

By: Uresti

S.B. No. 2440

Substitute the following for S.B. No. 2440:

By: Callegari

C.S.S.B. No. 2440

A BILL TO BE ENTITLED

AN ACT

relating to the Bexar Metropolitan Water District.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) In this section:

(1) "Board" means the district's board of directors.

(2) "District" means the Bexar Metropolitan Water District.

(b) Following 18 months of review and audits by agencies of this state and by the Bexar Metropolitan Water District Oversight Committee, the legislature finds that:

(1) certain officials of the district have engaged in unethical conduct and unprofessional management practices;

(2) disagreements regarding the district's jurisdiction and the jurisdiction of other entities inside the district and distrust between management personnel and the board have prevented the district from improving services for existing customers and meeting the water supply needs of the growing population within the district's service area;

(3) the district has a history of noncompliance with regulations;

(4) the board has engaged in mismanagement of the district, allowing for financial improprieties;

(5) the district has provided unreliable service to the degree that the quality of life of the district's customers is

1 impaired and the prospects for economic growth within the district
2 are diminished; and

3 (6) to ensure the reliability, sustainability,
4 quality, and affordability of water supply services to the
5 district's customers, legislative action is necessary, including
6 the appointment of a conservator to serve as an advisor to the board
7 until the district has achieved sufficient rehabilitation to serve
8 its customers in a professional, ethical, and reliable manner.

9 SECTION 2. Section 8, Chapter 306, Acts of the 49th
10 Legislature, Regular Session, 1945, is amended to read as follows:

11 Sec. 8. (a) ~~[-]~~ The seven ~~[five (5)]~~ members of the Board of
12 Directors are ~~[shall hereafter be]~~ elected to staggered two-year
13 terms in an election held on the uniform election date in November.
14 Directors shall be elected from numbered single-member districts
15 established by the Board ~~[for a term of six (6) years each, provided~~
16 ~~that an election for two (2) Directors for a term of six (6) years~~
17 ~~shall be held on the first Tuesday in April, 1954, the terms of~~
18 ~~three (3) members of the present Board shall be, and are, hereby,~~
19 ~~extended to the first Tuesday in April, 1957, and the present~~
20 ~~Directors shall determine such three (3) by lot. Three (3)~~
21 ~~Directors shall be elected on the first Tuesday in April, 1957, and~~
22 ~~two (2) Directors and three (3) Directors, alternately, shall be~~
23 ~~elected each three (3) years thereafter on the first Tuesday in~~
24 ~~April as the six-year terms expire]. At an election of Directors,~~
25 the candidate from each single-member district who receives ~~[The~~
26 ~~two (2) or three (3) persons, respectively, receiving]~~ the greatest
27 number of votes shall be declared elected to represent that

1 single-member district. Each Director shall hold office until his
2 successor shall have been elected or appointed and shall have
3 qualified. A Director may not serve more than three terms.[+]

4 (b) Such [~~such~~] elections shall be called, conducted and
5 canvassed in the manner provided by the Election Code. [~~Chapter 25,~~
6 ~~General Laws of the Thirty-ninth Legislature, Regular Session,~~
7 ~~1925, and any amendments thereto,~~]

8 (c) The [~~the~~] Board of Directors shall fill all vacancies on
9 the Board by appointment and such appointees shall hold office for
10 the unexpired term for which they were appointed.[+]

11 (d) Any four [~~any three~~] members of the Board shall
12 constitute a quorum for the adoption of passage of any resolution or
13 order or the transaction of any business of the District.[+]

14 (e) A Director must [~~Directors succeeding the first Board,~~
15 ~~whether now or hereafter elected, shall]~~ be a qualified voter of the
16 single-member district from which the Director is elected [~~resident~~
17 ~~electors of Bexar County, Texas, and owners of taxable property~~
18 ~~within the area comprising said District, and shall organize in~~
19 ~~like manner]~~.

20 SECTION 3. Chapter 306, Acts of the 49th Legislature,
21 Regular Session, 1945, is amended by adding Sections 1A, 8A, 8B, 8C,
22 9A, 9B, 12A, 12B, 23A, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, and 44
23 to read as follows:

24 Sec. 1A. In this Act:

25 (1) "Board" means the District's Board of Directors.

26 (2) "Commission" means the Texas Commission on
27 Environmental Quality.

