

**JOURNAL**  
OF THE  
**House of Representatives**  
OF THE  
**FIRST CALLED SESSION**  
OF THE  
**Fifty-seventh Legislature**  
OF THE  
**STATE OF TEXAS**  
  
**BEGUN AND HELD AT**  
**THE CITY OF AUSTIN**  
**July 10, 1961**



Speaker Turman stated that the two Houses were in Joint Session for the purpose of hearing a message from the Honorable Price Daniel, Governor.

Speaker Turman presented Governor Daniel to the Joint Session.

Governor Daniel then addressed the Joint Session, speaking as follows:

**ADDRESS OF GOVERNOR PRICE DANIEL TO THE SPECIAL SESSION, 57TH LEGISLATURE**

Tuesday, July 11, 1961

**TO THE MEMBERS OF THE 57TH LEGISLATURE:**

First, I thank and commend the members of the 57th Legislature for your accomplishments during the Regular Session and for the extensive groundwork which you laid for completion of the main task which faces us at this Special Session.

In a report to the people on May 31, I said then and I repeat now that the 57th Legislature, Regular Session, "was one of the hardest working Legislatures I have ever observed"—that there were "many worth-while accomplishments," and "that the long committee hearings, hard work and good faith efforts on financing and other bills were not wasted but have laid the groundwork for final enactment at the Special Session."

All of you know the purpose of this Special Session and the magnitude of our responsibility. Financing the needs of a rapidly growing State has never been a simple or easy task. It always produces honest differences of opinion which sometimes grow into personal and political charges and conflicts. None of us can forget that these things have

occurred. Yet, when we pause, as on yesterday, to pay respect to a departed friend and colleague, or when we hear the daily threats of mortal enemies against our very existence and way of life, it makes some of our passing differences here in Austin seem less important and significant.

The important and significant thing is how quickly and completely in this Special Session we can lay aside personalities and conflicts of the past and join hands in working together on the duties and responsibilities which we share as the elected representatives of the people of Texas. As far as I am concerned, the time is now. For these next 29 days, I shall do all within my power to work with all members of this Legislature in reaching a fair, adequate and equitable solution of our State finances.

The Texas Constitution provides that the Legislature shall enact the laws, and it also provides that the Governor shall make recommendations to the Legislature and approve or disapprove its enactments. Thus, we have a joint responsibility in what becomes the law, in this State, and I shall now begin part of my Constitutional share of this responsibility by making the following recommendations:

**BUDGET FOR THE NEXT BIENNIUM**

I re-submit to you the budget proposed in the Regular Session which is in line with the amount agreed on by the free conference committee in the Regular Session.

In submitting this budget to you in my Message of January 18, 1961, I pointed out (page 11) that our budget officers had applied every possible economy without decreasing services and efficiency of es-

sential State agencies. As reported then, the increases which I recommended are 49% less than the requested increases made by the various State agencies concerned.

While I believe the total figure agreed upon by the Conference Committee is sufficient, I do urge that adjustments be made within the total sum, so as to establish a more adequate juvenile parole system, additional highway patrolmen, repairs for the San Jacinto Monument, and more adequate financing of the Texas Industrial Commission, State tourist program, and water planning activities of the State Board of Water Engineers. In this connection, I re-submit for consideration of the Special Session and recommend the enactment of all of these programs, together with legislation reorganizing the State Board of Water Engineers, establishing a water pollution control authority, and any other measures directly related to water conservation and development.

I have submitted in the Call and urge your enactment of the Hale-Aikin public school improvements, as approved by both Houses in the Regular Session. This includes an \$810 annual salary increase for teachers, which exceeds the amount recommended by the Hale-Aikin Committee for a nine-months' term, but I believe it is justified on account of the delay in providing salary increases and because it has been approved with few dissenting votes by both Houses of the Legislature.

These and other programs tentatively approved by the 57th Legislature are detailed in Exhibit A, attached as a part of this Message. Together with the deficit and based upon the latest figures of the State Comptroller as to anticipated revenue under present statutes, these expenditures will require for the next biennium a total of \$355,946,859.00 in new revenue, unless some of the recommended tax saving measures are enacted. This amounts to an annual need for new revenue of approximately \$178,000,000 during the next biennium.

