Amend HB 1160 (house committee report) as follows:

(1) On page 2, line 1, between "<u>transfer</u>" and "<u>a</u> <u>certificate</u>", insert "<u>at such time and under such circumstances as</u> specified by a trial court".

(2) On page 2, lines 5-7, strike "<u>is willing to provide</u> continuous and adequate water and sewer service to the area; and

(2)".

(3) On page 2, line 10, between "<u>limits</u>" and the period, insert the following:

"<u>;</u> and

(2) will possess the financial, managerial, and technical capability to provide continuous and adequate water and sewer service to the area to the satisfaction of or in accordance with the orders of a trial court at the time of transfer"

(4) On page 2, lines 11-17, strike "<u>is effective on the date</u> the court in which the condemnation proceeding is pending issues an <u>order that:</u>

(1) transfers the property of the public utility to the municipality; and

(2) requires the municipality to ensure continuous and adequate water and sewer service to the citizens of the municipality." and substitute the following:

"of the certificate shall not be effective unless:

(1) a judgment that transfers the real property of the public utility to the municipality becomes final and is not subject to further appeal; and

(2) the municipality has paid to the public utility the fair market value compensation due, as set by agreement or as ordered by a court judgment, for that taking of real property.

(d) This section does not expand, restrict, or otherwise alter the law with regard to a municipality's right to exercise the power of eminent domain under Chapter 21, Property Code."

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