1 (3) "Director" means a Board member.

2 (4) "District" means the Bexar Metropolitan Water
3 District.

4 Sec. 8A. (a) To be eligible to be a candidate for or elected
5 as a Director, a person must have:

6 (1) resided continuously in the single-member
7 district that the person seeks to represent for 12 months
8 immediately preceding the date of the regular filing deadline for
9 the candidate's application for a place on the ballot; and

10 (2) viewed the open government training video provided
11 by the attorney general and provided to the Board a signed affidavit
12 stating that the candidate viewed the video.

13 (b) In this subsection, "political contribution" and
14 "specific-purpose committee" have the meanings assigned by Section
15 251.001, Election Code. A Director or a candidate for the office of
16 Director may not knowingly accept political contributions from a
17 person that in the aggregate exceed \$500 in connection with each
18 election in which the person is involved. For purposes of this
19 subsection, a contribution to a specific-purpose committee for the
20 purpose of supporting a candidate for the office of Director,
21 opposing the candidate's opponent, or assisting the candidate as an
22 officeholder is considered to be a contribution to the candidate.

23 Sec. 8B. (a) A person who is elected or appointed to and
24 qualifies for office as a Director on or after the effective date of
25 this section may not vote, deliberate, or be counted as a member in
26 attendance at a meeting of the Board until the person completes a
27 training program on District management issues. The training

1 program must provide information to the person regarding:

2 (1) the enabling legislation that created the
3 District;

4 (2) the operation of the District;

5 (3) the role and functions of the Board;

6 (4) the rules of the Board;

7 (5) the current budget for the Board;

8 (6) the results of the most recent formal audit of the
9 Board;

10 (7) the requirements of the:

11 (A) open meetings law, Chapter 551, Government
12 Code;

13 (B) open records law, Chapter 552, Government
14 Code; and

15 (C) administrative procedure law, Chapter 2001,
16 Government Code;

17 (8) the requirements of the conflict of interest laws
18 and other laws relating to public officials; and

19 (9) any applicable ethics policies adopted by the
20 Board or the Texas Ethics Commission.

21 (b) The Commission may create an advanced training program
22 designed for a person who has previously completed a training
23 program described by Subsection (a) of this section. If the
24 Commission creates an advanced training program under this
25 subsection, a person who completes that advanced training program
26 is considered to have met the person's obligation under Subsection
27 (a) of this section.

1 (c) Each Director who is elected or appointed on or after
2 the effective date of this section shall complete a training
3 program described by Subsection (a) or (b) of this section at least
4 once in each term the Director serves.

5 (d) The Board shall adopt rules regarding the completion of
6 the training program described by Subsection (a) or (b) of this
7 section by a person who is elected or appointed to and qualifies for
8 office as a Director before the effective date of this section. A
9 Director described by this subsection who does not comply with
10 Board rules shall be considered incompetent as to the performance
11 of the duties of a Director in any action to remove the Director
12 from office.

13 (e) A Director may not:

14 (1) accept or solicit a gift, favor, or service that:

15 (A) might reasonably influence the Director in
16 the discharge of an official duty; or

17 (B) the Director knows or should know is being
18 offered with the intent to influence the Director's official
19 conduct;

20 (2) accept other employment or engage in a business or
21 professional activity that the Director might reasonably expect
22 would require or induce the Director to disclose confidential
23 information acquired by reason of the official position;

24 (3) accept other employment or compensation that could
25 reasonably be expected to impair the Director's independence of
26 judgment in the performance of the Director's official duties;

27 (4) make personal investments that could reasonably be

1 expected to create a substantial conflict between the Director's
2 private interest and the interest of the District;

3 (5) intentionally or knowingly solicit, accept, or
4 agree to accept any benefit for having exercised the Director's
5 official powers or performed the Director's official duties in
6 favor of another; or

7 (6) have a personal interest in an agreement executed
8 by the District.

9 (f) Not later than April 30 each year, a Director shall file
10 with the Bexar County clerk a verified financial statement
11 complying with Sections 572.022, 572.023, 572.024, and 572.0252,
12 Government Code. A copy of a financial statement filed under this
13 section shall be kept in the main office of the District.

