

By: Williams

S.B. No. 787

A BILL TO BE ENTITLED

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AN ACT

relating to the eligibility of certain organizations to join a risk pool established by a political subdivision for the purpose of providing uniform group benefits.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subdivision (1), Section 172.003, 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.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.