

JOURNAL
OF THE
House of Representatives
OF THE
FIRST CALLED SESSION
OF THE
Fifty-third Legislature
OF THE
STATE OF TEXAS
BEGUN AND HELD AT
THE CITY OF AUSTIN
MARCH 15, 1954



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Austin

ADDRESS BY GOVERNOR ALLAN
SHIVERS

(In Joint Session)

In accordance with the provisions of House Concurrent Resolution No. 3, providing for a Joint Session of the House and the Senate at 3:00 o'clock p. m. today, for the purpose of hearing the message of Honorable Allan Shivers, Governor of Texas, the Honorable Senators, at 3:00 o'clock p. m. were announced at the Bar of the House, and being duly admitted, occupied seats designated for them.

Lieutenant Governor Ben Ramsey was escorted to a seat on the Speaker's Rostrum.

Governor Allan Shivers and party, escorted by Senators Lane, Aikin, Ashley, Rutherford and Martin on the part of the Senate and Messrs. Killgore, Bates of Hidalgo, de la Garza, Patten and Smith of Jefferson, Committee on the part of the House, were announced at the Bar of the House and were admitted and escorted to seats on the Speaker's rostrum.

Speaker Senterfitt called the Joint Session to order and stated that the

two Houses were in Joint Session to hear an address by Governor Allan Shivers.

Lieutenant Governor Ben Ramsey called the Senate to order, and stated the two Houses were in Joint Session to hear an address by Governor Allan Shivers.

Lieutenant Governor Ramsey directed the Clerk to call the roll of the Senate.

A quorum of the Senate was announced present.

Honorable Reuben E. Senterfitt, Speaker, called the House of Representatives to order.

A quorum of the House was announced present.

Honorable Reuben Senterfitt then presented Governor Allan Shivers to the Joint Session.

Governor Shivers addressed the Joint Session, speaking as follows:

It is a high honor and, at the same time, a solemn duty for me to come

before you today and tell you why this special session has been called. Actually, there is no mystery about it; the whys and wherefores of this session are well known.

The regular session of the 53rd Legislature, while highly successful in many respects, left unsolved certain pressing problems. These unanswered questions involve the welfare of all the people of Texas.

It is in the public interest not to delay for another year a reasonable solution of these problems.

Paramount among them is the urgency of providing a well deserved and sorely needed increase in salary for our public school teachers.

This is the centennial year of public school education in Texas. In 1854 our forefathers committed us to the proposition that the youth of this state should be educated at public expense. Their vision was great.

Mirabeau B. Lamar, who is called the "Father of Texas Education," said:

"Education is a subject in which every citizen and especially every parent, feels a deep and lively concern. It is one in which no jarring interests are involved, and no acrimonious political feelings excited; for its benefits are so universal that all parties can unite in advancing it."

All of us should feel "a deep and lively concern" for our public school system; and we must all lay aside our personal differences and work together for its advancement.

The background of this problem is too familiar to require much elaboration. When the Legislature convened last year, there was general agreement that the school teachers needed a pay increase. The issues upon which the proposal failed were those of amount, method and source, not its merits.

Let us not waste time in trying to assess the blame for that failure. Rather let us grant that there was a wide range of opinion upon those issues, and that sincere people on both sides found themselves unable to reach an agreement.

Following the regular session, both the leaders of the Texas State Teachers Association and the Governor recognized that, whatever the differences, they were of one mind on the basic proposition: Texas needed more teachers, and Texas

teachers needed more money. In this opinion we were joined by many—I think I can truthfully say most—of the members of this Legislature. Discussions continued; and as a result, a committee of twenty-five outstanding men and women, including legislators, teachers and business men, was appointed. A long period of study and negotiation followed.

Eventually, this committee developed what it agreed was a compromise solution. This compromise represented the composite thinking of twenty-five qualified and interested people, who in turn represented almost as many viewpoints on school matters.

