

By: Zaffirini, et al.
(Isaac)

S.B. No. 1198

Substitute the following for S.B. No. 1198:

By: Perez

C.S.S.B. No. 1198

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the conversion of the Hays Caldwell Public Utility
3 Agency to the Alliance Regional Water Authority; providing
4 authority to issue bonds; granting the power of eminent domain;
5 providing authority to impose fees.

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

7 SECTION 1. (a) The Hays Caldwell Public Utility Agency is
8 converted to a conservation and reclamation district to be known as
9 the Alliance Regional Water Authority located in Bexar, Caldwell,
10 Comal, Guadalupe, and Hays Counties.

11 (b) The Alliance Regional Water Authority is not required to
12 hold an election to confirm the creation of the authority.

13 SECTION 2. Subtitle X, Title 6, Special District Local Laws
14 Code, is amended by adding Chapter 11010 to read as follows:

15 CHAPTER 11010. ALLIANCE REGIONAL WATER AUTHORITY

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 11010.001. DEFINITIONS. In this chapter:

18 (1) "Authority" means the Alliance Regional Water
19 Authority.

20 (2) "Board" means the board of directors of the
21 authority.

22 (3) "Director" means a member of the board.

23 (4) "District" means any district or authority created
24 under Section 52, Article III, or Section 59, Article XVI, Texas

1 Constitution, regardless of the manner of creation.

2 (5) "Local government" means:

3 (A) a municipality, county, district, or other
4 political subdivision of this state;

5 (B) a local government corporation;

6 (C) a nonprofit corporation created to act on
7 behalf of a local government; or

8 (D) a combination of two or more of the entities
9 described by this subdivision.

10 (6) "Private entity" includes an individual,
11 corporation, organization, business trust, estate, trust,
12 partnership, and association and any other legal entity that is not
13 a governmental body or agency.

14 (7) "Sponsor" means:

15 (A) the City of Kyle;

16 (B) the City of San Marcos;

17 (C) the City of Buda;

18 (D) the Canyon Regional Water Authority; and

19 (E) any other local government or private entity
20 added to the authority as a sponsor under Section 11010.005.

21 (8) "Water" includes:

22 (A) groundwater, percolating or otherwise,
23 notwithstanding the quality of the groundwater;

24 (B) any surface water, naturally or artificially
25 impounded or in a navigable or nonnavigable watercourse; and

26 (C) municipal wastewater or industrial
27 wastewater, including municipal wastewater or industrial

1 wastewater that has been treated to a quality suitable for reuse for
2 a beneficial use.

3 Sec. 11010.002. NATURE OF AUTHORITY. The authority is a
4 regional water authority in Bexar, Caldwell, Comal, Guadalupe, and
5 Hays Counties created under and essential to accomplish the
6 purposes of Section 59, Article XVI, Texas Constitution.

7 Sec. 11010.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

8 (a) The authority is created to serve a public use and benefit.

9 (b) All land and other property included in the territory of
10 the authority will benefit from the works and projects to be
11 accomplished by the authority under powers conferred by Section 59,
12 Article XVI, Texas Constitution, and powers granted under this
13 chapter.

14 Sec. 11010.004. AUTHORITY TERRITORY. (a) The authority is
15 composed of the territory:

16 (1) of the sponsors, including territory within the
17 municipal boundaries of a sponsor that is a municipality;

18 (2) located in the service areas of the sponsors as
19 provided by the sponsors' respective certificates of convenience
20 and necessity; and

21 (3) added to and not excluded from the authority in
22 accordance with applicable law.

23 (b) Territory added to the authority may be in a county
24 other than a county listed in Section 11010.002.

25 Sec. 11010.005. METHOD OF ADDING SPONSORS. (a) The
26 governing body of a local government or a private entity, including
27 a water supply corporation, may petition the board to add that local

1 government or private entity as a sponsor.

2 (b) A petition under Subsection (a) must be submitted in the
3 manner and form required by board rule.

4 (c) On receipt of a petition under Subsection (a), the board
5 shall set a hearing on the petition and provide notice of the date,
6 time, place, and purpose of the hearing to:

7 (1) the sponsors of the authority; and

8 (2) the petitioning local government or private
9 entity.

