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Texas Register

Volume 11, Number 2, January 7, 1986

Pages 81-106



Highlights

The State Board of Insurance adopts emergency sections concerning property and casualty insurance. Effective date - January 1.....page 79

The Department of Community Affairs proposes

a new section concerning job training. Effective date - February 7.....page 81

The Board of Public Accountancy proposes an amendment concerning professional conduct.

Earliest possible date of adoption - February 7.....page 81

Office of
the Secretary
of State

Texas Register

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- Proposed Rules—rules proposed for adoption
- Withdrawn Rules—rules withdrawn by state agencies from consideration for adoption, or automatically withdrawn by the *Texas Register* six months after proposal publication date
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Specific explanations on the contents of each section can be found on the beginning page of the section. The division also publishes monthly, quarterly, and annual indexes to aid in researching material published.

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In order that readers may cite material more easily, page numbers are now written as citations. Example: on page 2, in the lower left-hand corner of the page, would be written: "10 TexReg 2 issue date," while on the opposite page, page 3, in the lower right-hand corner, would be written "issue date 10 TexReg 3."

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Texas Administrative Code

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

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

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

TAC stands for the *Texas Administrative Code*;

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



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P.O. Box 13824
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512-463-5561

Myra A. McDaniel
Secretary of State

Documents Section Coordinator

Jane Orcutt

Document Editors

**Cynthia Cooke,
Molly Gardner**

Document Filing

Denise Roberts

Production Editors

Jody Allen, Lisa Bauer

Typographers

Dawn VanCleave, Glynn Flutt

Circulation Section Coordinator

Dee Wright

Circulation Assistant

Kristine Hopkins Mohajer

TAC Editors

**William Craig Howell
Hollis Glaser**

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Emergency

Rules An agency may adopt a new or amended rule, or repeal an existing rule on an emergency basis, if it determines that such action is necessary for the public health, safety, or welfare of this state. The rule may become effective immediately upon filing with the *Texas Register*, or on a stated date less than 20 days after filing, for no more than 120 days. The emergency action is renewable once for no more than 60 days.

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

TITLE 28. INSURANCE

Part I. State Board of Insurance

Chapter 5. Property and Casualty Insurance

Subchapter C. Texas Medical Liability Insurance Underwriting Association

★28 TAC §5.2003, §5.2004

The State Board of Insurance adopts emergency amendments to §5.2003 and §5.2004.

The amendments to §5.2003(c)(2) and §5.2004(c)(1)(G) and (2) are to provide the insured with a refund of the unearned part of the stabilization reserve fund charge if the policy of insurance is canceled within the 90th day of coverage by the association.

The amendment to Section 5.2003(c)(2) eliminates the provision that the policyholder's stabilization reserve fund charges shall not be refundable if any portion of the coverage premium is earned or the association is exposed to any liability under the policies that are the basis for the charge and substitutes language which provides that the policyholder's stabilization reserve fund charges shall not be refundable if the policy is canceled after the 90th day of the coverage and that, if the policy is canceled within the 90th day of coverage, the earned charge will be based on the same earned percentage charged for the insurance premium.

The amendment to §5.2004(c)(1)(G) and (2) sets out the manner in which the policyholder's stabilization reserve fund charges will be refunded if the policy is canceled within the 90th day of coverage either by the association or by the insured.

These amendments to §5.2003(c)(2) and §5.2004(c)(1)(G) and (2) are necessary to correct the inequity to medical providers in the instance when their policy of insurance is canceled in the first few weeks of coverage and they do not receive a refund of the unearned stabilization reserve fund charge which is based on the annual premium for the policy. In addition, these amendments are necessary for the fair and efficient conduct of the operations of the Joint Underwriting

Association. The association provides a residual market for medical professional liability insurance in this state, and the insurance companies and policyholders of the association as well as the general public require a fiscally sound and well administered association. The immediate adoption of amendments to §5.2003(c)(2) and §5.2004(c)(1)(G) and (2) are required to that end. The danger to the financial resources of the policyholder participants in the association without the immediate adoption of these amendments creates an imminent peril to the public welfare and requires that the sections be adopted on an emergency basis.

The emergency amendment to §5.2004(a)(4) is to increase the net retention at risk limits of primary coverage; establish new underwriting standards which cause the excess policy to terminate in the event the underlying primary policy of medical liability insurance is not maintained for any reason, except exhaustion by payment of loss or losses; provide that policies of excess medical liability insurance written by the association will not be accepted for a hospital or other institutional health care provider if the applicant does not provide evidence that all physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors with staff privileges are insured for their individual medical liability with limits of liability of at least \$100,000 per occurrence and \$300,000 aggregate per annum; provide that policies of excess medical liability insurance written by the association will not be accepted for physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors who employ other such health care providers if the applicant does not provide evidence that all employed physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors who are eligible to obtain coverage from the association are insured for their individual medical liability with limits of liability of at least \$100,000 per occurrence and \$300,000 aggregate per annum; and make ineligible for coverage in the Joint Underwriting Association any hospitals or other institutional health care providers or physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors who employ other such health care providers without evidence that all physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors with staff privileges or employed by the

applicant are insured for their individual medical liability with limits of at least \$100,000 per occurrence and \$300,000 aggregate per annum.

The amendment to clause (iii) of §5.2004(a)(4)(C) raises the limits of primary coverage from \$25,000 per occurrence and \$75,000 aggregate per annum to \$100,000 per occurrence and \$300,000 aggregate per annum and will prevent abuses arising from the writing of excess policies over limits lower than \$100,000/\$300,000. Additionally, the State Board of Insurance is of the opinion that most of the excess policies issued by the association are now in excess of policies with underlying limits of at least \$100,000/\$300,000 so the amendment will cause the section to conform with current practice and market demands. The amendment to clause (v) of §5.2004(a)(4)(C) causes the excess policy to terminate in the event the underlying primary policy of medical liability insurance is not maintained for any reason except exhaustion by payment of a loss or losses. Previously, clause (v) provided that excess coverage would cease if the primary policy's limits were exhausted. Under the amendments, if the aggregate underlying primary medical liability insurance is exhausted by payment of a loss or losses occurring during the policy period, the insurance provided by the excess policy shall continue to provide excess coverage in the same manner as if the underlying primary insurance was in full force and effect. The addition of clauses (vi) and (vii) will avoid liability under a policy of insurance issued to a hospital or physician's employer for acts of hospital staff physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors or of physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors employed by the insured physician who do not provide coverage for their own individual liability. The addition of subparagraph (D) to paragraph (4) will avoid liability under the hospital or institutional health care provider's primary policy of insurance or the employing physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors' primary policy for liability created by the individuals listed above who have staff privileges in a hospital or who are employed by an insured physician and who are not financially able to respond to claims due to their own negligence.

These amendment to §5.2004(a)(4)(C) is necessary for the fair and efficient conduct of the operations of the Joint Underwriting Association. The association provides a residual market for medical professional liability insurance in this state, and the institutional and individual health care providers who are members of the association as well as the general public require a fiscally sound and well administered association. The immediate adoption of an amendment to §5.2004(a)(4)(C) is required to that end. The danger to the financial stability of the association without the immediate adoption of this amendment creates an imminent peril to the public welfare and requires that the amendment be adopted on an emergency basis.

These emergency amendments are adopted under authority of the Insurance Code, Article 21.49-3, §3(c). That article provides for the preparation of the plan of operation for the Joint Underwriting Association and for amendments thereto under the approval of or at the direction of the State Board of Insurance.

§5.2003. Members and Policyholders Participation in the Texas Medical Liability Insurance Underwriting Association.

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

(c) Policyholder's stabilization reserve fund. The Act, §4A, creates the policyholder's stabilization reserve fund and provides that this fund shall be administered as provided in the Act and these sections and that the advisory directors shall be chosen as provided in these sections.

(1) (No change.)

(2) Policyholder's stabilization reserve fund charge. The proportionate policyholder's stabilization reserve fund charge shall be based on the total annual written premium for all coverages provided by the association to the policyholder. The policyholder's stabilization reserve fund charges shall not be refundable if the policy is canceled after the 90th day of the coverage. If canceled within the 90th day of coverage, the earned charge will be based on the same earned percentage charged for the insurance premium [any portion of the coverage premium that are the basis for the charge]. The policyholder's stabilization reserve fund charge shall apply to all new and renewal policies effective on and after January 1, 1978.

(3) (No change.)

(d)-(j) (No change.)

§5.2004. Medical Liability Insurance.

(a) The policy.

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

(4) Special provisions.

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

(C) Policies of excess medical liability insurance written by the association shall:

(i)-(ii) (No change.)

(iii) not be issued in those cases where the net retention at risk by the primary

carrier is less than \$100,000 [\$25,000] per occurrence or less than \$300,000 [\$75,000] aggregate per annum;

(iv) (No change.)

(v) terminate automatically in the event [if] the underlying primary policy of medical liability insurance is not maintained for any reason, except exhaustion by payment of a loss or losses. If the aggregate underlying primary medical liability insurance is exhausted by payment of a loss or losses occurring during the policy period, the insurance provided by the excess policy shall apply in the same manner as if the underlying primary insurance was in full force and effect; [over which it is written is canceled, expires, limits are exhausted, or otherwise terminates.]

(vi) not be accepted for a hospital or other institutional health care provider if the applicant does not provide evidence that all physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors with staff privileges are insured for their individual medical (professional) liability with limits of liability of at least \$100,000 per occurrence and \$300,000 aggregate per annum; and

(vii) not be accepted for physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors who employ other physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors if the applicant does not provide evidence that all employed physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors who are eligible to obtain coverage from the association are insured for their individual medical (professional) liability with limits of liability of at least \$100,000 per occurrence and \$300,000 aggregate per annum.

(D) No hospital or other institutional health care provider or physician, surgeons, podiatrists, dentists, pharmacists, or chiropractors that have employed physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors can be accepted for coverage in the association without evidence that all physicians, surgeons, podiatrists, dentists, pharmacists, or chiropractors with staff privileges or employed by the applicant are insured for their individual medical (professional) liability with limits of at least \$100,000 per occurrence and \$300,000 aggregate per annum.

(5) (No change.)

(b) (No change.)

(c) Cancellation, nonrenewal, and notice.

(1) Cancellation by the association. The association may not cancel a policy of insurance issued under these sections except for:

(A)-(F) (No change.)

(G) noncompliance with reasonable loss control or risk management engineering recommendation in accordance with subsection (b)(4)(A)(vi) of this section. Upon cancellation of a policy of insurance by the association, the association shall re-

fund to the insured the unearned portion of any paid premium and, if canceled within the 90th day of coverage, the unearned portion of the paid policyholder's stabilization reserve fund charge on a pro rata basis provided all assessments and policyholder's stabilization reserve fund charges earned have been fully paid; otherwise, only that portion of unearned premium over any unpaid assessment and policyholder's stabilization reserve fund charge [charges] will be refunded. Policyholder assessments and policyholder's stabilization reserve fund charges are fully earned upon payment; therefore, except as provided in the Act, or §5.2003(c)(2), of this title (relating to Members and Policyholder's Participation in the Texas Medical Liability Insurance Underwriting Association) no portion is refundable.

(2) Cancellation by the insured. A policy of insurance may be canceled at any time [(A)] by the insured upon written request for cancellation of the policy; [(B)] by an insurance premium finance company in accordance with the provisions contained in the Insurance Code, Article 24.17, in which case the association shall refund the unearned portion of any paid premium and if canceled within the 90th day of coverage, the unearned portion of the paid policyholder's stabilization reserve fund charge, according to the approved short rate table, provided all assessments and policyholder's stabilization reserve fund charges earned have been fully paid; otherwise, only that portion of the unearned premium over any unpaid assessment and policyholder's stabilization reserve fund charge will be refunded. Policyholder assessments and policyholder's stabilization reserve fund charges are fully earned upon payment; therefore, except as provided in the Act, or §5.2003(c)(2), of this title (relating to Members and Policyholder's Participation in the Texas Medical Liability Insurance Underwriting Association) no portion is refundable.

(3)-(4) (No change.)

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

Issued in Austin, Texas, on December 30, 1985.

TRD-8512324

James W. Norman
State Board of
Insurance

Effective date: January 1, 1986

Expiration date: May 1, 1986

For further information, please call
(512) 463-6327.

★ ★ ★



Proposed

Rules

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

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

TITLE 10. COMMUNITY DEVELOPMENT

Part I. Texas Department of Community Affairs

Chapter 5. Job Training Subchapter E. Monitoring

★ 10 TAC §5.501

The Texas Department of Community Affairs proposes new §5.501, concerning the administration of the Texas Job Training Partnership Act (JTPA) Program. Specifically, the Texas Department of Community Affairs proposes to adopt by reference JTPA Policy Issuance 86-8, Organization and Role of the Monitoring Function at the Contractor Level, which sets forth policies and procedures on the monitoring function and guidance in implementing monitoring activities at the contractor level to ensure adequate compliance with JTPA law and regulations.

Douglas C. Brown, general counsel, has determined that for the first five-year period the proposed section will be in effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the section.

Clyde McQueen, director of the TDCA training and employment development division, has determined that for each year of the first five years the section is in effect the public benefit anticipated as a result of enforcing the section will be compliance with the requirements set forth in the federal Job Training Partnership Act, §164, Public Law 97-300, and with the requirements set forth in the Texas Job Training Partnership Act, Texas Civil Statutes, Article 4413(52), §8(c)(10). There is no anticipated economic cost to individuals who are required to comply with the proposed section.

Comments on the proposal may be submitted to Douglas C. Brown, General Counsel, Texas Department of Community Affairs, P.O. Box 13166, Austin, Texas 78711.

