

1 AN ACT

2 relating to the expansion of faith- and community-based health and
3 human services and social services initiatives.

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

5 SECTION 1. (a) Subtitle I, Title 4, Government Code, is
6 amended by adding Chapter 535 to read as follows:

7 CHAPTER 535. PROVISION OF HUMAN SERVICES AND OTHER
8 SOCIAL SERVICES THROUGH FAITH- AND COMMUNITY-BASED ORGANIZATIONS

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 535.001. DEFINITIONS. In this chapter:

11 (1) "Community-based initiative" includes a social,
12 health, human services, or volunteer income tax assistance
13 initiative operated by a community-based organization.

14 (2) "Community-based organization" means a nonprofit
15 corporation or association that is located in close proximity to
16 the population the organization serves.

17 (3) "Faith-based initiative" means a social, health,
18 or human services initiative operated by a faith-based
19 organization.

20 (4) "Faith-based organization" means a nonprofit
21 corporation or association that:

22 (A) is operated through a religious or
23 denominational organization, including an organization that is
24 operated for religious, educational, or charitable purposes and

1 that is operated, supervised, or controlled, wholly or partly, by
2 or in connection with a religious organization; or

3 (B) clearly demonstrates through the
4 organization's mission statement, policies, or practices that the
5 organization is guided or motivated by religion.

6 (5) "State Commission on National and Community
7 Service" means the entity used as authorized by 42 U.S.C. Section
8 12638(a) to carry out the duties of a state commission under the
9 National and Community Service Act of 1990 (42 U.S.C. Section 12501
10 et seq.).

11 Sec. 535.002. PURPOSE. The purpose of this chapter is to
12 strengthen the capacity of faith- and community-based
13 organizations and to forge stronger partnerships between those
14 organizations and state government for the legitimate public
15 purpose of providing charitable and social services to persons in
16 this state.

17 Sec. 535.003. CONSTRUCTION. This chapter may not be
18 construed to:

19 (1) exempt a faith- or community-based organization
20 from any applicable state or federal law; or

21 (2) be an endorsement or sponsorship by this state of
22 the religious character, expression, beliefs, doctrines, or
23 practices of a faith-based organization.

24 Sec. 535.004. APPLICABILITY OF CERTAIN FEDERAL LAW. A
25 power authorized or duty imposed under this chapter must be
26 performed in a manner that is consistent with 42 U.S.C. Section
27 604a.

1 [Sections 535.005-535.050 reserved for expansion]

2 SUBCHAPTER B. GOVERNMENTAL LIAISONS FOR FAITH- AND

3 COMMUNITY-BASED ORGANIZATIONS

4 Sec. 535.051. DESIGNATION OF FAITH- AND COMMUNITY-BASED
5 LIAISONS. (a) The executive commissioner, in consultation with
6 the governor, shall designate one employee from the commission and
7 from each health and human services agency to serve as a liaison for
8 faith- and community-based organizations.

9 (b) The chief administrative officer of each of the
10 following state agencies, in consultation with the governor, shall
11 designate one employee from the agency to serve as a liaison for
12 faith- and community-based organizations:

- 13 (1) the Office of Rural Community Affairs;
14 (2) the Texas Commission on Environmental Quality;
15 (3) the Texas Department of Criminal Justice;
16 (4) the Texas Department of Housing and Community
17 Affairs;
18 (5) the Texas Education Agency;
19 (6) the Texas Juvenile Probation Commission;
20 (7) the Texas Veterans Commission;
21 (8) the Texas Workforce Commission;
22 (9) the Texas Youth Commission; and
23 (10) other state agencies as determined by the
24 governor.

25 Sec. 535.052. GENERAL DUTIES OF LIAISONS. (a) A faith- and
26 community-based liaison designated under Section 535.051 shall:

- 27 (1) identify and remove unnecessary barriers to

1 partnerships between the state agency the liaison represents and
2 faith- and community-based organizations;

3 (2) provide information and training, if necessary,
4 for employees of the state agency the liaison represents regarding
5 equal opportunity standards for faith- and community-based
6 organizations seeking to partner with state government;

7 (3) facilitate the identification of practices with
8 demonstrated effectiveness for faith- and community-based
9 organizations that partner with the state agency the liaison
10 represents;

11 (4) work with the appropriate departments and programs
12 of the state agency the liaison represents to conduct outreach
13 efforts to inform and welcome faith- and community-based
14 organizations that have not traditionally formed partnerships with
15 the agency;

16 (5) coordinate all efforts with the governor's office
17 of faith-based and community initiatives and provide information,
18 support, and assistance to that office as requested to the extent
19 permitted by law and as feasible; and

20 (6) attend conferences sponsored by federal agencies
21 and offices and other relevant entities to become and remain
22 informed of issues and developments regarding faith- and
23 community-based initiatives.