10 (d) At the hearing, the board shall determine whether:

11 (1) the local government or private entity will
12 benefit from being added to the authority as a sponsor; and

13 (2) it is in the best interest of the authority to add
14 the local government or private entity to the authority as a
15 sponsor.

16 (e) If, after a hearing on the petition, the board
17 determines that the local government or private entity should be
18 added to the authority as a sponsor, the board shall issue an order:

19 (1) adding the local government or private entity to
20 the authority;

21 (2) adding the local government's or private entity's
22 territory or service area to the territory of the authority;

23 (3) making the local government's or private entity's
24 territory or service area subject to the privileges, duties,
25 assets, and financial obligations of the authority to the same
26 degree as other sponsors already included in the authority; and

27 (4) stating the proposed effective date of the order.

1 (f) An order issued under Subsection (e) takes effect on the
2 proposed effective date except as otherwise provided by this
3 section. If the subject of the order is a local government, the
4 proposed effective date must allow enough time for the local
5 government to comply with Subsections (g) and (h).

6 (g) A local government that is the subject of an order
7 issued under Subsection (e) shall publish notice of the authority's
8 proposal to add the local government to the authority as a sponsor.

9 The notice must:

10 (1) be published in a newspaper of general circulation
11 in the county in which the local government is located;

12 (2) be published at least once per week for two
13 consecutive weeks and with the first publication appearing on or
14 before the 14th day before the proposed effective date of the order;

15 (3) state the proposed effective date of the order
16 adding the local government to the authority as a sponsor; and

17 (4) include information regarding the right of the
18 local government's voters to petition the governing body of the
19 local government to call an election on the question of authorizing
20 the addition of the local government to the authority as a sponsor
21 and the method of making the petition.

22 (h) If the governing body of the local government, before
23 the proposed effective date of the order, receives a petition
24 calling for an election on the question of authorizing the addition
25 of the local government to the authority as a sponsor that is signed
26 by at least 10 percent of the local government's registered voters,
27 the governing body shall order a special election on the question.

1 Section 41.001(a), Election Code, does not apply to an election
2 ordered under this subsection.

3 (i) On receipt of a qualifying petition under Subsection
4 (h), the effective date of the order issued under Subsection (e) is
5 suspended until after the date of the election and the governing
6 body of the local government shall notify the board of the petition
7 and suspension.

8 (j) If a majority of voters voting in an election held under
9 this section vote in favor of the addition of the local government
10 to the authority as a sponsor, the order issued under Subsection (e)
11 takes effect on the date the result is declared. If a majority of
12 voters voting in the election vote against the addition of the local
13 government to the authority as a sponsor, the order issued under
14 Subsection (e) is ineffective.

15 Sec. 11010.006. METHOD OF REMOVING SPONSORS. (a) The
16 governing body of a local government or private entity that is a
17 sponsor of the authority may petition the board to be removed from
18 the authority as a sponsor.

19 (b) A petition under Subsection (a) must be submitted in the
20 manner and form required by board rule.

21 (c) After receiving a petition under Subsection (a), the
22 board shall decide whether the petitioning sponsor should be
23 removed from the authority as a sponsor and shall by order approve,
24 conditionally approve, or disapprove the petition.

25 (d) The board may not approve a petition submitted to the
26 board under this section if that action would impair or violate or
27 conflict with the terms of any outstanding bonds, notes, or other

1 obligations of the authority.

2 (e) An order issued under Subsection (c) that approves or
3 conditionally approves a sponsor's petition to be removed from the
4 authority as a sponsor must address:

5 (1) all matters related to the removal as determined
6 by the board, including the removal of the territory of the sponsor
7 and territory located in the service area of the sponsor as provided
8 by the sponsor's certificate of convenience and necessity; and

9 (2) if applicable, any conditions imposed by the board
10 that the petitioning sponsor must satisfy before the board approves
11 the petition, which may include:

12 (A) payment by the petitioning sponsor of all
13 bonds, notes, or other obligations issued by the authority on
14 behalf of the sponsor;

15 (B) payment by the petitioning sponsor of the
16 sponsor's pro rata share of any bond, note, or other obligation
17 issued by the authority, other than the bonds, notes, or other
18 obligations described by Paragraph (A), if the payment is allowed
19 under the terms of the bond, note, or other obligation;

20 (C) conditions related to the ownership or
21 transfer of ownership of real property, facilities, equipment,
22 personnel, and supplies; and

23 (D) conditions the authority considers necessary
24 for the winding up of activities in connection with the removal of
25 the petitioning sponsor as a sponsor from the authority.