The new section is proposed under Public Law 97-300, §164, Article 4413(52), §8(c)(10), which provide the Texas Department of Community Affairs with the au-

thority to develop and formally issue monitoring procedures necessary to ensure compliance with, and accounting for, federal funds paid to the state under the Job Training Act, Titles I and II.

§5.501. Monitoring. The Texas Department of Community Affairs herein adopts by reference *Policy Issuance 86-8, Organization and Role of the Monitoring Function at the Contractor Level*. Copies of the rule may be examined in the offices of the Texas Department of Community Affairs, Training and Employment Development Division, 837 Cross Park Drive, Austin, Texas or in the *Texas Register* Office, Room 503E, Sam Houston Building, 201 East 14th Street, Austin, Texas.

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512354

Douglas C. Brown
General Counsel
Texas Department of
Community Affairs

Earliest possible date of adoption:
February 7, 1986

For further information, please call
(512) 834-6060.

TITLE 22. EXAMINING BOARDS

Part XXII. Texas State Board of Public Accountancy

Chapter 501. Professional Conduct

General Provisions

★ 22 TAC §501.1

The Texas State Board of Public Accountancy proposes an amendment to §501.1, concerning the preamble of the rules of professional conduct, properly stating the current statutory citation of the present Public Accountancy Act.

Bob E. Bradley, executive director, has determined that for the first five-year period the proposed amendment will be in

effect there will be no fiscal implications for state or local government or small businesses as a result of enforcing or administering the amendment.

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper citation of the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to promulgate rules deemed necessary to effectuate the purposes of the Public Accountancy Act of 1979, as amended, including the rules of professional conduct, to insure that competitive practices of licenses serve the best interest of the public.

§501.1. Preamble.

(a) The provisions of this chapter relating to professional conduct are promulgated under the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1, 1981, which directs the Texas State Board of Public Accountancy to promulgate rules of professional conduct "in order to establish and maintain high standards of competence and integrity in the practice of public accountancy and to insure that the conduct and competitive practices of licenses serve the purposes of the act and the best interest of the public."

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

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

Issued in Austin, Texas, on December 20, 1985.

TRD-8512230

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

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.

Issued in Austin, Texas, on December 20, 1985.
TRD-8512232
Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy



★ 22 TAC §501.2

The Texas State Board of Public Accountancy proposes an amendment to §501.2, concerning the definitions section of the rules of professional conduct, properly stating the current statutory citation of the present Public Accountancy Act.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper citation of the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to promulgate rules deemed necessary to effectuate the purposes of the Public Accountancy Act of 1979, as amended, including the rules of professional conduct, to insure that competitive practices of licenses serve the best interest of the public.

§501.2. Definitions. The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly states otherwise.

Licensee—An individual, partnership, or corporation holding a license issued by the board, pursuant to the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1, 1981. The term includes each firm of which a licensee is a partner, officer, or shareholder, and each partner, officer, or shareholder of a firm which is a licensee.

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

Issued in Austin, Texas, on December 20, 1985.

TRD-8512231

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



★ 22 TAC §501.31

The Texas State Board of Public Accountancy proposes an amendment to §501.1, concerning the provision relating to confidential client information to the rules of professional conduct, properly stating the current statutory citation of the present Public Accountancy Act.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper citation of the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to promulgate rules deemed necessary to effectuate the purposes of the Public Accountancy Act of 1979, as amended, including the rules of professional conduct, to insure that competitive practices of licenses serve the best interest of the public.

§501.1. Confidential Client Information.

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

(c) This amendment shall not apply to individuals who are not licensed in accordance with the provisions of the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1, 1981, and no disclosure provided for under this amendment shall constitute a waiver of the privilege established herein.

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

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.



Chapter 503. Definitions

★ 22 TAC §503.1

The Texas State Board of Public Accountancy proposes an amendment to §501.1, concerning definitions. The amendment properly states the current statutory citation of the present Public Accountancy Act.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper citation of the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to promulgate rules of professional conduct and to ensure that the conduct and competitive practice of licensees serves the best interest of the public.

§503.1. Definitions. The following words and terms, when used in these sections, shall have the following meanings, unless the context clearly indicates otherwise.

Act—The Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1, 1981.

Licensee—An individual, partnership, or corporation holding a license issued by the board pursuant to the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1, 1981. The term includes each firm of which a licensee is a partner, officer, or shareholder, and each partner, officer, or shareholder of a firm which is a licensee.

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

Issued in Austin, Texas, on December 20, 1985.

TRD-8512233 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:

February 7, 1986

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

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Chapter 507. Employees of the Board

★22 TAC §507.4

The Texas State Board of Public Accountancy proposes an amendment to §507.4, concerning the maintaining of the confidentiality of information received or gathered by the board as related to examination candidates, certification actions, or license and disciplinary actions against licensees.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to impose positive responsibility of maintaining confidentiality on board members, the executive director, staff, and independent contractors. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to the processing of confidential information by the board, the executive director, staff, and independent contractors.

§507.4. *Confidentiality.* Members of the board, the executive director, members of board staff, and independent contractors retained by the board shall not disclose any confidential [client] information which comes to their attention, [from licensees] except as may be required by law.

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512384 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:

February 7, 1986

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

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Chapter 511. Certification as CPA Certification

★22 TAC §511.161

The Texas State Board of Public Accountancy proposes an amendment to §511.161, concerning application for certification as certified public accountant, involving a grammatical change only.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the section will be appropriate grammatical wording of the amendment. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules with appropriate grammatical wording.

§511.161. *Application.* Any candidate who has successfully completed the requirements of certification as a certified accountant, whether by examination or reciprocity, may make application for certification as a certified public accountant on a form prescribed by the board and submitted to the executive director. The candidate shall execute an oath stating that he or she will support the Constitution of the United States of this state and the laws thereof and will comply with the rules of professional conduct promulgated by the board. Upon approval of the application, the board shall

issue a certificate as a certified public accountant to the candidate.

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512381 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:

February 7, 1986

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

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Chapter 515. Licenses

★22 TAC §515.2

The Texas State Board of Public Accountancy proposes an amendment to §515.2, concerning issuance of initial license to partnerships and professional corporations relating to license, registration, and/or certification status of partners, officers, directors, or shareholders of such firms.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to insure that all partners, officers, directors, or shareholders of a new firm residing in Texas are currently licensed and registered or certified by the board. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to the licensing of firms to offer public accounting services.

§515.2. *Initial License.* Each individual or firm which is certified or registered after the effective date of the Act shall, upon approval of his application for certification or registration, pay the annual license fee for the year in which certification or registration is granted. The initial license of a firm shall not be issued until such time as all

partners, officers, directors, or shareholders of the firm who reside in Texas are certified or registered and have obtained an annual license. The initial license will expire on December 31 of the year in which it is issued.

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512385 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.

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★ 22 TAC §515.4

The Texas State Board of Public Accountancy proposes an amendment to §515.4, concerning renewal of license of firm relating to partners, officers, directors, or shareholders of a firm who reside in Texas and are certified or registered being currently licensed before a firm license will be renewed.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to insure current license of all partners, officers, directors, or shareholders before the firm license is renewed. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to the issuance of firm license renewals by the board.

§515.4. *Renewal of License of Firm.* At the same time that renewal notices are mailed to individuals certified or registered under the Act, the executive director shall mail to each firm registered under the Act an annual renewal form, stating the appropriate renewal fee. The firms shall return the renewal fee and appropriate documents to the

executive director on or before December 31 of that year, and failure to do so shall automatically cancel the license of the firm. The annual license of a firm shall not be renewed until such time as all partners, officers, directors, or shareholders of the firm who reside in Texas and are certified or registered under this Act shall have renewed their individual licenses. [members of the firm who are certified or registered under this Act shall have renewed their individual license.]

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512382 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.

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★ 22 TAC §515.6

The Texas State Board of Public Accountancy proposes an amendment to §515.6, concerning the lack of authority of the board to waive any fee or penalty, involving a grammatical wording change only.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be the appropriate grammatical wording of the amendment relating to nonwaiver of fee and penalties. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to nonwaiver of fee and penalties relating to examination and licensing of individuals to provide public accounting services.

§515.6. *No Waiver of Fee or Penalty.* The board shall have no authority to [and

may not] waive the collection of any fee or penalty.

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512387 Bob E. Bradley
Executive Director
Texas State Board
of Public Accountancy

Earliest possible date of adoption:
February 7, 1986
For further information, please call
(512) 451-0241.

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Chapter 519. Practice and Procedure

★ 22 TAC §519.27

The Texas State Board of Public Accountancy proposes an amendment to §519.27, concerning hearings in disciplinary actions involving proper legal citation of the current Public Accountancy Act.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper legal citation to the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to hearings in disciplinary actions providing the proper legal citation of the current Public Accountancy Act.

§519.27. *Hearings in Disciplinary Actions.*

(a) General rule. Hearings in disciplinary actions shall be governed by the provisions of this section, the other provisions of this chapter, the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1981, §22, and the Administrative Procedure and Texas Register Act.

(b)-(j) (No change.)

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512388

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

Earliest possible date of adoption:

February 7, 1986
For further information, please call
(512) 451-0241.

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Chapter 523. Continuing Professional Education Mandatory: Continuing Education Program

★22 TAC §523.62

The Texas State Board of Public Accountancy proposes an amendment to §523.62, concerning mandatory continuing education reporting involving proper legal citation of the current Public Accountancy Act.

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

Mr. Bradley also has determined that for each year of the first five years the amendment is in effect the public benefit anticipated as a result of enforcing the amendment will be to provide proper legal citation to the current Public Accountancy Act. There is no anticipated economic cost to individuals who are required to comply with the proposed amendment.

Comments on the proposal may be submitted to William A. Sansing, Texas State Board of Public Accountancy, 1033 La Posada, Suite 340, Austin, Texas 78752-3892.

The amendment is proposed under Texas Civil Statutes, Article 41a-1, §6(a), which provide the Texas State Board of Public Accountancy with the authority to issue rules relating to mandatory continuing education, providing the proper legal citation for the current Public Accountancy Act.

§523.62. *Mandatory CE Reporting.*

(a) The board shall issue licenses to those individuals who pay the required fees. In addition, as a condition for a 1983 or later license, a license shall report CE credit hours accrued during the applicable reporting period, even if the number is zero. A licensee who fails to report the CE credit hours accrued may have his/her license canceled, after notice and hearing, as provided in §21 of the Public Accountancy Act of 1979, as amended, Texas Civil Statutes, Article 41a-1981 (relating to Revocation or Suspension of Certificate or License), and in §532.64 of this chapter (relating to Disciplinary Actions, relating to CE).

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

Issued in Austin, Texas, on December 31, 1985.

TRD-8512383

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

Earliest possible date of adoption:

February 7, 1986
For further information, please call
(512) 451-0241.

Adopted

Rules

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

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

TITLE 22. EXAMINING BOARDS

Part XIII. Texas Board of Licensure for Nursing Home Administrators Chapter 241. Administrative Authority

★22 TAC §241.3

The Texas Board of Licensure for Nursing Home Administrators adopts an amendment to §241.3, without changes to the proposed text published in the November 22, 1985, issue of the *Texas Register* (10 TexReg 4502).

The amendment updates the regulation to reflect present method of operations and to express in clear, concise verbiage the regulations that nursing home administrators and candidates are required to follow.

The amendment enables the agency to carry out its objectives.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 4442d, §8, which provide the Texas Board of Licensure for Nursing Home Administrators with the authority to make rules and regulations not inconsistent with law as may be necessary or proper for the performance of its duties, and to take such other actions as may be necessary to enable the state to meet the requirements set forth in the Social Security Act §1908, (42 Y.S.C.A. §1396g), the federal rules and regulations promulgated thereunder, and other pertinent federal authority; provided, however, that no rules shall be promulgated, altered, or abolished without the approval of a two-thirds majority of the board.

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

Issued in Austin, Texas, on January 2, 1986.

TRD-8600006

Dottie Mathieson
Administrative
Technician II
Texas Board of
Licensure for
Nursing Home
Administrators

Effective date: January 23, 1986
Proposal publication date: November 22, 1985
For further information, please call
(512) 479-0922.

Chapter 243. Application

★22 TAC §243.1, §243.2

The Texas Board of Licensure for Nursing Home Administrators adopts amendments to §243.1 and §243.2, without changes to the proposed text published in the November 22, 1985, issue of the *Texas Register* (10 TexReg 4502).

The amendments clarify that fees are set by legislature, rather than the board, and clarify education requirements for partial endorsement applicants, as well as examination requirements for licensure. The amendment to §243.2 deletes verbiage concerning final reports submissions.

The amendments enable the agency to carry out its functions.

No comments were received regarding adoption of the amendments.

The amendment is adopted under Texas Civil Statutes, Article 4442d, §8, which provide the Texas Board of Licensure for Nursing Home Administrators with the authority to make rules and regulations not inconsistent with law as may be necessary or proper for the performance of its duties, and to take such other actions as may be necessary to enable the state to meet the requirements set forth in the Social Security Act, §1908, (42 Y.S.C.A. §1396g) the federal rules and regulations promulgated thereunder, and other pertinent federal authority; provided, however, that no rules shall be promulgated, altered, or abolished without the approval of a two-thirds majority of the board.

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

Issued in Austin, Texas, on January 2, 1986.

TRD-8600003

Dottie Mathieson
Administrative
Technician II
Texas Board of
Licensure for
Nursing Home
Administrators

Effective date: January 23, 1986
Proposal publication date: November 22, 1985
For further information, please call
(512) 479-0922.

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Chapter 249. License Certificates

★22 TAC §249.3

The Texas Board of Licensure for Nursing Home Administrators adopts an amendment to §249.3, without changes to the proposed text published in the November 22, 1985, issue of the *Texas Register* (10 TexReg 4503).

