

BILL ANALYSIS

C.S.S.B. 758
By: Nelson
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Recent child deaths in the state's foster care system revealed weaknesses in oversight of the Department of Family and Protective Services (department). This bill is a follow-up from S.B. 6, 79th Legislature, Regular Session, 2005, to continue needed reforms in protective services and to improve quality and accountability in foster care.

C.S.S.B. 758 clarifies certain provisions and makes adjustments to the privatization plan for foster care in Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2, SECTION 10, SECTION 16, and SECTION 28 of this bill.

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Family and Protective Services in SECTION 29 of this bill.

ANALYSIS

The bill adds a relative of a child related within the third degree by consanguinity to the list of people authorized to file an original suit requesting managing conservatorship.

The bill requires the executive commissioner of the Health and Human Services Commission (executive commissioner) to provide, by rule, that the maximum amount of the subsidy that may be paid to an adoptive parent of a child under an adoption assistance agreement is an amount that is equal to the amount that would have been paid to the foster parent of the child, based on the child's foster care service level on the date the Department of Family and Protective Services (department) and the adoptive parent enter into the adoption assistance agreement. The bill establishes that this subsection applies only to a child who, based on factors specified in rules of the department, the department determines would otherwise have been expected to remain in foster care until the child's 18th birthday and for whom this state would have made foster care payments for that care and sets forth factors that the department is authorized to consider in determining whether a child is eligible for the amount of the subsidy.

The bill requires the department, in determining the amount that would have been paid to a foster parent, to use the minimum amount required to be paid to a foster parent for a child assigned the same service level as the child who is the subject of the adoption assistance agreement; and prohibits the department from including any amount that a child-placing agency is entitled to retain under the foster care rate structure in effect on the date the department and the adoptive parent enter into the agreement.

The bill establishes that these provisions apply only to an adoption assistance agreement that is entered into on or after the effective date of this Act, and that an adoption assistance agreement that was entered into before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

The bill authorizes additional ability for an associate judge to issue a summons for the appearance of a parent who has failed to appear before an agency authorized to conduct an investigation of an allegation of abuse or neglect of a child after receiving proper notice.

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The bill requires that if a child is transferred from a reporting medical facility to another medical facility to treat the injury or condition that formed the basis for the original report, the transferee medical facility is required, at the department's request, to release to the department records relating to the injury or condition without requiring parental consent or a court order.

The bill requires a person, including a utility company, that has confidential locating or identifying information regarding a family that is the subject of an investigation under this chapter to release that information to the department on request. The bill further provides that the release of information to the department as required by this subsection by a person, including a utility company, is not subject to Section 552.352, Government Code, or any other law providing liability for the release of confidential information.

The bill establishes that a person's failure to report to an agency authorized to investigate abuse or neglect of a child within a reasonable time after receiving proper notice constitutes a refusal by the person to cooperate with the department's investigation, and authorizes a summons to be issued to locate the person.

The bill requires the department to consult with relevant professionals to determine the skills or knowledge that the parents of a child under two years of age should learn or acquire to provide a safe placement for the child. The bill further requires the department to incorporate those skills and abilities into the department's service plans, as appropriate.

The bill authorizes, to the extent that funding is available, the service plan for a child under two years of age to require therapeutic visits between the child and the child's parents supervised by a licensed psychologist or another relevant professional to promote family reunification and to educate the parents about issues relating to the removal of the child.

The bill requires the department to spend money appropriated for the child protective services program to pay reasonable and necessary burial expenses for a person for whom the department is paying for foster care and who dies while in foster care unless there is money in the person's estate or other money available to pay the person's burial expenses. The bill authorizes the department to accept donations, gifts, or in-kind contributions to cover the costs of any burial expenses paid by the department under this section.

The bill requires the department, not later than the 30th day after the date that child is discharged from foster care, to provide to a child that at the time of discharge is at least 18 years of age or has had the disabilities of minority removed, a copy of:

- (1) the child's birth certificate;
- (2) the child's immunization records; and
- (3) the information contained in the child's health passport.

The bill amends the heading to Section 264.106, Family Code, to read as follows:

Sec. 264.106. **CONTRACTS FOR SUBSTITUTE CARE AND CASE MANAGEMENT SERVICES.**

The bill redefines "case management services," "permanency services," "substitute care provider," and "substitute care services." The bill defines "conservatorship services." The bill deletes the existing definition for "independent administrator."