26 (f) If the board by order conditionally approves a sponsor's
27 petition under Subsection (c), the petitioning sponsor remains a

1 sponsor and shall make all payments owed to the authority when due
2 and shall satisfy all conditions included in the order. The board
3 shall approve the petition immediately after all required payments
4 to the authority are received and all conditions included in the
5 order are satisfied as determined by the board.

6 (g) The removal of a local government or private entity from
7 the authority as a sponsor under this section does not prohibit the
8 local government or private entity from contracting with the
9 authority for the provision of water supply, wastewater treatment,
10 or other services provided by the authority.

11 Sec. 11010.007. REAPPORTIONMENT OF DIRECTORS. After the
12 addition or removal of a sponsor under this subchapter, the board by
13 rule shall reapportion the directors of the authority among the
14 sponsors in accordance with Section 11010.051(c)(2). The board may
15 increase or decrease the number of directors on the board in
16 accordance with Section 11010.051(a).

17 Sec. 11010.008. LIBERAL CONSTRUCTION OF CHAPTER. This
18 chapter shall be liberally construed to effect its purposes.

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 11010.051. DIRECTORS. (a) The authority is governed
21 by a board of directors consisting of at least 7 and not more than 17
22 members.

23 (b) The board is responsible for the management, operation,
24 and control of the authority.

25 (c) The board by rule shall:

26 (1) establish the number of directors of the
27 authority; and

1 (2) apportion the directors for each sponsor based on
2 the amount of water contracted to be supplied to the sponsor under
3 the terms of the authority's water supply contract with the
4 sponsor, subject to Section 11010.053(a).

5 Sec. 11010.052. ELIGIBILITY TO SERVE AS DIRECTOR. (a) To
6 be eligible to serve as a director, a person must be:

7 (1) at least 18 years of age; and

8 (2) a resident of the territory located in the
9 authority or an employee of a sponsor.

10 (b) A director who also serves on the governing body of a
11 sponsor is not a dual officeholder and is not prohibited by the
12 common law doctrine of incompatibility from serving on both the
13 board and the governing body.

14 (c) Service on the board by a public officeholder is an
15 additional duty of that person's office.

16 Sec. 11010.053. APPOINTMENT OF DIRECTORS. (a) Each
17 sponsor is entitled to appoint at least one director.

18 (b) Each director must be appointed by the governing body of
19 a sponsor in accordance with the rules adopted under Section
20 11010.051 that govern the apportionment of directors among the
21 sponsors.

22 (c) Directors must be appointed not earlier than April 1 and
23 not later than April 30 of each year.

24 Sec. 11010.054. TERMS OF OFFICE. (a) Directors serve
25 staggered three-year terms, with one-third or as near as possible
26 to one-third of the members' terms expiring April 30 of each year.

27 (b) A director's term begins on May 1 of the year the

1 director is appointed.

2 (c) A director may not serve more than five consecutive
3 terms as a director.

4 Sec. 11010.055. REMOVAL OF DIRECTOR. A sponsor that
5 appoints a director may remove the director from office at any time,
6 with or without cause.

7 Sec. 11010.056. BOARD VACANCY. If there is a vacancy on the
8 board, the governing body of the sponsor that appointed the
9 director who vacated the office shall appoint a director to serve
10 the remainder of the term.

11 Sec. 11010.057. VOTING AUTHORITY. Each director is
12 entitled to one vote on any issue before the board.

13 Sec. 11010.058. OFFICERS. At the first meeting of the board
14 after May 1 of each year, the board shall elect officers for the
15 authority, including a chair, vice chair, secretary, and treasurer.

16 Sec. 11010.059. MEETINGS AND ACTIONS OF BOARD; QUORUM.
17 (a) The board may meet as many times each year as the board
18 considers appropriate.

19 (b) A majority of the membership of the board constitutes a
20 quorum at a meeting of the board.