#### ECONOMY AND TAX SAVING MEASURES

Before proposing new tax measures, I respectfully re-submit for your consideration and recommend the enactment of all of the economy and other measures that would reduce the need for new taxes which I submitted at the Regular Session in my Message of January 18 and the Special Message of April 27, 1961. These are listed in Exhibit C which is attached as a part of this Message.

They include the Abandoned Property or Escheat Enforcement Bill, which provides essential reporting and enforcement procedures under which the State can obtain money which is now due the State under the present Texas Escheat Law. Even with the House amendments to this bill, H. B. 470 in the Regular Session, this law should yield at least \$10 million during the next biennium. The money belongs to the State but is being used and often dissipated by the holders. It is inconceivable that we should enact and collect from the people \$10 million in new taxes which could be avoided by providing a law under which this much money now due the State can be promptly located and collected.

The recommendations also include temporary two-year financing of the construction of farm-to-market roads from special earmarked Farm-to-Market Road Funds in the Highway Department instead of from the General Revenue Fund. This would reduce General Revenue needs by \$30 million for the next biennium. We have been assured by the State Highway Commission that it can absorb this cost for two years without reducing farm-to-market road construction.

Also included is the recommendation that college tuition be increased \$50 per semester, provided a tuition scholarship program is continued for any students who cannot afford to pay tuition. This would raise \$20 million of the \$25 million which you have tentatively agreed upon for teachers salary increases and other improvements in our State supported colleges and universities, and would reduce our total tax bill by that amount. It would still leave Texas

with one of the lowest college tuition rates in the nation, with the students paying only 16% of the cost of their education, and with no one denied an education since there would be scholarship provisions for those who cannot pay tuition.

All of the measures which would reduce the need for new taxes, itemized in Exhibit C, would yield a total of \$84 million during the next biennium, and would thereby reduce our tax bill in that amount. Fifty-two million dollars of this sum would be one-time non-recurring gains, but \$32 million would recur each biennium.

#### TAX PROGRAM

As heretofore stated, if none of the economy and tax saving measures are enacted, and if all of the spending programs tentatively approved during the Regular Session are enacted, approximately \$355 million in new taxes will be required during the next biennium.

I have recognized and so stated to you at the beginning of the Regular Session that our needs for the next biennium and for the future will require a broad-based growth tax, but I felt that while enacting new and permanent taxes on all of the people of the State, we should enact permanent and long overdue taxes on natural gas pipeline companies and interstate corporations.

Recognizing that it is your decision to make, and only my duty to recommend, I respectfully urge that any broad-based tax enacted for the purpose of raising the greater portion of the new revenue should be accompanied by adequate taxes on natural gas and interstate corporations. Accordingly, I recommend that any tax bill include the following:

1. A provision setting the minimum production tax on natural gas at one cent per MCF (thousand cubic feet), with the difference between the present tax and the one cent minimum being levied at the wellhead on the severance beneficiaries for whom the gas is being produced under exclusive dedicated reserve contracts.

This would not increase the tax on those producers who are now paying a 7% severance tax. They

would continue to pay the present tax, but in all cases where the present tax amounts to less than 1¢ per MCF, the difference would be levied on the pipeline companies which have the gas production and reserves tied up under exclusive contracts. Even they would not pay any additional tax if the gas is being purchased for 14.5 cents per MCF or more, since gas at this price would be yielding the 1¢ minimum under the present 7% severance tax.

It is only the gas which has been tied up by the pipeline companies under cheaper prices of less than 14.5¢ that would be subject to an additional tax on the severance beneficiary producer. This additional tax would be levied on production at the wellhead in order to avoid the Constitutional questions which have been raised in our previous attempts to collect taxes on dedicated gas reserves. I have an opinion from the Attorney General of Texas holding this tax would be Constitutional. Before someone argues that Attorney Generals also said our previous severance beneficiary taxes were Constitutional but later these were stricken down by the courts, I want to remind you that none of the bills heretofore approved by the Attorney General were ever enacted into law. All of them were changed or rewritten before enactment to incorporate the provisions which were later held to be unconstitutional. That was particularly true of the last severance beneficiary tax which I submitted and which the Attorney General approved. It did not contain the provision which was later written into the bill and which was declared unconstitutional by the court.

