

AN ACT

relating to the regulation of child welfare, including licensure, community-based care contractors, family homes, and child-care facilities.

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

SECTION 1. Subchapter C, Chapter 42, Human Resources Code, is amended by adding Section 42.0413 to read as follows:

Sec. 42.0413. EXEMPTION FOR SINGLE SOURCE CONTINUUM CONTRACTORS. (a) In this section, "contractor" means a "single source continuum contractor," which is contracted by the department to provide community-based care, including the management and oversight of foster care and other child welfare services, consistent with the plan described by Section 264.153, Family Code.

(b) Notwithstanding any other provision of this chapter, a contractor is not required to obtain a child-placing agency license for the purpose of fulfilling its contractual obligations to the department.

(c) The exemption under Subsection (b) does not relieve a contractor from compliance with other applicable laws, rules, or regulations governing the provision of foster care, adoption services, or other child welfare services, including requirements to ensure the health, safety, and well-being of children in its care.

(d) Nothing in this section may be construed to exempt any

1 subcontractor or child-placing agency working under a contractor
2 from the applicable licensing requirements under this chapter.

3 (e) A contractor may choose to obtain a child-placing agency
4 license under this chapter if it determines that obtaining such a
5 license would facilitate the performance of its contractual
6 obligations or provide additional operational flexibility.
7 Obtaining a license is not a requirement for a contractor to fulfill
8 its duties under this section.

9 SECTION 2. Section 42.043(b), Human Resources Code, is
10 amended to read as follows:

11 (b) The department shall require that each child at an
12 appropriate age [~~have a test for tuberculosis and~~] be immunized
13 against diphtheria, tetanus, poliomyelitis, mumps, rubella,
14 rubeola, invasive pneumococcal disease, and hepatitis A and against
15 any other communicable disease as recommended by the Department of
16 State Health Services. The immunization must be effective on the
17 date of first entry into the facility. However, a child may be
18 provisionally admitted if the required immunizations have begun and
19 are completed as rapidly as medically feasible.

20 SECTION 3. Section 42.049(a), Human Resources Code, is
21 amended to read as follows:

22 (a) A license or registration holder under this chapter
23 shall maintain liability insurance coverage in the amount of
24 \$100,000 [~~\$300,000~~] for each occurrence of negligence. An
25 insurance policy or contract required under this section must cover
26 injury to a child that occurs while the child is on the premises of
27 or in the care of the holder.

SECTION 4. Section 42.0495, Human Resources Code, is amended to read as follows:

Sec. 42.0495. LIABILITY INSURANCE REQUIRED FOR LISTED FAMILY HOMES. (a) A listed family home shall maintain liability insurance coverage in the amount of \$100,000 [~~\$300,000~~] for each occurrence of negligence. An insurance policy or contract required under this section must cover injury to a child that occurs while the child is on the premises of or in the care of the listed family home.

~~(b) [A listed family home shall annually file with the commission a certificate or other evidence of coverage from an insurance company demonstrating that the listed family home has an unexpired and uncanceled insurance policy or contract that meets the requirements of this section.]~~

~~[(c)]~~ If a listed family home is unable to secure a policy or contract required under this section for financial reasons or for lack of availability of an underwriter willing to issue a policy or contract or the home's policy or contract limits are exhausted, the home shall timely provide written notice to the parent or guardian of each child attending the home that the liability coverage is not provided.

(c) ~~[(d)]~~ A listed family home described by Subsection (b) ~~[(c)]~~ shall timely provide written notice to the commission that the home is unable to secure liability insurance and the reason the insurance could not be secured.

(d) ~~[(e)]~~ If a listed family home complies with the notice requirements under this section, the commission may not assess an

1 administrative penalty or suspend or revoke the family home's
2 listing for violating Subsection (a). This subsection may not be
3 construed to indemnify a family home for damages due to negligence.

4 SECTION 5. Section 42.051(b), Human Resources Code, is
5 amended to read as follows:

6 (b) An initial license is valid for 12 ~~[six]~~ months from the
7 date it is issued and may be renewed for an additional six months.

8 SECTION 6. Section 42.068, Human Resources Code, is amended
9 to read as follows:

10 Sec. 42.068. REQUIRED POSTING OF NO TRESPASSING NOTICE;
11 CRIMINAL PENALTY. (a) Each general residential operation
12 operating as a residential treatment center shall post "No
13 Trespassing" notices on the grounds of the general residential
14 operation ~~[in the following locations:~~

15 ~~[(1) parallel to and along the exterior boundaries of~~
16 ~~the general residential operation's grounds,~~

17 ~~[(2) at each roadway or other way of access to the~~
18 ~~grounds,~~

19 ~~[(3) for grounds not fenced, at least every five~~
20 ~~hundred feet along the exterior boundaries of the grounds,~~

