

1-1 By: Williams S.B. No. 787
1-2 (In the Senate - Filed February 28, 2005; March 10, 2005,
1-3 read first time and referred to Committee on State Affairs;
1-4 April 5, 2005, reported favorably by the following vote: Yeas 7,
1-5 Nays 0; April 5, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the eligibility of certain organizations to join a risk
1-9 pool established by a political subdivision for the purpose of
1-10 providing uniform group benefits.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subdivision (1), Section 172.003, Local
1-13 Government Code, is amended to read as follows:

1-14 (1) "Affiliated service contractor" means an
1-15 organization qualified for exemption under Section 501(c),
1-16 Internal Revenue Code (26 U.S.C. Section 501(c)), as amended, that
1-17 provides governmental or quasi-governmental services on behalf of a
1-18 political subdivision and derives more than 25 [~~50~~] percent of its
1-19 gross revenues from grants or funding from the political
1-20 subdivision.

1-21 SECTION 2. This Act takes effect immediately if it receives
1-22 a vote of two-thirds of all the members elected to each house, as
1-23 provided by Section 39, Article III, Texas Constitution. If this
1-24 Act does not receive the vote necessary for immediate effect, this
1-25 Act takes effect September 1, 2005.

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