I want to pay the warmest tribute within my power to these twenty-five committee members. They worked long and hard, with diligence, patience and courage. Each worked in good faith with persons of differing views. In the spirit of give-and-take that is an indispensable element in the final settlement of all controversial matters.

I recommend to your favorable attention the result of their labors. I hope you, too, will approve the program they have developed.

Their recommendation, and mine, is for a \$402 increase in the minimum annual salaries of Texas teachers. This proposal applies the so-called 80-20 formula for dividing state and local Foundation Program financial responsibilities. At the same time, it provides an additional budgetary allowance of \$100 for each professional unit.

This \$100 provision has been erroneously described as a "building allowance." It is not. It may be applied as the local trustees see fit. It may be used as an offset against the local assignment; however, if a district chooses to collect its total assignment, the \$100 allowance may be used for merit raises, for buildings, for operation expenses, or for any other legitimate costs. I earnestly hope that no one, through either ignorance or malice, will try to make it sound complicated or frightening. This \$100 allowance can never be increased or decreased except by majority action of the Texas Legislature.

One thing that recommends the \$100 offset to me is the fact that approximately 50 of the least pros-

perous school districts in the state, by using this allowance as an offset, will have to contribute little, if anything, to the Minimum Foundation Fund. This is the answer to those who claim that putting state and local contributions on a percentage basis would wreck the poor districts. Under this compromise plan, those least able to pay will receive, proportionately, the greatest benefits. This is entirely consistent with the program to which we are dedicated, of equalizing the opportunity and, to some extent, the cost of public school education in Texas.

I want to stress that this bill represents a genuine compromise. Anyone familiar with the stormy debates of the last regular session will immediately see that this is not the "teachers' bill" or the "administration bill" or any other measure proposed in 1953. The enactment of this compromise plan will not represent a "victory" for anyone—except for the deserving teachers of Texas and, through the advantages it will bring to the public school system, for all the school children of Texas.

Also deserving of your sympathetic consideration at this special session are the state employees. For them the current appropriation bill carried a \$180-a-year increase, which was all the available fund would stand. This raise was, and is, admittedly insufficient to bring state salaries within reasonable range of those in private employment. I repeat here a statement I have made to you in the past: It is just as important, and perhaps even more important, for government to have capable, well-paid employees as it is for private industry to have them.

I recommend that you add \$120 a year to the increase already given these faithful workers, thus bringing the total to the \$300 figure that was generally conceded to be the minimum at the start of the last regular session.

Salary increases for teachers and state employees, necessarily, will be items of recurring expense. To provide them without an upward adjustment in the tax structure, even if that course were open to us, would merely be a temporary evasion and would only magnify the task for the next regular session of the Legisla-

ture. Any accumulated surplus of general revenue money in the present biennium—and fortunately there is a surplus in sight—should be used for those desperately needed capital improvements that the 53rd regular session had to forego for lack of funds.

We cannot afford to delay any longer the authorization of a minimum building program at several of our state institutions. I submit for your consideration, with an urgent recommendation for favorable action, the following specific projects:

1. For the Southwestern Medical School of the University of Texas, a new clinical science building costing \$3,500,000. It is a shame and a disgrace to the State of Texas and to the great University that bears its name, to house a medical school in the shacks on this campus at Dallas. If you do not agree, you should visit them, as I have done recently.

2. For the University of Texas Dental School at Houston, to complete and equip a building suitable for training the future dentists of Texas—\$1,187,500.

3. For the Texas Prison System, construction totaling \$3,500,000 at the Eastham Prison Farm. The antiquated facilities there are beyond repair, and a growing prison population necessitates these improvements for reasons of security as well as decency.

4. And—probably the most urgently needed of all—for the replacement and renovation of buildings at the Texas School for the Deaf in Austin, to provide safe, fireproof facilities for more than 400 children—\$2,500,000. From the outside, these buildings look fairly substantial. On the inside, they are two and three-story firetraps where deaf children sleep in actual danger every night. Let fire break out in one of those buildings; the result could be nothing less than tragic—a tragedy that would haunt every man who had had an opportunity to prevent it. My recommendation of this project is more than a request—it is a plea.

