing for creation, operation and regulation of corporations to provide deposit insurance for certain bank deposits within this State; defining terms; providing for severability; and declaring an emergency.

Referred to Committee on Banks and Banking.

#### ADJOURNMENT

Mr. Niland moved that the House adjourn until 11:00 o'clock a.m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 11:25 o'clock a. m., adjourned until 11:00 o'clock a. m. tomorrow.

#### APPENDIX

#### STANDING COMMITTEE REPORT

The Committee on State Affairs has filed a favorable report on S. C. R. No. 6.

#### REPORT OF THE COMMITTEE ON ENROLLED AND ENGROSSED BILLS

Austin, Texas, August 11, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom were referred

H. C. R. No. 9,

H. C. R. No. 11,

has carefully compared same and finds the resolutions correctly engrossed.

WARD, Chairman

### TENTH DAY

(Wednesday, August 13, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Finnell
Abraham	Finney
Adams	Floyd
Allen of Harris	Garcia
Allen of Gregg	Golman
Angly	Hale
Archer	Hannah
Armstrong	Harding
Atwell	Harris
Atwood	Hawkins
Baker	Hawn
Bass of Harris	Haynes
Bass of Van Zandt	Head
Beckham	Heatly
Bigham	Hendricks
Blaine	Hinson
Blanton	Holland
Braecklein	Holmes of Hood
Braun	Holmes of Dallas
Bray	Howard
Burgess	Hubnak
Burnett	Hull
Caldwell	Johnson
Calhoun	Jones of Lubbock
Carrillo	Jones of Harris
Cavness	Jones of Taylor
Christian	Jungmichel
Clark of Harris	Kilpatrick
Clayton	Knapp
Cobb	Kothmann
Cole	Kubiak
Cory	Lee
Craddick	Lemmon
Cruz	Ligarde
Cummings	Lombardino
Daniel	Longoria
Davis of Harris	Lovell
Davis of Travis	McAlister
Dickson	McDonald
Doran	McKissack
Dramberger	McLaughlin
Earthman	Moore of Hill
Evans	Moore of Dallas
Farenthold	Moore
Finck	of McLennan

Moreno	Santiesteban
Moyer	Schulle
Muniz	Semos
Murray	Shannon, Joe, Jr., of Tarrant
Musgrove	Shannon, Tommy, of Tarrant
Nabers	Sherman
Neugent of Galveston	Short
Newman	Slack
Nichols	Slider
Niland	Smith
Nowlin	Solomon
Nugent of Kerr	Stewart
Ogg	Stroud
Orr	Swanson
Parker of Jefferson	Tarbox
Parker of Denton	Thomas
Patterson	Traeger
Pickens	Truan
Pickett	Uher
Poerner	Vale
Presnal	Vance
Price	Ward
Ratcliff	Wayne
Ray	Weldon
Reed	Wieting
Rosson	Williams
Salem	Williamson
Salter	Willis
Sanchez	Wright

Absent

Clark of Dallas

Absent-Excused

Allred

Graves

A quorum of the House was announced present.

The Invocation was offered by Dr. Ralph Smith, Pastor of the Hyde Park Baptist Church of Austin, Texas, as follows:

"Our gracious heavenly Father, we thank Thee for the founding forefathers of our nation. Because of their sacrifices this precious gift of freedom is ours. Grant that the men who serve in this Legislative Assembly will recognize themselves as servants of the people of our good State of Texas. More than that may they recognize themselves as servants of God.

Help our elected officials to have knowledge and the wisdom to apply it. Free them from pettiness and jealousy in order that they might logically without emotion formulate policies,

laws, and budgets that would benefit our state.

Father, give these Representatives warm hearts and cool heads. And when their work is finished on this earth may they be received into life eternal through faith in Jesus Christ, in Whose Name we pray. Amen."

LEAVES OF ABSENCE GRANTED

The following Members were granted leaves of absence for today on account of important business:

Mr. Allred on motion of Mr. Thomas.

Mr. Graves on motion of Mr. Allen of Harris.

MESSAGE FROM THE SENATE

Austin, Texas, August 13, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir: I am directed by the Senate to inform the House that the Senate has passed the following:

H. C. R. No. 9, By Earthman, et al: In memory of George W. Strake.

H. C. R. No. 11, By Ray: In memory of Mr. Lon E. Alsop.

Respectfully,  
CHARLES A. SCHNABEL  
Secretary of the Senate

MEMORIAL RESOLUTION ADOPTED

The following Memorial Resolution was adopted unanimously by a rising vote:

H. S. R. No. 39, By Smith: In memory of the Reverend U. S. Keeling, Sr., of Beaumont, Texas.

CONGRATULATORY RESOLUTION ADOPTED

The following Congratulatory Resolution was adopted unanimously:

H. S. R. No. 38, By Swanson, Lemmon, Ogg, Bray, Clark of Harris, Davis of Harris and Bass of Harris, Extending congratulations to the Uni-

versity of Houston Golf Team, the 1969 National Collegiate Champions.

On motion of Mr. Braun the names of all Members of the Harris County Delegation were added to H. S. R. No. 38 as signers thereof.

RESOLUTIONS SIGNED BY THE SPEAKER

The Speaker signed in the presence of the House, after giving due notice thereof and their captions had been read severally, the following enrolled resolutions:

S. C. R. No. 12, Extending good wishes to William J. Burke, on his retirement as Executive Director of the State Board of Control.

S. C. R. No. 13, Commending His Excellency, Archbishop Francis J. Furey.

TO MEMORIALIZE THE CONGRESS OF THE UNITED STATES TO RETAIN THE 27 1/2 PERCENT DEPLETION ALLOWANCE FOR THE PETROLEUM INDUSTRY

Mr. Willis offered the following resolution:

H. C. R. No. 13

Whereas, Exploration and development of mineral resources of the nation would be severely handicapped by the proposed reduction in depletion allowance now before the Congress, inasmuch as the higher tax burden would make the economic risks unfeasible; and

Whereas, Coupled with the other tax reform measures applicable to the oil and gas industry, the tax increase would cost the industry approximately \$600 million, and the resultant drop in drilling and exploration would bring a significant rise in product prices and could cause shortages and rationing; and

Whereas, The depletion allowance reduction would reduce the tax income of state and local governments; few industries can equal the oil industry in holding the line against prices, and elimination of the favorable depletion allowance would affect all consumers, who would pay the damage eventually; and

Whereas, It is the consensus of the Texas Legislature that the proposed reduction in the depletion allowance would severely retard the economy of the State of Texas and the entire nation and would be detrimental to everyone who depends on petroleum for transportation, heat, power, or income, as well as cause harm to the economy of the United States; now, therefore, be it

Resolved, by the House of Representatives of the State of Texas, the Senate concurring, That the Legislature of the State of Texas respectfully memorialize the Congress of the United States to retain the 27½ percent depletion allowance for the protection not only of the petroleum industry but for the benefit of the entire national economy as well; and, be it further

Resolved, That the Clerk of the House be directed to transmit copies of this Resolution to the Vice-President of the United States, to the Speaker of the House of Representatives of the United States Congress, and to each Senator and Representative from Texas in the Congress of the United States.

Signed: DOYLE WILLIS

The resolution was referred to the Committee on House Administration.

#### CREATING A JOINT INTERIM WATER STUDY COMMITTEE

Mr. Clayton offered the following resolution:

H. C. R. No. 12

Whereas, The proper distribution of the water resources of the state is one of the most pressing issues facing the state government; and

Whereas, For the state to retain its power to act with respect to water resources, it is necessary for the state to act quickly and effectively; and

Whereas, The organizational structure of all state water agencies should be compatible and the laws properly administered; now, therefore, be it

Resolved, by the House of Representatives, the Senate concurring,

That a joint interim water study committee be established and that the committee be composed of three Members of the House of Representatives appointed by the Speaker, three Members of the Senate appointed by the Lieutenant Governor, and three private citizens of the state appointed by the Governor; and, be it further

Resolved, That the Governor shall appoint the chairman of the committee from among the Legislative Members; that the committee may elect other officers; and that the committee shall meet at the call of the chairman; and, be it further

Resolved, that the committee shall:

(1) study the water situation in the state and the federal and state proposals concerning it;

(2) study the changes, that may be needed in state statutes concerning water protection and development;

(3) study the organizational structure of all state water agencies and the administration of state laws relating to water;

(4) make a study of what ecological effects might occur as a result of implementation of the Texas Water Plan;

(5) study alternative methods of financing the Texas Water Plan;

(6) hold hearings throughout the state, explaining the major water problems in the state and the proposals for solving them to those attending the hearings and consider alternative proposals from interested legislators and from the public;

(7) review major water legislation enacted by the 61st Legislature;

(8) submit its conclusions, together with drafts of bills and resolutions the committee finds would be helpful in solving state water problems, to the Members of the 62nd Legislature; and, be it further

Resolved, That the Texas Water Development Board, the Texas Water Quality Board, and the Texas Water Rights Commission be requested to work with the committee and its staff, providing information useful in un-

derstanding the present water situation in the state, and the federal and state proposals concerning water, and keeping the committee informed of the state's water plan as it develops; and, be it further

Resolved, That the Texas Legislative Council and the Texas Research League be requested to provide the committee with staff and assistance to develop background information and analysis of legal problems concerning water, and to assist the committee in every way possible; and, be it further

Resolved, That the committee be authorized to hold such meetings as it considers necessary; summon and compel the attendance of witnesses and the production of documents and records; and administer oaths and affirmations to witnesses; and, be it further

Resolved, That the committee may meet and cooperate fully with any interim committee of the Senate or the House studying the state's water problems and with any other organizations concerned with water resources development; and, be it further

Resolved, That actual expenses of members of the committee and other necessary expenses of operation in connection with committee activities, including the expenses of employing professional staff and contracting with consultants and professional groups, shall be paid equally from the Contingent Expense Funds of the House of Representatives and the Senate. The committee shall prepare a budget for its expenses, which shall be submitted to the House Administration Committee and the Senate Contingent Expense Committee, and no expenditures shall be made until the budget has been approved by both of those committees. Prior approval of nonbudgeted expenditures must also be obtained from both of those committees.

The resolution was referred to the Committee on Interim Activities.

#### HOUSE BILLS ON FIRST READING

The following House Bills were to-

day laid before the House, read first time and referred to Committees as follows:

By Shannon, Tommy, of Tarrant:

H. B. No. 53, A bill to be entitled An Act amending Subsection B, Article 2.01, of the Texas Non-Profit Corporation Act (Article 1396-2.01, Vernon's Texas Civil Statutes), so as to allow the incorporation of a corporation whose purpose is to insure deposits for the benefit of bank depositors; and declaring an emergency.

Referred to Committee on Banks and Banking.

By Schulle:

H. B. No. 54, A bill to be entitled An Act relating to the authority of county commissioners courts to revoke exemptions of counties from the provisions of the Texas law governing sale, use, and transportation of herbicides where relating to applicers and custom applicers; amending Subsection (c), Section 17, Chapter 349, Acts of the 53rd Legislature, Regular Session, 1953, as added by Section 4, Chapter 474, Acts of the 60th Legislature, Regular Session, 1967 (Article 135b-4, Vernon's Texas Civil Statutes); and declaring an emergency.