14 Sec. 8C. (a) A Director may be recalled for:

15 (1) incompetency or official misconduct as described
16 by Section 21.022, Local Government Code;

17 (2) conviction of a felony;

18 (3) incapacity;

19 (4) failure to file a financial statement as required
20 by Section 8B(f) of this Act;

21 (5) failure to complete a training program described
22 by Section 8B(a) or (b) of this Act; or

23 (6) failure to maintain residency in the District.

24 (b) If at least 10 percent of the voters in the District
25 submit a petition to the Board requesting the recall of a Director,
26 the Board, not later than the 10th day after the date the petition
27 is submitted, shall mail a written notice of the petition and the

1 date of its submission to each registered voter in the District.

2 (c) Not later than the 30th day after the date a petition
3 requesting the recall of a Director is submitted, the Board shall
4 order an election on the question of recalling the Director.

5 (d) A recall election under this section may be held on any
6 uniform election date.

7 (e) If a majority of the District voters voting at an
8 election held under this section favor the recall of the Director,
9 the Director is recalled and ceases to be a member of the Board.

10 (f) If a vacancy occurs on the Board after the recall of a
11 Director under this section, the remaining members of the Board
12 shall appoint a replacement. A Director appointed to fill a vacancy
13 under this subsection serves until the next regularly scheduled
14 Directors' election.

15 Sec. 9A. (a) The Board shall employ a general manager of
16 the District or contract with a person to perform the duties of a
17 general manager. The Board shall delegate to the general manager or
18 contractor full authority to manage and operate the affairs of the
19 District subject only to orders of the Board.

20 (b) The Board shall delegate to the general manager or
21 contractor the authority to employ persons necessary for the proper
22 handling of the business and operation of the District and to
23 determine the compensation to be paid to employees, other than the
24 general manager or contractor.

25 (c) The general manager or contractor annually shall
26 complete a training program on state and federal laws related to the
27 administration of the District. The training program must provide

1 information regarding:

2 (1) nepotism;

3 (2) conflicts of interest;

4 (3) criminal penalties related to the conduct of
5 elected officials;

6 (4) financial disclosure requirements;

7 (5) equal employment;

8 (6) disability accommodation;

9 (7) labor relations; and

10 (8) the acquisition and sale of property.

11 Sec. 9B. (a) The Board shall employ a chief financial
12 officer of the District or contract with a person to perform the
13 duties of a chief financial officer. The Board shall delegate to
14 the chief financial officer or contractor the authority necessary
15 to administer all financial affairs of the District, including:

16 (1) maintaining the general accounting system for the
17 District;

18 (2) certifying the availability of funds for all
19 proposed expenditures;

20 (3) submitting to the Board a monthly statement of all
21 receipts and disbursements in sufficient detail to show the
22 financial condition of the District; and

23 (4) preparing at the end of each fiscal year a complete
24 financial statement and report.

25 (b) The Board shall require the chief financial officer of
26 the District to furnish good and sufficient bond, payable to the
27 District, in an amount determined by the Board to be sufficient to

1 safeguard the District. The bond shall be conditioned on the
2 faithful performance of that person's duties and on accounting for
3 all funds and property of the District. The bond shall be signed or
4 endorsed by a surety company authorized to do business in the state.

5 Sec. 12A. (a) All Board reimbursements and expenditures
6 must be approved by the Board in a regularly scheduled meeting.

7 (b) At each regularly scheduled meeting of the Board, the
8 Board shall review all expenditures made by the general manager.

9 Sec. 12B. (a) The Board shall adopt an annual budget.

10 (b) The budget must contain:

11 (1) a message explaining the budget;

12 (2) an outline of the proposed financial policies of
13 the District for the next fiscal year, including any major changes
14 from the current fiscal year;

15 (3) a comparison of the actual and estimated revenue
16 and expenditures for the current fiscal year and actual and
17 estimated revenue for the two preceding fiscal years;

18 (4) a statement of the water rates and collections for
19 the preceding five years; and

20 (5) a complete financial statement, including a
21 statement of:

22 (A) the outstanding obligations of the District,
23 with a schedule of payments and maturities;

24 (B) the amount of cash on hand to the credit of
25 each fund of the District;

26 (C) the amount of money received by the District
27 from all sources during the preceding fiscal year, with notations

1 regarding each department, division, or office of the District;

2 (D) the amount of money available to the District
3 from all sources during the following fiscal year;

4 (E) the amount of the balances expected at the
5 end of the fiscal year for which the budget is being prepared;

6 (F) the estimated amount of revenue and balances
7 available to cover the proposed budget; and

8 (G) the estimated revenue from fees that will be
9 required.