21 ~~[(4) at each entrance to the grounds, and~~

22 ~~[(5) at conspicuous places reasonably likely to be~~
23 ~~viewed by intruders].~~

24 (b) ~~[Each "No Trespassing" notice posted on the grounds of a~~
25 ~~general residential operation operating as a residential treatment~~
26 ~~center must:~~

27 ~~[(1) state that entry to the property is forbidden,~~

1 ~~[(2) include a description of the provisions of~~
2 ~~Section 30.05, Penal Code, including the penalties for violating~~
3 ~~Section 30.05, Penal Code,~~

4 ~~[(3) include the name and address of the person under~~
5 ~~whose authority the notice is posted,~~

6 ~~[(4) be written in English and Spanish, and~~

7 ~~[(5) be at least 8-1/2 by 11 inches in size.~~

8 ~~[(c)]~~ The executive commissioner by rule shall determine
9 and prescribe the requirements regarding the placement,
10 installation, design, size, wording, and maintenance procedures
11 for the "No Trespassing" notices.

12 (c) ~~[(c)]~~ The commission shall provide without charge to
13 each general residential operation operating as a residential
14 treatment center the number of "No Trespassing" notices required to
15 comply with this section and rules adopted under this section.

16 (d) ~~[(c)]~~ A person who operates a general residential
17 operation operating as a residential treatment center commits an
18 offense if the commission provides "No Trespassing" notices to the
19 facility and the person fails to display the "No Trespassing"
20 notices on the operation's grounds as required by this section
21 before the end of the 30th business day after the date the operation
22 receives the notices. An offense under this subsection is a Class C
23 misdemeanor.

24 SECTION 7. Sections 43.004(a) and (b), Human Resources
25 Code, are amended to read as follows:

26 (a) To be eligible for a child-care administrator's license
27 a person must:

1 (1) provide information for the department's use in
2 conducting a criminal history and background check under Subsection
3 (c), including a complete set of the person's fingerprints;

4 (2) satisfy the minimum requirements under department
5 rules relating to criminal history and background checks;

6 (3) pass an examination developed and administered by
7 the department that demonstrates competence in the field of
8 child-care administration; and

9 (4) have an experiential or educational equivalent to
10 that of a bachelor's degree in social work, child development, or a
11 similar ~~[one year of full-time experience in management or~~
12 ~~supervision of child-care personnel and programs; and~~

13 ~~[(5) have one of the following educational and~~
14 ~~experience qualifications:~~

15 ~~[(A) a master's or doctoral degree in social work~~
16 ~~or other area of study; or~~

17 ~~[(B) a bachelor's degree and two years' full-time~~
18 ~~experience in child care or a closely related] field.~~

19 (b) To be eligible for a child-placing agency
20 administrator's license a person must:

21 (1) provide information for the department's use in
22 conducting a criminal history and background check under Subsection
23 (c), including a complete set of the person's fingerprints;

24 (2) satisfy the minimum requirements under department
25 rules relating to criminal history and background checks;

26 (3) pass an examination developed and administered by
27 the department that demonstrates competence in the field of placing

1 children in residential settings or adoptive homes; and

2 (4) have an experiential or educational equivalent to
3 that of a bachelor's degree in social work, child development, or a
4 similar ~~[one year of full-time experience in management or~~
5 ~~supervision of child-placing personnel and programs; and~~

6 ~~[(5) have one of the following educational and~~
7 ~~experience qualifications:~~

8 ~~[(A) a master's or doctoral degree in social work~~
9 ~~or other area of study; or~~

10 ~~[(B) a bachelor's degree and two years' full-time~~
11 ~~experience in the field of placing children in residential settings~~
12 ~~or adoptive homes or a closely related] field.~~

13 SECTION 8. Section 43.009(e), Human Resources Code, is
14 amended to read as follows:

15 (e) If a person's license has been expired for longer than
16 90 days but less than one year, the person may renew the license by
17 paying to the department one and one-half ~~[two]~~ times the required
18 renewal fee.

19 SECTION 9. Section 42.0431(b), Human Resources Code, is
20 repealed.

21 SECTION 10. (a) The commissioner of the Department of
22 Family and Protective Services shall adopt rules necessary to
23 implement the changes in law made by this Act not later than
24 December 1, 2025.

25 (b) The rules adopted to implement Section 42.0413, Human
26 Resources Code, as added by this Act, must ensure that single source
27 continuum contractors operate in a manner that continues to

1 prioritize the safety and well-being of children in the foster care
2 system.

3 SECTION 11. (a) Sections 3 and 4 of this Act take effect
4 January 1, 2026.

5 (b) Except as provided by Subsection (a) of this section,
6 this Act takes effect September 1, 2025.

H.B. No. 2789

President of the Senate

Speaker of the House

I certify that H.B. No. 2789 was passed by the House on April 29, 2025, by the following vote: Yeas 141, Nays 6, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2789 was passed by the Senate on May 19, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor