

## **BILL ANALYSIS**

Senate Research Center  
89R25266 DNC-D

H.B. 5394  
By: Rose (West)  
Health & Human Services  
5/19/2025  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Article II, Section 26 of the General Appropriations Act for the 2024-2025 biennium as passed by the 88th Texas Legislature directed the Health and Human Services Commission and the Department of Family and Protective Services to, "collaborate ... to develop and adopt different licensing rules or approval standards for relative or kinship foster family homes with the intent to facilitate more relative or kinship homes in qualifying for full foster care payments." The rules promulgated under the direction of this rider are set to be published for draft comment in the Fall of 2025 and become effective in January 2026.

Simultaneous to the development of different licensing rules or approval standards for kinship families, the state is continuing its rollout of community-based foster care. The contracts the state has with community-based providers (single source continuum providers, or SSCPs), however, give broad and sweeping authority to the SSCPs to overlay rules or even preempt some rules promulgated in the Texas Administrative Code.

Throughout the rulemaking process for new kinship rules, advocates and lawmakers have raised concerns that the new rules could be subject to onerous overlays by SSCPs in order to shield themselves from liability or simply to conform with practices preferred by that SSCP.

H.B. 5394 will clarify that both single source continuum providers and child placing agencies under contract to the state or a single-source provider may not pre-empt promulgated kinship rules.

H.B. 5394 amends current law relating to prohibiting single source continuum contractors and child-placing agencies from imposing certain requirements on or adopting certain policies and procedures related to relative and designated caregivers.

### **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 264.752, Family Code, by adding Subsection (d), as follows:

(d) Prohibits a single source continuum contractor or a child-placing agency from subjecting a relative or designated caregiver to any requirement other than as provided by law or the Department of Family and Protective Services (DFPS) or Health and Human Services Commission (HHSC) rule or adopting any policies or procedures related to a relative or designated caregiver other than as authorized by law or DFPS or HHSC rule.

SECTION 2. Effective date: September 1, 2025.