Enactment of this tax would assure Texas of at least 1¢ per MCF on all gas produced in this State, which would be almost one-half of what Louisiana now collects. It is estimated to yield \$15 million per year or \$30 million for the biennium.

Since 1951, Texas Governors and Legislatures have insisted that natural gas should bear a larger portion of the State's tax burden and that some constitutional way should be devised for additional taxes to be paid by those who have a property interest through exclusive con-

tracts dedicating the production in advance to their pipelines. At a time when we are having to raise the largest amount of new taxes in the history of our State, it would be unfortunate indeed if we failed to include this as a part of the tax program.

2. As heretofore, I recommend the enactment of a two-factor formula (property and receipts) for figuring the base of the corporation franchise tax on companies engaged in interstate business, in the same form that this passed the House in H. B. 334. This would yield an additional \$16 million during the next biennium. This is a long overdue change in order to eliminate the discrimination which now exists in favor of foreign and interstate corporations (which engage in interstate sales) and against wholly domestic companies which engage only in Texas business and sales.

All of the States, except Texas and Washington, have awakened to this discrimination and have applied two-factor or three-factor tax formulas on both their franchise and corporate income taxes.

Raising additional money through an increase in the present franchise tax on all corporations, including the 31,000 wholly domestic companies, would merely prolong and increase the discrimination which now exists in favor of the interstate corporations and against domestic corporations. It would only magnify the question of why Texas continues to be one of only two states in the Union which treats foreign and interstate corporations better than their wholly domestic concerns.

This discrimination is due to the fact that the 31,000 domestic corporations having all of their property and sales in Texas pay the franchise tax on 100% of their capital, while the 11,660 interstate corporations pay on their capital only the percentage represented by their sales in Texas. Thus, one interstate corporation has 98% of its property in Texas and pays on only 6% of its capital. Another interstate corporation has 100% of its property in Texas and pays a franchise tax on only 18% of its capital. I am inserting in this Message a table showing the Texas property of six

interstate corporations compared with the percentage of capital taxed. Together they average 75% of their property in Texas, but pay on only 10% of their capital.

#### PRESENT CORPORATION TAX ALLOCATIONS

(Six interstate corporations compared to wholly domestic corporations)

Examples of six selected Interstate Corporations (Total 11,660)	Percentage of Property in Texas	Percentage of Capital taxed
Corporation A	80%	18%
Corporation B	98%	6%
Corporation C	51%	3%
Corporation D	100%	18%
Corporation E	23%	1%
Corporation F	95%	12%

Average of 6 Interstate corporations 75% 10%

All wholly domestic corporations  
(Total 31,340) 100% 100%

3. As to the remainder and the major portion of any new tax bill, you are familiar with my commitments against a general sales tax and an income tax. While many of you differ with me on this subject, I have respected your views, and I am sincerely grateful to those of you who have respected mine. On the other hand, I have never opposed selective sales taxes levied in accordance with ability to pay, and I did in fact recommend to you during the Regular Session the State Finance Advisory Commission's alternate proposal which was made up largely of selective excise or sales taxes on items other than the basic necessities of life.

A revision of this recommendation was contained in H. B. 918, and in appearing before the Senate State Affairs Committee in opposition to H. B. 727, I specifically recommended the provisions of H. B. 918, which contained what was then estimated as \$228 million in excise or sales taxes for the biennium. Other items therein would have brought the total of this bill to \$333 million for the biennium, which together with the deficit measures contained in H. B. 334 as it passed the House, would

have been more than enough to cover the needs which we now face.

