

Amend CSHB 7 by adding the following section and renumbering the subsequent sections appropriately:

SECTION _____. Sections 261.051 and 261.052, Health and Safety Code, as amended by H.B. No. 4, Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

Sec. 261.051. DEFINITION. In this subchapter, "municipal hospital management contractor" means a nonprofit corporation, partnership, or sole proprietorship that manages or operates a hospital or provides services under a contract with a municipality or municipal hospital authority.

Sec. 261.052. LIABILITY OF A MUNICIPAL HOSPITAL MANAGEMENT CONTRACTOR. A municipal hospital management contractor in its management or operation of a hospital under a contract with a municipality or a municipal hospital authority is considered a governmental unit for purposes of Chapter 101, 102, and 108, Civil Practice and Remedies Code, and any employee of the contractor is, while performing services under the contract for the benefit of the hospital, an employee of the municipality for the purposes of Chapters 101, 102, and 108, Civil Practice and Remedies Code.