The amendment clarifies that license renewal fees are set by legislature rather than by the board.

The amendment enables the agency to carry out its functions.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 4442d, §8, which provide the Texas Board of Licensure for Nursing Home Administrators with the authority to make rules and regulations not inconsistent with law as may be necessary or proper for the performance of its duties, and to take such other actions as may be necessary to enable the state to meet the requirements set forth in the Social Security Act, §1908, (42 Y.S.C.A. §1396g) the federal rules and regulations promulgated thereunder, and other pertinent federal authority; provided, however, that no rules shall be promulgated,

altered, or abolished without the approval of a two-thirds majority of the board.

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

Issued in Austin, Texas, on January 2, 1986.

TRD-8600005

Dottie Mathieson
Administrative
Technician II
Texas Board of
Licensure for
Nursing Home
Administrators

Effective date: January 23, 1986
Proposal publication date: November 22, 1985
For further information, please call
(512) 479-0922.

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Chapter 251. Disciplinary

★22 TAC §251.1

The Texas Board of Licensure for Nursing Home Administrators adopts an amendment to §251.1, without changes to the proposed text published in the November 22, 1985, issue of the *Texas Register* (10 TexReg 4503).

The amendment deletes the word "board" from the section dealing with the convening of prehearing conferences upon advice of legal counsel.

The amendment enables the agency to carry out its functions.

No comments were received regarding adoption of the amendment.

The amendment is adopted under Texas Civil Statutes, Article 4442d, §8, which provide the Texas Board of Licensure for Nursing Home Administrators with the authority to make rules and regulations not inconsistent with law as may be necessary or proper for the performance of its duties, and to take such other actions as may be necessary to enable the state to meet the requirements set forth in the Social Security Act, §1908, (42 Y.S.C.A. §1396g) the federal rules and regulations promulgated thereunder, and other pertinent federal authority; provided, however, that no rules shall be promulgated, altered, or abolished without the approval of a two-thirds majority of the board.

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

Issued in Austin, Texas, on January 2, 1986.

TRD-8600004

Dottie Mathieson
Administrative
Technician II
Texas Board of
Licensure for
Nursing Home
Administrators

Effective date: January 23, 1986
Proposal publication date: November 22, 1985
For further information, please call
(512) 479-0922.

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TITLE 25. HEALTH SERVICES

Part I. Texas Department of Health

Chapter 37. Maternal and Child Health Services Hemophilia Assistance Program

★25 TAC §§37.111-37.120

The Texas Department of Health adopts the repeal of existing §§37.111-37.120, and new §§37.111-37.125, without changes to the proposed text published in the October 29, 1985, issue of the *Texas Register* (10 TexReg 4213).

The new sections are necessary to update and clarify existing rules and to implement recent legislation (House Bill 2091, Article 9, 69th Legislature, 1985), concerning the Hemophilia Assistance Program.

These new sections cover the purpose, definitions, eligibility for patient services, services provided to patients, application process, authorization of blood product purchases, rights and responsibilities of the providers and of the responsible parties of the patient, contracts, payment of services, suspension or cancellation of payment, appeals, confidentiality, gifts, nondiscrimination, and income guidelines.

No comments were received regarding adoption of the repeal and new sections.

The repeal is adopted under Texas Civil Statutes, Article 4477-30, §2, which authorize the Texas Board of Health to adopt rules concerning the Hemophilia Assistance Program.

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

Issued in Austin, Texas, on December 30, 1985.

TRD-8512351

Robert A. MacLean
Deputy Commissioner
Professional Services
Texas Department of
Health

Effective date: January 21, 1986
Proposal publication date: October 29, 1985
For further information, please call
(512) 463-2666.

★ ★ ★

★25 TAC §§37.111-37.125

The new sections are adopted under Texas Civil Statutes, Article 4477-30, §2, which authorize the Texas Board of Health to adopt rules concerning the Hemophilia Assistance Program.

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

Issued in Austin, Texas, on December 30, 1985.

TRD-8512350

Robert A. MacLean
Deputy Commissioner
Professional Services
Texas Department of
Health

Effective date: January 21, 1986
Proposal publication date: October 29, 1985
For further information, please call
(512) 458-7236.

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TITLE 34. PUBLIC FINANCE

Part I. Comptroller of Public Accounts

Chapter 3. Tax Administration Subchapter L. Motor Fuels Tax

★34 TAC §3.182

The Comptroller of Public Accounts adopts an amendment to §3.182, without changes to the proposed text published in the October 8, 1985, issue of the *Texas Register* (10 TexReg 3883). The amendment reflects a change in the law regarding cargo tank calibrations and to provide for the loading of fuel at different locations.

No comments were received regarding adoption of the amendment.

This amendment is adopted under the Texas Tax Code, §111.002, which provides that the comptroller may prescribe, adopt, and enforce rules relating to the administration and enforcement of the motor fuels tax.

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

Issued in Austin, Texas, on December 30, 1985.

TRD-8512349

Bob Bullock
Comptroller of Public
Accounts

Effective date: January 20, 1986
Proposal publication date: October 8, 1985
For further information, please call
(512) 483-4606.

★ ★ ★

**TITLE 34. PUBLIC
FINANCE
Part VII. State Property
Tax Board
Chapter 155. Tax Record
Requirements**

Exemptions

★34 TAC §155.4

The State Property Tax Board adopts an amendment to §155.4, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4406).

The amendment lists information that must be contained in the appraisal record listing of each item of taxable property. The amendment includes a requirement that appraisal records maintained by an appraisal district include the permanent identification number, and the make and model of certain manufactured homes. This amendment requires appraisal records to contain information necessary for a tax collector to file a notice of tax lien on a manufactured home with the Texas Department of Labor pursuant to the Property Tax Code, §32.015, added by Senate Bill 1267, 69th Legislature, 1985.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Property Tax Code, §25.02(a), which authorizes the board to prescribe the form of the appraisal records; and the Property Tax Code, §29.03(b), which authorizes the board to adopt rules establishing minimum standards for description of property.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512375 Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

★ ★ ★

★34 TAC §155.6

The State Property Tax Board adopts the repeal of §155.6, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4406).

The repealed section prescribed the contents of residence homestead exemption application forms. It is replaced by a new section prescribing revised contents for homestead application forms.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512367 Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

★ ★ ★

The State Property Tax Board adopts new §155.6, with changes to the proposed text published in the November 15, 1985, issue, of the *Texas Register* (10 TexReg 4407).

The new section revises the prescribed contents of homestead exemption application forms to make the forms simpler and easier to read than those required by the former section. The new section also requires residential homestead exemption application forms to contain more information regarding mobile homes, pursuant to the Texas Property Tax Code, §11.432. The new section deletes the requirement that the applicant swear or affirm the truth of the contents. The previous §155.6 is repealed in this issue of the *Texas Register*.

One change was made to the text as proposed. Subsection (d) of the proposed section would have required each resi-

dence homestead exemption application form to contain a statement acknowledging the Penal Code provisions for filing false information. The proposal stated that Penal Code penalties provided for a prison term of two to 10 years and/or a fine of up to \$5,000. The "and/or" was changed to "and" to indicate the maximum possible penalty.

One comment was received regarding the adoption of the new section. The comment requested that the model residence homestead exemption application form contain a space for the applicant to provide his home telephone number. Staff agreed with the comment and made the change to the model form.

The comment was submitted by Jim Robinson, Deputy Chief Appraiser, Harris County Appraisal District.

The new section is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

§155.6. Exemption Applications for Residence Homesteads.

(a) All appraisal offices shall prepare and make available applications for residence homestead exemptions.

(b) All applications shall contain spaces for the property owner to provide the following information:

(1) the name and address of the property owner;

(2) the street address or other description of the property, and, if the property is a mobile home, the make, model, and permanent identification number, together with a copy of the document of title to the mobile home if the mobile home is eight feet wide or wider, 40 feet long or longer, or occupies an area of 320 square feet, and the document of title has not been canceled;

(3) whether the property owner qualifies for the general residence homestead exemption. The application form shall require the property owner to indicate whether he owns the property, whether it was his residential homestead on January 1 of the year for which the application is filed, and whether he has claimed a residential homestead exemption on any other property for the year;

(4) whether the property owner qualifies for over-65 homestead exemptions;

(5) whether the property owner qualifies for disability exemptions.

(c) All applications shall require the applicant to sign and date the application.

(d) All applications for residence homestead exemptions shall contain a statement indicating that by signing the application, the applicant states that he/she is qualified for the exemptions indicated, and a statement that under Penal Code, §37.10, if the applicant intentionally makes a false statement on the application, he/she could receive a jail term of up to one year and a fine of up to \$2,000, or a prison term of two to 10 years and a fine of up to \$5,000.

(e) All applications shall contain instructions which state that the property owner need not apply for the exemption annually; that the applicant has a duty to notify the chief appraiser in writing before May 1 when his entitlement to the exemption ends; and that the chief appraiser may require the property owner to reapply for the exemption.

(f) Where the application contains or requires other information, the information required by this section shall be printed on the front of the form. Otherwise, the application shall be prepared as a separate form from any other form.

(g) If the chief appraiser routinely requires supporting information or other documents for a homestead exemption, the appraisal office shall note the type(s) of documentation required on the application.

(h) The chief appraiser shall determine each application in accordance with the provisions of the Property Tax Code, Chapter 11.

(i) With each application form, the appraisal office shall provide a list of taxing units served by the appraisal district, together with all residential homestead exemptions they offer.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512376

Ron Patterson
Executive Director
State Property
Tax Board

Effective date: January 21, 1986

Proposal publication date: November 15, 1985

For further information, please call
(512) 834-4800.

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★34 TAC §155.17

The State Property Tax Board adopts the repeal of §155.17, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4407).

The repealed section prescribed the contents of charitable organization exemption application forms. It is replaced by a new section prescribing revised contents for exemption application forms.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512384

Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986

Proposal publication date: November 15, 1985

For further information, please call
(512) 834-4800.

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The State Property Tax Board adopts new §155.17, with changes to the proposed text published in the November 15, 1985, issue, of the *Texas Register* (10 TexReg 4408).

The new section prescribes the content of a charitable organization exemption application form. The new section replaces a section that is repealed in this issue of the *Texas Register*.

The new section prescribes contents of an application form that are easier to read than those in the former section. The new section also reflects changes to the charter requirements for qualification under the Texas Property Tax Code, §11.18(c)(3)(B)(iii), and the addition of an exemption for charitable solicitation organizations in the Texas Property Tax Code, §11.18(c)(1)(O), as amended by Senate Bill 809, 69th Legislature, 1985. The new section also requires additional information concerning the financial activities of the applicant organization and the use of the property by the applicant.

The change made from the text as proposed corrected a typographical error in subsection (b)(11) of the section. The citation of §11.13(c)(1)(A)-(O) should have read §11.18(c)(1)(A)-(O).

No comments were received regarding adoption of the new section.

The new section is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

§155.17. Exemption Applications for Charitable Organizations.

(a) All appraisal offices shall prepare applications for charitable organization exemptions and make them available to the public.

(b) Each application form shall provide spaces for the applicant to indicate the following information:

(1) the name and address of the person who completes the application form;

(2) the capacity in which the person who completes the form serves the organization;

(3) the name of the organization and its mailing address;

(4) whether the organization is operated by an individual, an association, or a corporation;

(5) if corporate, whether the corporation is a nonprofit corporation;

(6) the real and personal property upon which the exemption is claimed;

(7) whether the organization owns the property on which the exemption is claimed;

(8) for each parcel of real property, the legal description of the property, the primary use of the property, whether the property is reasonably necessary in performing the organization's functions, any other uses of the property, and all parties other than the applicant organization which have used the property in the year preceding the application;

(9) for each item of personal property, the nature and location of the item;

(10) whether the organization is organized exclusively to perform religious, charitable, scientific, literary, and educational functions;

(11) whether the organization is organized exclusively to engage in and does exclusively engage in one or more of the functions listed in the Property Tax Code, §11.18(c)(1)(A)-(O), and which of those

functions the organization engages in;

(12) all financial transactions for the preceding year which involved sale of an interest in the organization for gain, transfers of property between the organization and persons having an interest in the organization, and loans between the organization and persons having an interest in the organization; and whether the organization operates, or its charter permits it to operate, in a manner which permits the accrual of profits or distribution of any form of private gain;

(13) where the applicant indicates that it engages in functions listed in the Property Tax Code, §11.18(c)(1)(O), the following additional information:

(A) whether the organization is governed by a volunteer board of directors;

(B) whether the organization is affiliated with a state or national organization that authorizes, approves, or sanctions volunteer charitable fund raising organizations;

(C) whether the organization qualifies for exemption under the Internal Revenue Code, §501(c)(3) as amended;

(D) whether the organization distributes contributions to at least five other associations, each of which is governed by a volunteer board of directors, qualifies for exemption under the Internal Revenue Code, §501(c)(3), receives a majority of its annual revenues from gifts and government grants, and provides services without regard to the recipient's ability to pay.

(c) The appraisal office shall indicate on the application form that the applicant must attach a copy of the charter, bylaws, or other documents adopted by the organization to govern its affairs.

(d) With respect to the documents described in subsection (c) of this section, the application shall contain spaces for the applicant to indicate:

(1) whether the documents pledge the organization's assets for use in performing its charitable functions and the page and paragraph number of such language;

(2) whether the documents require that upon dissolution of the organization that the organization's assets be transferred to a similar organization which is qualified for exemption under the Internal Revenue Code, §501(c)(3), as amended, or to the State of Texas;

(3) whether Internal Revenue Service regulations require that the documents provide for transfer of the organization's assets upon dissolution first to its members and then immediately from its members to a similar organization qualified for exemption under the Internal Revenue Code, §501(c)(3), as amended, or to the State of Texas.