I mention this simply for the purpose of reminding you that I have long realized from expressions of members of the Legislature on other tax possibilities that we would have to rely on some form of sales or excise taxation in order to pass a bill which would raise enough money to meet our responsibilities, and to say that I still think that this plan would be the best for our people and completely in accord with the platforms of the Governor, the Lieutenant Governor, Speaker of the House and many members of the Legislature against a general sales tax.

If this proposal does not receive more acceptance at this session than it did at the Regular Session, I urge that at least some aspects of the plan, such as avoiding taxation of the basic necessities of life, be written into a Pennsylvania-type limited excise, sales and use tax in such a manner that ability to pay and basic necessities will be given every consideration.

The study of the Pennsylvania plan made last month by Jim McGrew of the Texas Research League and Joe Moore of the Finance Advisory Commission, at the request of the Texas Education and Welfare Committee, reveals that this tax is now working satisfactorily in that State and that its administrative difficulties were not due to its selective enumeration of taxable items but to many broad and indefinite exemptions, and that its cost of administration could be lowered except for the political patronage system which provides more employees than necessary in that State. Profiting from Pennsylvania's five years of experience with this tax, those who made this study have written a version which would be as workable and efficient as any type of broad-based sales or excise tax could be. In fact, the administrative features of the bill are practically the same as those contained in the Senate version of H. B. 334.

As a compromise, and solely for that purpose, I recommend a Pennsylvania type of limited excise, sales and use tax which, by omitting food for home consumption, prescription

drugs, books, items of clothing selling for less than \$10, feed, seed, fertilizer, farm machinery, livestock, and electricity, gas and fuel used in manufacturing, would yield \$303 million during the next biennium. This is after allowing for the collection lag and a vendor's discount of 2%. The tax would be at a rate of 2% on all enumerated purchases of 50¢ or more. Major additions of taxable items which were not covered by H. B. 334 are intra-state telephone and telegraph services, and retail sales of beer and other alcoholic beverages. By including alcoholic beverages, it is possible to exempt low-cost clothing, since each would produce about the same amount of revenue. I strongly believe that the exemption of children's clothes, school and work clothes and other low-cost clothing is far more essential than the exemption of retail sales of alcoholic beverages, which I think should be included in any limited or general sales tax bill.

The greatest objection to this comes from the beer industry which points out that it is already paying a manufacturer's or wholesaler's tax of \$4.30 per barrel. The answer to this is that the adjoining States of Oklahoma and Louisiana collect \$10 per barrel on beer, more than twice the rate in Texas, and these States, as well as all of our adjoining States, also collect retail sales taxes on alcoholic beverages. Twenty-two of the 34 sales tax States collect sales taxes on alcoholic beverages, even though most of them also have per barrel or per gallon taxes on manufacturers or wholesalers.

4. The drivers' license fee increase, equalization of the tax on coin-operated machines and the bookkeeping amendment on the motor fuel tax will bring all of the foregoing tax recommendations to a total of \$359,-024,000. All of these are enumerated in Exhibit B attached to and made a part of this Message.

Representative Atwell has also prepared a bill embodying the Pennsylvania type tax but differing with my proposal mainly in the fact that it taxes low-cost clothing but exempts beer and other alcoholic beverages not served with meals.

In recommending the Pennsylvania type of tax, I do so fully cognizant of the fact that a distinguished Texas Senator has called it an "upside-down tax—one that you can call selective and limited to those who are against a general sales tax—but then turn it upside-down and argue that it is broad and general enough to suit those who favor a general sales tax." To some extent, he may be correct. That is exactly how the tax came into being. It was written in Pennsylvania as a compromise between a Democratic House and Governor, and a Republican Senate. The Democratic House and Governor were against a general sales tax and the Republican Senate favored it. They tied up for 15 months and finally settled on the best compromise available. The important result, however, is that it avoids taxation of more of the basic essentials of life than general sales taxes which have been adopted in other States. If Republicans and Democrats could finally come together on this compromise in Pennsylvania, it is my hope that Democrats can find it possible to do so in our State. I attach as Exhibit D a report of the Governor of Pennsylvania showing the comparative advantages of this plan.