The bill requires the department, in accordance with Chapter 45, Human Resources Code, to assess the need for substitute care services, rather than substitute care and case management services, to contract with substitute care providers for the provision of all necessary substitute care services when the department determines that entering into a contract will improve services to children and families, rather than using an independent administrator to contract for those services, and to monitor the quality of services for which the department contracts, rather than the department and each independent administrator contract. Deletes existing Subdivision (3) regarding contracting with an independent administrator to coordinate and manage certain services, if cost beneficial.

The bill requires the department to develop a pilot program for the competitive procurement of case management services in one or more geographic areas of the state. The bill further requires the department to contract with one or more substitute care providers to provide case management services under the pilot program. The bill requires the department to have a goal of privatizing case management services in at least 10 percent of the cases in which the department has been appointed temporary or permanent managing conservator of a child. The bill deletes existing text prohibiting an independent administrator from directly providing substitute care services or being governed by a board with certain members.

The bill adds language requiring that, in addition to the requirements of Section 40.058(b), Human Resources Code, a contract authorized under this section include provisions that ensure that a private agency that is providing substitute care or case management services for a child is required to provide to the child's attorney ad litem and guardian ad litem access to the agency's information and records relating to the child.

The bill requires the Department of Family and Protective Services to enter into one or more contracts for case management services under the pilot program, on or before September 1, 2008, with a goal of contracting for case management services in at least 10 percent of the cases in the state in which the department has been appointed temporary or permanent managing conservator of a child. The bill further requires the department to, notwithstanding this deadline, continue to provide case management services in any area covered by the pilot program if the department is unable to enter into a contract with a person to provide case management services; or after entering into a contract, either the contractor or the department terminates the contract.

The bill requires the executive commissioner of the Health and Human Services Commission to adopt rules describing the circumstances in which the Department of Family and Protective Services may continue to provide case management services on an emergency basis during the pilot program.

The bill requires the department, in consultation with substitute care providers under contract with the department to provide substitute care or case management services, to establish a quality assurance program that uses comprehensive, multitiered assurance and improvement systems to evaluate performance.

The bill requires the contract performance outcomes specified in a contract to be within the contractor's authority to deliver. The bill provides that the contract must clearly define the manner in which the substitute care or case management provider's performance will be measured and identify the information sources the department will use to evaluate the performance.

The bill requires the department to institute the use of real-time technology in the department's placement system to screen possible placement options for a child and match the child's needs with the most qualified providers with vacancies. The bill deletes existing text regarding the duties of an independent administrator or other authorized entity.

The bill requires the department to, in making placement decisions, consult with the child's caseworker and the child's attorney ad litem, guardian ad litem, or court-appointed volunteer advocate when possible. The bill deletes existing text regarding the duties of an independent administrator or other authorized entity.

The bill authorizes an employee of the department who has on file a background and criminal history check to provide temporary emergency care for the child if the department is unable to find an appropriate placement for a child. The bill prohibits an employee from providing emergency care in the employee's residence. The bill requires the department to provide notice to the court for a child placed in temporary care under this subsection not later than the next business day after the date the child is placed in temporary care.

The bill requires that in making a placement decision for a child under two years of age, the department is to ensure that the child is placed with a person who will provide a safe and emotionally stable environment for the child and give priority to a person who will be able to

provide care for the child without disruption until the child is returned to the child's parents or the department makes a permanent placement for the child.

The bill requires the department to work with OneStar Foundation to expand the program to increase the number of foster families available for the department and its private providers. The bill authorizes OneStar Foundation, in cooperation with the department, to provide training and technical assistance to establish networks and services in faith-based organizations based on best practices for supporting prospective and current foster families.

The bill requires the department to work with the Department of Assistive and Rehabilitative Services to recruit foster parents and adoptive parents who have skills, training, or experience suitable to care for children with hearing impairments.

The bill requires that at the time a child enters the Preparation for Adult Living Program, the department is to provide an information booklet to the child and the foster parent describing the program and the benefits available to the child.