(e) All applications shall require the applicant to sign and date the application, and indicate in what capacity he represents the organization.

(f) All applications shall include the following affirmation, above the signature and date spaces and below the spaces for information required by subsections (b)-(d) of this section:

"By signing this application, you designate the property described in the attached schedules A & B as the property against which the exemption for charitable organizations may be claimed in this appraisal district. You certify that this information is true and correct to the best of your knowledge and belief.

(g) All applications shall include the following statement in boldface type beneath the space for the signature and date:

Under Texas Penal Code, §37.10, if you make a false statement on this application, you could receive a jail term of up to one year and a fine of up to \$2,000, or a prison term of two to 10 years and a fine of up to \$5,000.

(h) If the chief appraiser routinely requires supporting documentation for any charitable exemption, the appraisal office shall note the types of documentation required on the application.

(i) All applications shall contain the following statement:

This application covers property you owned on January 1 of this year. You must file the completed application between January 1 and May 1 of this year. Be sure to attach any additional documents requested. If the chief appraiser grants the exemption, you do not have to reapply every year. You must reapply if the chief appraiser requires you to do so, or if you want the exemption to apply to property not listed in this application. However, you have a duty to notify the chief appraiser in writing if and when your right to this exemption ends.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512368 Ron Patterson
Executive Director
State Property
Tax Board

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For further information, please call
(512) 834-4800.

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★ 34 TAC §155.18

The State Property Tax Board adopts the repeal of §155.18, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4409).

The repealed section prescribed the contents of youth spiritual, mental, and physical development association exemption application forms. It is replaced by a new section prescribing revised contents for youth spiritual, mental, and physical development association exemption application forms.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the content of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

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TRD-8512373 Ron Patterson
Executive Director
State Property Tax
Board

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Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

★ ★ ★

The State Property Tax Board adopts new §155.18, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4409).

The new section prescribes contents of an application form for youth spiritual, mental, and physical development association exemption from property taxation. The new section prescribes contents that are simpler and easier to read than those contained in the former section, which was repealed in the same action by the board. The new section also requires additional information concerning the financial activities of the organization and the use of the property by the applicant.

No comments were received regarding adoption of the new section.

The new section is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum

standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

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TRD-8512372

Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986

Proposal publication date: November 15, 1985

For further information, please call
(512) 834-4801.

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★34 TAC §155.19

The State Property Tax Board adopts the repeal of §155.19, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4410).

The repealed section prescribed the contents of religious organization exemption application forms. It is replaced by a new section prescribing revised contents for religious organization exemption application forms.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512371

Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986

Proposal publication date: November 15, 1985

For further information, please call
(512) 834-4800.

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The State Property Tax Board adopts new §155.19, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4411).

The new section prescribes contents of an application form for religious organization exemption from property taxation. The new section prescribes contents that are simpler and easier to read than those contained in the former section, which was repealed in the same action by the board. The new section also requires additional information concerning the financial activities of the organization and the use of the property by the applicant.

No comments were received regarding adoption of the new section.

The new section is adopted under the Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Property Tax Code, §25.02(a), which authorizes the board to prescribe the form of the appraisal records; and the Property Tax Code, §25.03(b), which authorizes the board to adopt rules establishing minimum standards for descriptions of property.

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

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TRD-8512370

Ron Patterson
Executive Director
State Property Tax
Board

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Proposal publication date: November 15, 1985

For further information, please call
(512) 834-4800.

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★34 TAC §155.20

The State Property Tax Board adopts the repeal of §155.20, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4412).

The repealed section prescribed the contents of private school exemption application forms. It is replaced by a new section prescribing revised contents for private school exemption application forms.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

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

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TRD-8512365

Ron Patterson
Executive Director
State Property Tax
Board

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For further information, please call
(512) 834-4800.

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The State Property Tax Board adopts new §155.20, with changes to the proposed text published in the *Texas Register* (10 TexReg 4412-4413).

The new section prescribes contents of an application form for an exemption from taxation for privately owned schools. The new section prescribes contents that are simpler and easier to read than those contained in the former section, which is repealed by the board. The new section also requires additional information concerning the financial activities of the organization and the use of the property by the applicant.

No comments were received regarding adoption of the new section.

The section is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §11.43(f), which requires the board to

prescribe the contents of exemption applications to ensure that the form requires an applicant to furnish the information necessary to determine the validity of the exemption claim.

§155.20. Exemption Applications for Privately-Owned Schools.

(a) All appraisal offices shall prepare applications for privately owned school exemptions and make them available to the public.

(b) Each application form shall provide spaces for the applicant to indicate the following information:

(1) the name and address of the school and the name of the person who completes the application form;

(2) the capacity in which the person who completes the form serves the school;

(3) the name and mailing address of the school operator;

(4) whether the school is operated by an individual, an association, or a corporation;

(5) if corporate, whether the corporation is a nonprofit corporation;

(6) the real and personal property upon which the exemption is claimed;

(7) whether the property is exclusively owned by the school operator;

(8) for each parcel of real property, the legal description of the property, the primary use of the property, whether the property is reasonably necessary for operation of the school, any other uses of the property, and all parties other than the applicant which have used the property in the year preceding the application;

(9) for each item of personal property, the nature and location of the item;

(10) whether the school maintains a regular faculty and curriculum;

(11) whether the school has a regularly organized body of students;

(12) whether classes normally meet at the buildings to be exempted;

(13) all financial transactions for the preceding year which involved sale of an interest in the school for gain, transfers of property between the school and persons having an interest in the school, and loans between the school and persons having an interest in the school; and whether the school operates in a way that does not result in accrual of distributable profits or realization of private gain other than reasonable salaries or compensation for services rendered.

(c) The appraisal office shall indicate on the application form that the applicant must attach a copy of the charter, bylaws, or other documents adopted by the school to govern its affairs.

(d) With respect to the documents described in subsection (c) of this section, the application shall contain spaces for the application to indicate:

(1) whether the documents pledge the school's assets for use in performing its

educational functions and the page and paragraph number of such language;

(2) whether the documents require that upon dissolution of the school that the school's assets be transferred to a similar organization which is qualified for exemption under Internal Revenue Code, §501(c)(3), as amended, or to the State of Texas.

(e) All applications shall require the applicant to sign and date the application, and indicate in what capacity he represents the organization.

(f) All applications shall include the following statement, above the signature and date spaces and below the spaces for information required by subsections (b)-(d) of this section:

By signing this application, you designate the property described in the attached schedules A & B as the property against which the exemption for private schools may be claimed in this appraisal district. You certify that this information is true and correct to the best of your knowledge and belief.

(g) All applications shall include the following statement in boldface type beneath the space for the signature and date:

Under Section 37.10, Texas Penal Code, if you make a false statement on this application, you could receive a jail term of up to 1 year and a fine of up to \$2,000, or a prison term of two to 10 years and a fine of up to \$5,000.

(h) If the chief appraiser routinely requires supporting documentation for any school exemption, the appraisal office shall note the types of documentation required on the application.

(i) All applications shall contain instructions, which state that the property owner need not apply for the exemption annually; that the applicant has a duty to notify the chief appraiser in writing before May 1 when his entitlement to the exemption ends; and that the chief appraiser may require the property owner to reapply for the exemption.

(j) Where the application contains or requires other information, the information required by this section shall be printed on the front of the form. Otherwise, the application shall be prepared as a separate form from any other form.

(k) The chief appraiser shall determine all applications in accordance with the provisions of Chapter 11, Property Tax Code.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512364

Ron Patterson
Executive Director
State Property
Tax Board

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Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

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Collecting

★ 34 TAC §155.41

The State Property Tax Board adopts the repeal of §155.41, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4413).

The repealed section prescribed an affidavit for use by a taxpayer to defer the collection of delinquent taxes or abate a delinquent tax lawsuit. The repealed section is replaced by a new §155.41, which adopts a new model Form 3306.

No comments were received regarding adoption of the repeal.

The repeal is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district, and the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system.

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

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Ron Patterson
Executive Director
State Property Tax
Board

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For further information, please call
(512) 834-4800.

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The State Property Tax Board adopts new §155.41, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4413).

The new section describes the affidavit a taxpayer must use to obtain a deferral of the collection of delinquent property taxes, or an abatement of a suit to collect delinquent taxes. The new section replaces the former section, which is repealed by the board. The new section prescribes a tax deferral affidavit form that is easier to read than the previous form.

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

The new section is adopted under the Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; and the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system.

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

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TRD-8512362 Ron Patterson
Executive Director
State Property Tax
Board

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Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

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Chapter 161. Valuation Procedures Special Property Valuation

★ 34 TAC §161.1

The State Property Tax Board adopts an amendment to §161.1, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4414).

The rules adopts by reference the State Property Tax Board publication "Guidelines for the Valuation of Agricultural Lands." The amendment changes all references of net-to-land that appear in the manual to conform the term to the amended definition of net-to-land in the Property Tax Code, §23.51(4). The amendment also adds to the manual a section on the calculation of the additional tax known as the rollback tax, when a person changes the use of qualified open-space or agricultural land.

Two changes were made to the proposed "Guidelines for the Valuation of Agricultural Lands." First, on page 20 of the manual, text referring to federal disaster payments was removed since the federal program is no longer available. Second, text referring to personal liability for the rollback tax was deleted from the proposed section on rollback procedures because the Property Tax Code does not clearly define personal liability.

The Property Tax Code, §23.52(d), provides that these rules, before taking effect, must be approved by a majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agricultural commissioner, and the

commissioner of the General Land Office. This posting in the *Texas Register* is intended to notify the public of action taken by the State Property Tax Board. The special committee will meet in early January to approve the rule amendment. Thus, the amendment will not be effective until the action of the special committee is filed.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Property Tax Code, §23.52, which requires the board to develop and distribute to each appraisal office manuals setting forth methods of appraising and administering special appraisal; and the Property Tax Code, §6.07, which requires the board to prescribe the contents of all forms necessary for the administration of the property tax system, and a uniform record system to be used by all appraisal offices.

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

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TRD-8512359 Ron Patterson
Executive Director
State Property Tax
Board

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For further information, please call
(512) 834-4800.

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Chapter 163. Reporting Procedures Other Tax Records

★ 34 TAC §163.5

The State Property Tax Board adopts an amendment to §163.5, with changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4414-4415).

The Texas Property Tax Code, §21.11, requires individuals to report all movements of mobile homes to the chief appraiser(s) of the appraisal district(s) involved in the move. The amendment adds to the list of information that must be filed the permanent identification number of the mobile home and its length and width in feet. The addition would allow appraisal districts to follow movements of mobile homes, and thereby provide for more efficient collection of taxes that may be due on the mobile homes.

The change made to the amendment as proposed requires a person to report the length and width of the mobile home. The previous language had only required a report of the size of the home. Since length

and width are more descriptive of the home, the board decided to require that information in a report of movement.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Property Tax Code, §21.11, which requires the board to prescribe a form to record the movement of mobile homes, and the Texas Property Tax Code, §5.07, which requires the board to prescribe the contents of all forms necessary for the administration of the property tax system, and a uniform record system to be used by all appraisal offices.

§163.5. Record of Movement of Mobile Homes.

(a) (No change.)
(b) The record of the movement of the mobile home shall contain the following items of information:

- (1)-(3) (No change.)
- (4) the description of the mobile home moved, stating make, model year, model number, license number, length and width in feet, permanent identification number, and any other related information;
- (5) the name of the owner of the mobile home moved, including current street address and current mailing address;
- (6)-(10) (No change.)
- (c)-(i) (No change.)

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512360 Ron Patterson
Executive Director
State Property
Tax Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

★ ★ ★

★ 34 TAC §163.7

The State Property Tax Board (SPTB) adopts new §163.7, with changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4415-4416).

The new section implements the Property Tax Code, §11.48, which requires appraisal districts to list all property that is exempt from taxation because it is owned by the State of Texas. The section describes all information that must be contained within the special property listing, and adopts by reference a form to be used by state agencies in confirming each property record, a form for the appraisal district to use in reporting a list of state-owned exempt property to the State Property Tax Board, and a form to

be used by the chief appraiser in certifying the property listing to the SPTB.

Several changes were made to the section as proposed. First, subsection (b) of the proposed text contained a requirement that the special property record comply with the requirements of an appraisal card, as set forth in §155.1. This requirement was deleted in the section as adopted because the board believed that the development of information necessary to complete a separate appraisal card for each property was too burdensome for an appraisal district. An appraisal district must still prepare a separate record listing each state-owned property, but it need not contain all the information that would otherwise belong on an appraisal card.

Second, the proposed text incorrectly labeled the State Property Record Form as Form 11.48A. It has been relabeled as Form 11.48B.

Third, the proposed text did not adopt Confirmation Form 11.48B and the State Certification of Exempt Property by Chief Appraiser Form 11.48C by references in subsections (c) and (d).

One comment against the section was received. The commenter requested that the section not be enacted, but instead that the section be delayed, pending a planning conference to permit appraisal districts to discuss the implementation of the listing project. The proposed conference would define the role of the State Property Tax Board in the effort to list property that is owned by the State of Texas; develop a uniform system of codes and formats for data transfer between appraisal districts and the State Property Tax Board; require an initial exchange of known property information; establish a system of information exchange between state agencies and appraisal districts; and develop an implementation schedule for the listing program.

The staff and board disagreed with the proposal to delay adoption of the section. The statute on which the section is based takes effect on January 1, 1986, and imposes the listing requirements on an appraisal district whether or not the section is also in place. Without a section to guide the data collection by an appraisal district, provide standardized forms for use by all districts to correspond with all state agencies, and provide a standardized form for submission of data to the State Property Tax Board, the statute could not be efficiently administered. Therefore, the board cannot afford to delay adopting the section.