#### LOBBY CONTROL

Because it is important to the work of this session and future Legislatures, I further submit and recommend improvements in the Lobby Control Act, with special consideration to prohibiting interference with the legislative processes and more complete and accurate reporting of expenditures, especially by organizations formed wholly or partially for the purpose of influencing legislation. Any such organization should be required to list contributors of more than \$50. Otherwise, there can be complete evasion of the Lobby Control Act by persons and corporations contributing to and working through another organization. One of the main purposes of the Lobby Control Act is to bring out into the open those who are attempting to influence legislation. This is defeated when those financially interested are permitted to work through another organization without registering or reporting their interest or contri-

butions.

In this connection, I realize that there are some members who have advocated that any limitations or restrictions applying to the lobbyists should also apply to the Governor, insofar as contacts with the Legislature are concerned. I doubt the wisdom of placing anyone elected by the people in the same position as persons chosen by and paid to represent private interests, or the public advocacy of placing lobbyists for private interests on an equal footing with the Governor in their relations with the Legislature. However, if anyone considers this to be in the public interest, the subject is now open for action.

With or without the restraints of law, I assure you that it shall be my purpose not to interfere with your prerogatives but to cooperate in every way in discharging the duties and responsibilities which we share together as the elected representatives of the people or our State.

In closing, let me remind you again that our State is not alone in facing financial problems and difficulties. Life Magazine of July 7 reports:

"... ever-bigger public programs are putting the states further and further in the hole. To try and balance the books, state legislatures are busily raising taxes all across the country. 24 states have already done so this year and another 12 are expected to do so before adjournment."

This makes our task no easier, but with the Texas Bureau of Business Research reporting that Texas business activity has reached an all-time high, with bank deposits at a high level, employment increasing, industrial growth continuing at a rapid rate, and a nation-wide survey revealing that businessmen rate Texas second only to California as a favored location for new plants, the future appears brighter for our State than for many of the others faced with financial difficulties.

It is my hope that the product of this session will preserve a good climate in Texas for both business and individuals and that it will contribute to the continued growth and prosperity of the State and the people whom we serve.

## EXHIBIT A

STATE REVENUE NEED FOR NEXT BIENNIUM TO MEET PROGRAMS  
TENTATIVELY APPROVED BY THE 57TH LEGISLATUREGENERAL APPROPRIATION BILL—S. B. 1

<u>(Conference Report)</u>		<u>BIENNIUM</u>
Article I—Judiciary		\$ 9,529,678
Article II—Hospitals and Special Schools		110,592,366
Article III—Departments and Agencies		77,282,328
Article IV—Education, Colleges, Public Schools and Junior Colleges		181,475,711
Article V—Legislative Expense		4,182,800
Sub-total		<u>383,062,883</u>
 <u>OTHER PROGRAMS</u>		
Medical Payments for Welfare Recipients		13,300,000
Hale-Aikin Public School Program		141,301,000
\$810 Salary Increase	112,734,000	
Transportation Aid	5,001,000	
Increment Increase	12,050,000	
Operation & Maintenance Increase	11,516,000	
Teacher Retirement Increase Due to Salary Increase		8,400,000
Sub-total		<u>163,001,000</u>
TOTAL NEED		<u>546,063,883</u>

LESS: COMPTROLLER'S ESTIMATE OF  
REVENUE (After these automatic de-  
ductions) 190,117,024

Deficit	64,494,284	
Farm to Market Roads	30,000,000	
Welfare Assistance	82,024,000	
Teacher Retirement	93,422,800	
Foundation School Program	328,324,864*	
Day Schools for Deaf and Blind—S.B. 22	450,000	
Additional for Increase in Old Age and Wel- fare Payments, H. B. 38	3,600,000	
BIENNIAL NEED FROM NEW REVENUE		<u>\$355,946,859</u>
ANNUAL NEED FROM NEW REVENUE		<u>\$177,973,429</u>

\*Adjusted by \$2,270,000 due to passage of H. B. 479 which places fi-  
nancing of Central Education Agency Administration in the Foundation  
School Fund.