Referred to Committee on Agriculture.

By Schulle:

H. B. No. 55, A bill to be entitled An Act relating to the removal of the exclusion of Caldwell County from the Texas law governing the sale, use, and transportation of herbicides; amending Subsection (a), Section 17, Chapter 349, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 135b-4, Vernon's Texas Civil Statutes); and declaring an emergency.

Referred to Committee on Agriculture.

By Niland:

H. B. No. 56, A bill to be entitled An Act amending Sections 1 and 2, Chapter 447, Acts of the 58th Legislature, 1963 (Article 29d, Vernon's Texas Civil Statutes), relating to the date

on which the federal decennial census is to be recognized and acted upon by the state and its agencies and political subdivisions; and declaring an emergency.

Referred to Committee on Counties.

By Niland:

H. B. No. 57, A bill to be entitled An Act relating to exemption of certain residential hotels from the minimum wage; amending Subsection (b), Section 4, H. B. No. 156, Acts of the 61st Legislature, Regular Session, 1969; and declaring an emergency.

Referred to Committee on State Affairs.

By Ray:

H. B. No. 58, A bill to be entitled An Act relating to the creation of a Court of Domestic Relations in Harrison County; and declaring an emergency.

Referred to Committee on Judicial Districts.

By McLaughlin, Hull, Burnett, Joe Shannon, Jr., of Tarrant, and Tommy Shannon of Tarrant:

H. B. No. 59, A bill to be entitled An Act authorizing and directing the Board of Regents of The University of Texas System to establish and maintain a dental branch of The University of Texas System in Tarrant County, Texas, to be known as The University of Texas Dental School at Arlington; authorizing the Board to prescribe courses leading to customary degrees, to award such degrees, and to make rules and regulations for the operation, control, and management of the school, including the determination of the number of students that shall be admitted; authorizing the execution of affiliation or coordinating agreements and joint appointments; authorizing the acceptance of gifts, grants, and donations from any source in aid of the planning, establishment, conduct, and operation of the school authorized by this Act, and in aid of the teaching and research conducted therein; providing for severability; and declaring an emergency.

Referred to Committee on Appropriations.

By McLaughlin:

H. B. No. 60, A bill to be entitled An Act relating to the disposition of fees and charges authorized by the Uniform Standards Code for Mobile Homes; amending Subsection (c), Section 7, Chapter 656, Acts of the 61st Legislature, Regular Session, 1969 (Article 5221f, Vernon's Texas Civil Statutes); and declaring an emergency.

Referred to Committee on Appropriations.

### ADJOURNMENT

Mr. Nugent of Kerr moved that the House adjourn until 11:00 o'clock a.m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 11:19 o'clock a. m., adjourned until 11:00 o'clock a. m. tomorrow.

### ELEVENTH DAY

(Thursday, August 14, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Bray
Abraham	Burgess
Adams	Burnett
Allen of Harris	Caldwell
Allen of Gregg	Calhoun
Angly	Carrillo
Archer	Cavness
Armstrong	Christian
Atwell	Clark of Harris
Atwood	Clark of Dallas
Baker	Clayton
Bass of Harris	Cobb
Bass of Van Zandt	Cole
Beckham	Cory
Bigham	Craddick
Blaine	Cruz
Blanton	Cummings
Braecklein	Daniel
Braun	Davis of Harris



Davis of Travis	Nabers
Dickson	Neugent
Doran	of Galveston
Dramberger	Newman
Earthman	Nichols
Evans	Niland
Farenthold	Nowlin
Finck	Nugent of Kerr
Finnell	Ogg
Finney	Orr
Floyd	Parker
Garcia	of Jefferson
Golman	Parker of Denton
Graves	Patterson
Hale	Pickens
Hannah	Pickett
Harding	Poerner
Harris	Presnal
Hawkins	Price
Hawn	Ratcliff
Haynes	Ray
Head	Reed
Heatly	Rosson
Hendricks	Salem
Hinson	Sanchez
Holland	Santiesteban
Holmes of Hood	Schulle
Holmes of Dallas	Semos
Howard	Shannon, Joe, Jr.,
Hubenak	of Tarrant
Hull	Shannon, Tommy,
Jones of Lubbock	of Tarrant
Jones of Harris	Sherman
Jones of Taylor	Short
Jungmichel	Slack
Kilpatrick	Slider
Knapp	Smith
Kothmann	Solomon
Kubiak	Stewart
Lee	Stroud
Lemmon	Swanson
Ligarde	Tarbox
Lombardino	Thomas
Longoria	Traeger
Lovell	Truan
McAlister	Uher
McDonald	Vale
McKissack	Vance
McLaughlin	Ward
Moore of Hill	Wayne
Moore	Weldon
of McLennan	Wieting
Moreno	Williams
Moyer	Williamson
Muniz	Willis
Murray	Wright
Musgrove	

**Absent**

Johnson                      Moore of Dallas

**Absent-Excused**

Allred                         Salter

A quorum of the House was announced present.

The Invocation was offered by Chaplain Clinton Kersey, as follows:

"Our Heavenly Father, we thank thee Lord for this day and its opportunities. We thank Thee for lessons to learn and work to do. We apply ourselves to both.

In spite of criticism and faultfinding of our actions by others, help us to be pleasant and forgiving even of those who would despitely use us.

In Jesus' Name. Amen."

**LEAVES OF ABSENCE GRANTED**

The following Member was granted leave of absence for today on account of important business:

Mr. Salter on motion of Mr. Hubenak.

The following Member was granted leave of absence for today on account of illness:

Mr. Allred on motion of Mr. Thomas.

**MEMORIAL RESOLUTIONS ADOPTED**

The following Memorial Resolutions were adopted unanimously by a rising vote:

H. S. R. No. 42, By Finnell: In memory of Mr. Louis Pitcock, Sr., of Graham, Texas.

H. S. R. No. 44, By Adams: In memory of Paul Dickerson of Jasper, Texas.

**MESSAGE FROM THE SENATE**

Austin, Texas, August 14, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir: I am directed by the Senate to inform the House that the Senate has passed the following:

H. B. No. 2, By Atwell: Raising revenue for the support of state gov-

ernment; and declaring an emergency; with amendments.

Respectfully,  
CHARLES A. SCHNABEL  
Secretary of the Senate

#### RESOLUTIONS SIGNED BY THE SPEAKER

The Speaker signed in the presence of the House, after giving due notice thereof and their captions had been read severally, the following enrolled resolutions:

H. C. R. No. 9, In memory of George W. Strake, Houston, Texas.

H. C. R. No. 11, In memory of the Honorable Lon E. Alsup, Austin, Texas.

#### CONGRATULATORY RESOLUTIONS ADOPTED

The following Congratulatory Resolutions were adopted unanimously:

H. S. R. No. 40, By Smith: Commending the citizens of the City of Nederland, Texas, on the dedication of the new Dutch Windmill Museum.

H. S. R. No. 41, By Atwood: Extending good wishes to Julie Anne Clarke of St. Ives, New South Wales, Australia.

H. S. R. No. 43, By Smith, Kilpatrick, Parker of Jefferson and Weldon: Commending Dr. Gerald M. Brassard, D.C., F.I.C.C., of Beaumont, Texas, for his many years of public service to his city, state and nation.

On motion of Mr. Smith the names of all Members of the House were added to H. S. R. No. 43 as signers thereof.

H. C. R. No. 14, By Nichols, Bigham, Parker of Jefferson, Clark of Harris, Bray, Williams, Smith, Holmes of Dallas, Thomas, Braun, Lombardino, Reed, Moreno, Graves, Cruz, Kubiak, Harris, Allen of Harris, Kilpatrick, Haynes, Truan, Farenthold, Moore of McLennan, Allred, Hendricks, Lee, Pickett, Muniz and Weldon: Extending a hearty welcome to Texas to Dr. Richard Norgaard of Los Angeles, California.

H. S. R. No. 45, By Heatly and Burnett: Extending good wishes to Mrs. LaWanda Ray Sharp of Paducah, Texas.

#### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Patterson:

H. B. No. 61, A bill to be entitled An Act amending Section 3, Chapter 1, page 60, General Laws, Acts of the 46th Legislature, Regular Session, 1939 (Article 147b, Vernon's Texas Penal Code), relating to permits to explore or excavate prehistoric ruins or archaeological or vertebrate paleontological sites in Texas; and declaring an emergency.

Referred to Committee on Governmental Affairs and Efficiency.

By Golman:

H. B. No. 62, A bill to be entitled An Act providing an exemption from tuition and laboratory fees at state institutions of higher education for certain children of state employees; providing for refunds in certain cases; and declaring an emergency.

Referred to Committee on Appropriations.

By Poerner:

H. B. No. 63, A bill to be entitled An Act relating to billing dates for retail installment transactions, retail sales transactions, credit card transactions, and public utility retail sales; and declaring an emergency.

Referred to Committee on Banks and Banking.

By Jones of Harris, Earthman, Lee and Archer:

H. B. No. 64, A bill to be entitled An Act amending Articles 5.01, 5.02, 5.04, 5.05, 5.09, and 5.11, Texas Insurance Code, as amended; repealing Article 5.03, Texas Insurance Code; relating to the removal of binding motor vehicle or automobile insurance rate making authority from the Texas Insurance Board; removing the board's authority to approve certain rating plans; and declaring an emergency.

Referred to Committee on Insurance.

By Hinson, Heatly and Solomon:

H. B. No. 65, A bill to be entitled An Act providing an allocation formula for certain school districts under the Foundation School Program Act; and declaring an emergency.

Referred to Committee on Public Education.

By Hinson, Heatly and Solomon:

H. B. No. 66, A bill to be entitled An Act providing an optional method of determining allocation of Foundation Program Professional Units under the Foundation School Program Act; and declaring an emergency.

Referred to Committee on Public Education.

#### ADOPTION OF S. C. R. NO. 6

The Speaker laid before the House for consideration at this time,

S. C. R. No. 6, Providing for the appointment of the Lunar Landing Commission of Texas.

The resolution had been referred to the Committee on State Affairs and was reported favorably by the Committee.

Mr. Clayton offered the following committee amendment to the resolution:

Committee Amendment No. 1

Amend Section 4 of the resolving clause of S. C. R. No. 6 by striking everything from the comma following the word "astronauts" to the end of the section and substituting a period and the following sentence:

"A separate medal shall be presented to each of the three Astronauts in ceremonies with the dignity and distinction appropriate to the glorious achievements of the moon landing and its implications to mankind."

Committee Amendment No. 1 was adopted without objection.

Mr. Lemmon offered the following amendment to the resolution:

Amendment No. 2

Amend Section 3 of the resolving clause of S. C. R. No. 6 by striking from the last sentence in the section everything following the word "is" and substituting in lieu thereof the following phrase:

"placed in the Archives of the State with the other historical mementoes of the State never to be used again."

The above amendment offered by Mr. Lemmon was adopted without objection.

S. C. R. No. 6, as amended, was adopted without objection.

#### ADOPTION OF H. C. R. NO. 13

The Speaker laid before the House for consideration at this time,

H. C. R. No. 13, To memorialize the National Congress to retain 27½ percent depletion allowance for the petroleum industry.