24 (b) A faith- and community-based liaison designated under
25 Section 535.051 may coordinate and interact with statewide
26 organizations that represent faith- or community-based
27 organizations as necessary to accomplish the purposes of this

1 chapter.

2 Sec. 535.053. INTERAGENCY COORDINATING GROUP. (a) The
3 interagency coordinating group for faith- and community-based
4 initiatives is composed of each faith- and community-based liaison
5 designated under Section 535.051 and a liaison from the State
6 Commission on National and Community Service.

7 (b) The commission employee designated as a liaison under
8 Section 535.051 is the presiding officer of the interagency
9 coordinating group.

10 (c) The interagency coordinating group shall:

11 (1) meet periodically at the call of the presiding
12 officer;

13 (2) work across state agencies and with the State
14 Commission on National and Community Service to facilitate the
15 removal of unnecessary interagency barriers to partnerships
16 between state agencies and faith- and community-based
17 organizations; and

18 (3) operate in a manner that promotes effective
19 partnerships between those agencies and organizations to serve
20 residents of this state who need assistance.

21 Sec. 535.054. REPORTS. (a) A liaison designated under
22 Section 535.051 shall:

23 (1) provide periodic reports to the executive
24 commissioner or other chief executive officer who designated the
25 liaison, as applicable, on a schedule determined by the person who
26 designated the liaison; and

27 (2) report annually to the governor's office of

1 faith- and community-based initiatives and as necessary to the
2 State Commission on National and Community Service regarding the
3 liaison's efforts to comply with the duties imposed under Sections
4 535.052 and 535.053.

5 (b) Each report made under Subsection (a)(2) must be made
6 available to the public through posting on the office of the
7 governor's Internet website, and the reports may be aggregated into
8 a single report for that purpose.

9 [Sections 535.055-535.100 reserved for expansion]

10 SUBCHAPTER C. RENEWING OUR COMMUNITIES ACCOUNT

11 Sec. 535.101. DEFINITION. In this subchapter, "account"
12 means the renewing our communities account.

13 Sec. 535.102. PURPOSES OF SUBCHAPTER. Recognizing that
14 faith- and community-based organizations provide a range of vital
15 charitable services to persons in this state, the purposes of this
16 subchapter are to:

17 (1) increase the impact and effectiveness of those
18 organizations;

19 (2) forge stronger partnerships between those
20 organizations and state government so that communities are
21 empowered to serve persons in need and community capacity for
22 providing services is strengthened; and

23 (3) create a funding mechanism that builds on the
24 established efforts of those organizations and operates to create
25 new partnerships in local communities for the benefit of this
26 state.

27 Sec. 535.103. RENEWING OUR COMMUNITIES ACCOUNT. (a) The

1 renewing our communities account is an account in the general
2 revenue fund that may be appropriated only to the commission for the
3 purposes and activities authorized by this subchapter and for
4 reasonable administrative expenses under this subchapter.

5 (b) The account consists of:

6 (1) all money appropriated for the purposes of this
7 subchapter;

8 (2) any gifts, grants, or donations received for the
9 purposes of this subchapter; and

10 (3) interest earned on money in the account.

11 (c) The account is exempt from the application of Section
12 403.095.

13 (d) The purposes of the account are to:

14 (1) increase the capacity of faith- and
15 community-based organizations to provide charitable services and
16 to manage human resources and funds;

17 (2) assist local governmental entities in
18 establishing local offices to promote faith- and community-based
19 initiatives; and

20 (3) foster better partnerships between state
21 government and faith- and community-based organizations.

22 Sec. 535.104. POWERS AND DUTIES REGARDING ACCOUNT. (a) The
23 commission shall:

24 (1) contract with the State Commission on National and
25 Community Service to administer funds appropriated from the account
26 in a manner that:

27 (A) consolidates the capacity of and strengthens

1 national service and community and faith- and community-based
2 initiatives; and

3 (B) leverages public and private funds to benefit
4 this state;

5 (2) develop a competitive process to be used in
6 awarding grants from account funds that is consistent with state
7 law and includes objective selection criteria;

8 (3) oversee the delivery of training and other
9 assistance activities under this subchapter;

10 (4) develop criteria limiting awards of grants under
11 Section 535.105(1)(A) to small and medium-sized faith- and
12 community-based organizations that provide charitable services to
13 persons in this state;

14 (5) establish general state priorities for the
15 account;

16 (6) establish and monitor performance and outcome
17 measures for persons to whom grants are awarded under this
18 subchapter; and

19 (7) establish policies and procedures to ensure that
20 any money appropriated from the account to the commission that is
21 allocated to build the capacity of a faith-based organization or
22 for a faith-based initiative, including money allocated for the
23 establishment of the advisory committee under Section 535.108, is
24 not used to advance a sectarian purpose or to engage in any form of
25 proselytization.

