

By: Schatzline, Noble, Spiller, Klick,
Bonnen, et al.

H.B. No. 4138

Substitute the following for H.B. No. 4138:

By: Klick

C.S.H.B. No. 4138

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Adoption Assistance
Program.

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

SECTION 1. Chapter 162, Family Code, is amended by adding
Subchapter I to read as follows:

SUBCHAPTER I. TEXAS ADOPTION ASSISTANCE PROGRAM

Sec. 162.751. DEFINITIONS. In this subchapter:

(1) "Adoption assistance grant" means a Texas Adoption
Assistance Program grant awarded under Section 162.759.

(2) "Certified organization" means an organization
certified under Section 162.753.

(3) "Commission" means the Health and Human Services
Commission.

(4) "Eligible parent" means a parent who meets the
requirements of Section 162.757.

(5) "Program money" means money required to be
distributed as provided by Section 162.755(a)(5)(A).

Sec. 162.752. PROGRAM ESTABLISHMENT AND ADMINISTRATION;
PURPOSE. The commission shall establish and administer the Texas
Adoption Assistance Program for the purpose of encouraging the
adoption of Texas children by providing adoptive parents with
private sector and public assistance with adoption-related
expenses.

1 Sec. 162.753. CERTIFICATION OF ORGANIZATIONS;
2 PARTICIPATION IN PROGRAM. (a) The commission shall select and
3 certify organizations that meet the eligibility requirements of
4 Section 162.754 to participate in the Texas Adoption Assistance
5 Program.

6 (b) A certified organization may solicit and accept
7 donations and award adoption assistance grants in this state under
8 the conditions and limitations provided by this subchapter.

9 (c) The commission shall solicit applications and select
10 and approve new certified organizations on an ongoing basis to meet
11 the needs in this state.

12 Sec. 162.754. ELIGIBILITY REQUIREMENTS FOR ORGANIZATIONS
13 APPLYING FOR CERTIFICATION. (a) An organization may apply to the
14 commission for certification under Section 162.753.

15 (b) An organization is eligible for certification by the
16 commission only if:

17 (1) according to the organization's charter, the
18 organization has the ability to award grants to eligible parents;

19 (2) the organization uses its annual revenue for the
20 purpose provided by Subdivision (1), except for a portion of the
21 revenue that may be used for reasonable operating expenses;

22 (3) the organization is exempt from federal tax under
23 Section 501(a), Internal Revenue Code of 1986, by being listed as an
24 exempt organization in Section 501(c)(3) of that code and meeting
25 all other applicable requirements for that exemption;

26 (4) the organization's mission includes providing
27 services or other assistance to families, women, or children; and

1 (5) the organization agrees to, if certified:

2 (A) in partnership with the state, assist
3 eligible parents with the payment of adoption-related expenses; and

4 (B) be independently audited on an annual basis
5 and file the audit report with the commission.

6 Sec. 162.755. REQUIREMENTS FOR CERTIFIED ORGANIZATION. (a)

7 A certified organization shall:

8 (1) comply at all times with the eligibility
9 requirements under Section 162.754(b);

10 (2) submit to an annual independent audit under
11 guidelines provided by the commission and file the audit report
12 with the commission;

13 (3) distribute all program money in the manner
14 provided by Section 162.759;

15 (4) give each donor a receipt for money donated to the
16 certified organization that includes the name of the certified
17 organization, the name of the donor, the amount of the donation, and
18 any other information required by the commission; and

19 (5) of the amount of money received from donations
20 made by donors for the purpose of providing adoption assistance
21 grants:

22 (A) distribute not less than 97 percent in the
23 form of adoption assistance grants; and

24 (B) use not more than three percent to pay
25 expenses of operating the organization.

26 (b) A certified organization may not provide adoption
27 assistance grants in a manner that does not comply with Section

1 162.759.

2 Sec. 162.756. REVOCATION OF CERTIFICATION. The commission
3 shall revoke a certification under Section 162.753 if the
4 commission finds that a certified organization:

5 (1) is not in compliance with the requirements of
6 Section 162.755; or

7 (2) otherwise intentionally and substantially
8 violates this subchapter.

9 Sec. 162.757. ELIGIBILITY OF PARENTS. A person is eligible
10 for an adoption assistance grant if the person:

11 (1) resides in this state on the date the adoption
12 assistance grant is awarded;

13 (2) is an adoptive parent under an adoption order
14 granted under Section 162.016 of a child who is younger than 18
15 years old on September 1 of the state fiscal year in which the
16 adoption assistance grant is awarded; and

17 (3) has an annual gross household income that is not
18 more than \$400,000.

19 Sec. 162.758. MAXIMUM AMOUNT OF GRANT. (a) The maximum
20 amount of an adoption assistance grant is:

21 (1) for an eligible parent or parents with an annual
22 gross household income of not more than \$320,000, an amount equal to
23 half of the amount of any adoption-related expenses incurred by the
24 parent or parents;

25 (2) for an eligible parent or parents with an annual
26 gross household income of more than \$320,000 and not more than
27 \$340,000, an amount equal to 40 percent of the amount of any

1 adoption-related expenses incurred by the parent or parents;

2 (3) for an eligible parent or parents with an annual
3 gross household income of more than \$340,000 and not more than
4 \$360,000, an amount equal to 30 percent of the amount of any
5 adoption-related expenses incurred by the parent or parents;

6 (4) for an eligible parent or parents with an annual
7 gross household income of more than \$360,000 and not more than
8 \$380,000, an amount equal to 20 percent of the amount of any
9 adoption-related expenses incurred by the parent or parents; and

10 (5) for an eligible parent or parents with an annual
11 gross household income of more than \$380,000 and not more than
12 \$400,000, an amount equal to 10 percent of the amount of any
13 adoption-related expenses incurred by the parent or parents.

14 (b) For purposes of this section, adoption-related expenses
15 are expenses incurred by the parent or parents for:

- 16 (1) legal fees for adoption paperwork;
17 (2) hiring legal representation;
18 (3) a home study under Section [264.207](#);
19 (4) adoption advertisements;
20 (5) adoption-related counseling;
21 (6) medical expenses of the birth mother;
22 (7) case management; or
23 (8) communication support, in the case of an open
24 adoption.

25 Sec. 162.759. APPLICATION; AWARD OF GRANTS. Each state
26 fiscal year, a certified organization shall award a number of
27 one-time adoption assistance grants, as determined by the

1 organization based on available funds, to eligible parents who
2 apply to the commission in the manner prescribed by commission
3 rule.

4 Sec. 162.760. STATE MATCHING FUNDS. A certified
5 organization that provides money for an adoption assistance grant
6 under this subchapter is entitled to state matching funds to be used
7 by the certified entity as additional money for the grant award. If
8 the commission determines that the amount appropriated to the
9 commission for a state fiscal year is not sufficient to match all
10 grants awarded under this subchapter, the commission shall continue
11 to perform the commission's other duties under this subchapter
12 without matching grants awarded by a certified organization.

13 Sec. 162.761. RULES; PROCEDURES. The commission shall
14 adopt rules and procedures to implement, administer, and enforce
15 this subchapter.

16 SECTION 2. This Act takes effect September 1, 2023.