These four building programs will cost a total of \$10,687,500. The Comptroller has estimated that the General Revenue Fund has a prospective end-of-the-biennium balance

of \$11,900,000. This means that all these capital improvements can be paid for out of the accumulated surplus from present taxes. Legislative session costs, Governor's deficiency, the judicial retirement fund and other necessary items will consume the balance.

Adoption of the \$402 teachers' pay raise and an increase of \$120 a year for state employees will mean recurring expenditures of approximately \$25,600,000 a year and will necessitate the levying of new taxes in that amount.

At this point it might be the discreet thing for me to say that money-raising is the prerogative of the Legislature—and that I don't want to infringe upon your prerogatives. Perhaps because I served in the Legislature myself, I look at it a little differently. When the Governor recommends the spending of money, I think he ought to recommend also the means of raising that money. When he puts you on the spot, I think he ought to have the courage to get on it with you.

In that spirit, and with the understanding that this is merely my recommendation, I offer the following suggestions for raising the necessary new money without placing an undue burden on anyone.

1. The Legislature has, in the past, selected natural gas as a source of additional revenue. Specifically, in 1951, it selected gas-gathering as a field of tax action to raise \$14,000,000 a year in needed revenue. That tax has now been declared unconstitutional by the Supreme Court of the United States.

To replace that unconstitutional gas-gathering tax, I recommend the enactment of a similar tax carefully revised to eliminate legal pitfalls, in the amount of one-half cent per thousand cubic feet, designed to raise the same \$14,000,000 a year.

This new gas-gathering tax will be presented for your study in a form prepared and approved by some of the best legal minds in the State of Texas. They think it is constitutional, and so do I.

The proposed gathering tax—just as its predecessor—would fall to a limited extent upon the producer. It seems to be the nearest we can get, however, to the long lines, and the only sound way to get a major por-

tion of the increased revenue from someone other than the producer and royalty owner.

The only safe alternative would be to raise the severance tax on gas sufficiently to provide an additional \$14,000,000 a year. This would require a rate of 10 per cent of value in place of the present 5.72 per cent. The dark clouds of the Federal Power Commission cast shadows on the Texas gas industry. If in the interest of conservation you feel that a minimum price law would be wise, the above rates could be reduced accordingly.

2. I have said that there should be no undue burden placed upon anyone. The present tax on beer is \$1.37 a barrel. In our neighboring states of Louisiana and Oklahoma, the state tax on beer is \$10 a barrel. It seems to me that the Texas tax could be increased to a flat \$2 a barrel without placing any real strain upon the industry. Such an increase would bring in approximately \$3,000,000 a year more from this source. I recommend that this be done.

3. In levying new taxes, there is always logic in trying to spread the burden as widely as possible. A tax with a very broad base is the franchise tax. All corporations doing business in Texas must pay this tax, at the present rate of \$1.25 per \$1,000 of corporate assets. I recommend that this tax be increased to \$2, to bring in an additional \$8,600,000 a year.

This source has several factors to recommend it. One has been mentioned—the fact that every corporation will pay its share, in direct proportion to its capital assets. Another advantage is that this revenue will make it unnecessary to single out any industries for specific tax increases, with the already noted exceptions of beer and gas. In addition, let me point out that—the federal income tax on corporations being what it is today—Uncle Sam will pick up 52 per cent of the check.

To summarize I propose that we provide the required new revenue by (1) a new gas-gathering tax replacing \$14,000,000; (2) an additional 63-cents-a-barrel tax on beer, calculated to raise \$3,000,000; and (3) a 75-cent increase in the franchise tax that will bring in \$8,600,000 for an annual total of \$25,600,000—the amount we must have to give the teachers a \$402 annual raise and state employees an ad-

ditional \$10 a month on their modest paychecks.