21 (c) A concurrence of a majority of the directors present and
22 voting is sufficient for transacting any business of the authority
23 unless other applicable law, or the authority by rule, requires a
24 concurrence of a greater number of directors for a specific type of
25 decision.

26 (d) Directors of the authority are public officials and are
27 entitled to governmental immunity for their actions in their

1 capacity as directors and officers of the authority.

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 11010.101. GENERAL POWERS AND DUTIES. (a) The
4 authority may:

5 (1) acquire, purchase, own, hold, lease, construct,
6 improve, and maintain a reservoir, groundwater well, or other
7 source of water supply, including:

8 (A) groundwater, surface water, and wastewater
9 reused directly or indirectly; and

10 (B) aquifer storage and recovery facilities;

11 (2) acquire, own, construct, operate, repair,
12 improve, maintain, or extend, inside or outside the authority's
13 boundaries, water and wastewater works, improvements, facilities,
14 plants, pipelines, equipment, and appliances for:

15 (A) the treatment and transportation of water and
16 wastewater;

17 (B) the direct or indirect reuse of wastewater;

18 (C) aquifer storage and recovery projects; and

19 (D) the provision of wholesale water and
20 wastewater services to authority customers, municipalities,
21 districts, water supply corporations, and other persons in this
22 state;

23 (3) acquire, purchase, own, hold, lease, and maintain
24 interests, including capacity rights and other contractual rights,
25 in sources of water supply, reservoirs, groundwater wells, water
26 and wastewater systems, treatment works, improvements, facilities,
27 plants, equipment, appliances, aquifer storage and recovery

1 projects, and the direct or indirect reuse of wastewater;

2 (4) finance any purchase or acquisition through a
3 bond, note, or other obligation under Subchapter E, or through a
4 lease-purchase agreement; and

5 (5) sell, lease, convey, or otherwise dispose of any
6 right, interest, or property the authority considers to be
7 unnecessary for the efficient operation or maintenance of the
8 authority's facilities.

9 (b) In addition to the powers specifically provided by this
10 chapter, the authority may exercise the powers provided by Section
11 65.201, Water Code.

12 Sec. 11010.102. AUTHORITY POLICIES, RULES, AND BYLAWS. The
13 authority may adopt and enforce policies, rules, and bylaws
14 reasonably required to implement this chapter, including rules
15 governing procedures before the board and rules regarding
16 implementation, enforcement, and any other matters related to the
17 exercise of the rights, powers, privileges, and functions conferred
18 on the authority by this chapter for the provision of water and
19 wastewater service.

20 Sec. 11010.103. EMINENT DOMAIN. (a) The authority may
21 exercise the power of eminent domain to acquire a fee simple or
22 other interest in property if the interest is necessary for the
23 authority to exercise the rights or authority conferred by this
24 chapter.

25 (b) The authority shall exercise the right of eminent domain
26 in the manner provided by Chapter 21, Property Code. The authority
27 is not required to give bond for appeal or bond for costs in a

1 condemnation suit or other suit to which it is a party.

2 (c) The authority may not use the power of eminent domain
3 for the condemnation of land for the purpose of acquiring rights to
4 groundwater or for the purpose of acquiring water or water rights.

5 Sec. 11010.104. WATER CONSERVATION OR DROUGHT CONTINGENCY
6 PLANS. The authority by rule may develop, prepare, revise, adopt,
7 implement, enforce, and manage water conservation or drought
8 contingency plans for the authority or any portion of the
9 authority.

10 Sec. 11010.105. SPONSOR CONVEYANCES AND ACQUISITIONS.

11 (a) In this section, "utility system" has the meaning assigned by
12 Section 1502.001, Government Code.

13 (b) A sponsor may convey a utility system facility or asset
14 or the sponsor's interest in a utility system facility or asset to
15 the authority without holding an election to approve the
16 conveyance.

17 (c) A sponsor is exempt from the provisions of Chapter 1502,
18 Government Code, regarding the conveyance, sale, or acquisition of
19 a utility system, or any related works, improvements, facilities,
20 plants, equipment, or appliances.

21 Sec. 11010.106. CONTRACTS. (a) The authority may contract
22 with any person to carry out a power authorized by this chapter.

