

Amend CSHB 2120 (Senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS accordingly:

SECTION \_\_. Section 172.003(1), Local Government Code, is amended to read as follows:

(1) "Affiliated service contractor" means an organization qualified for exemption under Section 501(c), Internal Revenue Code (26 U.S.C. Section 501(c)), as amended, that provides governmental or quasi-governmental services on behalf of a political subdivision and derives more than 25 [~~50~~] percent of its gross revenues from grants or funding from the political subdivision.