## EXHIBIT B

## TAX RECOMMENDATION

	Biennial Revenue 1961-1963
ARTICLE I	
Insert 1 cent per MCF minimum tax on production of natural gas, with difference between present tax and the minimum to be paid by the holders of exclusive "dedicated gas reserve" contracts (pipeline companies).	\$ 30,000,000
ARTICLE II	
Adopt two-factor formula (property and gross receipts) for the corporation franchise tax, as passed by the House in H. B. 334	16,000,000
ARTICLE III	
Pennsylvania type limited excise, sales and use tax at 2% on enumerated purchases of 50¢ or more (does not cover food for home consumption, prescription drugs, books, clothing under \$10.00, feed, seed, fertilizer, farm machinery, livestock or electricity, gas and fuel used in manufacturing)	303,000,000
ARTICLE IV	
Increase driver's license fees (\$2.00 to \$3.00; \$3.00 to \$4.50; and \$4.00 to \$6.00)	7,000,000
ARTICLE V	
Transfer motor fuel tax revenue (earmarked for public schools) collected in August each year to the Available School Fund on August 31	3,000,000
ARTICLE VI	
Equalize tax on coin-operated vending machines at \$10.00 per machine	24,000
TOTAL FOR THE BIENNIUM	\$359,024,000*

\*This estimate allows for collection lag during the first biennium of operation and 2% vendor's discount for collection under Article III. This sum can be reduced by adoption of any of the economy or tax-saving measures shown in Exhibit C.

## EXHIBIT C

ECONOMY AND OTHER MEASURES WHICH WOULD  
REDUCE NEED FOR NEW TAXES

(Recommended by the Governor in Opening Message of January 18, 1961,  
and by Special Message on April 27, 1961. Bill numbers are from Regular  
Session)

Biennial Yield  
1961-1963

1. Abandoned property-escheat procedures for reporting and enforcement of present law, H. B. 470 and H. B. 760	\$10,000,000*
2. Finance farm-to-market road construction for 2 years from special farm-to-market road funds in the Highway Department instead of the General Fund, H. B. 562	30,000,000*
3. Tuition increase, \$50.00 per semester, continuing scholarship fund for any student unable to pay, H. B. 933	20,000,000
4. Provide that county school superintendents shall be financed from county funds. (Recommended by Hale-Aikin Committee) H. B. 909 and S. B. 380	5,246,000
5. Change statutory allocation of certain tax revenue from the Available School Fund to the Minimum Foundation Fund, H. B. 334, as passed by the House	1,124,000
6. Increase fees charged non-indigent patients in State hospitals who are able to pay	6,000,000
7. Transfer income from leases and rentals on school lands to the Available School Fund in an annual amount not to exceed 1% of the Permanent School Fund, H. B. 334, as passed by the House	12,000,000*
Total for the Biennium	\$84,370,000
*Non-recurring gains	52,000,000
Recurring each Biennium	\$32,370,000

## EXHIBIT D

Excerpt From "5 Fiscal Facts About Pennsylvania" Issued By The Governor of Pennsylvania, September 28, 1959

4. The Sales Tax—How Hard It Hits You

And so we come as all Pennsylvania tax stories must, to the new taxes, especially the sales tax. In 1950 it wasn't, in 1953 it was born at 1 percent, in 1955 it grew to 3 percent, a few months ago to 3½ percent and now at 4 percent it is a strapping young fellow. The sales tax is what tax experts call a "broad based tax", meaning that it takes a bite out of everyone's income. And as such it means a lot more to you as a taxpayer than simply another tax. It means a complete overhaul of Pennsylvania's tax structure. Ten years ago it could still be said that you had to smoke, drive or die to pay Pennsylvania state taxes as an individual. Everyone pays the sales tax.

But the sales tax is not the only broad based tax. The personal income tax is the other such tax. Thirty-one states have a personal income tax, and eighteen of these also have a general or selective sales tax. On this count alone Pennsylvanians are better off than folks in these eighteen states.