23 (b) A person who enters into a contract with the authority
24 may pledge to the payment of the contract any source of revenue that
25 may be available to the person, including ad valorem taxes, if the
26 person has the authority to impose those taxes.

27 (c) Payments made under a contract with the authority

1 constitute an operating expense of the person served under the
2 contract, unless otherwise prohibited by a previously outstanding
3 obligation of the person. To the extent a person pledges funds to
4 the payment of the contract that are to be derived from the person's
5 own water system, the payments constitute an operating expense of
6 that system.

7 Sec. 11010.107. COOPERATIVE CONTRACTS. The authority may
8 enter into an interlocal contract with a local government under
9 Chapter 791, Government Code, to carry out a power of the authority.

10 Sec. 11010.108. RATES AND FEES. (a) The authority shall
11 establish rates and fees to be assessed against sponsors and
12 customers of the authority. The rates and fees may be established
13 by classes of customers, by project, or by area of service.

14 (b) A sponsor, local government, water supply corporation,
15 private entity, or other person that contracts with the authority
16 shall establish, charge, and collect fees, rates, charges, rentals,
17 and other amounts for any service or facility provided under or in
18 connection with a contract with the authority and shall pledge
19 sufficient amounts to make all payments required under the
20 contract.

21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22 Sec. 11010.151. AD VALOREM TAXES PROHIBITED. The authority
23 may not impose an ad valorem tax.

24 Sec. 11010.152. GIFTS, GRANTS, LOANS, AND OTHER FUNDS. The
25 authority may apply for, accept, receive, and administer gifts,
26 grants, loans, and other funds available from any source.

SUBCHAPTER E. BONDS, NOTES, AND OTHER OBLIGATIONS

Sec. 11010.201. REVENUE BONDS, NOTES, AND OTHER OBLIGATIONS. (a) In addition to bonds, notes, and other obligations that the authority is authorized to issue under other law, to accomplish the purposes of the authority, the authority may issue bonds, notes, or other obligations payable solely from and secured by all or part of any funds or any revenue from any source or sources, including:

(1) fees, rates, and other charges the authority imposes or collects;

(2) the sale of:

(A) water;

(B) water or wastewater services;

(C) water rights or capacity;

(D) water transmission rights, capacity, or services;

(E) water pumping;

(F) wastewater reused directly or indirectly;

(G) aquifer storage and recovery services;

(H) sewer services; or

(I) any other service or product of the authority provided inside or outside the boundaries of the authority;

(3) grants or gifts;

(4) the ownership or operation of all or a designated part of the authority's works, improvements, facilities, plants, or equipment; and

(5) the proceeds of contracts.

1 (b) Bonds, notes, or other obligations issued by the
2 authority may be first or subordinate lien obligations at the
3 board's discretion.

4 (c) In connection with any bonds, notes, or other
5 obligations of the authority, the authority may exercise any power
6 of an issuer under Chapter 1371, Government Code.

7 (d) The authority may conduct a public, private, or
8 negotiated sale of the bonds, notes, or other obligations.

9 (e) The authority may enter into one or more indentures of
10 trust to further secure its bonds, notes, or other obligations.

11 (f) The authority may issue bonds, notes, or other
12 obligations in more than one series as necessary to carry out the
13 purposes of this chapter. In issuing bonds, notes, or other
14 obligations secured by revenue of the authority, the authority may
15 reserve the right to issue additional bonds, notes, or other
16 obligations secured by the authority's revenue that are on parity
17 with or are senior or subordinate to the bonds, notes, or other
18 obligations issued earlier.

19 (g) A resolution of the board or a trust indenture securing
20 the bonds, notes, or other obligations may specify additional
21 provisions that constitute a contract between the authority and the
22 authority's bondholders, noteholders, or other obligation holders.

23 (h) Bonds, notes, or other obligations may be additionally
24 secured by deed of trust or mortgage on any or all of the
25 authority's facilities.

26 (i) The authority provided by this chapter for the
27 authorization and issuance of bonds, notes, and other obligations

1 is in addition to, and not in lieu of, the authority otherwise
2 established under general law and may not be construed as a
3 limitation on, or a modification of, general law providing for
4 authorization and issuance of bonds, notes, and other forms of
5 obligations. Nothing in this chapter may be construed as affecting
6 any existing contract, bond, note, or other obligation of the
7 authority or any indenture, covenant, mortgage, or other agreement
8 relating to them.