The resolution had been referred to the Committee on House Administration and was reported favorably by the Committee.

The resolution was adopted without objection.

#### RECORD OF VOTES

Mr. Graves, Mr. Clark of Harris, Mr. Kubiak and Mr. Vance requested to be recorded as voting "Nay" on the adoption of H. C. R. No. 13.

#### ADJOURNMENT

Mr. Sherman moved that the House adjourn until 11:00 o'clock a. m. next Monday.

The motion prevailed without objection.

The House accordingly, at 11:28 o'clock a. m., adjourned until 11:00 o'clock a. m. next Monday.

## APPENDIX

## STANDING COMMITTEE REPORT

The Committee on House Administration has filed a favorable report on H. C. R. No. 18.

REPORT OF THE COMMITTEE  
ON ENROLLED AND  
ENGIOSSED BILLS

Austin, Texas, August 13, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom were referred

H. C. R. No. 9,

H. C. R. No. 11,

has carefully compared same and finds the resolutions correctly enrolled.

WARD, Chairman

## SENT TO THE GOVERNOR

August 14, 1969

H. C. R. No. 9

H. C. R. No. 11

## TWELFTH DAY

(Monday, August 18, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Angly
Abraham	Archer
Adams	Armstrong
Allen of Harris	Atwell
Allen of Gregg	Atwood
Allred	Baker

Bass of Harris	Kubiak
Bass of Van Zandt	Lee
Beckham	Lemmon
Bigham	Lombardino
Blaine	Longoria
Blanton	Lovell
Braecklein	McAlister
Braun	McDonald
Bray	McKissack
Burgess	McLaughlin
Burnett	Moore of Hill
Caldwell	Moore of Dallas
Calhoun	Moore
Carrillo	of McLennan
Cavness	Moreno
Christian	Moyer
Clark of Harris	Muniz
Clark of Dallas	Murray
Clayton	Musgrove
Cobb	Nabers
Cole	Neugent
Cory	of Galveston
Craddick	Newman
Cruz	Nichols
Cummings	Niland
Daniel	Nowlin
Davis of Harris	Nugent of Kerr
Davis of Travis	Ogg
Dickson	Orr
Doran	Parker
Dramberger	of Jefferson
Earthman	Parker of Denton
Evans	Patterson
Farenthold	Pickens
Finck	Pickett
Finnell	Poerner
Finney	Presnal
Floyd	Price
Garcia	Ratcliff
Golman	Ray
Graves	Reed
Hale	Rosson
Hannah	Salem
Harding	Salter
Harris	Sanchez
Hawkins	Santiesteban
Hawn	Schulle
Haynes	Semos
Head	Shannon, Joe, Jr.,
Heatly	of Tarrant
Hendricks	Shannon, Tommy,
Hinson	of Tarrant
Holland	Sherman
Holmes of Dallas	Short
Howard	Slack
Hubenak	Slider
Hull	Smith
Johnson	Solomon
Jones of Lubbock	Stewart
Jones of Harris	Swanson
Jones of Taylor	Tarbox
Jungmichel	Thomas
Kilpatrick	Traeger
Knapp	Truan
Kothmann	Uher

Vale	Wieting
Vance	Williams
Ward	Williamson
Wayne	Willis
Weldon	Wright

Absent-Excused

Holmes of Hood	Stroud
Ligarde	

A quorum of the House was announced present.

The Invocation was offered by the Reverend W. D. Broadway, Pastor of The First Baptist Church of Portland, Texas, as follows:

“Our Heavenly Father, We come into Thy presence with thanksgiving for all Thy benefits and blessings—for our nation, our freedom, and our opportunities.

We pray Thy special blessings on the citizens of our sister states who have lost so much in the hurricane. Dear God, give Thy comforting presence to those who have lost so much.

We pray Thy blessings on the men and women of this House. Give them guidance and wisdom, compassion and courage as they deliberate matters of law for our State.

We pray in Jesus’ Name. Amen.”

LEAVES OF ABSENCE GRANTED

The following Member was granted leave of absence for today on account of important business:

Mr. Holmes of Hood on motion of Mr. McLaughlin.

The following Members were granted leaves of absence for today on account of illness:

Mr. Ligarde on motion of Mr. Wayne.

Mr. Stroud, for today and tomorrow, on motion of Mr. Bass of Harris.

EXPRESSING GOOD WISHES TO REPRESENTATIVE HILARY B. DORAN, JR.

Mr. Calhoun offered the following resolution:

H. S. R. No. 47

Whereas, A distinguished Member of the House of Representatives, the Honorable Hilary B. Doran, Jr., celebrated his birthday on Saturday, August 16, 1969, while many of his friends and colleagues were out of town; and

Whereas, It is a distinct disappointment to them that they were not in Austin and the Capitol to help Hilary celebrate his 33rd Anniversary, the first birthday he has had during a session of the Legislature since he became a Member in 1967; and

Whereas, The son of Mr. and Mrs. Hilary B. Doran, Sr., of Del Rio, Representative Doran is also a native of that city; he and his wife, the former Diane Scrutchin, to whom he was married on October 4, 1958, are the proud parents of three handsome sons, Trey, age 9; David, 7, and one-year-old Gregg; and

Whereas, A mild-mannered and capable Legislator, Hilary has gained the friendship and affection of all Members of the Legislature—with possibly one exception—and it is the pleasure of all those present today to extend to him belated birthday greetings; now, therefore, be it

Resolved, That the House of Representatives of the 61st Legislature, 1st Called Session, hereby express good wishes and many happy returns of the day to Representative Hilary Doran, Jr., on the celebration of his 33rd Birthday and wish for him many more happy anniversaries; and, be it further

Resolved, That an official copy of this Resolution be prepared for Hilary B. Doran, Jr., as an expression of the good will of his colleagues and as a memento of his 33rd Birthday.

The resolution was read and was adopted unanimously.

On motion of Mr. Clark of Dallas the names of all the Members of the House were added to H. S. R. No. 47 as signers thereof.

COMMENDING THE HONORABLE  
DOYLE WILLIS, AND WISHING  
HIM A HAPPY BIRTHDAY

Mr. Golman offered the following resolution:

H. S. R. No. 48

Whereas, This 18 August 1969 is the birthday of our colleague and friend, State Representative Doyle Willis, of Tarrant County, Texas; and

Whereas, State Representative Doyle Willis served in the Texas House of Representatives from 1947 through 1952, the Senate of Texas from 1953 through 1962, on the Fort Worth City Council in 1963-1964, and returned to the House of Representatives in 1969; and

Whereas, Doyle Willis is the seventh Legislator in the history of Texas to have such sequence of Legislative tenure. During these nine terms he has served in the Texas Legislature with distinction and honor from Tarrant County, Texas; and

Whereas, Doyle Willis served 52 months in World War II, receiving the Bronze Star Medal and four battle stars, and was discharged from the United States Air Force with the rank of Major; and

Whereas, Doyle Willis served as Texas Department Commander of the Veterans of Foreign Wars, Commander of Bothwell Kane Post of the American Legion, and president of the Tarrant County Reserve Officers Association; he is a member of Disabled American Veterans; Irish War Veterans; Sons of the Republic of Texas; and past president of the Men's Bible Class of the First Methodist Church, Fort Worth, Texas; and

Whereas, Doyle Willis married the lovely Evelyn McDavid, and they have four fine and talented children: Lieutenant Doyle Willis, Jr., a graduate of Southern Methodist University and now stationed in Southeast Asia; USAF Airman Dan Willis, also a graduate of S.M.U.; Dina Willis, a student at Gulf Park College; and Dale Willis, a student at The Judson School; now, therefore, be it

Resolved, by the House of Representatives of the 61st Texas Legislature, that Doyle Willis be and he is

hereby commended for being the seventh legislator in the history of Texas to serve as a House Member, Senator, and then House Member; and that the House of Representatives by this Resolution wish for Doyle Willis and his family a wonderful birthday celebration and happiness and success in future years.

Signed: Golman, Jones of Taylor, Vale, Moore of McLennan, Moore of Hill and Williams.

The resolution was read and was adopted unanimously.

On motion of Mr. Hull the names of all the Members of the House were added to H. S. R. No. 48 as signers thereof.

CONGRATULATORY  
RESOLUTION ADOPTED

The following Congratulatory Resolution was adopted unanimously:

H. C. R. No. 16, By Smith: Commending James R. Smith, Chief of the Capitol Security Police Force, and the members of the Capitol Security Police Force.

TO GRANT PERMISSION  
TO SUE THE STATE

Mr. Hale offered the following resolution:

H. C. R. No. 15

Authorizing Suit Against The State.

Whereas, The persons named herein assert some type of right, title or interest in and to the property hereinafter described and desire to sue the State of Texas in order to clear title to such real property, to wit: John Cecil Ewing and wife, Annie Haas Ewing, of Atlanta, Georgia; Ethel M. Albright, a widow, of Acworth, Georgia; A. J. Parker of Miami, Florida; Walter Lamar Key and wife, Nancy Key, of Gunterville, Alabama; Erwin Leon Key and wife, Freddie Key, of Houston, Texas; and others; and

Whereas, The above named persons claim fee simple title to a tract of land described in an original grant recorded in Vol. 22, Pages 307-310, inclusive, of the Spanish Archives

in the Office of the Commissioner of the General Land Office of the State of Texas; and

Whereas, Such persons allege that the State of Texas and the Land Commissioner of the State of Texas should be required to convey to them by deed a good and sufficient title to the subject property; now, therefore, be it

Resolved, by the House of Representatives of the State of Texas, the Senate concurring, That (1) John Cecil Ewing, et al, are hereby granted permission to sue the State of Texas in any Court of competent jurisdiction in Travis County, Texas; (2) in the event suit is filed, service of citation and other required process shall be made upon the Attorney General of the State of Texas; and (3) the suit shall be conducted as other civil cases; and, be it further

Resolved, That (1) nothing in this Resolution may be construed as an admission by the State of Texas, or by any of its departments, agencies, or political subdivisions, of liability or of the truth of any allegations asserted by the claimants, but the alleged cause of action must be proved under the laws of this State as in other cases; (2) nothing in this Resolution may be construed as a waiver of any defense, of law or fact, available to the State of Texas or the Land Commissioner of the State of Texas or to any of its departments, agencies, or political subdivisions; and (3) every defense is specifically reserved.

The resolution was referred to the Committee on Judiciary.