26 (b) Instead of contracting with the State Commission on
27 National and Community Service under Subsection (a)(1), the

1 commission may award account funds appropriated to the commission
2 to the State Commission on National and Community Service in the
3 form of a grant.

4 (c) Any funds awarded to the State Commission on National
5 and Community Service under a contract or through a grant under this
6 section must be administered in the manner required by this
7 subchapter, including Subsection (a)(1).

8 (d) The commission or the State Commission on National and
9 Community Service, in accordance with the terms of the contract or
10 grant, as applicable, may:

11 (1) directly, or through agreements with one or more
12 entities that serve faith- and community-based organizations that
13 provide charitable services to persons in this state:

14 (A) assist faith- and community-based
15 organizations with:

16 (i) writing or managing grants through
17 workshops or other forms of guidance;

18 (ii) obtaining legal assistance related to
19 forming a corporation or obtaining an exemption from taxation under
20 the Internal Revenue Code; and

21 (iii) obtaining information about or
22 referrals to entities that provide expertise in accounting, legal,
23 or tax issues, program development matters, or other organizational
24 topics;

25 (B) provide information or assistance to
26 faith- and community-based organizations related to building the
27 organizations' capacity for providing services;

1 (C) facilitate the formation of networks, the
2 coordination of services, and the sharing of resources among
3 faith- and community-based organizations;

4 (D) in cooperation with existing efforts, if
5 possible, conduct needs assessments to identify gaps in services in
6 a community that present a need for developing or expanding
7 services;

8 (E) work with faith- and community-based
9 organizations to identify the organizations' needs for
10 improvements in their internal capacity for providing services;

11 (F) provide faith- and community-based
12 organizations with information on and assistance in identifying or
13 using practices with demonstrated effectiveness for delivering
14 charitable services to persons, families, and communities and in
15 replicating charitable services programs that have demonstrated
16 effectiveness; and

17 (G) encourage research into the impact of
18 organizational capacity on program delivery for faith- and
19 community-based organizations;

20 (2) assist a local governmental entity in creating a
21 better partnership between government and faith- and
22 community-based organizations to provide charitable services to
23 persons in this state; and

24 (3) use funds appropriated from the account to provide
25 matching money for federal or private grant programs that further
26 the purposes of the account as described by Section 535.103(d).

27 (e) The commission shall monitor the use of the funds

1 administered by the State Commission on National and Community
2 Service under a contract or through a grant under this section to
3 ensure that the funds are used in a manner consistent with the
4 requirements of this subchapter. Records relating to the award of a
5 contract or grant to the State Commission on National and Community
6 Service, or to grants awarded by that entity, and records relating
7 to other uses of the funds are public information subject to Chapter
8 552.

9 (f) If the commission contracts with or awards a grant to
10 the State Commission on National and Community Service under this
11 section, this subchapter may not be construed to:

12 (1) release that entity from any regulations or
13 reporting or other requirements applicable to a contractor or
14 grantee of the commission;

15 (2) impose regulations or reporting or other
16 requirements on that entity that do not apply to other contractors
17 or grantees of the commission solely because of the entity's
18 status;

19 (3) alter the nonprofit status of that entity or the
20 requirements for maintaining that status; or

21 (4) convert that entity into a governmental entity
22 because of the receipt of account funds through the contract or
23 grant.

24 Sec. 535.105. ADMINISTRATION OF ACCOUNT FUNDS. If under
25 Section 535.104 the commission contracts with or awards a grant to
26 the State Commission on National and Community Service, that
27 entity:

1 (1) may award grants from funds appropriated from the
2 account to:

3 (A) faith- and community-based organizations
4 that provide charitable services to persons in this state for
5 capacity-building purposes; and

6 (B) local governmental entities to provide seed
7 money for local offices for faith- and community-based initiatives;
8 and

9 (2) shall monitor performance and outcome measures for
10 persons to whom that entity awards grants using the measures
11 established by the commission under Section 535.104(a)(6).

12 Sec. 535.106. REPORTS AND PUBLIC INFORMATION. (a) The
13 commission shall provide a link on the commission's Internet
14 website to the Internet website of the State Commission on National
15 and Community Service if the commission contracts with or awards a
16 grant to that entity under Section 535.104. The entity's Internet
17 website must provide:

18 (1) a list of the names of each person to whom the
19 entity awarded a grant from money appropriated from the account and
20 the amount and purpose of the grant; and

21 (2) information regarding the methods by which the
22 public may request information about those grants.

23 (b) If awarded a contract or grant under Section 535.104,
24 the State Commission on National and Community Service must provide
25 to the commission periodic reports on a schedule determined by the
26 executive commissioner. The schedule of periodic reports must
27 include an annual report that includes:

1 (1) a specific accounting with respect to the use by
2 that entity of money appropriated from the account, including the
3 names of persons to whom grants have been awarded and the purposes
4 of those grants; and

5 (2) a summary of the efforts of the faith- and
6 community-based liaisons designated under Section 535.051 to
7 comply with the duties imposed by and the purposes of Sections
8 535.052 and 535.053.