In addition, the statute itself defines the rule and responsibility for both the State Property Tax Board and all appraisal districts, and it contains an inherent implementation schedule. Since these features are automatically effective beginning January 1, 1986, there is no advan-

tage in delaying the section in favor of a state-wide planning conference.

The agency disagrees that the section should be delayed pending development of a uniform system of codes and electronic transfer file formats, as the section adopts by reference a standardized form for the property listing, and permits an appraisal district to request instructions for the file layout from the executive director in advance. These are staff functions of the SPTB that cannot be left subject to any advice or recommendation by outside agents.

The staff disagreed with the suggestion to provide for an initial exchange of information between state agencies and appraisal districts. The SPTB already provided each appraisal district with a listing of known state-owned property, listed by county, as inventoried by the General Land Office. This, too, is a staff service that the SPTB provided to appraisal districts. There is no need to delay the section in favor of this suggestion.

At the public hearing on the adoption, the same commenter sought to impose a requirement that each state agency contact each appraisal district and provide a list of state-owned property. This would remove the burden from each appraisal district of having to locate and list such property. The staff disagrees with the comment since, in enacting the Property Tax Code, §11.48, the legislature imposed the burden on the appraisal district. The State Property Tax Board is without authority to impose a different allocation of responsibility from that imposed by statute.

The written comment and public testimony against the section was provided by Arthur O'Connell, Deputy Chief Appraiser, Bexar Appraisal District.

Testimony in favor of the section was submitted by James Archer, chief appraiser, Travis County Appraisal District, and Russell Graham, attorney-at-law.

The new section is adopted under the property Tax Code, §11.48, which requires the board to prescribe a form for the special property listing and to adopt forms to assist agencies in providing required information; and the Property Tax Code, §5.07, which requires the State Property Tax Board to prescribe the contents of all forms necessary for the administration of the property tax system and a uniform record system to be used by all appraisal offices.

§163.7. Exempt Property Owned by the State.

(a) All appraisal districts appraising property for ad valorem taxation are required by the Property Tax Code, §11.48, to develop a list of real property that is owned by the State of Texas.

(b) The chief appraiser shall prepare a special property record for each parcel of

real property that is owned by or for the State of Texas on January 1 and is located within the county served by the appraisal district. The special property record for each property must contain:

(1) a description of the property, including a street address (if applicable), with separate descriptions of land, improvements, minerals, or other real property interests;

(2) the number of acres of the parcel (if applicable);

(3) an identification of each taxing unit in which the property is located;

(4) the name and address of the department or agency that holds title to the property or is responsible for managing or maintaining the property;

(5) a statement indicating whether or not the land or improvement is leased, and the taxable status of any lease;

(6) an indication by the chief appraiser if the property is exempt from taxation; and

(7) an indication by the chief appraiser if a Confirmation Form 11.48A was received from a state department or agency.

(c) The Property Tax Code, §11.48 (e), requires the chief appraiser to deliver a copy of the property listing to the appropriate state department or agency by April 1, or as soon thereafter as practicable, to confirm the listed information. The chief appraiser must deliver to each state department or agency a copy of the State Property Record Form 11.48B showing property that is owned or managed by that agency. The record must be accompanied by a Confirmation Form 11.48A for use by the agency in reviewing and confirming the listing. Forms 11.48A and 11.48B are adopted and incorporated into this section by reference.

(d) Section 11.48(f) requires the chief appraiser to certify a copy of the list of state-owned property to the State Property Tax Board no later than September 1 of each year. The chief appraiser must list each parcel of real property owned by or for the State of Texas on a State Property Record Form 11.48B. The list of state-owned property must be accompanied by a signed copy of a State Certification of Exempt Property by Chief Appraiser Form 11.48C, which is adopted and incorporated into this section by reference. The listing shall contain each item enumerated in subsection (b)(1)-(7) of this section. Properties must be categorized alphabetically by state agency or department, according to a listing prescribed by the executive director. The chief appraiser may submit the listing by electronic tape, if approved in writing by the executive director before September 1. Any electronic tape must be accompanied by a hard-copy listing showing the contents of the tape. An appraisal district that submits a listing by electronic tape does not have to provide a copy of each State Property Record Form 11.48B.

(e) State department or agency as used within this section means:

(1) a board, commission, department, institution, office or other agency of the state government, an institution of higher education (other than a public junior college); and

(2) the following entities created under the Texas Constitution, Article 16, §59: Angelina and Neches River Authority; Bandera County River Authority; Brazos River Authority; Canadian River Municipal Water Authority; Central Colorado River Authority; Coastal Industrial Water Authority; Colorado River Municipal Water District; Guadalupe-Blanco River Authority; Guadalupe River Authority; Gulf Coast Waste Disposal Authority; Lavaca-Navidad River Authority; Lower Colorado River Authority; Lower Concho River Water and Soil Conservation Authority; Lower Neches Valley Authority; North Central Texas Municipal Water Authority; Nueces River Authority; Red River Authority of Texas; Rio Grande Valley Municipal Water Authority; Sabine River Authority; San Antonio River Authority; San Jacinto River Authority; Trinity River Authority of Texas; Upper Colorado River Authority; Upper Guadalupe River Authority; and Upper Neches River Municipal Water Authority.

(f) The chief appraiser is not required to list:

(1) property that is owned or held by the State Department of Highways and Public Transportation;

(2) easements that are held by any agency or department;

(3) permanent university fund property; or

(4) tidal lands or lands submerged by public waters or riverbeds and streambeds.

(g) If the chief appraiser cannot determine which department or agency holds title to the property or is responsible for managing or maintaining the property, the property shall be listed in the name of the State of Texas.

(h) The chief appraiser is not required to appraise property required to be listed by this section.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512366 Ron Patterson
Executive Director
State Property
Tax Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

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Chapter 165. Practice and Procedure

Rules of Practice and Procedure

★34 TAC §§165.71-165.74

The State Property Tax Board adopts the repeal of §§165.71-165.74, without changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4415).

The repealed sections prescribed procedures governing administrative hearings on protests of school district taxable market value. The repeal is part of a reorganization of the board's rules of practice and procedure. These sections are replaced by new §§165.71-165.77. The board's action specified that the former sections will continue in existence for purposes of challenges related to the 1984 school district market value findings, and that the new sections will govern protests beginning with the 1985 Property Value Study.

The repeal is authorized by the Texas Education Code, §11.86, which requires the board to adopt procedural rules governing the conduct of protest hearings; the Property Tax Code, §5.10, which requires the board to conduct an annual study of the level of appraisals in each appraisal district; and Texas Civil Statutes, Article 6252-13a(4), which require a state agency to adopt rules of practice setting forth the nature and requirements of all formal and informal procedures available concerning administrative action.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512368 Ron Patterson
Executive Director
State Property Tax
Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

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★34 TAC §§165.71-165.77

The State Property Tax Board adopts new §§165.71-165.77. Sections 165.71, 165.73, and 165.77 are adopted with changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4416). Section 165.72, and §§165.74-165.76 are adopted without changes and will not be republished.

The new sections establish procedures governing administrative hearings on protests of school district taxable market value, procedures for protesting deter-

minations of an appraisal district's level and uniformity of appraisals, and protesting preliminary findings of audits of a school district's taxable market value. The proposal is part of a reorganization of the board's rules of practice and procedure. The previous §§165.71-165.74 were repealed in the same action that adopted these replacement rules. The board's action specified that the former rules will continue in existence for purposes of challenges related to the 1984 school district market value findings, and that the new rules will govern protests beginning with the 1985 property value study.

The following changes were made to the rules as proposed. In proposed §165.71(a), an unnecessary reference to the Education Code, §11.86, was deleted; proposed §165.71(d)(3) was deleted as being unnecessary, and proposed subsection (d)(4) was renumbered as (d)(3); proposed §165.71(e)(3) was deleted as being unnecessary, and proposed subsection (e)(4) was renumbered as (e)(3); and subsection (f) was added to §165.77 to require the board to deliver its final decision by certified mail.

Four comments were received regarding the adoption of the proposals. Three of these comments disagreed with the requirement that a school district or an appraisal district must file its protest within 30 days of the date the preliminary findings of a school district's market value were certified to the commissioner of education. One of the three comments requested that the board deliver its findings to school districts and appraisal districts 15 days before certifying values to the commissioner of education, which would allow up to 15 additional days to prepare and file a protest.

The agency disagrees with this comment. The Education Code, §11.86, requires a school district to file its protest within 30 days of the date the preliminary findings are certified to the commissioner of education. The agency could not expand this period by rule since the deadline is imposed by statute.

The Agency also disagreed with the proposal to release its preliminary findings 15 days before the findings are certified to the commissioner of education. The statute requires that the findings must be released before February 1 of the year following the year of the study. The 1985 property value study cannot be completed by January 15, which is the deadline requested by the commentor.

The last comment against the rule requested that additional language be added to §165.73(f) to provide that where property sales are insufficient to meet generally accepted appraisal standards and where property appraisals are offered as a substitute for market data, the board acknowledge that appraisals do not ac-

curately represent the ratio of tax appraisals to actual market value.

The agency disagrees with this comment and proposal for several reasons. First, it attempts to establish an evidentiary rule that is not in accordance with generally accepted appraisal standards, and would seriously impair the agency's ability to accept, develop, and analyze data that indicates the ratio of tax appraised value to true market value of a property.

Second, the way the proposal was worded would have imposed stricter rules as to what constitutes evidence for school districts and appraisal districts than would have been required of the board's staff. That is, the proposal would have effectively prevented a school or appraisal district from offering an appraisal as evidence of the ratio of tax appraised value to true market value for a property while imposing no similar limitation on the use of appraisals by the board in developing appraisal levels. The board and staff disagree with any proposal that would favor one side over another.

Third, the proposal would have imposed a substantive rule regarding protest hearings without permitting a period for public comment. The rules as proposed by the staff are purely procedural in nature. The board would not have been in substantial compliance with the Administrative Procedure and Texas Register Act, Texas Civil Statutes, Article 6252-13a(5)(e), had it acted on the commentator's proposal without first providing for a public comment period.

Comments against the rules as proposed were submitted by Arthur O'Connell, deputy chief appraiser, Bexar Appraisal District; Dianne Lavake, chief appraiser, Carson county Appraisal District; and Tom Harkey, superintendent, Whitewater Independent School District.

Comments in favor of the rule or against the public testimony were submitted by James Archer, chief appraiser, Travis County Appraisal District, and Russell Graham, attorney-at-law.

The new sections are adopted under the Education Code, §11.86, which requires the board to adopt procedural rules governing the conduct of protest hearings; the Property Tax Code, §5.10, which requires the board to conduct an annual study of the level of appraisals in each appraisal district; and Texas Civil Statutes, Article 6252-13a(4), which requires a state agency to adopt rules of practice setting forth the nature and requirements of all formal and informal procedures available concerning administrative action.

§165.71. Audits of School District Taxable Property Values.

(a) A school district may request an audit of the board's findings of its taxable property value.

(b) The commissioner of education may request an audit of the board's findings of taxable property value within any school district.

(c) An audit request may be submitted at any time after the board certifies final values to the commissioner of education, but must be filed before October 1 of the year following the year of the study. This deadline may be extended by a showing that the petitioner could not have submitted evidence relating to the request prior to the deadline or for other good cause.

(d) A school district may not request an audit if:

(1) the audit request raises the same issue or presents the same evidence presented during a protest of preliminary findings of value;

(2) the audit request raises an issue or presents evidence that should have been raised during a protest of preliminary findings of value; or

(3) the request concerns an error in the school district's annual report of property value discovered after May 31 of the year following the year of the study, unless the information supporting the change did not exist in time to be incorporated into the board's findings.

(e) The commissioner of education may not request an audit if:

(1) the audit request raises the same issue or presents the same evidence presented during a protest of preliminary findings of value;

(2) the audit request raises an issue or presents evidence that could have been raised by the affected school district in a protest of preliminary findings of value if it would have been of benefit to the district; or

(3) the request concerns an error in the school district's annual report of property value discovered after May 31 of the year following the year of the study, and the error could have been corrected by the school district if it would have been to the benefit of the district.

(f) The executive director shall determine if an audit request raises issues that are within the jurisdiction of the board. He shall issue a preliminary finding on the request as soon as practicable and must deliver a copy of the finding to any school district that is the subject of the audit and to the commissioner of education.

(g) Any change of a district's taxable value pursuant to an audit request may be made only on written order of the board, and must be certified to the commissioner of education.

(h) For purposes of these sections, an audit is an investigation or review made to determine whether the certified findings of a school district's taxable value of property are incorrect and should be changed.

§165.73. Method of Filing a Protest.

(a) A protest must be filed by submitting a written statement to the board show-

ing the name and address of the petitioner and identifying the determination that is the subject of the submission.

(b) A protest of the preliminary findings of taxable value or appraisal levels must be filed within 30 days after the date the board certifies preliminary findings of school district taxable value to the commissioner of education. A protest of the preliminary findings of an audit of taxable values must be filed within 30 days of the date the district received preliminary findings of the audit. A submission may be withdrawn, amended, or supplemented at any time prior to the deadline for filing, but may not be withdrawn, amended, or supplemented after the filing deadline.

(c) A submission must be signed by:

(1) the superintendent of the district if it is a protest filed by a school district; or

(2) the chief appraiser of the appraisal district, if it is a protest filed by the appraisal district.

(d) A submission must specify all grounds for objection and contain sufficient information to determine the validity of the protest. All documents and other evidence that support the petitioner's protest must be included with the submission. Except as permitted by subsection (h) of this section, no additional evidence may be submitted after the deadline for submitting the petition.

(e) The submission must contain a sworn statement by the person signing the petition that, to the best of his knowledge, the information contained in the submission is true and correct.