**PROPOSING AN AMENDMENT TO RULE VII OF THE HOUSE RULES, SIXTY-FIRST LEGISLATURE, TO CREATE A STANDING COMMITTEE ON WELFARE**

Mrs. Farenthold offered the following resolution:

**H. S. R. No. 46**

Whereas, There is great need for the Legislature of the State of Texas to assume a larger planning role with regards to the welfare and human opportunities of its citizens; and

Whereas, The future greatness of this State and the prosperity and well-being of its people depend upon the preventive steps taken by the Legislature now, with regards to problems of children and the care and services provided pre-delinquent, abused, and dependent-and-neglected children, and their families; and

Whereas, There were over thirty-five bills introduced in the Texas House of Representatives during the Sixty-first Legislature, Regular Session, concerning the problems of children and public assistance; and, a larger number of bills will necessarily be introduced in the future for the following reasons:

(1) The administration of the Federal Government is proposing a restructuring of the welfare system in the United States, which will call for innovations in the Texas welfare system; and

(2) The White House Conference on Children and Youth, to be held in 1970, in which Texas participates, will study and make recommendations to the States regarding steps that should be taken to improve services and general care for children and youth; and

(3) The Texas State Advisory Committee to the United States Commission on Civil Rights has recognized the need for Texas legislative leadership in the field of food programs, since nine out of ten of the poor in this State are not participating in the federal food subsidy programs; and

Whereas, There is an imperative need for the Texas Legislature to coordinate the new, as well as the existing, programs aimed at developing the human resources of the people of this State, which are not presently receiving adequate attention due to fragmented and piecemeal State policies; now, therefore, be it

Resolved, by the House of Representatives, Sixty-first Legislature, First Called Session, that Rule VII of the House Rules, Sixty-first Legislature, be amended by adding the following:

"Section 46. Welfare. Twenty-one members, with jurisdiction over:

(1) All matters pertaining to the needs of and services for children, the aged, the disabled, and the blind; (2) public assistance programs; (3) community service programs; (4) legal aid programs; (5) food subsidy programs; (6) the problems of unemployment, underemployment, and job training programs; and, (7) all matters relating to social and economic problems, which inhibit the general welfare of the people of the State of Texas."

The resolution was referred to the Committee on Rules.

#### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Parker of Denton:

H. B. No. 67, A bill to be entitled An Act creating and establishing a Judicial District for Denton County, Texas, to be known as the 158th Judicial District of Texas; providing for the appointment by the Governor of a judge to act as judge of said court; providing coextensive jurisdiction with the 16th Judicial District Court in and for Denton County, Texas; providing for the appointment of a court reporter; prescribing the terms of court; and declaring an emergency.

Referred to Committee on Judicial Districts.

By Cobb:

H. B. No. 68, A bill to be entitled An Act relating to the status of retired judges as judicial officers; amending Chapter 99, Acts of the 51st Legislature, 1949, as amended (Article 6228b, Vernon's Texas Civil Statutes), by adding a new Section 7A; and declaring an emergency.

Referred to Committee on Judiciary.

#### COMMITTEE ASSIGNMENTS FOR REPRESENTATIVE E. L. SHORT

The Speaker announced the following Standing Committee Assignments for Representative E. L. Short, of District No. 73:

Labor, Liquor Regulation, Urban Affairs and Criminal Jurisprudence.

#### HOUSE BILL NO. 2 WITH SENATE AMENDMENTS

Mr. Atwell called up with Senate Amendments for consideration at this time,

H. B. No. 2, A bill to be entitled An Act raising revenue for the support of State Government, amending Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by raising the rate on limited sales, excise, and use tax; amending the collection schedule to conform to the new rate; removing exemptions on alcoholic beverages; making conforming amendments to the Local Sales and Use Tax (Article 1066c, Vernon's Texas Civil Statutes); amending Chapter 6, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by raising the tax rate on the retail sale of motor vehicles; amending Chapter 7, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, by levying an additional tax on cigarettes; amending Chapter 12, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, to levy additional corporate franchise taxes for a two year period; providing an effective date; and declaring an emergency.

Mr. Atwell moved that the House do not concur in the Senate Amendments to H. B. No. 2 and that a Conference Committee be requested to adjust the differences between the two Houses on the bill.

The motion prevailed without objection.

#### RECORD OF VOTE

Mr. Calhoun requested to be recorded as voting "Nay" on the motion to refuse to concur in the Senate Amendments to H. B. No. 2 and request the appointment of a Conference Committee.

#### MOTION TO INSTRUCT THE HOUSE CONFEREES ON H. B. NO. 2

Mr. Smith made the following motion to instruct the House Conferees on H. B. No. 2:



"I move to instruct the House Conference on H. B. No. 2 to oppose and to refuse to accept any provision of the bill which places a sales tax on services, repairs, or labor."

Mr. Nugent of Kerr moved to table the above motion by Mr. Smith.

A record vote was requested.

The motion to table prevailed by the following vote:

Yeas—88

Allen of Gregg	Lemmon
Archer	Longoria
Atwell	Lovell
Baker	McAlister
Bass of Harris	McDonald
Blaine	McKissack
Blanton	McLaughlin
Braecklein	Moore of Hill
Burgess	Moyer
Burnett	Murray
Calhoun	Musgrove
Carrillo	Nabers
Cavness	Newman
Christian	Niland
Clark of Dallas	Nugent of Kerr
Clayton	Ogg
Cobb	Parker of Denton
Cole	Patterson
Cory	Pickens
Cummings	Pickett
Davis of Harris	Presnal
Davis of Travis	Price
Dickson	Ray
Doran	Salter
Earthman	Sanchez
Finck	Schulle
Finnell	Semos
Finney	Shannon, Joe, Jr., of Tarrant
Floyd	Shannon, Tommy, of Tarrant
Garcia	Sherman
Golman	Slack
Hale	Slider
Harding	Solomon
Hawkins	Swanson
Hawn	Tarbox
Heatly	Traeger
Hinson	Uher
Holland	Ward
Howard	Wayne
Hull	Wieting
Jones of Lubbock	Williamson
Jones of Taylor	Willis
Jungmichel	Wright
Knapp	
Lee	

Nays—56

Abraham	Adams
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Allen of Harris	Kubiak
Allred	Lombardino
Angly	Moore
Armstrong	of McLennan
Atwood	Moreno
Bass of Van Zandt	Muniz
Beckham	Neugent
Bigham	of Galveston
Braun	Nichols
Bray	Nowlin
Caldwell	Orr
Clark of Harris	Parker
Craddick	of Jefferson
Daniel	Poerner
Dramberger	Ratcliff
Evans	Reed
Farenthold	Rosson
Graves	Salem
Hannah	Santiesteban
Harris	Short
Haynes	Smith
Head	Stewart
Hendricks	Thomas
Holmes of Dallas	Truan
Hubenak	Vale
Johnson	Vance
Jones of Harris	Weldon
Kilpatrick	Williams
Kothmann	

Absent

Cruz	Moore of Dallas
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Absent-Excused

Holmes of Hood	Stroud
Ligarde	

REASON FOR VOTE

Reason for voting not to restrict House Conference regarding extending sales tax to services was because I would rather spread the sales tax to other items and hold the tax to the present rate.

Signed: JACK R. HAWKINS

MOTION TO INSTRUCT THE HOUSE CONFERENCE COMMITTEE ON H. B. NO. 2

Mr. Hannah made the following motion to instruct the Conference Committee on the part of the House on H. B. No. 2:

"I move to instruct the Conference Committee, on the part of the House, on House Bill No. 2, that reduction of the gross receipts tax as applied to telephone companies not be included in the Conference Committee Re-

port and that the law remain as is presently on the books."

Mr. Cory moved to table the above motion by Mr. Hannah.

A record vote was requested.

The motion to table prevailed by the following vote:

Yeas—85

Archer	Lombardino
Atwell	Lovell
Baker	McAlister
Blaine	McKissack
Blanton	McLaughlin
Braecklein	Moore of Hill
Burgess	Moyer
Burnett	Musgrove
Calhoun	Nabers
Carrillo	Neugent
Cavness	of Galveston
Christian	Newman
Clayton	Niland
Cobb	Nugent of Kerr
Cory	Ogg
Cummings	Orr
Davis of Harris	Parker of Denton
Davis of Travis	Patterson
Dickson	Pickens
Doran	Pickett
Earthman	Price
Finck	Ray
Finnell	Sanchez
Finney	Schulle
Floyd	Semos
Garcia	Shannon, Joe, Jr.,
Golman	of Tarrant
Hale	Shannon, Tommy,
Harding	of Tarrant
Hawn	Sherman
Head	Short
Heatly	Slack
Hinson	Slider
Holland	Solomon
Hubenak	Stewart
Hull	Swanson
Jones of Lubbock	Tarbox
Jones of Harris	Traeger
Jones of Taylor	Uher
Jungmichel	Ward
Knapp	Wayne
Kothmann	Wieting
Lee	Williamson
Lemmon	Willis

Nays—57

Abraham	Allred
Adams	Angly
Allen of Harris	Armstrong
Allen of Gregg	Atwood

Bass of Harris	McDonald
Bass of Van Zandt	Moore
Beckham	of McLennan
Bigham	Moreno
Braun	Muniz
Bray	Murray
Caldwell	Nichols
Clark of Harris	Nowlin
Clark of Dallas	Parker
Craddick	of Jefferson
Daniel	Poerner
Dramberger	Presnal
Evans	Reed
Farenthold	Rosson
Graves	Salem
Hannah	Salter
Harris	Santiesteban
Hawkins	Smith
Haynes	Thomas
Hendricks	Truan
Holmes of Dallas	Vale
Howard	Vance
Johnson	Weldon
Kilpatrick	Williams
Kubiak	Wright
Longoria	

Present-Not Voting

Cole

Absent

Cruz Ratcliff  
Moore of Dallas

Absent-Excused

Holmes of Hood Stroud  
Ligarde

REASON FOR VOTE

Under Rule II, Section 2, of the House Rules, I voted Present on the motion to instruct the Conference Committee with respect to the gross receipts tax on telephone companies because of a conflict of interest since I am employed on a part-time basis by an independent telephone company.

Signed: JAMES COLE

REASON FOR VOTE

Hannah Motion—Record Vote No. 8

I cast my vote in favor of this motion to instruct the House Conference Committee not to consider a reduction of an existing tax on the telephone company on the basis that the primary duty of the Legislature dur-

ing this Special Session is to find sources of revenue and not to cater to special interests by reducing existing sources of revenue.

Signed: NOWLIN of BEXAR

**MOTION TO INSTRUCT THE HOUSE CONFEREES ON H. B. NO. 2**

Mr. Harris made the following motion:

"I move that the House Members appointed to the Conference Committee considering House Bill No. 2 be instructed not to consider any amendment, or any provision, relating to Article 17.05, Chapter 17, Title 122A, Taxation-General, popularly known as the Chain Store Tax."

(Article 3—H. B. No. 2)

Signed: HARRIS and ALLRED

Mr. Atwell moved to table the above motion by Mr. Harris.

A record vote was requested.