This is a plan — my plan — to do the job. It is merely one plan; if you do not like it, I hope you will get a suitable plan of your own. It is never as pleasant a task to raise money as it is to spend it. Passing a new tax bill is always difficult. As legislators and public officials, we are rather inclined to the same human view as various groups of taxpayers; we want to be "entirely fair" — we want to "spread the burden" — in brief, we want someone else to pay it.

I believe that, through the years, I have been as conservative about the raising and spending of public money as any public official — but I do not believe that I have ever favored an expenditure and, at the same time been unwilling to vote for a tax bill to meet it. I am confident that the members of this Legislature will feel the same way about the task before us now.

By no means have I listed all of the pressing needs for additional appropriations. There are several other worthy projects that I would like to submit at this session, if time permits and if the money is available. These include funds for operating the new medical school hospital at Galveston; for the nursing school at Texas Western; for junior colleges, to meet the demands of increased enrollments; and for implementing, at long last, the adult probation law.

One other subject that will definitely be submitted, in a special message, is that of legislation to outlaw the Communist Party in Texas and to provide proper penalties for persons found guilty of plotting to overthrow our government.

Let me thank you again for the privilege of coming before you in person to pose the questions that created the necessity for this special session — and to suggest to you some of the possible answers.

If I have not made my views clear on any point, I hope you will come to me, individually or in groups, and give me an opportunity to clarify them. My time is yours for the next 30 days, and my only desire is to be helpful to you in working out a reas-

onable, equitable and effective solution to our problems.

A hundred years ago Governor E. M. Pease told the Texas Legislature:

"The highest and most sacred duty of a free government is to provide the means for educating its citizens in a manner that will enable them to understand their duties and their obligations; this, too, is a measure that is enjoined upon the Legislature by the Constitution . . ."

Those words from another century remind us today that our actions here involved not only the living present and the future but also the illustrious past — that we are, in effect under the level-eyed scrutiny of men and women long dead, pioneer leaders and early builders of a great educational system. Their spirit inspires us to work all the harder to perpetuate and improve upon their dream of a truly equal, truly adequate and truly Texan opportunity for the boys and girls of Texas.

This is part of our heritage — this opportunity, and this responsibility.


Good luck — God bless you — and thank you.

To Members of the 53rd Legislature, First Called Session:

I submit the following for your consideration at the First Called Session
of the 53rd Legislature:

The making of such appropriations as may be necessary to pay
deficiency grants approved by the Governor for which no appropriations
have heretofore been made; making an appropriation to pay claims
arising prior to the convening of the next session of the Legislature
under the deficiency grants hereafter approved by the Governor.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Allan Shivers", written in a cursive style.

Allan Shivers
Governor of Texas

April 8, 1954

TO THE MEMBERS OF THE FIRST CALLED SESSION, FIFTY-THIRD LEGISLATURE:

This special session of the 53rd Legislature has been outstanding in its devotion to duty. I know your labors will result in a better school system for Texas, more equitable compensation for State employees, and will provide for badly needed permanent improvements for certain of our State institutions.

Your courage in the face of strong opposition should result in strong commendation from the people of Texas. I hope you will permit me to add a word of personal commendation and congratulations.

Most of you have requested me to submit additional subjects. I know the time is short and many of these will not have the opportunity to pass, but I submit them as requested for such action as the Legislature may desire to take.