The bill requires the department, to the extent that funding is available, to develop a program to strengthen families through enhanced in-home support. The bill requires the program to assist certain low-income families and children in child neglect cases in which poverty is believed to be a significant underlying cause of the neglect and in which the enhancement of in-home support appears likely to prevent removal of the child from the home or to speed reunification of the child with the family.

The bill provides that a family that meets eligibility criteria for inclusion in the program is eligible to receive limited funding from a flexible fund account to cover nonrecurring expenses that are designed to help the family accomplish the objectives included in the family's service plan.

The bill requires the executive commissioner to adopt rules establishing specific eligibility criteria for the program; the maximum amount of money that may be made available to a family through the flexible fund account; and the purposes for which money made available under the program may be spent.

The bill requires the department to evaluate the results of the program to determine whether the program is successful in safely keeping families together. The bill requires that if the department determines that the program is successful, the department is to continue the program to the extent that funding is available.

The bill authorizes the court, on request of the department, to order the parent, managing conservator, guardian, or other member of the subject child's household to participate in the services the department provides or purchases for alleviating the effects of the abuse or neglect that has occurred; or reducing the reasonable likelihood that the child may be abused or neglected in the immediate or foreseeable future.

The bill establishes the committee on pediatric centers of excellence relating to abuse and neglect (committee) and sets forth its composition.

The bill requires the executive commissioner to designate a member representing the Department of State Health Services as the presiding officer of the committee.

The bill requires that if there is a medical director for the department, the executive commissioner is to appoint the medical director to be the department's representative on the committee.

The bill requires the committee to develop guidelines for designating regional pediatric centers of excellence that provide medical expertise to children who are suspected victims of abuse and neglect and assist the department in evaluating and interpreting the medical findings for children who are suspected victims of abuse and neglect; develop recommended procedures and protocols for physicians, nurses, hospitals, and other health care providers to follow in evaluating

suspected cases of child abuse and neglect; and recommend methods to finance the centers of excellence and services.

The bill requires the committee to report its findings and recommendations to the department and the legislature not later than December 1, 2008 and establishes that this section expires January 1, 2010.

The bill strikes language requiring the state auditor to report annually to the governor, lieutenant governor, speaker of the house and the comptroller on the auditor's recommendations and the commission's and department's implementation of each recommendation.

The bill requires the Department of State Health Services to implement an efficient and effective method to verify birth information or provide a certified copy of a birth record necessary to provide services for the benefit of a minor being served by the Department of Family and Protective Services.

The bill requires the Department of State Health Services to enter into a memorandum of understanding with the Department of Family and Protective Services to implement this section. The bill establishes what the terms of the memorandum of understanding must include.

The bill requires the department to study the effect that providing reimbursement for certain educational expenses would have on recruiting and retaining qualified child protective services caseworkers. The bill provides that the study include a comparative analysis of the cost of training new caseworkers and the benefits of having an experienced caseworker staff with the cost of providing reimbursement for educational expenses.

The bill requires the department to, in determining the cost of reimbursing caseworkers for educational expenses, consider reimbursing caseworkers for tuition, academic fees, and other academic expenses the caseworker paid to an institution of higher education or a private or independent institution of higher education, while the caseworker was enrolled in a bachelor's degree or advanced degree program in an academic program that the department determines provides necessary training for child protective services caseworkers.

The bill requires the department to, not later than December 1, 2008, report its findings and recommendations to the governor, lieutenant governor, and speaker of the house of representatives.

The bill amends Section 40.0528, Human Resources Code, by adding Subsection (c), to provide that this section (Comprehensive Staffing and Workload Distribution Plan for Child Protective Services) does not prevent the department from contracting for special investigator services as needed.

The bill requires the department to add children who are exposed to heroin, cocaine or any of its forms to those that are included in the drug-endangered child initiative.

The bill requires the department to ensure the independence of a division designated within the department to carry out responsibilities as delegated or assigned (division) from the child protective services division. The bill requires the commissioner to ensure the director of the division's independence from the child protective services division and prohibits the termination of the director without the approval of the executive commissioner.

The bill requires the division to employ at least one specially trained investigation safety specialist, and sets forth what that specialist's duties must include.

The bill requires the division to employ at least one risk analyst, and sets forth what that risk analyst's duties must include.

The bill provides that the division must include a performance management unit and sets forth what the duties of that unit must include.