The motion to table prevailed by the following vote:

Yeas—92

Angly	Finney
Archer	Floyd
Armstrong	Garcia
Atwell	Golman
Baker	Hale
Bass of Harris	Harding
Blaine	Hawn
Blanton	Haynes
Braecklein	Head
Bray	Heatly
Burgess	Hendricks
Burnett	Hinson
Calhoun	Holland
Carrillo	Hull
Cavness	Jones of Lubbock
Clark of Dallas	Jones of Harris
Clayton	Jungmichel
Cobb	Knapp
Cole	Kothmann
Cory	Lee
Cummings	Lemmon
Davis of Harris	Lombardino
Dickson	Lovell
Doran	McAlister
Dramberger	McKissack
Evans	McLaughlin
Finck	Moore of Hill
Finnell	Moyer

Murray	Semos
Musgrove	Shannon, Joe, Jr., of Tarrant
Nabers	Shannon, Tommy, of Tarrant
Newman	Sherman
Niland	Short
Nowlin	Slack
Nugent of Kerr	Slider
Ogg	Smith
Orr	Stewart
Parker of Denton	Swanson
Patterson	Tarbox
Poerner	Traeger
Presnal	Uher
Price	Ward
Ray	Wayne
Rosson	Wieting
Sanchez	Willis
Santiesteban	
Schulle	

Nays—50

Abraham	Longoria
Adams	McDonald
Allen of Gregg	Moore
Allred	of McLennan
Atwood	Moreno
Bass of Van Zandt	Muniz
Beckham	Neugent
Bigham	of Galveston
Braun	Nichols
Caldwell	Parker
Christian	of Jefferson
Clark of Harris	Pickens
Daniel	Pickett
Davis of Travis	Ratcliff
Earthman	Reed
Farenthold	Salem
Graves	Salter
Hannah	Solomon
Harris	Thomas
Hawkins	Truan
Holmes of Dallas	Vale
Howard	Vance
Hubenak	Weldon
Johnson	Williams
Jones of Taylor	Williamson
Kilpatrick	Wright
Kubiak	

Present-Not Voting

Craddick

Absent

Allen of Harris	Moore of Dallas
Cruz	

Absent-Excused

Holmes of Hood	Stroud
Ligarde	

MOTION TO INSTRUCT  
THE HOUSE CONFERENCE  
COMMITTEE ON H. B. NO. 2

Mr. Bray moved to instruct the House Conference Committee on H. B. No. 2 to increase production tax on oil and gas 2% to 6.6% on oil and 9% on gas.

Signed: BRAY

Mr. Atwell moved to table the above motion by Mr. Bray.

A record vote was requested.

The motion to table prevailed by the following vote:

Yeas—125

Abraham	Floyd
Adams	Garcia
Allen of Harris	Golman
Allen of Gregg	Hale
Allred	Hannah
Angly	Harding
Archer	Hawkins
Armstrong	Hawn
Atwell	Haynes
Atwood	Head
Baker	Heatly
Bass of Harris	Hendricks
Bass of Van Zandt	Hinson
Beckham	Holland
Blaine	Howard
Blanton	Hubenak
Braecklein	Hull
Burgess	Johnson
Burnett	Jones of Lubbock
Calhoun	Jones of Harris
Carrillo	Jones of Taylor
Cavness	Jungmichel
Christian	Knapp
Clark of Dallas	Kothmann
Clayton	Kubiak
Cobb	Lee
Cole	Lemmon
Cory	Lombardino
Craddick	Longoria
Cummings	Lovell
Daniel	McAlister
Davis of Harris	McDonald
Davis of Travis	McKissack
Dickson	McLaughlin
Doran	Moore of Hill
Dramberger	Moyer
Earthman	Muniz
Evans	Murray
Finck	Musgrove
Finnell	Nabers
Finney	

Neugent	Shannon, Joe, Jr.,
of Galveston	of Tarrant
Newman	Shannon, Tommy,
Niland	of Tarrant
Nowlin	Sherman
Nugent of Kerr	Short
Ogg	Slack
Orr	Slider
Parker of Denton	Solomon
Patterson	Stewart
Pickens	Swanson
Pickett	Tarbox
Poerner	Thomas
Presnal	Traeger
Price	Truan
Ratcliff	Uher
Ray	Vale
Rosson	Ward
Salem	Wayne
Salter	Wieting
Sanchez	Williamson
Santiesteban	Willis
Schulle	Wright
Semos	

Nays—17

Bigham	Moore
Braun	of McLennan
Bray	Moreno
Caldwell	Nichols
Clark of Harris	Parker
Farenthold	of Jefferson
Graves	Reed
Harris	Vance
Kilpatrick	Weldon
	Williams

Absent

Cruz	Moore of Dallas
Holmes of Dallas	Smith

Absent-Excused

Holmes of Hood	Stroud
Ligarde	

APPOINTMENT OF  
CONFERENCE COMMITTEE  
ON HOUSE BILL NO. 2

The Speaker announced the appointment of the following Conference Committee, on the part of the House, on H. B. No. 2:

Representatives Atwell, Chairman; Harding, Vice-Chairman; Cory, Heatly and Traeger.

**DIRECTING THE STATE BOARD OF INSURANCE TO CONSIDER RETURNS ON ALL FORMS OF INVESTMENT INCOME IN DETERMINING RATES FOR AUTOMOBILE INSURANCE**

Mr. Nichols offered the following resolution:

H. C. R. No. 17

Whereas, There is ample evidence that the people of Texas are concerned with the reasonableness of rates for automobile insurance fixed from time to time by the State Board of Insurance; and

Whereas, The State Board of Insurance is required by statute to take into consideration "all other relevant factors" in determining rates that are just and reasonable but, as experience has shown, it does not consider as a relevant factor returns on investments as income received by insurance companies writing automobile insurance in the State of Texas; and

Whereas, Regulatory agencies in other states and knowledgeable experts in the field have determined that returns on investment income constitute a relevant factor in fixing rates of automobile insurance; and

Whereas, It is the sense of the Legislature of the State of Texas, therefore, that returns on investment income constitute a relevant factor to be considered in determining rates for automobile insurance that are just and reasonable; now, therefore, be it

Resolved by the House of Representatives of the 61st Legislature, 1st Called Session, the Senate concurring, That the State Board of Insurance be and it is hereby directed to consider returns on all forms of investment income in determining rates for automobile insurance from and after the effective date of this Resolution; and, be it further

Resolved, That appropriate copies of this Resolution indicating the sense and desire of the Legislature be addressed and forwarded to the members of the State Board of Insurance.

Signed: R. C. Nichols, Bigham, Harris, Braun, Dick Reed, Graves and Clark of Harris.

The resolution was referred to the Committee on Insurance.

**ADJOURNMENT**

Mr. Sherman moved that the House adjourn until 11:00 o'clock a.m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 12:27 o'clock p.m., adjourned until 11:00 o'clock a.m. tomorrow.

**APPENDIX**

**STANDING COMMITTEE REPORT**

The Committee on Judiciary has filed a favorable report on H. C. R. No. 15.

**REPORT OF THE COMMITTEE ON ENROLLED AND ENGROSSED BILLS**

Austin, Texas, August 14, 1969

The Honorable G. F. (Gus) Mutcher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom were referred

H. C. R. No. 13,

H. C. R. No. 14,

has carefully compared same and finds the resolutions correctly engrossed.

WARD, Chairman

**THIRTEENTH DAY**

(Tuesday, August 19, 1969).

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Howard
Abraham	Hubenak
Adams	Hull
Allen of Harris	Johnson
Allen of Gregg	Jones of Lubbock
Angly	Jones of Harris
Archer	Jones of Taylor
Armstrong	Jungmichel
Atwell	Kilpatrick
Atwood	Knapp
Baker	Kothmann
Bass of Harris	Kubiak
Bass of Van Zandt	Lee
Beckham	Lemmon
Bigham	Ligarde
Blaine	Lombardino
Blanton	Longoria
Braecklein	Lovell
Braun	McDonald
Bray	McKissack
Burgess	McLaughlin
Burnett	Moore of Hill
Caldwell	Moore of Dallas
Calhoun	Moore
Carrillo	of McLennan
Christian	Moreno
Clark of Harris	Moyer
Clark of Dallas	Muniz
Clayton	Murray
Cobb	Musgrove
Cole	Nabers
Cory	Neugent
Craddick	of Galveston
Cruz	Newman
Cummings	Nichols
Daniel	Niland
Davis of Harris	Nowlin
Davis of Travis	Nugent of Kerr
Dickson	Ogg
Doran	Orr
Dramberger	Parker
Earthman	of Jefferson
Evans	Parker of Denton
Farenthold	Patterson
Finck	Pickens
Finnell	Pickett
Finney	Poerner
Floyd	Presnal
Garcia	Price
Golman	Ratcliff
Graves	Ray
Hale	Reed
Hannah	Rosson
Harding	Salem
Harris	Salter
Hawkins	Sanchez
Hawn	Santiesteban
Haynes	Schulle
Head	Semos
Heatly	Shannon, Joe, Jr.,
Hendricks	of Tarrant
Hinson	Shannon, Tommy,
Holland	of Tarrant
Holmes of Hood	Sherman
Holmes of Dallas	Short

Slack	Uher
Slider	Vance
Smith	Ward
Solomon	Wayne
Stewart	Weldon
Swanson	Wieting
Tarbox	Williams
Thomas	Williamson
Traeger	Willis
Truan	Wright

## Absent

Cavness	Vale
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## Absent-Excused

Allred	Stroud
McAlister	

A quorum of the House was announced present.

The Invocation was offered by the Reverend George V. Clark, Chaplain, Alcoholic Rehabilitation Center, Austin State Hospital, and Pastor of Sweethome Baptist Church, Round Rock, Texas, as follows:

"Almighty God, our Father, remember in mercy this Assembly, these Legislators, to whom are entrusted the cares of government — and strengthen them for the weight of this difficult task. We thank Thee, Our Father, for the ideal of a democracy that would give every man the right of true freedom and the right to pursue happiness.

We are grateful for the ideal of economic justice, which demands, for all, honest work and fair pay. May all such worthy ideals lay hold on this Legislative Body and refuse to be ignored. Grant, O God, to this Body of Lawmakers, an understanding, that above the confusion and fog of our modern life, there may come a revelation of meaningful direction. Reveal the vision of a purposeful state and nation and give to this Body, by communion with the Eternal, the significance of the passing days.

Lift us into the higher air of tranquil and self-forgetting dedication— to Thy mysterious but merciful designs and let these Legislators maintain unhindered inquiry and freedom of discussion and divinely guide them as they direct their efforts to the betterment of our State and Nation. In Jesus' Name we pray. Amen."

**LEAVES OF ABSENCE GRANTED**

The following Member was granted leave of absence for today on account of important business:

Mr. McAlister on motion of Mr. Ward.

The following Member was granted leave of absence for today on account of illness:

Mr. Allred on motion of Mr. Thomas.

**MESSAGE FROM THE SENATE**

Austin, Texas, August 19, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir: I am directed by the Senate to inform the House that the Senate has passed the following:

H. C. R. No. 14, By Nichols, et al: Welcoming Dr. Richard Norgaard to Texas.

I am directed by the Senate to inform the House that the Senate has concurred in House Amendments to S. C. R. No. 6 by Voice Vote.

I am directed by the Senate to inform the House that the Senate has granted the request of the House for a Conference Committee to adjust the differences between the two Houses on House Bill No. 2.

The following have been appointed on the part of the Senate:

Senators Moore, Blanchard, Harris, Kennard, Strong.

Respectfully,  
CHARLES A. SCHNABEL  
Secretary of the Senate

**APPOINTMENT OF COMMITTEE TO ESCORT W. ROBERT McLELLAN TO THE SPEAKER'S ROSTRUM**

The Speaker announced the appointment of the following Committee to escort W. Robert McLellan, Deputy Assistant Secretary of Commerce, to the Speaker's Rostrum, who will present the "E" Award at the Joint Session:

Representatives Sherman, Chairman; Baker, Clayton, Calhoun, Ogg, Hawn, Garcia, Finnell, Salem and Holland.