Therefore, I submit the following additional subjects for consideration by the First Called Session of the 53rd Legislature:

1. I am alarmed, as I know you are, about the increase of crime in certain localities of Texas. This involves both juvenile delinquents and adult criminals. It is my feeling that an adult probation system would be helpful in decreasing crime and be an effective means toward rehabilitation. I hope you will appropriate a minimum of \$145,740 to institute this system. The further regulation of bail bonds and other matters for the improvement and enforcement of our criminal laws is also submitted.
2. Provision for sufficient funds for the increase in enrollment in junior colleges; for the School of Nursing at Texas Western College; for needed construction at the State Orphan's Home at Waco; for the Texas Commission on Alcoholism; for the replacement of the refrigeration system destroyed by fire at East Texas State College; for the judicial retirement system; for the payment of claims and judgments against the State; for certain capital expenditures for Texas Agricultural Experiment Station System; and to transfer such necessary funds to replace the building destroyed by fire at the Boys' Correctional School at Gatesville and to remodel and renovate the sewerage system at the Gainesville School for Girls.
3. Validating acts and other matters relating to counties, cities, and other political subdivisions.
4. A method or methods by which it may be determined when a charitable, educational, or religious gift, device, or legacy is to be used within this State prior to the collection of inheritance taxes.
5. Authorization for the Game and Fish Commission to sell and convey certain property in Hays County to the San Marcos Independent School District.
6. A method to allow farmers to use gas as fuel for irrigation and agricultural purposes and such other legislation as will improve agricultural processes and practices in Texas.
7. A method to allow State employees to participate in Social Security.
8. The creation of such committees as are necessary to make a study and recommend to the next session of the Legislature on needed changes in our criminal laws and procedures.

MESSAGE TO THE LEGISLATURE (cont'd.)

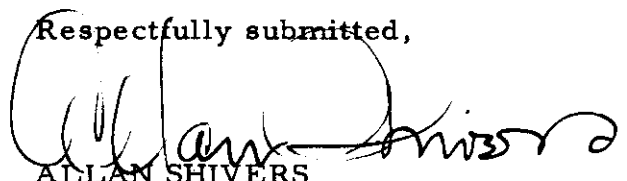
9. A method for the Board for State Hospitals and Special Schools to contract with public schools for the education of students of special schools.
10. Legislation for constructing and equipping buildings at the East Texas Tuberculosis Hospital from those funds received from the Federal government for the use of Moore Army Air Field facilities.
11. Necessary appropriations and adjustments for the Texas State Library, Board of Cosmetology, Board of Medical Examiners, Board of Vocational Nurse Examiners, Railroad Commission, Department of Public Safety, and the Water Resources Committee.
12. An amendment to the Penal Code to regulate the disposal of iceboxes and similar containers; to regulate the sale of alcoholic beverages to minors; to regulate the sale of narcotics and barbiturates; and to more clearly define and regulate the provisions relating to arson.
13. The establishment of a foreign trade zone in San Antonio in accordance with Federal law.
14. Legislation to relieve the conditions brought about by the severe drought.
15. Amendment of the act relating to investment of the Permanent School Fund by the State Board of Education.
16. Regulation of the spacing of polling places to be used by opposing parties in the conduction of primaries.
17. Regulation of the amount of funds the Firemen's Pension Commissioner may hold in reserve for emergency distribution.

I feel, as I know many of you do, that state-wide judicial redistricting is not only desirable but necessary. However, certain districts are in great need of special courts pending action of the Legislature on a state-wide judicial redistricting.

Therefore, I submit for your consideration the creation of the following special district courts, the establishment of such courts to be effective at the beginning of the fiscal year starting September 1, 1954, and expiring August 31, 1956, with the hope that the next regular session of the Legislature will pass effective legislation establishing state-wide judicial redistricting.

Special Seventieth District Court for Midland and Ector Counties
Special Second District Court for Angelina, Cherokee, and Nacogdoches Counties
Special Thirty-seventh District Court and Special Criminal Court for Bexar County
Special Ninety-second District Court for Hidalgo County
Special Twenty-fifth District Court for Gonzales, Colorado, Lavaca, and
Guadalupe Counties
Special Eleventh and Fifty-fifth District Courts for Harris County
Special Criminal District Court for Dallas County
Special One Hundred and Third District Court for Willacy and Cameron Counties
and extending the expiration date of the Special Ninth District Court from
December 31, 1954, to August 31, 1956.

Respectfully submitted,


ALLAN SHIVERS