The bill establishes that the Department of Family and Protective Services is required to implement the change in law made by the enactment of this Act only to the extent that funding is available.

The bill establishes the committee on licensing standards and sets forth its composition.

The bill establishes that members of the committee serve two-year terms, with the terms of three or four members, as appropriate, expiring February 1 of each year.

The bill requires the governor to designate a member of the committee to serve as the presiding officer.

The bill requires the committee to meet twice a year at the call of the presiding officer.

The bill requires the committee to review and analyze the information provided by the department and committee members and make recommendations for policy and statutory changes relating to licensing standards and facility inspections and sets forth what the review and analysis by the committee is required to include.

The bill requires the committee to report its findings and recommendations to the department and the legislature not later than December 1 of each year.

The bill authorizes a residential child-care facility that provides emergency services to temporarily exceed the facility's capacity for not more than 48 hours to provide temporary care for a child in an emergency. The bill requires the facility to notify the department within 24 hours of the placement that the facility temporarily exceeded the facility's capacity.

The bill provides that at least one of the unannounced, annual inspections of a residential child-care facility be conducted by a team of at least two residential child-care monitoring staff, and, if feasible, members of the inspection team be from different residential child-care monitoring units.

The bill requires the department to, in addition to the department's responsibility to investigate an agency foster home or agency foster group home, investigate any report of a serious incident in an agency foster home or agency foster group home that pertains to a child under the age of six; investigate any alleged violation of a minimum standard by an agency foster home or agency foster group home that poses a high degree of risk to a child in the care of the home who is under the age of six; and conduct at least one annual enforcement team conference for each child-placing agency to thoroughly review the investigations or inspections of the child-placing agency and all of its agency homes.

The bill requires the executive commissioner of the Health and Human Services Commission to adopt rules specifying the types of alleged minimum standards violations that are considered to pose a high degree of risk to a child in the care of an agency foster home or agency foster group home under the age of six and must be investigated by the Department of Family and Protective Services.

The bill requires the Department of Family and Protective Services to implement the change in law made by this Act only to the extent that funding is available. The bill establishes that if funding is not available, the executive commissioner of the Health and Human Services Commission is not required to adopt rules as directed.

The bill requires the department, by rule, to develop a process by which a child-placing agency is required to report to the department the name of any verified foster home or foster group home that has been closed for any reason, including a voluntary closure; information regarding the reasons for the closure of the foster home or foster group home; and the name and other contact information of a person who may be contacted by another child-placing agency to obtain the records relating to the closed foster home or foster group home that are required to be maintained and made available.

The bill requires that information gathered be made available to child-placing agencies through a searchable database maintained by the department.

The bill authorizes an agency foster home that is verified by a child-placing agency to transfer to another child-placing agency only if, before the date of the transfer, the agency foster home notifies the child-placing agency to which the agency foster home is transferring of each licensing violation for which the agency foster home has been cited by the department during the preceding three years.

The bill requires a child-placing agency to which the agency foster home is transferring to submit a written request for transfer to the child-placing agency that verified the agency foster home.

The bill requires the child-placing agency to, not later than the 10th day after the date the child-placing agency receives a request for transfer, provide the child-placing agency that submitted the request a copy of a corrective action plan; an annual development plan; or a description of any imposed or potential service limitation.

The bill authorizes the department caseworker for each child placed in the agency foster home to conduct a review meeting to determine whether the transfer of the agency foster home is in the best interest of each child in the home on the request of the child-placing agency to which the agency foster home is transferring; the child-placing agency that verified the agency foster home; the agency foster home; or the caseworker.

The bill requires the caseworker to, after a review meeting, determine whether each child placed in the agency foster home is required to stay in the agency foster home after the agency foster home is transferred to the new child-placing agency; or be removed from the agency foster home before the agency foster home is transferred to the new child-placing agency.

The bill amends the heading to Chapter 45, Human Resources Code, is to read as follows:
CHAPTER 45. CONTRACTS FOR SUBSTITUTE CARE AND CASE MANAGEMENT SERVICES

The bill redefines "case management services," substitute provider care," and "substitute care services" in the Human Resources Code.