**ADDRESS BY W. ROBERT McLELLAN, DEPUTY ASSISTANT SECRETARY OF COMMERCE**

(The House of Representatives and the Senate in Joint Session)

In accordance with the provisions of S. C. R. No. 3, providing for a Joint Session of the House and the Senate at 11:00 o'clock a. m. today, for the purpose of hearing an address by W. Robert McLellan, Deputy Assistant Secretary of Commerce, and the presentation of the Presidential "E" Award for Export Development to the State of Texas, the Lieutenant Governor and the Honorable Senators were announced at the Bar of the House and were admitted to the Hall of the House.

Lieutenant Governor Ben Barnes occupied a seat on the Speaker's Rostrum.

The Honorable Senators occupied seats arranged for them.

At 11:09 o'clock a. m., Mr. W. Robert McLellan, Governor Preston Smith, Mr. Chester C. Wine, Chairman of the Texas Industrial Commission, Members of the Texas Industrial Commission, Senators Herring, Snelson, Hightower, McKool and Bridges, Committee on the part of the Senate, and Representatives Sherman, Baker, Clayton, Calhoun, Ogg, Hawn, Garcia, Finnell, Salem and Holland, Committee on the part of the House, were announced at the Bar of the House and, being admitted, occupied seats on the Speaker's Rostrum.

Lieutenant Governor Ben Barnes called the Senate to order.

A quorum of the Senate was announced present.

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives, called the House to order.

The roll of the House was called.

A quorum of the House was announced present.

Speaker Mutscher stated that the two Houses were in Joint Session for the purpose of the presentation to the State of Texas of the Presidential "E" Award for Export Development.

Speaker Mutscher then presented Lieutenant Governor Ben Barnes to the Joint Session.

Lieutenant Governor Barnes addressed the Joint Session briefly and introduced Mr. W. Robert McLellan, Deputy Assistant Secretary of Commerce.

Mr. McLellan then addressed the Joint Session.

At the conclusion of his address, Mr. McLellan presented the Presidential "E" Award Flag to Governor Preston Smith.

Mr. McLellan then presented a framed citation of the Presidential "E" Award for Export Development to Mr. Chester C. Wine, Chairman of the Texas Industrial Commission.

Mr. McLellan also presented Presidential "E" Award lapel pins to Lieutenant Governor Ben Barnes and Speaker G. F. (Gus) Mutscher.

Speaker Mutscher presented Governor Preston Smith, who addressed the Joint Session and accepted the flag and "E" Award for the State of Texas.

Speaker Mutscher then introduced Mrs. Ima Smith, wife of Governor Preston Smith, to the Joint Session.

#### SENATE RETIRES

At 11:35 o'clock a. m., Lieutenant Governor Ben Barnes stated that the purpose of the Joint Session was accomplished and that the Senate would stand adjourned until 11:00 o'clock a. m. tomorrow.

#### HOUSE AT EASE

Speaker Mutscher stated that the House would stand at ease pending the departure of the guests.

(Mr. Blanton occupied the Chair temporarily)

(Speaker in the Chair)

The Speaker called the House to order at 11:43 o'clock a. m.

#### ADDRESS BY REPRESENTATIVE FRANCES FARENTHOLD

On motion of Mr. Reed, Mr. Harding and Mr. Harris, and by unanimous consent, the following remarks of Mrs. Farenthold, made in addressing the House on personal privilege on today, were ordered printed in the Journal:

Mr. Speaker and Gentlemen:

Today I wish to bring to the attention of the House of Representatives a series of occurrences which have left me askance as to the hardships and restrictions under which some of us have found ourselves trying to function as a legislative committee, then, in turn, as a subcommittee and as individuals serving in this Body. We few, members of the Governmental Affairs and Efficiency Committee, who have been closely associated with the legislative history of H. B. 734—better known as the Antiquities Commission Bill—as well as the contradictory and bizarre chain of events emanating from the Land Commissioner in his relationship with our designated assignment, I believe, have a responsibility to recount our experience to the entire Membership of this House. For, whatever our differences in voting patterns and interests, we share in common Membership in the Legislative Branch of our government, and I am sure each of us feels a responsibility to protect that branch of government in which we serve.

In addition to the particulars of these extraordinary sequences of events, which I will briefly outline, there are some overriding considerations that I believe should be given your attention: first, the Committee System—specifically, practices indulged in by the Land Commissioner in his relationship to a legislative committee and subcommittee; and, second, the concept of Checks and Balances, and how viable it was in this particular matter. These concepts are basic to our government, and yet, what has transpired these past few months is very troubling when one attempts to reconcile our form of government to the practices that we met.



On April 9th of this past spring, the Land Commissioner appeared before the House Governmental Affairs and Efficiency Committee, and is recorded in the Committee Book as appearing in opposition to H. B. No. 734. This is all that is noted since no record is kept of such testimony—a practice which in itself permits a witness to be as freewheeling as his character permits. At that time, the Land Commissioner informed our Committee that he had entered into a contract with Platoro, Inc., of Gary, Indiana, for the further salvaging of treasures off Padre Island. We were told at that time that this was the most advantageous contract that could be made, that the method of exploration was sound and protective of the archeological values, and in summary he asked us to ratify it. Within several days, I had delivered to my office a copy of the purported contract and a copy of purported Rules and Regulations promulgated by the Land Commissioner. From this time forward, our Subcommittee operated under the illusion that there was such a contract, and much of our time was taken up in attempting to establish the date on which this contract was entered into. For almost two months our Subcommittee was, as we later learned, set off chasing butterflies. For, in late June, Mr. Sadler repudiated the existence of such a contract.

In April, the Land Commissioner offered to show us the artifacts stored at a local bank, and to contact a Platoro representative to meet with us. On April 28th, we of the Subcommittee, the Committee Chairman, and others viewed what Mr. Sadler expressed as Texas' share of the recovered treasure. The Land Commissioner had present at that time Mr. Mendell Peterson to answer questions relating to the salvage work. Mr. Sadler had employed Mr. Peterson for the occasion. The Land Commissioner grew provoked with our prodding and announced that no further questions of any nature would be answered. And, I can assure you, none were answered.

The next morning, the Land Commissioner contacted me to explain that perhaps he had been somewhat crude, but that under the circumstances he was informing Platoro not to send a representative to meet with

our Subcommittee. In short, the committee system was made a mockery, for we had been asked to ratify what later the Commissioner repudiated—that is, the contract. We were shown a footlocker of artifacts that later could not, through any stretch of the imagination, be accounted as 50% of the recovered artifacts. The salvage methods and techniques, which were praised by the Land Commissioner and his spokesmen, were later shown to be so destructive and careless, from an archeological perspective, that the archeological value of the sites has been heedlessly destroyed.

Nor can I leave this subject without touching upon the role the Attorney General has played. Any time we asked assistance from that office in our labyrinthian investigation, we were thwarted. And, as late as June 4th, the Attorney General himself informed me that he represented the Land Commissioner and that, at that time, the Land Commissioner and Platoro were in accord as to their future course of activity.

Where, gentlemen, are our checks and balances in such a situation? We failed in the regular session to pass an Antiquities Commission Bill. The House version remained in the Rules Committee; its Senate counterpart was dispatched to the House Committee on State Affairs. And, if I may remind this Body, the investigation that will be conducted this afternoon through the Kilgore Commission has its origin not through legislative initiative and concern, but through local intervention in a judicial matter and the decision of the District Judge of Kenedy County to create such a Commission.

In summation, will we continue to abdicate leadership through inaction, have our committee system in practice disregarded, and permit ourselves to be thwarted in our role to provide adequate checks and balances with regard to a division of the Executive Branch?

Small wonder, Gentlemen that the people of Texas do not heed our protestations.

Signed:

Rep. Frances Tarlton Farenthold  
August 19, 1969

**RESOLUTION SIGNED BY  
THE SPEAKER**

The Speaker signed in the presence of the House, after giving due notice thereof and its caption had been read, the following enrolled resolution:

S. C. R. No. 6, Appointing a Lunar Landing Commission of Texas.

**MEMORIAL RESOLUTION  
ADOPTED**

The following Memorial Resolution was adopted unanimously by a rising vote:

H. C. R. No. 20, By Head: In memory of County Judge R. S. (Dick) Burruss of Tyler, Texas.

**CONGRATULATORY  
RESOLUTIONS ADOPTED**

The following Congratulatory Resolutions were adopted unanimously:

H. C. R. No. 18, By Harding: Congratulating Miss Patricia Benton of San Angelo, Texas, and Mr. Anthony Bir of Marion, Indiana, on their forthcoming wedding at the Old Fort Concho Chapel in San Angelo, Texas.

H. S. R. No. 50, By Nabers: Expressing best wishes to Miss Lydia Jamar, Oil Bowl Queen, of Brownwood, Texas.

**PROVIDING FOR THE APPOINTMENT OF A COMMITTEE TO STUDY THE ECONOMIC FEASIBILITY OF MAKING WIDESPREAD USE OF DESALINATION PROCESSES**

Mr. Finney offered the following resolution:

H. S. R. No. 49

Whereas, The future economic growth of Texas is dependent upon adequate water resources, and recent studies have shown that the present economic growth of the state is far outstripping the available water resources; and

Whereas, Research into the techniques and economics of desalination is now being conducted by many organizations not only in the United States, but throughout the world; and

Whereas, It is important that the State of Texas explore possible new solutions for meeting its future water needs; now, therefore, be it

Resolved, by the House of Representatives of the 61st Legislature, 1st Called Session, That the Water Resources Institute of Texas A&M University, in cooperation with other organizations from whom assistance may be solicited, be requested to study the economic feasibility of making widespread use of desalination processes to help meet the water needs of the state; and, be it further

Resolved, That this study shall include (1) a determination of which research projects are most likely to yield a breakthrough in desalination economics and techniques, (2) a report on the feasibility and cost of (a) using atomic energy in desalination plants to be located in areas of water shortage, (b) using atomic energy in desalination plants to be located on the Gulf Coast for the purpose of producing water to be transported to areas with water shortage, and (c) making dual use of atomic energy in university academic programs and in the generation of power for desalination plants; and, be it further

Resolved, That a committee of five House Members be appointed by the Speaker of the House to assist in the study in any way possible; and, be it further

Resolved, That from the Contingent Expense Fund of the House of Representatives the committee members shall be reimbursed for their actual expenses incurred in carrying out the provisions of this Resolution; the committee shall prepare a budget for its operating expenses, which shall be submitted to the House Administration Committee, and no expenditure shall be made until the budget has been approved. Prior approval of non-budgeted expenditures must also be obtained from the House Administration Committee; and be it further

Resolved, That the Water Resources Institute of Texas A&M University and the House study committee be requested to complete the study and make a full report to the 62nd Legislature when it convenes in Regular Session in January, 1971.

Signed: Finney, Atwood, Clayton, Presnal, Sanchez, Cobb, Moyer and Jones of Lubbock.

The resolution was referred to the Committee on Interim Activities.

### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Finnell:

H. B. No. 69, A bill to be entitled An Act authorizing any river authority to provide fresh water for domestic, commercial, industrial, agricultural, and any other lawful services for which it was created to an area and its inhabitants that may be within the extraterritorial jurisdiction of any city within the boundary limits of the river authority; amending Section 8, Municipal Annexation Act (Article 970a, Vernon's Texas Civil Statutes), by adding a Subsection D; and declaring an emergency.

