

Amend CSHB 2876 by adding the following appropriately numbered section to the bill and renumbering the remaining sections of the bill as appropriate:

SECTION 5. Section 13.245(a), Water Code, is amended to read by adding Sections 13.245 and 13.2451 to read as follows:

Sec. 13.245 MUNICIPAL BOUNDARIES OR EXTRATERRITORIAL JURISDICTION OF CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality with a population of 500,000 or more.

SECTION 6. Section 13.246, Water Code, is amended by adding Subsection (i) to read as follows:

(i) A landowner is not entitled to make an election under Subsection (h) but is entitled to contest the inclusion of the landowner's property in the proposed service area at a hearing held by the commission regarding the application if the proposed service area is located within the boundaries or extraterritorial jurisdiction of a municipality with a population of more than 500,000 and the municipality or a utility owned by the municipality is the applicant.

SECTION 8. Section 13.247, Water Code, is amended by adding Subsection (d) to read as follows:

(d) In addition to any other rights provided by law, a municipality with a population of more than 500,000 may exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, to acquire a substandard water or sewer system if all the facilities of the system are located entirely within the municipality's boundaries. The municipality shall pay just and adequate compensation for the property. In this subsection, "substandard water or sewer system" means a system that is not in compliance with the municipality's standards for water and wastewater service.

SECTION 9. Section 13.254, Water Code, is amended by adding Subsections (a-2) to read as follows:

(a-2) A landowner is not entitled to make the election described in Subsection (a-1) but is entitled to contest the involuntary certification of its property in a hearing held by the commission if the landowner's property is located:

(1) within the boundaries of any municipality or the

extraterritorial jurisdiction of a municipality with a population of more than 500,000 and the municipality or retail public utility owned by the municipality is the holder of the certificate; or

(2) in a platted subdivision actually receiving water or sewer service.