Amend CSHB 2876 by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION ___. Subchapter G, Chapter 13, Water Code, is amended by adding Section 13.258 to read as follows:

- Sec. 13.258. EMINENT DOMAIN. (a) A water and sewer utility that is operating pursuant to a valid certificate of convenience and necessity may acquire by condemnation any easements or lesser property interests reasonably necessary to comply with federal and state regulations.
- (b) The right of eminent domain shall be exercised in the manner provided by Chapter 21, Property Code.
- (c) The power of eminent domain may not be used for the condemnation of land for the purpose of acquiring rights to underground water or of water or water rights.
- (d) For purposes of this section, in a municipality of 1.7 million or more and its extraterritorial jurisdiction, the power of eminent domain may not be used for the condemnation of land in which the municipality owns a fee, easement or lesser property interest.