10 (c) The Board shall conduct two public hearings not later
11 than the 30th day before the date of the public hearing at which the
12 Board will adopt the budget. At least one of the public hearings
13 must be held at a location other than the District office. Notice
14 of the hearings must be included in a water or sewer service bill of
15 each ratepayer mailed at least 30 days before the date of the first
16 hearing.

17 Sec. 23A. (a) The Board may not increase residential water
18 or sewer service rates by more than 10 percent unless the Board
19 holds a public hearing on the matter of the rate increase. The
20 hearing must be attended by the Board and, if the District employs a
21 general manager or chief financial officer, by the general manager
22 and the chief financial officer.

23 (b) The Board may increase residential rates by more than 10
24 percent only if approved by a unanimous vote of the Board after the
25 hearing held under Subsection (a).

26 (c) A motion by a Director to increase residential water or
27 sewer service rates by more than 10 percent must read as follows:

1 "I move that we increase residential (water or sewer, as
2 appropriate) rates by ___ percent. An average water bill in the
3 District is \$ ___ for ___ gallons. With this increase, the average
4 residential water bill will be \$ ___ for ___ gallons. We need to
5 increase the rates because of the following: (insert justification
6 for rate increase)."

7 Sec. 34. (a) After September 1, 2014, the Board annually
8 shall have an audit conducted of the District's books and records
9 that covers all matters relating to the fiscal affairs of the
10 District. The audit must be conducted by an independent auditor who
11 does not:

- 12 (1) otherwise maintain any District accounts;
- 13 (2) act as a financial advisor to the District; or
- 14 (3) have any financial interest in the District.

15 (b) The Board may not select the same auditor for more than
16 three consecutive annual audits.

17 Sec. 35. (a) The Commission shall appoint as conservator
18 for the District an individual who, at the time of the individual's
19 appointment:

- 20 (1) may be, but is not required to be, a Commission
21 employee;
- 22 (2) has demonstrated a high level of expertise in
23 water utility management;
- 24 (3) is not a Director; and
- 25 (4) has no financial interest in the District or any
26 entity that has a contract with the District or that is likely to
27 develop a contractual relationship with the District.

1 (b) The conservator's term expires on the earlier of:

2 (1) the fifth anniversary of the date the conservator
3 is appointed;

4 (2) the date the Commission issues an order dissolving
5 the conservatorship under Section 40; or

6 (3) the date the Commission enters an order dissolving
7 the District under Section 42.

8 (c) If the Commission, after a reasonable period,
9 determines that the conservator has not made satisfactory progress
10 in performing the conservator's duties, the Commission shall
11 appoint a new conservator to serve for the remainder of the
12 conservator's term.

13 Sec. 36. A conservator appointed under Section 35 shall
14 appoint an agency review team to assist the conservator in carrying
15 out the duties described by Section 39. A person appointed under
16 this section to the team must meet the same qualifications as those
17 required for the conservator appointed under Section 35(a).

18 Sec. 37. (a) A conservator appointed under Section 35 and
19 any person appointed by the conservator is entitled to receive a
20 salary for performing those duties.

21 (b) The District shall pay the compensation of the
22 conservator and any person appointed by the conservator.

23 Sec. 38. (a) A conservator appointed under Section 35 and
24 any person appointed by the conservator is entitled to
25 reimbursement of the reasonable and necessary expenses incurred by
26 the conservator or appointee in the course of performing duties
27 under Section 39.

1 (b) The District shall pay any reasonable and necessary
2 expenses incurred by the conservator or appointee.

3 Sec. 39. (a) The conservator and the agency review team
4 shall advise the Board on matters relating to the District's
5 rehabilitation. The Board shall work cooperatively with the
6 conservator and the agency review team to improve the Board's
7 ability to manage and operate the District in a professional
8 manner.

