

By: Perry

S.B. No. 1558

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the liability of nonprofit entities contracted with the  
3 Department of Family and Protective Services or with a single  
4 source continuum contractor to provide community-based care or  
5 child welfare services.

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

7 SECTION 1. Chapter 84, Civil Practice and Remedies Code, is  
8 amended by adding Section 84.0068 to read as follows:

9 Section 84.0068. LIABILITY FOR SINGLE SOURCE  
10 CONTINUUM CONTRACTORS AND CONTRACTED CHILD WELFARE CONTINUUM  
11 PROVIDERS. (a) An entity considered to be a charitable  
12 organization under Section 264.170, Family Code, and that is  
13 in good standing under Subsection (b) of this section is  
14 immune from civil liability under this chapter, except as  
15 provided by Subsection (d) of this section.

16 (b) With respect to a claim under this chapter, an entity is  
17 in good standing if it has substantially complied with the  
18 following actions with respect to each of its staffers:

19 (1) conducted a timely criminal background check as  
20 required by applicable rules and laws;

21 (2) checked appropriate state agency offender  
22 registries or databases to determine if the staffer is listed  
23 before hiring, contracting with, or engaging the staffer and,  
24 afterwards, performed the same check at least once every five

1 years;

2 (3) taken appropriate administrative or personnel  
3 action with respect to a staffer who has been grossly deficient in  
4 the completion of their duties;

5 (4) required that staffers be trained in:

6 (A) child sexual abuse prevention at least every  
7 five years; and

8 (B) reporting abuse and neglect; and

9 (5) reported any known allegation of misconduct by a  
10 staffer as required by law.

11 (c) An entity described by Subsection (a) that fails to be  
12 in substantial compliance with any applicable requirement of  
13 Subsection (b) may be held vicariously liable to the recipient of  
14 the entity's services, or to the recipient's legally authorized  
15 representative, for acts of the entity's employees, contractors, or  
16 volunteers only if the plaintiff can show the following:

17 (1) the requirement with which the entity failed to be  
18 in substantial compliance was designed to prevent the specific type  
19 of harm that occurred; and

20 (2) the failure to be in substantial compliance with  
21 the requirement was a substantial factor in causing the actual harm  
22 and damage.

23 (d) An entity that is in good standing under Subsection (b)  
24 has limited liability only in the absence of gross negligence, as  
25 that term is defined by Section 41.001, Civil Practice and Remedies  
26 Code, in the performance of a contract or other agreement.

27 (e) In this section:

1           (1) "Entity" means a nonprofit entity described by  
2 Section 264.170, Family Code.

3           (2) "Staffer" means an employee, clinical  
4 professional, caregiver, or volunteer who works for an entity.

5           SECTION 2. Section 264.170, Family Code, is amended to read  
6 as follows:

7           Sec. 264.170. LIMITED LIABILITY FOR SINGLE SOURCE CONTINUUM  
8 CONTRACTOR OR OTHER NONPROFIT ENTITY CONTRACTED TO PROVIDE CHILD  
9 WELFARE SERVICES AND RELATED PERSONNEL. (a) A nonprofit entity  
10 that contracts with the department to provide services as a single  
11 source continuum contractor or a nonprofit entity that contracts  
12 with the department or with a single source continuum contractor to  
13 provide foster care or adoption services under this subchapter is  
14 considered to be a charitable organization for the purposes of  
15 Chapter 84, Civil Practice and Remedies Code, with respect to the  
16 provision of those services, and that chapter applies to the entity  
17 and any person who is an employee, clinical professional,  
18 caregiver, or volunteer of the entity.

19           (b) The limitations on liability provided by this section  
20 apply:

21           (1) only to an act or omission by the entity or  
22 person, as applicable, that occurs:

23           (A) while the entity or person is acting  
24 within the course and scope of the entity's contract with the  
25 department or a single source continuum contractor; or

26           (B) while the person is acting within the  
27 course and scope of [and] the person's duties for the entity;

1 and

2                   (2) only if insurance coverage in the minimum amounts  
3 required by Chapter 84, Civil Practice and Remedies Code, is in  
4 force and effect at the time a cause of action for personal injury,  
5 death, or property damage accrues.

6           SECTION 3. Section 84.0068, Civil Practice and Remedies  
7 Code, as added by this Act, and Section 264.170, Family Code, as  
8 amended by this Act, apply only to a cause of action that accrues on  
9 or after the effective date of this Act. A cause of action that  
10 accrued before the effective date of this Act is governed by the law  
11 as it existed immediately before the effective date of this Act, and  
12 that law is continued in effect for that purpose.

13           SECTION 4. This Act takes effect September 1, 2025.