The bill amends the heading to Section 45.002, Human Resources Code, to read as follows:
Sec. 45.002. CONTRACTS FOR CASE MANAGEMENT SERVICES; DEPARTMENT DUTIES.

The bill requires the department to, not later than September 1, 2008, contract with one or more providers of case management services in one or more geographic areas of the state with a goal of contracting for those services in at least 10 percent of the cases in this state.

The bill requires the department to monitor the quality of services for which the department contracts under this chapter and ensure that all substitute care and case management service providers, to the extent possible, honor the cultural and religious affiliations of a child placed in the service provider's care, regardless of the religious affiliation of the service provider.

The bill strikes language regarding independent administrators' duties and sets forth department data system duties.

The bill amends the heading to Section 45.054, Human Resources Code, to read as follows:
Sec. 45.054. EVALUATION OF CASE MANAGEMENT SERVICES.

The bill requires the department to, not later than the second anniversary of the date the department enters into the first contract for case management services under a pilot program, contract with a qualified, independent third party to evaluate the pilot program and sets forth what each evaluation must assess.

The bill requires the independent third party with whom the department contracts to submit its reports and recommendations to the House Human Services Committee, or its successor, and the Senate Health and Human Services Committee, or its successor, not later than September 1, 2010.

The bill sets forth goals for contracting for substitute care and case management services and establishes what the department's goals are required to be.

The bill requires the Department of Family and Protective Services to develop a child protective services improvement plan that is designed to build on the child protective services reform elements added by Chapter 268, Acts of the 79th Legislature, Regular Session, 2005. The bill requires the department to, in developing the plan, seek to expand on or modify initiatives that have resulted in demonstrable improvements and that serve the primary goals of:

- (1) keeping families together while ensuring child safety in the home;
- (2) reducing the length of time children remain in state care; and
- (3) improving the quality and accountability of foster care.

The bill sets forth what the improvement plan must include.

The bill sets forth what the recommendations for expanding and improving provider capabilities must include.

The bill requires the department, beginning September 1, 2007, at the end of each fiscal year, to prepare a progress report that details the department's activities in implementing the recommendations. The bill provides that the progress report include regional data regarding the number of children in state conservatorship who are placed in their home region separated into classifications based on levels of care.

The bill requires the Department of Family and Protective Services to submit the periodic progress reports to the governor; the lieutenant governor; the speaker of the house of representatives; appropriate oversight committees of the legislature; the Legislative Budget Board; and the state auditor.

The bill requires the Department of Family and Protective Services to implement the improvement plan only to the extent that funds are available. The bill requires the department to, if funds are available to support some, but not all, elements of the plan, implement only those parts of the plan for which funding is available. The bill requires the department to, to the extent feasible, contract for services needed to implement elements of the improvement plan.

The bill requires the Department of Family and Protective Services to, not later than December 31, 2007, prepare and submit a detailed plan for the implementation of each element of the child protective services improvement plan for which funding has been obtained; and the continued implementation of all child protective services reform activities required by Chapter 268, Acts of the 79th Legislature, Regular Session, 2005, as modified by this Act.

The bill requires the Department of Family and Protective Services, at the end of each fiscal year beginning August 31, 2008, to prepare and submit a progress report that details the department's activities in implementing the plan. The bill provides that the progress report include the department's calculation of cost savings from reduced stays in foster care and any other cost savings that can be attributed to the implementation of the improvement plan and continued child protective services reforms.

The bill requires the Department of Family and Protective Services to submit the implementation plan and periodic progress reports to the governor; the lieutenant governor; the speaker of the house of representatives; appropriate oversight committees of the legislature; the Legislative Budget Board; and the state auditor.

The bill provides that this section expires September 1, 2010.

The bill requires the Department of Family and Protective Services to actively pursue a waiver or other authorization from an appropriate federal agency to use any available federal funds to

provide monthly monetary assistance under a caregiver assistance agreement in accordance with Section 264.755, Family Code.

The bill repeals:

- (1) Sections 264.106(d), (f), (i), (j), and (k), Family Code;
- (2) Section 264.1062, Family Code;
- (3) Section 42.022, Human Resources Code;
- (4) Sections 45.001(5), (6), (8), (9), (10), and (11), Human Resources Code;
- (5) Sections 45.002(b), (d), and (e), Human Resources Code;
- (6) Sections 45.052 and 45.053, Human Resources Code;
- (7) Sections 45.054(a), (b), (e), (f), (g), and (h), Human Resources Code; and
- (8) Section 45.102, Human Resources Code.