9 (c) The commission shall post the annual report made under
10 Subsection (b) on the commission's Internet website and shall
11 provide copies of the report to the governor, the lieutenant
12 governor, and the members of the legislature.

13 Sec. 535.107. TASK FORCE ON STRENGTHENING NONPROFIT
14 CAPACITY. (a) The executive commissioner, in consultation with
15 the governor, shall establish a task force to make recommendations
16 for strengthening the capacity of faith- and community-based
17 organizations for managing human resources and funds and providing
18 services. The members of the task force must include:

19 (1) representatives from state agencies, nonprofit
20 organizations, the academic community, and the foundation
21 community; and

22 (2) other individuals who have expertise that would be
23 valuable to the task force.

24 (b) Using money appropriated from the account, the task
25 force shall hold at least three public hearings in various
26 geographic areas of this state, at least one of which must be
27 outside of Central Texas. The task force shall hear testimony at

1 the hearings regarding strengthening the capacity of faith- and
2 community-based organizations to manage human resources and funds
3 and provide services.

4 (c) The task force is not required to hold a public hearing
5 if the remaining money appropriated from the account to the
6 commission for the state fiscal biennium is insufficient for the
7 performance of the duties or activities under this subchapter.

8 (d) The task force shall present a report and legislative
9 recommendations to the House Committee on Human Services or its
10 successor, the House Committee on Public Health or its successor,
11 and the Senate Health and Human Services Committee or its successor
12 not later than September 1, 2010, regarding its recommendations.

13 (e) This section expires September 1, 2011.

14 Sec. 535.108. RENEWING OUR COMMUNITIES ACCOUNT ADVISORY
15 COMMITTEE. (a) The executive commissioner shall appoint leaders
16 of faith- and community-based organizations in this state to serve
17 on the renewing our communities account advisory committee. The
18 advisory committee members must be representative of the religious,
19 cultural, and geographic diversity of this state and the diversity
20 of organization types and sizes in this state.

21 (b) The advisory committee shall make recommendations to
22 the executive commissioner regarding the powers and duties with
23 respect to the account as described by Section 535.104.

24 (c) Except as otherwise provided by this subsection, the
25 advisory committee shall meet at least twice each calendar year.
26 The advisory committee is not required to meet if the remaining
27 amount appropriated from the account to the commission for the

1 state fiscal biennium is insufficient for the performance of any
2 duties or activities under this subchapter.

3 (d) Chapter 2110 does not apply to the advisory committee.

4 (e) The advisory committee is subject to Chapter 551.

5 (b) The executive commissioner of the Health and Human
6 Services Commission and the chief executive officers of the Office
7 of Rural Community Affairs, the Texas Commission on Environmental
8 Quality, the Texas Department of Criminal Justice, the Texas
9 Department of Housing and Community Affairs, the Texas Education
10 Agency, the Texas Juvenile Probation Commission, the Texas Veterans
11 Commission, the Texas Workforce Commission, the Texas Youth
12 Commission, and any other state agency as determined by the
13 governor shall designate the liaisons for faith- and
14 community-based initiatives as required under Section 535.051,
15 Government Code, as added by this section, not later than December
16 1, 2009.

17 (c) The interagency coordinating group established under
18 Section 535.053, Government Code, as added by this section, shall
19 hold its first meeting not later than February 1, 2010.

20 SECTION 2. This Act does not make an appropriation. A
21 provision in this Act that creates a new governmental program,
22 creates a new entitlement, or imposes a new duty on a governmental
23 entity is not mandatory during a fiscal period for which the
24 legislature has not made a specific appropriation to implement the
25 provision.

26 SECTION 3. If before implementing any provision of this Act
27 a state agency determines that a waiver or authorization from a

1 federal agency is necessary for implementation of that provision,
2 the agency affected by the provision shall request the waiver or
3 authorization and may delay implementing that provision until the
4 waiver or authorization is granted.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2009.

Rand Newhart

President of the Senate

Jon Stroman

Speaker of the House

I certify that H.B. No. 492 was passed by the House on April 24, 2009, by the following vote: Yeas 119, Nays 15, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 492 on May 18, 2009, by the following vote: Yeas 139, Nays 2, 2 present, not voting.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 492 was passed by the Senate, with amendments, on May 14, 2009, by the following vote: Yeas 31, Nays 0.

Datsy Spaw

Secretary of the Senate

APPROVED: 30 MAY '09

Date

RICK PERRY

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4 PM O'CLOCK

Hope Radtke
MAY 30 2009
Secretary of State