

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATURE 3rd CALLED SESSION -2003**

**September 24, 2003**

**TO:** Honorable Chris Harris, Chair, Senate Committee on Administration

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** SB19 by Harris (Relating to liability in civil actions against municipal hospital authority contractors.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would expand the definition of a "municipal hospital management contractor" to include a nonprofit corporation, partnership, or sole proprietorship that manages or operates a hospital or provides services under contract with a municipal hospital authority. In its role under contract, the contractor's employees would be considered a governmental unit for liability purposes under Chapters 101, 102, and 108 of the Civil Practice and Remedies Code.

The bill would take effect immediately if it receives the requisite two-thirds vote of all members of each house; otherwise, it would take effect on the 91st day after the last day of the legislative session.

Under current statute, a municipal hospital management contractor is defined as a nonprofit corporation, partnership, or sole proprietorship that manages or operates a hospital or provides services under a contract with a municipality. The bill would broaden the applicability of who is covered under Chapters 101, 102, and 108 of the Civil Practice and Remedies Code.

**Local Government Impact**

The fiscal impact would vary by hospital authority that contracts with a management contractor. It is anticipated that the cost of premium coverage would be adjusted to reflect the additional damage awards caps and to reflect the additional persons to be covered.

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General

**LBB Staff:** JK, SD, GO, DLBa