The bill provides that the change in law made by this Act to Section 102.004, Family Code, applies only to an original suit affecting the parent-child relationship filed on or after the effective date of this Act. The bill provides that an original suit affecting the parent-child relationship filed before the effective date of this Act is governed by the law in effect on the date that the suit was filed, and the former law is continued in effect for that purpose.

The bill makes additional conforming changes and renumerates accordingly.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute adds new language amending Section 201.007(a), Family Code, to authorize an associate judge, except as limited by an order of referral, to issue a summons for the appearance of a parent who has failed to appear before an agency authorized to conduct an investigation of an allegation of abuse or neglect of a child after receiving proper notice.

The substitute adds new language amending Section 261.3031, Family Code, to provide that a person's failure to report to an agency authorized to investigate abuse or neglect of a child within a reasonable time after receiving proper notice constitutes a refusal by the person to cooperate with the Department of Family and Protective Services' (DFPS) investigation. The substitute also authorizes a summons to be issued to locate such person.

The substitute modifies the original by adding the provision of services, other than conservatorship services, to "the child's family" to the definition of "Case management services." The substitute removes the provision in the original which included assisting the court by acting as a resource in a suit affecting the parent-child relationship involving a child for whom a case management services provider provides services in the definition of "Case management services."

The substitute modifies the original by adding the approval of the child and family case plan to the definition of "conservatorship services" and strikes language in the definition in the original that included assisting the department in a suit affecting the parent-child relationship commenced by the department.

The substitute restores language including adoption and postadoption services in the definition of "permanency services" whereas in the original it was stricken. The substitute also adds relative placement services and post-placement supervision to the definition of "permanency services."

The substitute adds a general residential operation to the definition of a "substitute care provider."

The substitute adds language to the definition of "substitute care services" that includes services provided by a substitute care provider for the child's placement.

The substitute adds language requiring the department to contract with substitute care providers for the provision of all necessary substitute care services when the department determines that entering into a contract will improve services to children and families.

The substitute removes language in the original that required that a contract ensure that a contractor for case management services or substitute care services in appropriate cases may not refuse to accept a client who is referred for services or reject a client who is receiving services unless the department has reviewed the contractor's decision and approved in writing and strikes language in current law requiring that a contract ensure that an independent administrator may not refuse to accept a client who is referred for services or reject a client who is receiving services unless the department has reviewed the independent administrator's decision in writing.

The substitute removes language in the original that prohibited the department from directly providing substitute care services for children for whom the department has been appointed temporary or permanent managing conservator on or after September 1, 2009, authorized the department to provide substitute care services in an emergency on or after September 1, 2009, and authorizes the department to provide substitute care services as a provider of last resort.

The substitute changes the date by which the Department of Family Protective Services is required to enter into one or more contracts for case management services under the pilot program from September 1, 2009 to September 1, 2008.

The substitute changes the date by which the committee on pediatric centers of excellence relating to abuse and neglect is to report its findings and recommendations to the department and the legislature from September 1, 2009, as required by the original, to December 1, 2008.

The substitute adds language requiring the department of state health services to implement an efficient and effective method to verify birth information or provide a certified copy of a birth record necessary to provide services for the benefit of a minor being served by the Department of Family and Protective Services. The substitute requires the Department of State Health Services to enter into a memorandum of understanding with the Department of Family and Protective Services to implement that method. The substitute requires the memorandum of understanding to include methods for reimbursing the Department of State Health Services in an amount that is not more than the actual costs the department incurs in verifying the birth information or providing the birth record to the Department of Family and Protective Services.

The substitute removes language found in the original bill that prohibited the department employing a caseworker that does not hold a bachelor's or advanced degree in certain subject areas. The substitute also removes language found in the original that authorized the department to employ a person as a caseworker who does not hold a degree in one of the specified subject areas if the person meets other specified criteria, and established that these requirements only applied to caseworkers hired after the effective date of this bill.

The substitute adds language requiring the department to ensure the independence of a division designated within the department to carry out responsibilities as delegated or assigned from the child protective services division. The substitute requires the commissioner to ensure the director of the division's independence from the child protective services division and prohibits the termination of the director without the approval of the executive commissioner.

