

BILL ANALYSIS

Senate Research Center

S.B. 1803
By: Springer
Local Government
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Governments can better prioritize the services they procure by establishing data-driven processes to identify and address the unmet needs of their citizens—people experiencing homelessness are no different. By auditing its homeless programs, the state will likely find that better use of data could help evaluate and monitor its service performance. This bill is modeled after S.B. 657, which established efficiency audits for social programs like Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP), which increased the efficiency of these state programs.

A recent federal Office of the Inspector General audit of Texas' Projects for Assistance in Transition from Homelessness (PATH) program found that Texas did not always comply with PATH program requirements when determining consumers' eligibility and reporting the number of consumers enrolled in its PATH program. In a random sample audit of 70 cases performed by the federal government, the audit found seven of the cases were inappropriately enrolled in the PATH program. Also, Texas had overstated the number of consumers enrolled in its PATH program in the state's annual PATH reports.

Currently, there are no audits in place to help increase and ensure the effectiveness of various state programs regarding homelessness. The bill prescribes a process by which the state auditor will conduct an efficiency audit of all the state programs aimed at helping the homeless population.

As proposed, S.B. 1803 amends current law relating to the effectiveness of state-funded homelessness programs at helping beneficiaries advance toward self-sufficiency.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2306, Government Code, by adding Section 2306.084, as follows:

Sec. 2306.084. STATEWIDE HOMELESSNESS SERVICES AUDIT. (a) Requires the state auditor, in 2024 and every second year after that year, to conduct an effectiveness and efficiency audit of all services for the homeless provided by agencies of this state.

(b) Requires that the cost of the audit be paid for using existing resources allocated for the purpose of auditing the agencies identified in Subsection (g).

(c) Requires the state auditor, not later than March 1 of the year in which an audit is required under this section, to engage an external auditor to conduct the audit.

(d) Requires the state auditor to oversee the external auditor and ensure that the audit is conducted in accordance with the requirements of this section.

(e) Requires the external auditor to be independent and not subject to direction from any state agency subject to evaluation by the auditor for purposes of this section.

(f) Requires that the audit:

(1) examine all state resources, including but not limited to financial resources, manpower, and infrastructure used in providing services to the homeless;

(2) assess the effectiveness of state agencies, programs, and community service providers receiving state funds at helping the homeless achieve self-sufficiency, including the following outcomes:

(A) the percentage of beneficiaries who secure and maintain housing for which they are the primary payer;

(B) the percentage of beneficiaries whose children regularly attend school or other educational programs;

(C) the percentage of beneficiaries who participate in at least 20 hours per week of paid public or private sector work, including paid apprenticeships;

(D) the percentage of beneficiaries engaged in occupational or vocational training programs;

(E) the percentage of beneficiaries who move from subsidized income to earned income as a primary source of earnings;

(F) the percentage of beneficiaries who have regular visits with a primary care physician;

(G) the percentage of beneficiaries with mental health needs who engage in regular mental health care services;

(H) the percentage of beneficiaries with addiction or substance use disorder who engage in regular treatment services; and

(I) the percentage of beneficiaries without involvement with the criminal justice system;

(3) rate each agency, program, and community service provider reviewed as "unsatisfactory," "satisfactory," or "exemplary" based on their effectiveness at achieving the outcomes under Subsection (f)(2);

(4) make recommendations for:

(A) eliminating poorly performing programs;

(B) ending contractual or funding relationships with poorly performing community service providers;

(C) consolidating duplicative or overlapping services and functions; and

(D) reallocating state resources to ensure that the outcomes under Subsection (f)(2) are achieved in the most effective and economical manner.

(g) Requires that the following agencies be included in the audit:

- (1) Texas Department of Housing and Community Affairs;
- (2) Texas Health and Human Services Commission;
- (3) Texas Department of Family and Protective Services;
- (4) Texas Education Agency;
- (5) Texas Workforce Commission;
- (6) Texas Veterans Commission; and
- (7) Texas Department of Criminal Justice.

(h) Authorizes the state auditor to select other agencies or programs in addition to those listed in Subsection (g) for inclusion in the audit.

(i) Requires the external auditor to complete the audit not later than the 90th day after the date the auditor is engaged and present its results and recommendations to the state auditor and the heads of the agencies subject to the audit.

(j) Requires the state auditor, not later than November 1 of the calendar year in which an audit is completed, to prepare and submit a report of the audit and recommendations for improvement to the governor, the speaker of the house of representatives, the lieutenant governor, and the Legislative Budget Board.

(k) Requires that the full audit and state auditor's report be published to the state auditor's Internet website.

SECTION 2. Effective date: September 1, 2023.