(f) Any ratio study or other appraisal analysis that is included with the submission shall contain a sworn statement by the person producing the study or analysis that it was performed in accordance with generally accepted appraisal standards. For purposes of this section, ratio study is defined as any property sale or appraisal offered as an indicator of the level of property appraisals that exists on a district's appraisal or tax roll.

(g) A submission must contain a certification that:

(1) if it is filed by a school district and protests the preliminary findings of taxable property value, the school district has delivered a copy of its protest to each appraisal district that appraises property for the school district; or

(2) if it is filed by an appraisal district protesting preliminary findings of the level and uniformity of appraisals, the appraisal district has delivered a copy of its protest to each school district that participates in the appraisal district.

(h) For good cause shown, the executive director may extend a deadline for submitting evidence. An extension must be requested and approved in writing before the original filing deadline. The director may grant only one extension for each school

district, and may not extend the deadline by more than 10 days.

§165.77. Final Decision.

(a) The board shall convene to hear all appeals of proposed decisions, approve all proposed decisions not appealed, and approve and certify its findings of school district taxable property values and the level and uniformity of appraisals within each appraisal district.

(b) The executive director shall deliver notice of the date, time, and place fixed for a hearing. The notice must be delivered not later than 10 days before the date of the hearing and must be provided to each party.

(c) All appeals are limited to the record made during the protest hearing. A party may appear to offer oral argument, but no additional evidence may be introduced. Written argument may be submitted in lieu of an oral appearance.

(d) All appeals of protests concerning the preliminary findings of taxable value must be decided by written order within 120 days of the date the preliminary findings were certified to the commissioner of education.

(e) All appeals of protests concerning preliminary findings of appraisal levels must be decided by written order before the deadline established in subsection (d) of this section.

(f) A decision concerning a protest of preliminary findings of an audit request must be decided by written order within 120 days of the date the school district received the preliminary findings.

(g) The board shall deliver by certified mail written notice of its final decision to each protesting party.

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

Issued in Austin, Texas, on December 30, 1985.

TRD-8512377 Ron Patterson
Executive Director
State Property
Tax Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4801.

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Appraisal Review Board

★34 TAC §165.142

The State Property Tax Board adopts an amendment to §165.142, with changes to the proposed text published in the November 15, 1985, issue of the *Texas Register* (10 TexReg 4418).

The amendment adopts a revised model form Notice for Protest for use by taxpayers in filing a protest with a local appraisal review board. The new model form replaces an existing version. The new form differs from the old form in that it has been simplified and excess material has been deleted. The new form also reflects changes in the deadline a taxpayer has to file a protest, which was changed by an amendment to the Property Tax Code, §41.44.

The change in subsection (d) changes the date from December 11, 1985, to December 18, 1985, to reflect the date the board met and adopted the amendment.

No comments were received regarding adoption of the amendment.

The amendment is adopted under the Texas Property Tax Code, §5.03(a), which provides the State Property Tax Board with the authority to establish minimum standards for the administration and operation of an appraisal district; the Texas Property Tax Code, §5.07(c), which provides that the board shall prescribe the contents of all forms necessary for the administration of the property tax system; and the Texas Property Tax Code, §41.44(d), which requires the board to prescribe a notice of protest form and deliver one to any property owner upon request.

§165.142. Notice of Protest.

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

(d) The model notice of protest Form 41.44 as amended December 18, 1985, is adopted by the State Property Tax Board by reference. Copies of this form are available for inspection at the office of the *Texas Register* or can be obtained from the Office of General Counsel, State Property Tax Board, P.O. Box 15900, Austin, Texas 78761.

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

Issued in Austin, Texas, on December 27, 1985.

TRD-8512374 Ron Patterson
Executive Director
State Property
Tax Board

Effective date: January 21, 1986
Proposal publication date: November 15, 1985
For further information, please call
(512) 834-4800.

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TITLE 40. SOCIAL SERVICES AND ASSISTANCE

**Part I. Texas Department of Human Services
Chapter 48. CCAD
Eligibility**

★40 TAC §48.2902

The Texas Department of Human Services adopts an amendment to §48.2902, without changes to the proposed text published in the November 8, 1985, issue of the *Texas Register* (10 TexReg 4327).

Adoption of the amendment is justified because it allows the department to increase the income eligibility limits to \$670.20 for an individual and \$1,005.30 for a couple. The department is increasing the amount based on limits set by the Legislature and the Supplemental Security Income standard payment amounts. Section 48.2902 will function as the methodology for determining amounts of income eligibility limits on a continuing basis. The amendment will also function to increase the number of clients eligible for community care services.

The department received no comments on the proposal.

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

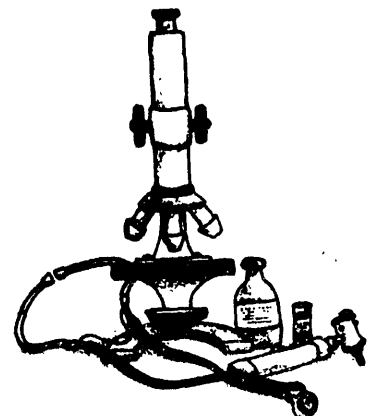
This agency hereby certifies that the rule as adopted has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority.

Issued in Austin, Texas, on December 31, 1985.

TRD-8600031 Marlin W. Johnston
Commissioner
Texas Department of
Human Services

Effective date: January 21, 1986
Proposal publication date: November 8, 1985
For further information, please call
(512) 450-3766.

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Open Meetings

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

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

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

Texas Department of Corrections

Monday, January 13, 1986, 10 a.m. The Board of the Texas Department of Corrections will meet in the Hazel D. Kerper Courtroom, Criminal Justice Center, Sam Houston State University, 815 16th and Avenue J, Huntsville. Items on the agenda summary include operations; inmate affairs; medical; finance; agriculture; business; construction; industries; director's items; and the Windham School System. The board also will meet in executive session.

Contact: O. L. McCotter, P.O. Box 99, Huntsville, Texas 77340, (409) 295-6371, ext. 160.

Filed: December 31, 1985, 2:23 p.m.
TRD-8512402

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Texas Education Agency

Committees of the Texas Education Agency of the State Board of Education will meet in the William B. Travis Building, 1701 North Congress Avenue, Austin. Days, times, rooms, committees, and agendas follow.

Thursday, January 9, 1986, 8:30 a.m. In Room 1-104, the Committee for Personnel will conduct a work session on the teacher appraisal process.

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

Filed: December 31, 1985, 3:14 p.m.
TRD-8512395

Thursday, January 9, 1986, 1:30 p.m. In Room 1-104, the Committee of the Whole will consider proposed amendments to Proclamation 62 of the State Board of Education advertising for bids on textbooks; approval of the Texas examination for current administrators and teachers; pending litigation. The committee also will meet in ex-

ecutive session to consider pending litigation in accordance with Texas Civil Statutes, Article 6252-17, and Attorney General Opinion H-484 (December 1974).

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

Filed: December 31, 1985, 3:14 p.m.
TRD-8512396

Friday, January 10, 1986, 8:30 a.m. In Room 1-110, the Committee for Finance and Programs will consider textbooks; the permanent school fund; special education; the school district annual performance report; vocational education; proprietary schools and veterans education; education of the handicapped; technical assistance for desegregation; the telecommunications project; gifted and talented students; information management system; research and development; school transportation; the state appraisal program; agency budget; the electronic distribution of funds; state textbook program; development of requests for proposals; budget development plan; state board of education operating rules; and school health education grant from the Texas Cancer Council.

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

Filed: January 2, 1986, 3:34 p.m.
TRD-8600024

Friday, January 10, 1986, 8:30 a.m. In Room 1-104, the Committee for Personnel will consider the teacher testing program; Texas examination of current administrators and teachers; foreign language certification; the alternative teacher certification program; 1984 standards for teacher education issues document; inservice education; and appraisal of certified personnel.

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

Filed: January 2, 1986, 3:37 p.m.
TRD-8600029

Friday, January 10, 1986, 8:30 a.m. In Room 1-109, the Committee for Students will consider textbooks; special education; vocational education; the Computer Software Advisory Committee; the Advisory Committee for Special Education; the Texas educational assessment of minimum skills; student referral and teacher training relating to dyslexia; Proclamation 63 of the State Board of Education regarding textbooks; guidelines for bilingual and special language programs; coordinating board, Texas college and university system report.

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

Filed: January 2, 1986, 3:37 p.m.
TRD-8600028

Friday, January 10, 1986, 2 p.m. In Room 1-104, the Committee for Long-Range Planning will consider nonpublic elementary and secondary schools accreditation; accreditation; consultant services for long-range planning; the management action plan status report; regional education service centers; and the status report on the accreditation of school districts.

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

Filed: January 2, 1986, 3:35 p.m.
TRD-8600027

Friday, January 10, 1986, 3 p.m. In Room 1-104, the Committee of the Whole will consider a report on the teacher appraisal pilot training and discussion of the teacher appraisal system.

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

Filed: January 2, 1986, 3:35 p.m.
TRD-8600026

Friday, January 10, 1986, 6:30 p.m. The State Board of Education will meet in the La Vista Restaurant, Hyatt-Regency Hotel, 206 Barton Springs Road, Austin. Items on the agenda include reports from the chairmen of the State Board of Education committees including the Committee for Finance and Programs, Committee for Students, Committee for Personnel; Committee for Long-Range Planning, and the Committee of the Whole, concerning items discussed in committee meetings on Thursday, January 9, 1986, and Friday, January 10, 1986.

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

Filed: January 2, 1986, 3:35 p.m.
TRD-8600025

Saturday, January 11, 1986, 8:30 a.m. The State Board of Education will meet in Room 1-104, William B. Travis Building, 1701 North Congress, Austin. Items on the agenda summary include textbook Proclamation 62; the permanent school fund; the Investment Advisory Committee; textbooks; proprietary schools and veterans education; the school district performance report; vocational education; federal vocational education; federal education of handicapped; telecommunications project; the program for gifted and talented students; information management system; research and development funds; the state appraisal program; TEA operating plan/budget; distributing funds electronically to schools; special education; the special language programs; Computer Software Advisory Committee; Advisory Committee for Special Education; Texas educational assessment of minimal skills; student referral and teacher training relating to dyslexia; teacher testing program; Texas examination of current administrators and teachers; accreditation; education service centers; consultant services; certification of educators in Texas; and School Health Education Grant from Texas Cancer Council.

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

Filed: January 2, 1986, 3:33 p.m.
TRD-8600023

Thursday, January 16, 1986, 9 a.m. The Accountable Costs Advisory Committee of the Texas Education Agency will meet in Room 1-104, William B. Travis Building, 1701 North Congress Avenue, Austin. According to the agenda, the committee will consider a report of the State Board of Education action concerning contracts for research studies; report to committee concerning interagency agreements for research studies; and review of the cost elements of accredited programs.

Contact: Rob Scott, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9704.

Filed: December 31, 1985, 3:15 p.m.
TRD-8512392

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Texas Health and Human Services Coordinating Council

Thursday, January 16, 1986, 10 a.m. The Working Group on Indigent Health Care of the Texas Health and Human Services Coordinating Council will meet in the Senate Reception Room, State Capitol, Austin. According to the agenda, the group will consider an update on implementation activities for the indigent health care program and discuss coordination of evaluation efforts for indigent health care.

Contact: Nancy Epstein, P.O. Box 12428, Austin, Texas 78711, (512) 463-2195.

Filed: January 2, 1986, 1:01 p.m.
TRD-8600009

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Texas Department of Human Services

Tuesday, January 14, 1986, 9:30 a.m. The Church Relations Advisory Group of the Texas Department of Human Services (DHS) will meet in the public hearing room, first floor, east tower, 701 West 51st Street, Austin. Items on the agenda summary include DHS/religious community partnerships Arlington region; election of officers and change of bylaws; the budget issues and alternatives; the DHS trends study group; the report of interest groups, status of objectives, concerns of group; AIDS; issues for DHS, wrap up, and items for the next meeting.

Contact: Lucy Todd, P.O. Box 2960, Austin, Texas 78769, (512) 450-3129.

Filed: January 2, 1986, 12:03 p.m.
TRD-8600014

Thursday, January 16, 1986, 10 a.m. The Income Assistance Advisory Committee of the Texas Department of Human Services will consider the status of federal legislation; status of quality control issues and activities; final review of bylaws; general discussion items; wrap up; and planning for the next meeting.

Contact: Randy Washington, P.O. Box 2960, Austin, Texas 78769, (512) 450-3400.

Filed: January 2, 1986, 12:03 p.m.
TRD-8600012

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Texas Industrial Accident Board

Monday, January 6, 1986, 9:30 a.m. The Texas Industrial Accident Board made a revision to the agenda for a meeting to be held in Room 255, Bevington A. Reed Building, 200 East Riverside, Austin. According to the revision, the board will consider adoptions of provisions to Article 8306, §2(b) in accordance with the adjusted gross annual payroll requirement of an employer for coverage of seasonal workers.

Contact: William Treacy, 200 East Riverside, Austin, Texas 78704, (512) 448-7962.

Filed: January 2, 1986, 10 a.m.
TRD-8600007

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Texas Advisory Commission on Intergovernmental Relations

Friday, January 10, 1986. Committees of the Texas Advisory Commission will meet in the John H. Reagan Building, 105 West 15th Street, Austin. Times, rooms, committees, and agendas follow.

8:30 a.m. In Room 102, the Special Committee on Operations and Funding will review the status of fiscal year 1986 finances, and potential new grants and contracts.

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

Filed: December 31, 1985, 11:33 a.m.
TRD-8512357

9:30 a.m. In Room 103, the State-Local Issues Committee will consider the revised *Guide to Texas Laws for County Officials* and progress reports on other projects.

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

Filed: December 31, 1985, 11:33 a.m.
TRD-8512378

9:30 a.m. In Room 102, the New Federalism Committee will consider the final report on "Regional Council Indirect Costs," and progress reports in other projects.

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

Filed: December 31, 1985, 11:33 a.m.
TRD-8512358

10:30 a.m. In Room 103, the Texas Advisory Commission on Intergovernmental Relations will consider the executive director's report; committee reports including Operations and Funding Committee, New Federalism Committee, and State-Local Issues Committee; action on the update of *Guide to Texas Laws for County Officials*; a report on "Regional Council Indirect Costs; and new business.

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

Filed: December 31, 1985, 11:33 a.m.
TRD-8512356

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Texas Board of Licensure for Nursing Home Administrators

Wednesday, January 15, 1986, 10 a.m. The Texas Board of Licensure for Nursing Home Administrators will meet at 3407 IH 35 North, Austin. Items on the agenda include invocation, introduction of new members, agenda approval, October 9, 1985 minutes approval; Texas Department of Health report, Texas Department of Human Services report; Suitability Committee report; Education Committee report; Rules Committee report, personal appearances, the executive director's report, the chair's report, and the election of officers.

Contact: Dottie Mathieson, 3407 IH 35 North, Austin, Texas 78722, (512) 479-0922.

Filed: January 2, 1986, 9:21 a.m.
TRD-8600002

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Proprietary School Advisory Commission

Tuesday, January 14, 1986, 10 a.m. The Proprietary School Advisory Commission will meet in Room 1-100, William B. Travis Building, 1701 North Congress Avenue, Austin. Items on the agenda include proposed amendment concerning degree granting; proposed amendment concerning advertisements; proposed amendment concerning school sponsored housing; discussion of financial statements as open records; a discussion of the commissions request that an attorney general's opinion be requested concerning schools offering subsidized courses of special study; the proposed amendment concerning termination policy; a discussion of copies of notice letters to the Texas Rehabilitation Commission; discussion of change in ownership applications; discussion of the process of submitting proposed rule changes to the State Board of Education.

Contact: Joe Price, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9475.

Filed: January 2, 1986, 3:37 p.m.
TRD-8600030

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Public Utility Commission of Texas

The Hearings Division of the Public Utility Commission of Texas will meet in Suite 450N, 7800 Shoal Creek Boulevard, Austin. Days, times, and dockets follow.

Wednesday, January 8, 1986, 9 a.m. An open meeting at which the commissioners will consider Dockets 6395, 6477, 6525, 6510, 5798, 6095, 4545, 5071, 4943, 6169, 6598, 6203, 6242, 5671, 5672, 5673, 6469, 5600, 5920, 6389, 6435, 6484, 6195, 6298, 6334, 6356, 6437, 6453, 6496, 6306, 6430, and 6434. The division also will meet in executive session to consider pending litigation and personnel matters.

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

Filed: December 31, 1985, 1:59 p.m.
TRD-8512393

Wednesday, January 8, 1986, 9 a.m. An emergency addition to the previous agenda concerning Docket 6524—application of Edgel-Utility Company for a pass-through rate increase and Dockets 6477 and 6525— inquiry of the Public Utility Commission of Texas concerning the fixed fuel factor of Gulf States Utilities Company/application of Gulf States Utilities Company for authority to change rates; and appeal of examiner's Order 14. The emergency status is necessary because of statutory deadlines.

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

Filed: January 2, 1986, 2:57 p.m.
TRD-8500018

Friday, January 10, 1986, 9 a.m. The division will conduct an administrative meeting.

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

Filed: January 2, 1986, 2:58 p.m.
TRD-8600019

Wednesday, March 5, 1986, 10 a.m. A hearing on the merits in Docket 6618—petition of Dewitt County Electric Cooperative, Inc., for authority to change rates.

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

Filed: January 2, 1986, 2:56 p.m.
TRD-8600020

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Texas State Soil and Water Conservation Board

Thursday, January 16, 1986, 8 a.m. The Texas State Soil and Water Conservation

Board will meet in the conference room, 311 North Fifth Street, Temple. Items on the agenda include review and action of the minutes of November 15, 1985, meeting; the district director appointments; requests for division and reorganization of Lower Clear Fork of the Brazos and Central Colorado SWCD and of Brown-Mills SWCD; requests for transfer of territory from Copano Bay to Bee SWCD; the 1988-1989 biennium budget request; 1986 fiscal year technical assistance and matching fund allocations; request for technical assistance allocation for East Texas Plant Materials Center; contract with SCS for accelerated soil surveys; comments from agencies and guests; the 1985 farm bill; the farmland protection policy act referrals; the possible 404 law suit; planning priorities under P.L. 83-566; agency responsibilities under House Bill 2 and Senate Bill 249 and consideration of any necessary rules; the statewide brush control program; public information and education activities; procedures relative to the State Employees Training Act of 1969, as requested by Governor Mark White; the Clean Water Act reauthorization; State Board travel authorization; NACD annual meeting, February 2-5, 1986, Nashville, Tennessee; and next regular state board meeting, March 20, 1986.

Contact: Harvey Davis, P.O. Box 658, Temple, Texas 76503, (817) 773-2250 and STS 820-1250.

Filed: January 3, 1986, 9:02 a.m.
TRD-8600035

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Teachers' Professional Practices Commission of Texas

Monday and Tuesday, January 6 and 7, 1986, 9 a.m. daily. The Teachers' Professional Practices Commission of Texas met in emergency session in Room 3-108, William B. Travis Building, 1701 North Congress Avenue, Austin. According to the agenda, the three member panel of the commission heard a complaint filed by an active certified member of the teaching profession against other active certified members of the teaching profession pursuant to Texas Education Code, §§13.201-13.218. The emergency status was necessary in order to allow for a hearing before the spring semester.

Contact: James A. Salmon, 1701 North Congress Avenue, Austin, Texas 78701, (512) 463-9332.

Filed: December 31, 1985, 3:15 p.m.
TRD-8512394

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Teacher Retirement System of Texas

Tuesday, January 14, 1986, noon. The Medical Board of the Teacher Retirement System of Texas will meet in the boardroom, fourth floor, 1001 Trinity, Austin. According to the agenda, the board will discuss the members' files that are due a re-examination report.

Contact: Don Cadenhead, 1001 Trinity, Austin, Texas 78701, (512) 397-6400.

Filed: January 3, 1986, 9:15 a.m.
TRD-8600037

Friday, January 17, 1986, 10:30 a.m. The Board of Trustees of the Teacher Retirement System of Texas will meet in the Administration Building conference room, Tarrant County Junior College, northeast campus, 828 Harwood, Hurst. According to the agenda, the board will consider the proposed new actuarial valuation method.

Contact: Mary Godzik, 1001 Trinity, Austin, Texas 78701, (512) 397-6400.

Filed: January 3, 1986, 9:15 a.m.
TRD-8600036

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Texas 1986 Sesquicentennial Commission

Tuesday, January 14, 1986, 10 a.m. The Executive Committee of the Texas Sesquicentennial Commission will meet in the Sul Ross Room, Driskill Hotel, Sixth and Brazos, Austin. Items on the agenda include approval of minutes; the applications for sanctioning including communities/counties, associations, and private sector; the director's report; and other business. The committee also will meet in executive session if necessary.

Contact: Lynn Nabers, P.O. Box 1986, Austin, Texas 78767, (512) 475-1986.

Filed: December 31, 1985, 11:26 a.m.
TRD-8512355

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Texas Youth Commission

Thursday, January 9, 1986, 10 a.m. The Board of the Texas Youth Commission (TYC) will meet in Suite 322, 8900 Shoal Creek Boulevard, Austin. Items on the agenda summary include action on contracts, action and discussion on wage and hour standards and impact on TYC Programs; the report of the state auditor; the internal audit of the institutions; action on policy statement on training and education; the student population report; the report of suspected mistreatment investigations; an

update on Sunset review; and action on naming of South Texas regional facility.

Contact: Ron Jackson, P.O. Box 9999, Austin, Texas 78766, (512) 452-8111.

Filed: December 31, 1985, 3:51 p.m.
TRD-8512391

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Regional Agencies Meetings Filed December 31

The Brazos Valley Development Council, Executive Committee, will meet at 3006 East 29th Street, Bryan, on January 9, 1986, at 1:30 p.m. Information may be obtained from R. J. Holmgren, 3006 East 29th Street, Bryan, Texas.

The Copano Bay Soil and Water Conservation District 329, will meet at Shay Plaza, 106 South Alamo, Refugio, on January 8, 1986, at 8:30 a.m. Information may be obtained from Jim Wales, P.O. Drawer 340, Refugio, Texas 78377, (512) 526-2334.

The Dewitt County Appraisal District, Board of Directors, met at 103 Bailey Street, Cuero, on January 6, 1986, at 7:30 p.m. Information may be obtained from Wayne K. Woolsey, P.O. Box 4, Cuero, Texas 77954, (512) 275-5753.

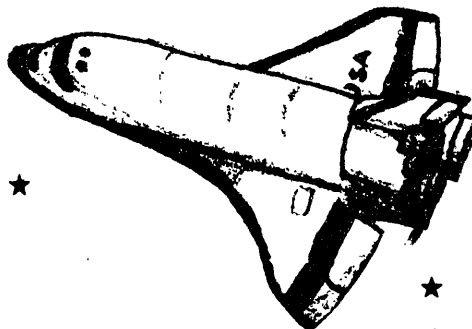
The Fisher County Appraisal District, Board of Directors, will meet at the Courthouse, Roby, on January 14, 1986, at 7:30 p.m. Information may be obtained from Teddy Kral, P.O. Box 516, Roby, Texas 79543.

The Hamilton County Appraisal District, met at the Courthouse, Hamilton, on January 6, 1986, at 7 p.m. Information may be obtained from Doyle Roberts, P.O. Box 446, Hamilton, Texas 76531, (817) 386-8946.

The West Central Texas Municipal Water District, will meet in Suite 300, Abilene, on January 9, 1986, at 9 a.m. Information may be obtained from Virginia Duncan, P.O. Box 2362, Abilene, Texas 79604, (915) 673-8254.

TRD-8512352

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Meetings Filed January 2

The Concho Valley Council of Governments, Executive Committee, will meet at 5002 Knickerbocker Road, San Angelo, on January 8, 1986, at 7 p.m. Information may be obtained from Robert R. Weaver, P.O. Box 60050, San Angelo, Texas 76906, (915) 944-9666.

The Deep East Texas Private Industry Council, Service Delivery Area, will meet at the Rodeway Inn, Highway 59 South, Lufkin, on January 9, 1986. Information may be obtained from Don Boyd.

The Leon County Central Appraisal District, Board of Directors, met at Leon County Appraisal District Office, Centerville, on January 6, 1986, at 7:30 p.m. Information may be obtained from Tom G. Holmes, P.O. Box 536, Centerville, Texas 75833, (214) 536-2252.

TRD-8600001

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Meetings Filed January 3

The Bexar Appraisal District, Appraisal Review Board, met at 535 South Main, San Antonio, on January 3, 1986, at 9 a.m. Information may be obtained from Bill Burnette, 535 South Main, San Antonio, Texas 78204, (512) 224-8511.

The Colorado River Municipal Water District, Board of Directors, will meet at 400 East 24th Street, Big Spring, on January 9, 1986, at 10 a.m. Information may be obtained from O. H. Ivie, P.O. Box 869, Big Spring, Texas 79720, (915) 267-6341.

The Education Service Center Region VIII, Board of Directors, met at the Ramada Inn Restaurant, Mount Pleasant, on January 6, 1986, at 11:30 a.m. Information may be obtained from Scott Ferguson, 100 North Riddle Street, Mount Pleasant, Texas 75455.

TRD-8500034

In Addition

The *Register* is required by statute to publish certain documents, including applications to purchase control of state banks, notices of rate ceilings, changes in interest rate and applications to install remote service units, and consultant proposal requests and awards.

To aid agencies in communicating information quickly and effectively, other information of general interest to the public is published as space allows.

Banking Department of Texas Applications to Acquire Control of a State Bank

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

On December 23, 1985, the banking commissioner received an application to acquire control of North Texas Bank & Trust, Gainesville, by Robert Martindale, of Valley View, Texas.

Additional information may be obtained from William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Issued in Austin, Texas, on December 23, 1985.

TRD-8512303 William F. Aldridge
Director of Corporate
Activities
Banking Department of
Texas

Filed: December 27, 1985
For further information, please call (512) 475-4451.



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

On December 27, 1985, the banking commissioner received an application to acquire control of First State Bank, Colmesneil, by James C. Davis, J. P. Dean, Evie Louise Faircloth, James H. Brown of Colmesneil; Earlene T. Allison, Robert E. Allison, Jr., Allen W. Fortenberry of Woodville; Charles S. Fortenberry of Beaumont; Iva L. Smith of Tyler; and Sutton & Company of Houston, Texas.

On December 30, 1985, notice was given that the application would not be denied.

Additional information may be obtained from William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Issued in Austin, Texas, on December 30, 1985.

TRD-8512398 William F. Aldridge
Director of Corporate
Activities
Banking Department of
Texas

Filed: December 31, 1985
For further information, please call (512) 475-4451.



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

On December 31, 1985, the banking commissioner received an application to acquire control of Chireno State Bank, by Agnes W. Sparks, San Augustine, Texas.

Additional information may be obtained from William F. Aldridge, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Issued in Austin, Texas, on December 31, 1985.

TRD-8600010 William F. Aldridge
Director of Corporate
Activities
Banking Department of
Texas

Filed: January 2, 1986
For further information, please call (512) 475-4451.



Public Hearings

The hearing officer of the State Banking Board will conduct a hearing at 9 a.m. on Thursday, January 9, 1986, at 2601 North Lamar Boulevard, Austin, on the proposed cancellation and nonrenewal of permit to sell prearranged or prepaid funeral services or funeral merchandise of Rudel & Sons Funeral Home, Brady.