The substitute adds a seventh member to the Committee on Licensing Standards and requires that this member be from a child placing agency licensed by the department. The substitute also and makes conforming changes with regard to the expiration of terms.

The substitute adds language requiring that the committee review and analyze the information provided by committee members as well as that information provided by the department, as required in the original.

The substitute adds language authorizing an agency foster home that is verified by a child-placing agency to transfer to another child-placing agency only if, before the date of the transfer, the agency foster home notifies the child-placing agency to which the agency foster home is transferring of each licensing violation for which the agency foster home has been cited by the

department during the preceding three years. The substitute requires a child-placing agency to which the agency foster home is transferring to submit a written request for transfer to the child-placing agency that verified the agency foster home.

The substitute also adds language requiring the child-placing agency to, not later than the 10th day after the date the child-placing agency receives a request for transfer, provide the child-placing agency that submitted the request a copy of a corrective action plan; an annual development plan; or a description of any imposed or potential service limitation.

The substitute adds language authorizing the department caseworker for each child placed in the agency foster home to conduct a review meeting to determine whether the transfer of the agency foster home is in the best interest of each child in the home on the request of the child-placing agency to which the agency foster home is transferring; the child-placing agency that verified the agency foster home; the agency foster home; or the caseworker.

The substitute adds language requiring the caseworker to, after a review meeting, determine whether each child placed in the agency foster home is required to stay in the agency foster home after the agency foster home is transferred to the new child-placing agency; or be removed from the agency foster home before the agency foster home is transferred to the new child-placing agency.

The substitute strikes "substitute care and" from the heading of Section 45.002, Human Resources Code, whereas the original did not. The substitute changes the date by which the department is required to contract with one or more providers of case management services from September 1, 2009 to September 1, 2008 and removes language in the original bill that required the department to enter into contracts for the provision of all substitute care services needed for children in the temporary or permanent managing conservatorship of the department.

The substitute removes language found in the original bill that provides that on and after September 1, 2009, all substitute care services provided in the state for children for whom the department has been appointed temporary or permanent managing conservator be provided by substitute care providers.

The substitute removes language found in the original bill that strikes language in current law that requires all substitute care and case management service providers to, to the best extent possible, honor the cultural and religious affiliations of a child placed in the service provider's care and prohibits the department from directly providing substitute care and case management services.

The substitute removes language authorizing the department to, on or after September 1, 2009, provide substitute care services in an emergency and requiring the executive commissioner to adopt rules describing the circumstances in which the department is authorized to provide those services.

The substitute removes language authorizing the department to provide substitute care services as a provider of last resort.

The substitute changes the date by which the independent third party with whom the department contracts is required to submit its reports from September 1, 2012 to September 1, 2010.

The substitute adds language requiring the improvement plan to include enhancing support of kinship placements by contracting to provide additional kinship workers as well as hiring them directly.

The substitute removes language requiring the improvement plan to include transitioning all Department of Family and Protective Services foster and adoptive homes to private child-placing agencies, while enhancing the quality and accountability of those services through performance-based contracting and enhanced contract monitoring.

The substitute adds language requiring that the recommendations for expanding and improving provider capabilities include provisions for start-up funding for providers to build capacity,

partnerships with community leaders to identify local resources to support building capacity, and the development of pilot projects to procure regional capacity development.

The substitute adds language requiring the Department of Family and Protective Services to prepare a progress report that details the department's activities in implementing the recommendations at the end of each fiscal year, beginning September 1, 2007, and requires that the progress report include regional data regarding the number of children in state conservatorship who are placed in their home region.. The substitute also adds language requiring that this progress report to the governor, the lieutenant governor, the speaker of the house, appropriate oversight committees of the legislature, the Legislative Budget Board and the state auditor.

The substitute adds language requiring the Department of Family and Protective Services to actively pursue a waiver from the appropriate federal agency to use any available federal funds.

The substitute repeals Sections 264.106 (i), (j) and (k), Family Code; and Sections 45.002 (b), (d) and (e), Human Resources Code, in addition to those sections repealed by the original.

The substitute makes additional conforming changes and renumerates accordingly.