How will our 4 percent sales tax affect you? And how does it compare with sales taxes of other states? By a series of complicated calculations the Pennsylvania Economy League tax experts have figured out

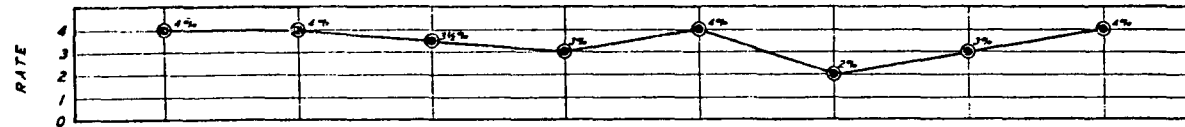
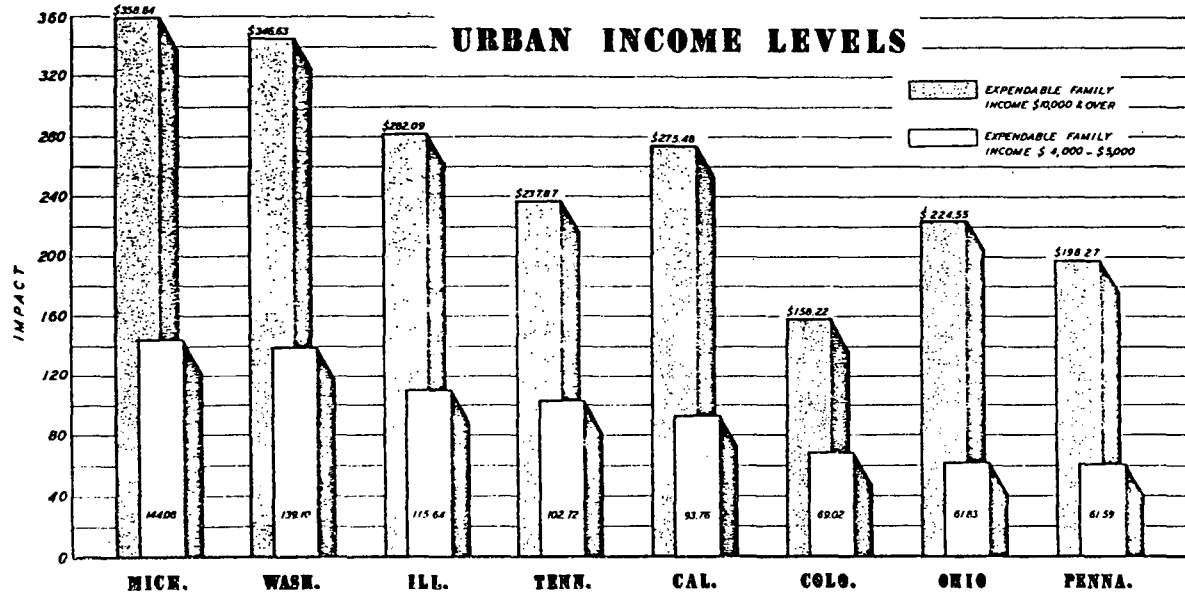
what the impact of the 4 percent sales tax is likely to be in Pennsylvania and compared it to what it would be if we imposed other states' sales taxes here. The result is interesting. In all four percent sales tax states, in the three percent states and even in two percent states, a Pennsylvanian making between four and five thousand dollars a year will pay less in sales tax under our law than he would under the laws and rules of the other sales tax states. The reason for this relatively light impact is not complex. Pennsylvania's sales tax is not general, or across the board. It is selective. It applies only to certain items. Most important, it excludes two of the biggest items in your family budget, clothing and take-home food.

We have heard much about a 2 percent across-the-board sales tax. The State of Colorado has such a tax. However, reference to the chart opposite reveals that average income families (those in the \$4,000 to \$5,000 bracket) pay less under Pennsylvania's 4 percent sales tax than they would under Colorado's 2 percent tax. On the other hand, families in the over \$10,000 income bracket pay more than they would in Colorado. Our sales tax has built into it a greater measure of ability to pay than does the across-the-board tax, even at half the rate.