Referred to Committee on Conservation and Restoration.

By Cavness:

H. B. No. 70, A bill to be entitled An Act amending Section 1, Chapter 475, Acts of the 52nd Legislature, 1951, as amended (Article 4551e, Vernon's Texas Civil Statutes), defining certain terms; amending Section 11, Chapter 244, Acts of the 44th Legislature, Regular Session, as amended (Article 4551b, Vernon's Texas Civil Statutes) and Article 753, Penal Code of Texas, 1925, as amended, relating to certain exemptions from the definition of dentistry; providing a repealing clause; providing a severability clause; and declaring an emergency.

Referred to Committee on Public Health.

By Sanchez and Longoria:

H. B. No. 71, A bill to be entitled An Act relating to suspension or revocation of certificates of authority to transact business held by certain alien insurance companies;

amending Subsection (j), Article 8.24, Texas Insurance Code, as added by House Bill 704, Acts of the 61st Legislature, Regular Session, 1969; and declaring an emergency.

Referred to Committee on Insurance.

By Golman:

H. B. No. 72, A bill to be entitled An Act amending Section 1, of Chapter 9, page 602, Acts of the 46th Legislature, 1939, Regular Session, Special Laws, as amended; providing for the office of county purchasing agent in all counties of this state having a population of seventy-four thousand (74,000) or more inhabitants according to the last preceding Federal Census; providing bond for such agent; providing generally the rights, powers, and duties of such agent in reference to the handling and purchase of supplies, materials, and equipment in reference to the contracting for repairs to property and for expenditures generally; providing for the appointment, tenure, and compensation of said agent; providing for a repealing clause; and declaring an emergency.

Referred to Committee on Counties.

By Salter:

H. B. No. 73, A bill to be entitled An Act authorizing school districts to contract with private educational institutions and trade and technical schools to provide vocational classes; and declaring an emergency.

Referred to Committee on Public Education.

By Allen of Gregg:

H. B. No. 74, A bill to be entitled An Act relating to the authority of counties to issue revenue bonds for the purpose of establishing, improving, enlarging, extending, or repairing county airports, facilities, and services; and declaring an emergency.

Referred to Committee on Counties.

By Ray:

H. B. No. 75, A bill to be entitled An Act amending Section 20, Chapter 779, Acts of the 61st Legislature,

Regular Session, 1969 (Article 1528e, Vernon's Texas Civil Statutes), The Texas Professional Corporation Act, to make that Act effective on September 1, 1969; and declaring an emergency.

Referred to Committee on Judiciary.

#### ADOPTION OF H. C. R. NO. 15

The Speaker laid before the House for consideration at this time,

H. C. R. No. 15, To grant John Cecil Ewing, et al, permission to sue the State.

The resolution had been referred to the Committee on Judiciary and was reported favorably by the Committee.

The resolution was adopted without objection.

#### ADJOURNMENT

Mr. Joe Shannon, Jr., of Tarrant moved that the House adjourn until 11:00 o'clock a. m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 11:58 o'clock a. m., adjourned until 11:00 o'clock a. m. tomorrow.

#### APPENDIX

#### REPORT OF THE COMMITTEE ON ENROLLED AND ENGROSSED BILLS

Austin, Texas, August 18, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom was referred

H. C. R. No. 16,

has carefully compared same and finds the resolution correctly engrossed.

WARD, Chairman

In Memory of  
**John Y. Lawhon**

Mr. Head offered the following resolution:

H. C. R. No. 19

Whereas, On June 15, 1969, the people of Smith County, Texas, lost a veteran attorney, John Y. Lawhon, who had the deepest admiration of the Smith County Bar Association and the people of the County; and

Whereas, John Y. Lawhon was an Air Force Veteran of World War I, County Attorney of Smith County, Texas, State Liquor Board Attorney and later Administrator of the Liquor Board; and

Whereas, He lived 72 years of a full and fruitful life, known as a devoted family man and father and an outstanding citizen. He was a true gentleman with a quiet personality and ethical viewpoint who contributed much through his fine example; and

Whereas, His wife, Johnnie, passed away before him, but he is survived by his two fine daughters, Billie Sue Griebel and Jyl Cole and several grandchildren; and

Whereas, Mr. Lawhon was an avid sportsman and loved the outdoors where he took part in fishing and hunting. He had developed into an excellent marksman and was at one time on the team that won the National Skeet Shooting Championship; and

Whereas, He had been a Director of the First National Bank of Troup, Texas, for many years and was active in civic affairs in Troup where he practiced law for many years while maintaining an honorable reputation as a lawyer who always represented the best interests of his clients; now, therefore, be it

Resolved, That the House of Representatives of the 61st

Texas Legislature, First Called Session, the Senate concurring, by this Resolution, show honor and respect to this outstanding citizen, John Y. Lawhon, and extend deepest sympathy to the members of his family; and, be it further

Resolved, That a copy of this Resolution, under the Seal of the House of Representatives, be prepared for the members of his family as a token of our sympathy for their great loss.

The resolution was adopted unanimously by a rising vote.

FOURTEENTH DAY

(Wednesday, August 20, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

Mr. Speaker	Harris
Abraham	Hawkins
Adams	Hawn
Allen of Harris	Haynes
Allen of Gregg	Head
Angly	Heatly
Archer	Hendricks
Armstrong	Hinson
Atwell	Holland
Atwood	Holmes of Hood
Baker	Holmes of Dallas
Bass of Harris	Howard
Bass of Van Zandt	Hubenak
Beckham	Hull
Bigham	Jones of Lubbock
Blaine	Jones of Harris
Blanton	Jones of Taylor
Braecklein	Jungmichel
Braun	Kilpatrick
Bray	Knapp
Burgess	Kothmann
Burnett	Kubiak
Caldwell	Lee
Calhoun	Lemmon
Carrillo	Ligarde
Cavness	Lombardino
Christian	Longoria
Clark of Harris	Lovell
Clayton	McAlister
Cobb	McDonald
Cole	McKissack
Cory	McLaughlin
Cradick	Moore of Hill
Cruz	Moore of Dallas
Cummings	Moore
Daniel	of McLennan
Davis of Harris	Moreno
Davis of Travis	Moyer
Dickson	Muniz
Doran	Murray
Dramberger	Musgrove
Earthman	Nabers
Evans	Neugent
Farenthold	of Galveston
Finck	Newman
Finnell	Nichols
Finney	Niland
Floyd	Nowlin
Garcia	Nugent of Kerr
Golman	Ogg
Hale	Orr
Hannah	Parker
Harding	of Jefferson

Parker of Denton	Slack
Patterson	Slider
Pickens	Smith
Pickett	Solomon
Poerner	Stewart
Presnal	Stroud
Price	Swanson
Ratcliff	Tarbox
Ray	Thomas
Reed	Traeger
Rosson	Truan
Salem	Uher
Sanchez	Vale
Santiesteban	Vance
Schulle	Ward
Semos	Wayne
Shannon, Joe, Jr.,	Weldon
of Tarrant	Wieting
Shannon, Tommy,	Williams
of Tarrant	Williamson
Sherman	Willis
Short	Wright

Absent

Clark of Dallas Johnson

Absent-Excused

Allred Salter  
Graves

A quorum of the House was announced present.

The Invocation was offered by the Honorable R. B. McAlister, of Lubbock County, as follows:

"Our Father:

We thank You for the living waters of eternal life, and as we face an ocean of problems in this great state, may we not lose our perspective and vision of the magnificent lake of opportunity that is just beyond.

Give us courage, God, to shoot the rapids and give us patience to pause at the dam and to study the deep waters for truth and justice. We realize we are polluted, Lord, and thank You for the purification that is ours in turning to You and asking for forgiveness.

Finally, Dear Father, in the hurricane of life, lead us each day beside the still waters.

Thank You for Jesus Christ, Amen."

(Mr. Hinson in the Chair)

## LEAVES OF ABSENCE GRANTED

The following Members were granted leaves of absence for today on account of important business:

Mr. Salter on motion of Mr. Big- ham.

Mr. Bray on motion of Mr. Wil- liams.

The following Member was grant- ed leave of absence for today on ac- count of illness:

Mr. Allred on motion of Mr. Thomas.

MEMORIAL RESOLUTIONS  
ADOPTED

The following Memorial Resolutions were adopted unanimously by a ris- ing vote:

H. S. R. No. 51, By Moore of Dal- las: In memory of James Frank Smith of Ector, Texas.

H. C. R. No. 22, By Head: In mem- ory of Robert S. Boulter of Tyler, Texas.

CONGRATULATING MR. AND  
MRS. WILLIAM F. BURROW,  
JR., ON THE BIRTH OF THEIR  
DAUGHTER, ELIZABETH

Mr. Moore of Dallas offered the following resolution:

H. S. R. No. 52

Whereas, On August 13, 1969, little Miss Elizabeth Brownrigg Burrow ar- rived at Baylor Hospital in Dallas, and although a lady's weight like her age is her own secret, the beauty queen that she is, she gave permis- sion for releasing her measurements: weight, 7 lbs. 12 oz., and height, 20 ½ inches; and

Whereas, Welcoming Miss Burrow, besides her proud parents, Mr. and Mrs. William F. Burrow, Jr., were her doting grandparents, the Hon- orable Griffith Moore and Mrs. Moore, also of Dallas; and

Whereas, The infant's father, a Dallas attorney, is the son of the former Josephine Worsham, whose father, Joseph A. Worsham, was a

Member of the House of Representa- tives in 1903; and

Whereas, Elizabeth's middle name of "Brownrigg" was given to her in honor of an illustrious great-great- grandfather, Major Brownrigg, who fought for the Confederate Army and made history at the Battle of Glori- eta Pass; her sister, Caroline Raguet Burrow, bears the distinctive middle name of her great-great-great-grand- mother, Anna Raguet, who was a close friend of General Sam Houston, and who was married to Robert Irion, the first Secretary of State of the Republic of Texas; Elizabeth's other lovely sister is named Cynthia Chatil- lon, in honor of still another worthy ancestor; and

Whereas, It is appropriate that the House of Representatives of the 61st Legislature, 1st Called Session, wel- come Elizabeth Brownrigg Burrow to Texas and congratulate her parents and grandparents on the arrival of the future "Miss Texas of 1987."

The resolution was adopted unan- imously.