9 Sec. 11010.202. ELECTION NOT REQUIRED. The authority is
10 not required to hold an election to approve the issuance of revenue
11 bonds or notes or of other obligations under this subchapter.

12 Sec. 11010.203. USE OF REVENUE AND GROWTH PROJECTIONS. For
13 the purposes of attorney general review and approval and in lieu of
14 any other manner of demonstrating the ability to pay debt service
15 and satisfy any other pecuniary obligations relating to bonds,
16 notes, or other obligations, the authority may demonstrate the
17 authority's ability to satisfy the debt service and those
18 obligations using accumulated funds of the authority and revenue
19 and growth projections prepared by a professional utility rate
20 consultant at the direction of the authority. If the resolution
21 authorizing the issuance of the bonds, notes, or other obligations
22 provides that the authority intends to increase rates to the extent
23 necessary to pay debt service and satisfy any other pecuniary
24 obligations arising under the bonds, notes, or other obligations,
25 the revenue projections prepared by a professional utility rate
26 consultant may include forecast rate increases and accumulated and
27 available fund balances as determined by the authority.

1 Sec. 11010.204. REFUNDING BONDS. The authority may issue
2 refunding bonds, notes, and other obligations to refund any of its
3 bonds, notes, or other obligations in any manner provided by law,
4 including Chapter 1207, Government Code.

5 Sec. 11010.205. BONDS, NOTES, AND OTHER OBLIGATIONS EXEMPT
6 FROM TAXATION. A bond, note, or other obligation issued under this
7 chapter, a transaction related to the bond, note, or other
8 obligation, the interest on the bond, note, or other obligation,
9 and the profit from the sale of the bond, note, or other obligation
10 are exempt from taxation by this state or a political subdivision of
11 this state.

12 SECTION 3. On the effective date of this Act:

13 (1) the Alliance Regional Water Authority shall assume
14 all assets, liabilities, bonds, notes, and other obligations of the
15 Hays Caldwell Public Utility Agency;

16 (2) all contracts and written agreements of the Hays
17 Caldwell Public Utility Agency are assigned to and assumed by the
18 Alliance Regional Water Authority; and

19 (3) the Alliance Regional Water Authority may refund
20 all or a portion of the bonds, notes, or other obligations issued by
21 the Hays Caldwell Public Utility Agency in any manner provided by
22 law, including Chapter 1207, Government Code.

23 SECTION 4. (a) The sponsors of the Alliance Regional Water
24 Authority shall appoint the initial directors under Section
25 11010.053, Special District Local Laws Code, as added by this Act,
26 not earlier than April 1, 2018, and not later than April 30, 2018.
27 Directors of the Hays Caldwell Public Utility Agency serving on the

1 effective date of this Act shall serve as the temporary directors of
2 the Alliance Regional Water Authority until the initial directors
3 take office on May 1, 2018.

4 (b) As soon as practicable after the initial directors have
5 been appointed under Section 11010.053, Special District Local Laws
6 Code, as added by this Act, the initial directors shall draw lots to
7 determine which directors serve a one-year term expiring April 30,
8 2019, which directors serve a two-year term expiring April 30,
9 2020, and which directors serve a three-year term expiring April
10 30, 2021. The lots must be split into thirds or as near to thirds as
11 possible.

12 (c) This section expires January 1, 2022.

13 SECTION 5. (a) The legal notice of the intention to
14 introduce this Act, setting forth the general substance of this
15 Act, has been published as provided by law, and the notice and a
16 copy of this Act have been furnished to all persons, agencies,
17 officials, or entities to which they are required to be furnished
18 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
19 Government Code.

20 (b) The governor, one of the required recipients, has
21 submitted the notice and Act to the Texas Commission on
22 Environmental Quality.

23 (c) The Texas Commission on Environmental Quality has filed
24 its recommendations relating to this Act with the governor, the
25 lieutenant governor, and the speaker of the house of
26 representatives within the required time.

27 (d) All requirements of the constitution and laws of this

1 state and the rules and procedures of the legislature with respect
2 to the notice, introduction, and passage of this Act are fulfilled
3 and accomplished.

4 SECTION 6. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2017.