9 (b) In addition to the duties under Subsection (a), not
10 later than June 1, 2010, the agency review team shall prepare a
11 report evaluating the distinct water systems that make up the
12 District and determine the following:

13 (1) the District's basis in or the intrinsic value of
14 the infrastructure associated with each water system;

15 (2) the District's bonded debt and commercial paper
16 reasonably associated with or allocable to the infrastructure in
17 each water system;

18 (3) the adequacy of the source of the water supply
19 located in each water system's service area to supply the current
20 and projected demands generated in that service area;

21 (4) the adequacy of the water storage facilities
22 located in each water system's service area to supply the current
23 and projected demands generated in that service area;

24 (5) the adequacy of the distribution system located in
25 each water system's service area to supply the current and
26 projected demands generated in that service area; and

27 (6) the ability of the District to serve its customers

1 in a particular service area or a specific part of the service area
2 based on the infrastructure and capacity of the District in that
3 area.

4 (c) The conservator shall submit the report to the governor,
5 the lieutenant governor, the speaker of the house of
6 representatives, the chair of each committee of the legislature
7 having primary jurisdiction over water districts, and the
8 Commission.

9 (d) The conservator and the agency review team shall develop
10 bylaws for the District that separate the administrative and
11 technical functions of the District. The Board shall consider and
12 adopt rules and bylaws consistent with the bylaws developed by the
13 conservator and the agency review team.

14 (e) The agency review team shall examine the service
15 delivery in the several service areas of the District to determine
16 whether the District is financially and practically able to provide
17 continuous quality service in each area at reasonable rates. For
18 any area the agency review team determines the District's ability
19 to serve is inadequate or impractical, the agency review team shall
20 recommend that the District divest the utility assets in that area.

21 (f) If the agency review team makes a recommendation under
22 Subsection (e), the conservator shall appoint an agent to carry out
23 the sale of the utility assets in that area. The agent shall bring
24 an action in a district court in Bexar County for a determination of
25 the fair market value of the assets to be sold. The fair market
26 value shall be determined by a judge who was elected to that court
27 from competent evidence of the value introduced by the parties.

1 Competent evidence of value may include:

- 2 (1) expert opinion testimony;
- 3 (2) comparable sales;
- 4 (3) anticipated marketing time and holding costs;
- 5 (4) cost of sale; and
- 6 (5) the necessity and amount of any discount to be
7 applied to the future sales price or the cash flow generated by the
8 property to arrive at a fair market value as of the date of the sale.

9 (g) After the fair market value is determined under
10 Subsection (f), the agent shall sell the assets to an appropriate
11 entity in the best interest of the ratepayers. The agent shall
12 conduct the sale in a manner consistent with the best interest of
13 the ratepayers. Proceeds from the sale of the assets shall be
14 applied to outstanding debt of the District, and if any proceeds
15 remain after the retirement of all the District's debt, the
16 remaining proceeds shall be distributed to the ratepayers as a
17 rebate.

18 (h) This section expires September 1, 2014.

19 Sec. 40. (a) When the conservator reports to the
20 Commission that the District has been sufficiently rehabilitated to
21 provide reliable, cost-effective, quality service to its
22 customers, the Commission shall evaluate the condition of the
23 District and determine whether:

- 24 (1) the District has been sufficiently rehabilitated
25 to enable the District to provide reliable, cost-effective, quality
26 service to its customers; and

- 27 (2) the conservatorship is no longer necessary.

1 (b) The Commission may issue an order dissolving the
2 conservatorship if the Commission determines the conservatorship
3 is no longer necessary.

4 Sec. 41. (a) The Commission may hold an election in the
5 District on the question of dissolving the District and disposing
6 of the District's assets and obligations if:

7 (1) the conservator determines after an initial
8 evaluation to be performed before the 60th day after the date of the
9 effective date of the Act creating this section that the District
10 cannot be rehabilitated and the dissolution of the District would
11 be in the best interest of the ratepayers; or

12 (2) the conservator reports to the Commission at any
13 time that the Board is unable or unwilling to comply with a request
14 or recommendation of the conservator or agency review team.

15 (b) The Commission may hold an election under this section
16 on a uniform election date following the 60th day after the date of
17 preclearance under Section 5 of the federal Voting Rights Act of
18 1965 (42 U.S.C. Section 1973c) of all provisions of the Act enacting
19 this section that are subject to that preclearance. If the
20 Commission determines that preclearance under Section 5 of the
21 federal Voting Rights Act of 1965 is not required, the Commission
22 may hold the election on a uniform election date that falls at least
23 60 days after the date the Commission makes that determination.

24 (c) The order calling the election must state:

25 (1) the nature of the election, including the
26 proposition to appear on the ballot;

27 (2) the date of the election;

1 (3) the hours during which the polls will be open; and

2 (4) the location of the polling places.