## FISCAL FACT No. 4:

PENNSYLVANIA'S SALES TAX TAKES LESS FROM YOU THAN LIKE TAXES IN OTHER STATES TAKE FROM YOUR FELLOW CITIZENS.

# COMPARATIVE BURDEN OF SALES TAXES ON DIFFERENT URBAN INCOME LEVELS



## MESSAGE FROM THE GOVERNOR

The Speaker laid before the House and had read the following Message from the Governor:

July 25, 1961

To The Members of The 57th Legislature, First Called Session:

In accordance with the proclamation calling this Special Session of the Legislature, and in view of the fact that progress has been made on the revenue and school measures, I herewith submit additional subjects for your consideration and action.

First, I submit the subject of Election Code amendments to provide for majority votes in special elections for the State Legislature and United States House of Representatives. This is in line with the amendment adopted in 1957 providing for a run-off in special United States Senate and Congressman-at-large elections if no candidate receives a majority in the first election.

I believe that majority determination of Legislative and Congressional representatives is worth the extra cost of a run-off election when necessary.

Second, I submit and recommend an increase in the present \$28 maximum payment under the Texas Unemployment Compensation Law, with such additional improvements as may be necessary to provide adequate benefits, protection to employees and employers, and discharge the State's responsibility in this field. As you know, a strong movement is afoot for Federal legislation which would pre-empt and replace State responsibilities in this matter, and the members of the Texas Employment Commission are unanimous in their request that this subject be submitted for emergency action.

I submit the following subjects relating to law enforcement and protection of human life, safety and property:

1. The recommendations of the Texas Law Enforcement Study Commission contained in a series of bills already introduced in the House, and other improvements in the Penal Code and the Code of Criminal Procedure.

2. Revision of the driver licensing law.

3. A medically-accepted chemical test law for use in cases of driving while intoxicated.

4. More adequate salaries for district and county attorneys, especially where the county attorney serves also as district attorney.

5. Improvements in and additions to Sunday closing laws relating to retail stores.

6. Authority for game wardens to enforce laws against trespassing.

7. Safety standards for mobile homes.

8. Providing child support in divorce cases where physically or mentally handicapped children, regardless of age, are involved.

I further submit for your consideration the following subjects:

1. Municipal annexation.

2. Rehabilitation districts to provide education, training, special services and guidance for the handicapped.

3. Amendments to the Good Neighbor Scholarship Law.

4. Amendments requested by the State Anatomical Board to the Anatomical and Tissue Law contained in House Bills 878 and 879 of the Regular Session.

5. Harris County municipal retirement program.

6. Trademark legislation as contained in House Bill 471 of the Regular Session.

7. County road laws.

8. Non-profit corporations for charitable and public service purposes.

9. Creation of a Commission to study reorganization of the State government and its fiscal system.

10. Providing for use and control of causeways for public fishing piers when abandoned by the State Highway Department.

11. Local or uncontested bills relating to retirement systems, court reporters, game laws, water safety, hospital districts, navigation districts and ports, water improvement, reclamation, drainage and soil conservation districts.

Respectfully submitted,  
PRICE DANIEL  
GOVERNOR

## MESSAGE FROM THE GOVERNOR

The Speaker laid before the House and had read the following message from the Governor:

August 4, 1961

To The Members Of The 57th Legislature, First Called Session:

As an additional subject of the Special Session, I herewith submit legislation relating to the definition of "specialized motor carrier" as contained in S. B. 23, now pending.

Respectfully submitted,  
PRESTON SMITH,  
Acting Governor.

## MESSAGE FROM THE GOVERNOR

The Speaker laid before the House and had read the following Message from the Governor:

August 4, 1961

TO THE MEMBERS OF THE 57TH  
LEGISLATURE, FIRST CALLED  
SESSION:

As an additional subject of the special session, I herewith submit an Act to amend Sec. 2 of Chapter 266, Acts of 57th Legislature, Reg. Sess., 1961, to clearly provide that such Act shall have no effect upon State aid to be paid to any junior college district, and invoking the authority of this Act to help defray the cost of junior college level work.

Respectfully submitted,  
PRESTON SMITH  
Acting Governor