TO MEMORIALIZE THE CON-  
GRESS IN REGARD TO IM-  
PORTATION OF FOREIGN OIL

Mr. Salem offered the following resolution:

H. C. R. No. 21

Whereas, The U.S. Assistant Attor- ney General Richard W. McLaren has proposed to the President's Cabinet Task Force Committee that foreign oil be allowed to flow freely into the United States; and

Whereas, The adoption of this pro- posal would be highly detrimental to the State of Texas in its effect on an economy which depends to a great extent on the domestic oil industry; the free flow of foreign oil into the United States would curb exploratory drilling and the finding of new oil reserves; and

Whereas, Contrary to some predic- tions, the inflow of cheap foreign oil would not result in lower prices, as it has been the experience of nations using foreign oil that the consumers pay much higher prices for gasoline; and



Whereas, Charles E. Simons, Executive Vice-President of the Texas Mid-Continent Oil and Gas Association, stated that "If U.S. markets now supplied by Texas wells are given to foreign producers, some 90,000 of our stripper (marginal) wells, the reserves underlying them, and their operators can be written off"; and

Whereas, Further arguments against the unlimited importation of foreign oil include the effect it would have upon the nation's already delicate trade balance with the foreign oil producing countries, and the oil industry's contribution to the U.S. balance of payments would be reversed with the economies of all oil producing states in jeopardy; and

Whereas, In Texas, the tax revenue from the oil industry is one of the major revenue sources of state government, and the loss of income would seriously reduce the public school system's supporting revenues; and

Whereas, The standard of living of the entire United States would be affected should the nation's gates be thrown open to uninhibited competition from countries with low pay scales, which would be the result of unrestricted foreign oil imports; and

Whereas, It is the consensus of the Texas Legislature that the adoption of the proposal of U.S. Assistant Attorney General McLaren for the free flow of foreign oil into this country would be disastrous; now, therefore, be it

Resolved, by the House of Representatives of the State of Texas, the Senate concurring, That the 61st Legislature, 1st Called Session, respectfully memorialize the Congress of the United States not to adopt the proposal of U.S. Assistant Attorney General Richard W. McLaren that foreign oil be allowed to flow freely into the United States; and, be it further

Resolved, That the Clerk of the House be directed to transmit copies of this Resolution to the Vice-President of the United States, to the Speaker of the House of Representatives of the United States Congress, to each Senator and Representative from Texas in the Congress of the

United States, and to President Richard M. Nixon.

The resolution was referred to the Committee on Oil, Gas and Mining.

### HOUSE BILLS ON FIRST READING

The following House Bills were today laid before the House, read first time and referred to Committees as follows:

By Newman:

H. B. No. 76, A bill to be entitled An Act relating to annexation of territory by the DeWitt County Drainage District No. 1; and declaring an emergency.

Referred to Committee on Conservation and Reclamation.

By Swanson:

H. B. No. 77, A bill to be entitled An Act amending Section (V), Article 20.04, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as added, relating to the exemption from the computation of the amount of taxes imposed by the limited Sales, Excise and Use Tax Act of the receipts from the sale, lease or rental of tangible personal property to, or the storage, use, or other consumption of tangible personal property by, any contractor for the performance of a contract for the improvement of realty for certain exempt organizations; and declaring an emergency.

Referred to Committee on Revenue and Taxation.

### ADJOURNMENT

Mr. Willis moved that the House adjourn until 11:00 o'clock a.m. tomorrow.

The motion prevailed without objection.

The House accordingly, at 11:08 o'clock a. m., adjourned until 11:00 o'clock a. m. tomorrow.

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 APPENDIX
 

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 REPORTS OF THE COMMITTEE  
 ON ENROLLED AND  
 ENGROSSED BILLS

Austin, Texas, August 19, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom were referred

H. C. R. No. 15,

H. C. R. No. 18,

H. C. R. No. 19,

H. C. R. No. 20,

has carefully compared same and finds the resolutions correctly engrossed.

WARD, Chairman

Austin, Texas, August 19, 1969

The Honorable G. F. (Gus) Mutscher, Speaker of the House of Representatives

Sir: Your Committee on Enrolled and Engrossed Bills to whom was referred

H. C. R. No. 14,

has carefully compared same and finds it correctly enrolled.

WARD, Chairman

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 FIFTEENTH DAY

(Thursday, August 21, 1969)

The House met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the Speaker.

The roll of the House was called and the following Members were present:

 Mr. Speaker  
 Abraham

 Adams  
 Allen of Harris

Allen of Gregg	Johnson
Allred	Jones of Lubbock
Angly	Jones of Harris
Archer	Jones of Taylor
Armstrong	Jungmichel
Atwell	Kilpatrick
Atwood	Knapp
Baker	Kothmann
Bass of Harris	Kubiak
Bass of Van Zandt	Lee
Beckham	Lemmon
Bigham	Ligarde
Blaine	Lombardino
Blanton	Longoria
Braecklein	Lovell
Braun	McAlister
Bray	McDonald
Burgess	McKissack
Burnett	McLaughlin
Caldwell	Moore of Hill
Calhoun	Moore of Dallas
Carrillo	Moore
Cavness	of McLennan
Christian	Moreno
Clark of Harris	Moyer
Clayton	Muniz
Cobb	Murray
Cole	Musgrove
Cory	Nabers
Craddick	Neugent
Cruz	of Galveston
Cummings	Newman
Daniel	Nichols
Davis of Harris	Nowlin
Davis of Travis	Nugent of Kerr
Dickson	Ogg
Doran	Orr
Dramberger	Parker
Earthman	of Jefferson
Evans	Parker of Denton
Farenthold	Patterson
Finck	Pickens
Finnell	Pickett
Finney	Poerner
Floyd	Presnal
Garcia	Price
Golman	Ratcliff
Graves	Ray
Hale	Reed
Hannah	Rosson
Harding	Salem
Harris	Salter
Hawkins	Sanchez
Hawn	Santiesteban
Haynes	Schulle
Head	Semos
Heatly	Shannon, Joe, Jr.,
Hendricks	of Tarrant
Hinson	Shannon, Tommy,
Holland	of Tarrant
Holmes of Hood	Sherman
Holmes of Dallas	Short
Howard	Slack
Hubenak	Slider
Hull	Smith

Solomon	Vance
Stewart	Ward
Stroud	Wayne
Swanson	Weldon
Tarbox	Wieting
Thomas	Williams
Traeger	Williamson
Truan	Willis
Uher	Wright
Vale	

## Absent-Excused

Clark of Dallas Niland

A quorum of the House was announced present.

The Invocation was offered by the Honorable Dan Kubiak of Milam County, as follows:

"Dear God, Our Father: We give You thanks for Your great glory and for the honor of serving You in these Legislative Halls where so many great and responsible men have served for generations past. It is our desire to offer thanks for Thy goodness, mercy, truth, and justice, and for the privilege of seeking to meet the challenges of another day. We ask that You bless the Speaker in his deliberations, my colleagues here in the House, the Legislative workers, and all of the members of each of the families represented in this great Chamber and in the galleries. We remember that Thou wert never in a hurry and never lost Thine inner peace even under pressure greater than we experience today.

But we are human. We grow tired. We feel the strain of meeting deadlines, and we chafe under frustration. We need poise and peace of mind, and only Thou canst supply the deepest needs of tired bodies, jaded spirits, and frayed nerves. As we labor to understand, let us also labor to love and serve in the time and place where You have willed us. May we never forget the basic principles of democracy under which this country was established and though we may differ in opinions, let us never forget the integrity of our colleagues and the people they represent. Let us stand with any man who stands right, but part with him when he goes wrong. Give to each of us Thy peace and refresh us in our weariness, that this may be a good day with much done and done well, that

we may say with Thy servant Paul, 'I can do all things through Christ, Who gives me strength.' Give us Thy Spiritual stability that we may be better servants for the people of our districts, our State and our great Nation.

In Jesus' Name. Amen."

## LEAVES OF ABSENCE GRANTED

The following Members were granted leaves of absence for today on account of important business:

Mr. Niland on motion of Mr. Uher.

Mr. Clark of Dallas on motion of Mr. Tommy Shannon of Tarrant.

## MESSAGE FROM THE SENATE

Austin, Texas, August 21, 1969

Honorable Gus Mutscher, Speaker of the House of Representatives

Sir: I am directed by the Senate to inform the House that the Senate has passed the following:

S. C. R. No. 14, By Herring and all Members of the Senate: In memory of Lon E. Alsup.

S. C. R. No. 15, By McKool: Offering to the States of Mississippi, Alabama, Louisiana, and Florida assistance from the force and havoc of Hurricane Camille.

H. C. R. No. 16, By Smith: Commending James R. Smith.

H. C. R. No. 18, By Harding: Congratulating Miss Patricia Benton and Mr. Anthony Bir on their forthcoming wedding.

Respectfully,  
CHARLES A. SCHNABEL,  
Secretary of the Senate

RESOLUTION SIGNED BY  
THE SPEAKER

The Speaker signed in the presence of the House, after giving due notice thereof and its caption had been read, the following enrolled resolution:

H. C. R. No. 14, By Nichols: Extending a hearty welcome to Texas to Dr. Richard Norgaard of Los Angeles, California.

#### MEMORIAL RESOLUTION ADOPTED

The following Memorial Resolution was adopted unanimously by a rising vote:

H. S. R. No. 59, By Christian and Allred: In memory of Mrs. Bobbie Wilson Richardson of Austin, Texas.

On motion of Mr. Dickson the names of all the Members of the House were added to H. S. R. No. 59 as signers thereof.

#### COMMITTEE MEETING

Mr. Bass of Harris asked unanimous consent of the House that the Committee on Interim Activities be permitted to meet at this time.

There was no objection offered.

#### TO OFFER ASSISTANCE TO THE STATES OF MISSISSIPPI, ALABAMA, LOUISIANA AND FLORIDA IN THEIR AFFLICTIONS RESULTING FROM HURRICANE CAMILLE

The Speaker laid before the House the following resolution:

S. C. R. No. 15

Whereas, The hearts of the people of Texas reach out in sympathy to the citizens of Mississippi, Alabama, Louisiana, and Florida in their sufferings from Hurricane Camille, as we recall the horror and tragedies resulting from the many storms which have devastated our own shores; and

Whereas, In our knowledge of the force and havoc of hurricane winds, flood tides, and torrential rains, the Texas Legislature and the citizens of this State wish to offer all the assistance possible to those afflicted by Hurricane Camille; now, therefore, be it

Resolved, by the Senate of the State of Texas, the House of Repre-

sentatives concurring, That the 61st Legislature, 1st Called Session, on behalf of the State Government and all the people of Texas, hereby offer to the States of Mississippi, Alabama, Louisiana, and Florida, any and all assistance that we can give, whether it be in the collection of food and clothing for those whose homes and belongings have been destroyed, help in cleanup operations, or aid of any other kind; and, be it further

Resolved, That as official notice of our desire to ease the distress and burden of the sufferers of Hurricane Camille, copies of this Resolution be prepared and forwarded to the Governors of the States which received the brunt of the hurricane: Governor John D. Williams of Mississippi; Governor Albert Brewer of Alabama; Governor John J. McKeithan of Louisiana; and Governor Claude R. Kirk, Jr., of Florida.

The resolution was read and was adopted unanimously.

#### CONGRATULATING THE HONORABLE ACE PICKENS ON HIS 33RD BIRTHDAY

Mr. Finck offered the following resolution:

H. S. R. No. 53

Whereas, The House of Representatives wishes to celebrate with our good friend and colleague, Ace Pickens, the anniversary of his birth, although we admittedly do so a few days late; and

Whereas, Ace has become a well-known favorite among his fellow Legislators during his three terms as a State Representative from Ector County; and

Whereas, A native of Borger, Ace has lived his entire 33 years in the State of Texas; and

Whereas, A graduate of the Business School and the School of Law at The University of Texas, Representative Pickens now moonlights as an attorney in Odessa; and

Whereas, Ace has worked diligently for the benefit of his constituents, as evidenced by his recent work toward the establishment of a branch