3 (d) The Commission shall give notice of an election under
4 this section by publishing once a week for two consecutive weeks a
5 substantial copy of the election order in a newspaper with general
6 circulation in the District. The first publication of the notice
7 must appear not later than the 35th day before the date of the
8 election.

9 (e) The ballot for an election under this section must be
10 printed to permit voting for or against the proposition: "The
11 dissolution of the Bexar Metropolitan Water District."

12 (f) If a majority of the votes in an election under this
13 section favor dissolution, the conservator shall report the result
14 to the Commission and the Commission shall find that the District is
15 dissolved.

16 Sec. 42. (a) If a majority of the votes in an election held
17 under Section 41 favor dissolution, the term of each person who is
18 serving as a Director of the District on the date of the canvass of
19 the election expires on that date. Not later than the 60th day
20 after the date of the canvass of the election, the conservator shall
21 assume all powers necessary for the purposes described by this
22 section.

23 (b) The conservator shall transfer or assign the rights and
24 duties of the District associated with the provision of water
25 services, including existing contracts, assets, and liabilities of
26 the District, to one or more appropriate entities in such a manner
27 that service to the existing customers of the District is not

1 interrupted.

2 (c) After the District has paid all its debts and has
3 disposed of all its money and other assets as prescribed by this
4 section, the conservator shall file a written report with the
5 Commission summarizing the conservator's actions in dissolving the
6 District.

7 (d) Not later than the 10th day after the date the
8 Commission receives the report and determines that the requirements
9 of this section have been fulfilled, the Commission shall enter an
10 order dissolving the District and releasing the conservator from
11 any further duty or obligation.

12 Sec. 43. If a majority of votes favor dissolution in an
13 election held under Section 41, this Act expires on the date the
14 Commission enters an order dissolving the District.

15 Sec. 44. If a majority of the votes in an election held
16 under Section 41 do not favor dissolution, the conservator
17 appointed under Section 35 continues to serve until the
18 conservatorship expires under Section 35.

19 SECTION 4. (a) Subject to approval by the Legislative
20 Audit Committee for inclusion in the annual audit plan, the state
21 auditor shall conduct an annual audit of the Bexar Metropolitan
22 Water District for the five years following the effective date of
23 this Act. The scope of the audit shall be determined by the state
24 auditor based on a risk assessment.

25 (b) The district shall reimburse the state auditor for the
26 cost of the audit.

27 SECTION 5. (a) Section 8, Chapter 306, Acts of the 49th

1 Legislature, Regular Session, 1945, as amended by this Act, applies
2 only to a member of the board of directors of the Bexar Metropolitan
3 Water District who is elected to the board on or after the effective
4 date of this Act.

5 (b) Section 8A, Chapter 306, Acts of the 49th Legislature,
6 Regular Session, 1945, as added by this Act, applies only to a
7 member of the board of directors of the Bexar Metropolitan Water
8 District who is elected to the board on or after the effective date
9 of this Act. A director who is elected before the effective date of
10 this Act is governed by the law in effect when the director was
11 elected, and the former law is continued in effect for that purpose.
12 A director elected to a six-year term before the effective date of
13 this Act shall serve out the term to which the director was elected.

14 (c) For a numbered single-member district director's
15 position that expires in 2010 or 2011, the district shall call and
16 hold an election on a uniform election date in that year to elect
17 the director for that position for a term that expires on the
18 uniform election date in November 2013.

19 SECTION 6. (a) The legal notice of the intention to
20 introduce this Act, setting forth the general substance of this
21 Act, has been published as provided by law, and the notice and a
22 copy of this Act have been furnished to all persons, agencies,
23 officials, or entities to which they are required to be furnished
24 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
25 Government Code.

26 (b) The governor, one of the required recipients, has
27 submitted the notice and Act to the Texas Commission on

1 Environmental Quality.

2 (c) The Texas Commission on Environmental Quality has filed
3 its recommendations relating to this Act with the governor, the
4 lieutenant governor, and the speaker of the house of
5 representatives within the required time.

6 (d) All requirements of the constitution and laws of this
7 state and the rules and procedures of the legislature with respect
8 to the notice, introduction, and passage of this Act are fulfilled
9 and accomplished.

10 SECTION 7. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2009.