Additional information may be obtained from Margaret McGloin Bennett, Assistant General Counsel, Banking Department of Texas, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 475-4451.

Issued in Austin, Texas, on December 30, 1985.

TRD-8512401 William F. Aldridge
Director of Corporate Activities
State Banking Board

Filed: December 31, 1985
For further information, please call (512) 475-4451.



Texas Department of Community Affairs

Announcement of Contract Awards

The Texas Department of Community Affairs announces that the units of general local government listed as follows have each been selected as a contract recipient for economic development under the Texas Community Development Program established pursuant to Texas Civil Statutes, Article 4413 (201), §4A, for the first 1985 competition: City of Jacksonville—\$363,000; City of Donna—\$370,000; City of Hughes Springs—\$220,000; City of Nacogdoches—\$500,000; Webb County—\$500,000; City of Palestine—\$250,000; City of Weslaco—\$500,000; City of Omaha—\$304,850; Uvalde County—\$500,000; City of Crystal City \$87,200; City of Plainview—\$109,000; City of Junction—\$500,000; City of Falfurrias—\$500,000; City of Alto—\$50,000.

A contract is not effective until executed by the unit of general local government and the executive director of TDCA.

Issued in Austin, Texas, on December 31, 1985.

TRD-8512379 Douglas C. Brown
General Counsel
Texas Department of Community Affairs

Filed: December 31, 1985
For further information, please call (512) 475-2431.

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The Texas Department of Community Affairs announces that the units of general local government listed as follows have been each been selected as a contract recipient for planning/capacity building under the Texas Community Development Program established pursuant to Texas Civil Statutes, Article 4413 (201), §4A.

The proposed amount of funding for each contract is indicated. A contract is not effective until executed by the unit of general local government and the executive director of the Texas Department of Community Affairs.

Applicant	Recommended Amount
Arcola	\$15,000
La Salle County	25,000
Crystal City	17,400
Donna	23,600
Roma	17,200
Sinton	25,000
Prairie View	23,900
Victoria County	16,400
San Felipe	17,500
Nixon	21,000
Hempstead	21,700
Weslaco	11,100
Duval County	7,000
Gregory	19,600
Fulshear	13,000
Aubrey	13,600
Taylor	25,000
Cibolo	11,100
Whitney	10,360
Giddings	13,000
Buckholts	10,500

Kemp	11,100
Daisetta	17,400
Roaring Springs	19,500
Uhland	16,250

TOTAL \$422,210

Issued in Austin, Texas, on December 31, 1985.

TRD-8512380 Douglas C. Brown
General Counsel
Texas Department of Community Affairs

Filed: December 31, 1985
For further information, please call (512) 834-8070.

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Comptroller of Public Accounts Decision 12,532

For copies of the following opinions selected and summarized by the Administrative Law Judges, contact the Administrative Law Judges, P.O. Box 13528, Austin, Texas 78711. Copies will be furnished without charge and edited to comply with confidentiality statutes.

Summary of Decision. The taxpayer owned and leased office buildings and related facilities. It used electricity (primarily for air conditioning and elevators) and natural gas (primarily for heating); such use of natural gas and electricity benefitted its tenants and other users of the buildings and facilities. The taxpayer challenged assessment of sales tax by urging that commercial use meant only selling, warehousing, or distributing a commodity or service, and that all other uses were exempt. It argued that real estate (or leased space) was not a commodity and that leasing such property (even if utility services, custodial services, etc. were provided) was not the selling of a commodity or service. The taxpayer also urged that if it was selling a service, the service was not, in the words of the statute after October 1, 1978, a professional or personal service, but some other kind; and further that some of its tenants used the utilities in exempt ways. Held, taxable. The taxpayer's business was leasing (selling) real estate, or commercial and office space, (a commodity). The tax is a transaction tax primarily intended to fall on the purchaser, and any claimed exemption is dependent on the use the purchaser makes of the gas or electricity; how any of petitioner's tenants may have used gas and electricity is irrelevant.

Issued in Austin, Texas, on December 20, 1985.

TRD-8512340 Bob Bullock
Comptroller of Public Accounts

Filed: December 30, 1985
For further information, please call (512) 463-4606.

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Decision 17,320

For copies of the following opinion selected and summarized by the Administrative Law Judges, contact the Administrative Law Judges, P.O. Box 13528, Austin, Texas 78711. Copies will be furnished without charge and edited to comply with confidentiality statutes.

Summary of Decision. Penalty waiver question. The petitioner argued that its tax department was understaffed and failed to sufficiently keep abreast of its tax responsibilities until a recent expansion in the department. Held, no waiver. A previous adult placed petitioner on notice of its responsibilities under the taxing scheme of this state.

Issued in Austin, Texas, on December 6, 1985.

TRD-8512341 Bob Bullock
Comptroller of Public Accounts

Filed: December 30, 1985
For further information, please call (512) 463-4806.

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Texas Education Agency Application for Federal Funds for a Telecommunications Planning Grant

Pending State Board of Education approval at its January 11, 1986, meeting, the Texas Education Agency intends to file an application with the National Telecommunications Facilities Act by January 15, 1986. The purpose is to help fund planning for telecommunications facilities and equipment to provide services for public schooling. Total funds requested are \$156,940.

The public is invited to comment on the application. Copies may be examined during normal working hours at the Texas Education Agency, Division of Educational Technology, Room 3-112A, 1701 North Congress Avenue, Austin, Texas. Persons wishing to comment on the application are invited to contact the National Telecommunications Information Administration, NTIA/DOC, Room 6425, 14th and Constitution Avenue, N.W. Washington, D.C., 20230.

Issued in Austin, Texas, on December 31, 1985.

TRD-8512399 W. N. Kirby
Commissioner of Education

Filed: December 31, 1985
For further information, please call (512) 463-9212.

Notice of Intent to Amend a Contract Award for Teacher Appraisal Project

The Texas Education Agency intends to amend a contract awarded to Performance Assessment Systems, Inc. The original notice of contract award was published in the November 15, 1985 issue of the *Texas Register* (10 TexReg 4442).

The original contract of \$110,609,000 is being amended to \$136,209,000 and the anticipated completion date is being extended from April 30, 1986, to June 30, 1986. The original contract covered development of a training program and material for teacher appraisers. This amendment expands the scope of work to include data entry, analysis, and reporting from the pilot study currently underway in the development phase of the appraisal instrument and training program for teacher appraisal.

Issued in Austin, Texas, on December 31, 1985.

TRD-8512400 W. N. Kirby
Commissioner of Education

Filed: December 31, 1985
For further information, please call (512) 463-9212.

State Department of Highways and Public Transportation Consultant Proposal Requests

Notice of Invitation. As required by Texas Civil Statutes, Article 6252-11c, the following request for proposal is filed. The State Department of Highways and Public Transportation (SDHPT) is seeking a qualified contractor to conduct a study regarding the utilization of consulting engineers for highway project development. The study should focus on the following questions.

- (1) What is the cost effectiveness regarding the utilization of consulting engineers?
- (2) What is the quality of work executed by consultant engineers when compared with work produced in house?

The study will be a companion study to projects to be conducted at the Center for Transportation Research at the University of Texas at Austin and Texas Transportation Institute at Texas A&M University. Data will be collected in concert with the two companion studies to reduce collection costs; results will be derived by independent study. The project will be completed by August 31, 1986.

Proposals should contain as a minimum the following:

- (1) demonstration of the agency's ability to perform the work;
- (2) detailed work plan with a calendar for accomplishment of key phases of the study;
- (3) itemized budget;
- (4) schedule of reporting

Agency Contact. Additional information regarding this request for proposal may be obtained by contacting Rick Norwood, research administrator, Transportation Planning Division, State Department of Highways and Public Transportation, (512) 465-7406.

Response Date. To be considered, proposals must arrive at the Transportation Planning Division Office, 40th and Jackson Avenue, Austin, Texas, or be received at the State Department of Highways and Public Transportation, P.O. Box 5051, Austin, Texas 78763, on or before February 14, 1986. In mailing proposals, contractors should allow normal mail delivery time to insure timely receipt of their proposals.

Selection Criteria. Proposals will be reviewed by the Transportation Planning Division technical staff on the basis of proposer's demonstrated competence and technical qualifications. Final selection will be made by the department's deputy-director for design and construction.

Issued in Austin, Texas, on December 31, 1985.

TRD-8600008 Diane L. Northam
Administrative Technician
State Department of Highways and
Public Transportation

Filed: January 2, 1986
For further information, please call (512) 475-2141.

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Notice of Invitation. As required by Texas Civil Statutes, Article 6252-11c, the following request for proposal is filed. The State Department of Highways and Public Transportation (SDHPT) desires to obtain 4,000 man hours of programmer/analyst services between February 24, 1986, and August 31, 1986, to design, develop, document, and implement on-line NATURAL and COBOL (CICS and batch) programs for the department's design and construction information system (DICS). Knowledge of IBM job control language (JCL), Core Dumps, and IBM OS is required. A minimum of two years experience in COBOL, CICS, structured programming techniques, ADABAS, and systems analysis and design is required. Six months experience in NATURAL is also required. Knowledge of SPECTRUM methodology is desired.

Contact. The request of proposal, or additional information regarding this request for proposal, may be obtained by contacting Scott Burford, Division of Automation, State Department of Highways and Public Transportation, 11th and Brazos Streets, Austin, Texas, (512) 465-7540.

Response Date. To be considered, proposals must arrive at the Division of Automation no later than the close of business, 4:50 p.m., on February 12, 1986. Specific information regarding submittal requirements is contained in the request for proposal.

Selection Criteria. Proposals will be reviewed by a selection committee with recommendation(s) presented to the automation engineer on the basis of the offeror's documented competence, technical qualification, and fee. Final selection will be made by the automation engineer, Division of Automation.

Issued in Austin, Texas, on December 23, 1985.

TRD-8512305 Diane L. Northam
Administrative Technician
State Department of Highways and
Public Transportation

Filed: December 27, 1985
For further information, please call (512) 475-2141.

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Notice of Invitation. As required by Texas Civil Statutes, Article 6252-11c, the following request for proposal is filed. The State Department of Highways and Public Transportation (SDHPT) desires to obtain 2,500 man hours of programmer/analyst services between February 24, 1986, and August 31, 1986, to design, develop, implement, and document PC-network, dBASE-III, on-line NATURAL, and COBOL (CICS and batch) programs for the department's central permit system. Knowledge of IBM PC's (personnel computers and local area networking), job control language (JCL), memory dumps, and IBM OS is required. A minimum of two years experience in dBASE, COBOL, CICS, NATURAL, structured programming techniques, ADABAS, and systems analysis and design is required. Knowledge of SPECTRUM methodology is desired.

Contact. The request of proposal, or additional information regarding this request for proposal, may be obtained by contacting Scott Burford, Division of Automation, State Department of Highways and Public Transportation, 11th and Brazos, Austin, Texas, (512) 465-7540.

Response Date. To be considered, proposals must arrive at the Division of Automation no later than the close of business, 4:50 p.m., on February 12, 1986. Specific information regarding submittal requirements is contained in the request for proposal.

Selection Criteria. Proposals will be reviewed by a selection committee with recommendation(s) presented to the automation engineer on the basis of the offeror's documented competence, technical qualification, and fee. Final selection will be made by the automation engineer, Division of Automation.

Issued in Austin, Texas, on December 23, 1985.

TRD-8512306 Diane L. Northam
Administrative Technician
State Department of Highways and
Public Transportation

Filed: December 27, 1985
For further information, please call (512) 475-2141.



In accordance with Texas Civil Statutes, Article 6252-11c, the State Department of Highways and Public Transportation publishes this notice of consultant contract award. The consultant proposal request appeared in the September 24, 1985, issue of the *Texas Register* (10 TexReg 3699). Contractor will develop and produce: two television public service announcements (30-second and 10-second, total of four, reproduce 30 copies); two radio 30-second public service announcements (reproduce 100 copies); one traffic safety brochure (print 25,000 copies); one traffic safety billboard (reproduce 30 copies); one traffic safety bumper sticker (reproduce 10,000 copies); and a per-page rate to translate traffic safety materials from English to Spanish (approximately 200 pages consisting of activity packages for school children, traffic safety brochures, and materials.).

The contractor selected to perform this service is NuStates, Inc., 816 Congress Avenue, Suite 1240, Austin, Texas 78701. The total contract is not to exceed \$43,467. The contract will begin on January 2, 1986, and terminate on September 30, 1986.

Issued in Austin, Texas, on December 23, 1985.

TRD-8512304 Diane L. Northam
Administrative Technician
State Department of Highways and
Public Transportation

Filed: December 27, 1985
For further information, please call (512) 475-2141.

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Texas Rehabilitation Commission Consultant Contract Award

In compliance with Texas Civil Statutes, Article 6252-11c, the Texas Rehabilitation Commission furnishes this notice of contract award. The consultant proposal request appeared in the October 29, 1985, issue of the *Texas Register* (10 TexReg 4246).

The contract effort consists of serving as the psychological consultant for the Disability Determination Division of the Texas Rehabilitation Commission in carrying out the prescribed procedures relating to the psychological aspects of completing disability determinations on applicants for social security disability benefits.

The contractor is Roger McCown, 3724 Jefferson Street, Austin, Texas 78731.

The total value of the contract will not exceed \$54,000.

The contract will begin December 23, 1985, and will continue in effect until terminated in writing by either party on 15 days written notice.

Written reports and documents will be provided by the consultant to Disability Determination Division as needed on a case-by-case basis.

Issued in Austin, Texas, on December 27, 1985.

TRD-8512397

Vernon H. Newman
Assistant Commissioner
Texas Rehabilitation Commission

Filed: December 31, 1985

For further information, please call (512) 445-8128.

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