

AN ACT

relating to the contract requirements for a contract between a single source continuum contractor and the Department of Family and Protective Services.

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

SECTION 1. Section 264.155(a), Family Code, is amended to read as follows:

(a) A contract with a single source continuum contractor to provide community-based care services in a catchment area must include provisions that:

(1) establish a timeline for the implementation of community-based care in the catchment area, including a timeline for implementing:

(A) case management services for children, families, and relative and kinship caregivers receiving services in the catchment area; and

(B) family reunification support services to be provided after a child receiving services from the contractor is returned to the child's family;

(2) establish conditions for the single source continuum contractor's access to relevant department data and require the participation of the contractor in the data access and standards governance council created under Section 264.159;

(3) require the single source continuum contractor to

1 create a single process for the training and use of alternative
2 caregivers for all child-placing agencies in the catchment area to
3 facilitate reciprocity of licenses for alternative caregivers
4 between agencies, including respite and overnight care providers,
5 as those terms are defined by department rule;

6 (4) require the single source continuum contractor to
7 maintain a diverse network of service providers that offer a range
8 of foster capacity options and that can accommodate children from
9 diverse cultural backgrounds;

10 (5) allow the department to conduct a performance
11 review of the contractor beginning 18 months after the contractor
12 has begun providing case management and family reunification
13 support services to all children and families in the catchment area
14 and determine if the contractor has achieved any performance
15 outcomes specified in the contract;

16 (6) following the review under Subdivision (5), allow
17 the department to:

18 (A) impose financial penalties on the contractor
19 for failing to meet any specified performance outcomes; or

20 (B) award financial incentives to the contractor
21 for exceeding any specified performance outcomes;

22 (7) require the contractor to give preference for
23 employment to employees of the department:

24 (A) whose position at the department is impacted
25 by the implementation of community-based care; and

26 (B) who are considered by the department to be
27 employees in good standing;

1 (8) require the contractor to provide preliminary and
2 ongoing community engagement plans to ensure communication and
3 collaboration with local stakeholders in the catchment area,
4 including any of the following:

- 5 (A) community faith-based entities;
- 6 (B) the judiciary;
- 7 (C) court-appointed special advocates;
- 8 (D) child advocacy centers;
- 9 (E) service providers;
- 10 (F) foster families;
- 11 (G) biological parents;
- 12 (H) foster youth and former foster youth;
- 13 (I) relative or kinship caregivers;
- 14 (J) child welfare boards, if applicable;
- 15 (K) attorneys ad litem;
- 16 (L) attorneys that represent parents involved in
17 suits filed by the department; and
- 18 (M) any other stakeholders, as determined by the
19 contractor; ~~and~~

20 (9) require that the contractor comply with any
21 applicable court order issued by a court of competent jurisdiction
22 in the case of a child for whom the contractor has assumed case
23 management responsibilities or an order imposing a requirement on
24 the department that relates to functions assumed by the contractor;
25 and

26 (10) allow the department, at the department's sole
27 discretion, to:

1 (A) reclaim the case management authority over
2 any or all of the cases in a catchment area from the single source
3 continuum contractor; or

4 (B) transfer the case management authority over
5 any or all of the cases in a catchment area from the single source
6 continuum contractor to another single source continuum
7 contractor.

8 SECTION 2. The change in law made by this Act applies only
9 to a contract entered into or amended, modified, renewed, or
10 extended on after the effective date of this Act. A contract
11 entered into or amended, modified, renewed, or extended before the
12 effective date of this Act is governed by the law in effect on the
13 date the contract was entered into or amended, modified, renewed,
14 or extended, and the former law is continued in effect for that
15 purpose.

16 SECTION 3. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1589 passed the Senate on April 10, 2025, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1589 passed the House on May 23, 2025, by the following vote: Yeas 136, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor