# **BILL ANALYSIS**

C.S.H.B. 492
By: Zerwas
Public Health
Committee Report (Substituted)

# **BACKGROUND AND PURPOSE**

State spending on health and human services is rising rapidly. There have been longstanding initiatives at both the state and federal level to integrate into the service delivery system volunteers from both faith-based groups and community-based organizations to more effectively assist people in need. These existing partnerships have proven to be an effective way to leverage resources, both human and financial, to provide greater assistance. However, the state of Texas is not taking full advantage of the available faith- and community-based talent.

C.S.H.B. 492 enhances the role of faith- and community-based organizations to form partnerships with state agencies and more effectively meet the social services needs of Texans.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

# **ANALYSIS**

C.S.H.B. 492 amends the Government Code to create liaisons at certain state agencies for faithand community-based organizations, establish an interagency coordinating group, create the renewing our communities account and advisory group, establish a task force on strengthening nonprofit capacity, and provide reports and public information.

C.S.H.B. 492 defines "community-based initiative," "community-based organization," "faith-based initiative," and "faith-based organization." The bill defines "State Commission on National and Community Service" to mean the entity used as authorized by federal law to carry out the duties of a state commission under the federal National and Community Service Act of 1990. The bill provides for the purpose and construction of its provisions and the applicability of federal law. The bill requires the executive commissioner of the Health and Human Services Commission (HHSC), in consultation with the governor, to designate one employee from the commission and from each health and human services agency to serve as a liaison for faith- and community-based organizations. The bill requires the chief administrative officer of the Office of Rural Community Affairs, the Texas Commission on Environmental Quality, the Texas Department of Criminal Justice, the Texas Department of Housing and Community Affairs, the Texas Education Agency, the Texas Juvenile Probation Commission, The Texas Veterans Commission, the Texas Workforce Commission, the Texas Youth Commission, and other state agencies designated by the governor, in consultation with the governor, to designate one employee from the agency to serve as a liaison to faith- and community-based organizations. The bill specifies a liaison's general duties relating to barriers to partnerships between state government and faith- and community-based organizations, equal opportunity standards for those organizations, effective practices for organizations that partner with the state, outreach efforts, coordination of effort with the governor's office of faith- and community-based initiatives, and attendance at conferences sponsored by relevant federal and private entities. The bill authorizes a faith- and community-based liaison to coordinate and interact with statewide organizations that represent faith- or community-based organizations as necessary to accomplish

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the purposes of the bill.

C.S.H.B. 492 creates the interagency coordinating group for faith- and community-based initiatives composed of each state agency liaison and a liaison from the State Commission on National and Community Service. The bill requires the group to meet periodically, work across state agencies and with the State Commission on National and Community Service to facilitate the removal of interagency barriers to partnerships between state agencies and faith- and community-based organizations, and operate in a manner that promotes effective partnerships between those agencies and organizations to serve Texas residents who need assistance. The bill provides that the liaison designated by the executive commissioner is the group's presiding officer. The bill requires a liaison to provide periodic reports regarding the liaison's duties to the executive commissioner or other chief executive officer who designated the liaison at scheduled intervals and report annually to the governor's office of faith- and community-based initiatives and, as necessary, to the State Commission on National and Community Services.

C.S.H.B. 492 defines "account" as the renewing our communities account and creates the account in the general revenue fund appropriated only to HHSC to increase the impact and effectiveness of faith- and community-based organizations to provide charitable services and to manage human resources and funds, assist local governmental entities in establishing local offices to promote related initiatives, and foster better partnerships between state government and those organizations. The bill exempts the account from provisions of law relating to the use of dedicated revenue. The bill establishes the HHSC's powers and duties with regard to the account relating to contracting with the State Commission on National and Community Service, a competitive process for awarding grants, delivery of training, criteria for limiting grants to small and medium-sized organizations, priorities for the account, performance and outcome measures, and policies to ensure money in the account is not used to advance a sectarian purpose. The bill authorizes HHSC to award account funds to the State Commission on National and Community Service in the form of a grant, instead of contracting with the commission. The bill specifies the scope of HHSC's or that entity's authorization relating to assisting faith- and community-based organizations with grant writing, organizing as a corporation, filing for taxexempt status, obtaining information on organizational topics, building the organizations' service capacity, forming networks to coordinate services, conducting needs assessments, improving internal processes, replicating programs that have demonstrated effectiveness, encouraging research for organizational improvement, creating a better partnership with the state government, and using funds for federal or private grant programs. The bill requires HHSC to monitor the use of funds administered by the State Commission on National and Community Service, makes that entity's records relating to contracts, grants, and other uses of funds subject to open record laws, and clarifies that that entity's status as administrator of the fund of the account does not release that entity from certain requirements applicable to contractors or grantees of the commission or impose additional requirements, or change that entity's nonprofit or private status.

C.S.H.B. 492 sets out requirements for the administration of account funds by the State Commission on National and Community Service relating to awarding grants to faith- and community-based organizations and local governmental entities and monitoring performance and outcome measures for those to whom the grants are awarded. The bill requires HHSC to provide a link on its website to the State Commission on National and Community Service website and requires that entity's website to include a list of those to whom grant money is awarded and the method by which the public may request information about the grants. The bill requires that entity to provide periodic reports to the executive commissioner including an annual report with a specific accounting of the use of appropriated money and a summary of the efforts of the faith- and community-based liaisons. The bill requires HHSC to post the annual report on its website and provide copies to the governor, the lieutenant governor, and the members of the legislature.

C.S.H.B. 492 adds a temporary provision, set to expire September 1, 2011, that requires the executive commissioner of HHSC, in consultation with the governor, to establish a task force

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and make recommendations for strengthening the capacity of faith- and community-based organizations for managing human resources and funds and providing services. The bill sets forth the task force's membership, requires the task force to hold at least three public hearings with certain exceptions, and requires the task force to report and make legislative recommendations to the House Committee on Human Services or its successor, the House Committee on Public Health or its successor, and the Senate Health and Human Services Committee or its successor not later than September 1, 2010.

C.S.H.B. 492 requires the executive commissioner to appoint leaders of faith- and community-based organizations representative of the state's diversity to serve on the renewing our communities account advisory committee to make recommendations to the executive commissioner regarding the powers and duties with respect to the account. The bill requires the committee to meet at least twice each calendar year, with certain exceptions. The bill exempts the advisory committee from general provisions of law relating to state agency advisory committees and clarifies that the committee is subject to open meeting requirements.

C.S.H.B. 492 requires the designation of the state agency liaisons for faith- and community-based initiatives to occur not later than December 1, 2009, and requires the interagency coordinating group to hold its first meeting not later than February 1, 2010.

C.S.H.B. 492 requires a state agency that is affected by a provision of the bill to request a federal waiver or authorization if the agency determines that a waiver or authorization is necessary for the implementation of the provision, and it authorizes the agency to delay implementation until the federal waiver or authorization is obtained.

# **EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

# **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 492 differs from the original by providing for the meaning of "State Commission on National and Community Service" and changes references in the original to the "administrative entity" to instead refer specifically to the commission.

C.S.H.B. 492 differs from the original by adding authorization for a designated faith- and community-based liaison to coordinate and interact with statewide organizations and by including a liaison form the State Commission on National and Community Service among the members of the interagency coordinating group.

C.S.H.B. 492 differs from the original by removing language that required HHSC to establish a searchable Internet database that lists opportunities throughout Texas for volunteers to provide assistance to state agencies in delivering services and to faith- and community-based organizations that partner with a state agency to deliver those services and related provisions.

C.S.H.B. 492 makes technical corrections and conforming changes.

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