

**Interagency Coordinating Group**  
Legislative Report to the 82nd Texas Legislature

**Prepared by**  
The Interagency Coordinating Group

**Submitted to**  
Office of the Lieutenant Governor  
Office of the Speaker of the House  
House Committee on Public Health  
Senate Health and Human Services Committee  
December 1, 2011

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## **I. EXECUTIVE SUMMARY**

Building from the foundation established under House Bill (H.B.) 492, 81<sup>st</sup> Legislature, Regular Session, 2009, House Bill (H.B.) 1965, 82<sup>nd</sup> Legislature, Regular Session, 2011 directed several significant changes to the previous legislation including transferring the role of presiding officer of the Interagency Coordinating Group (ICG) to the State Commission on National and Community Service; creating a Task Force on Improving Relations with Nonprofits; and expanding the membership of the ICG by ten state agencies for a total of twenty-four state agencies.

As presiding officer I respectfully present to the Public Health Committee of the Texas Legislature, this report as mandated in H.B. 1965, chronicling the goals, activities and progress of the ICG since passage of the ACT by the Texas Senate, May 19, 2011.

Transfer of leadership from the Health and Human Services Commission (HHSC) to the State Commission on National and Community Service has been seamless. During the summer and into the fall timely actions were taken to continue the work of the ICG under H.B.492 while also implementing the new directives as outlined in H.B. 1965. HHSC and the State Commission on National and Community Service coordinated efforts to appoint eight members to the new Task Force on Improving Relations with Nonprofits; engaged ten new state agency liaisons and provided an introductory briefing on activities under H.B.492 and expectations for their participation under H.B. 1965.

The State Commission on National and Community Service convened the newly configured ICG in its first meeting under H.B. 1965 and reports that new members are highly engaged. Each liaison is serving on one of four subgroups to provide focused leadership on specific issue areas ensuring not only compliance with the directives of the Act, but meaningful impact as expected by the intent of this legislation. The subgroups are: Removing Barriers; Enhanced Training; Sharing Information and Resources; and Cross-Agency Programs.

The presiding officer will ensure that the Task Force on Improving Relations with Nonprofits, works closely with the ICG as a group and with the four subgroups to develop and implement a plan for improving contracting relationships between state agencies and faith- and community-based organizations; develop best practices for cooperating and collaborating with faith- and community-based organizations; identify and address duplication of services provided by the state and faith- and community-based organizations; and identify and address gaps in state services that faith- and community-based organizations could fill.

The passage of both H.B.492 and H.B.1965 represents groundbreaking legislation making Texas the first state in the country to actively create a collaborative and cooperative environment between state agencies and faith and community-based organizations (FCBOs) to facilitate more efficient and effective service delivery.

Please accept this report as an indication of the ICG's commitment to improving these relationships to the benefit of the citizens of Texas. We look forward to updating this committee on our progress.

## II. HOUSE BILL 1965 (82R) OVERVIEW

House Bill (H.B.) 1965, 82<sup>nd</sup> Legislature, Regular Session, 2011, further directs certain state agencies to designate an employee, in consultation with the governor's office, to serve as a liaison for faith- and community-based organizations. These state agency liaisons, along with a liaison from the State Commission on National and Community Service, comprise the interagency coordinating group (ICG) that collaborates to strengthen the capacity of faith- and community-based organizations and forge stronger partnerships between those organizations and state agencies to better serve Texans in need. Additionally, faith- and community-based liaisons (FCB liaisons) coordinate resources within their respective agencies to accomplish the legislative duties of an FCB liaison. These duties include identifying and removing unnecessary barriers to partnerships; providing information and training regarding equal opportunity standards for faith- and community-based organizations; facilitating the identification of practices with demonstrated effectiveness for faith- and community-based organizations; and working within their agency to conduct outreach efforts to inform and welcome faith- and community-based organizations that have not traditionally formed partnerships with agencies.

In addition to its other duties the ICG, in coordination with the Task Force on Improving Relations with Nonprofits will develop and implement a plan for improving contracting relationships between state agencies and faith- and community-based organizations; develop best practices for cooperating and collaborating with faith- and community-based organizations; identify and address duplication of services provided by the state and faith- and community-based organizations; and identify and address gaps in state services that faith- and community-based organizations could fill.

The following agencies serve as appointed FCB liaisons:

- The Texas Health and Human Services Commission
- The Department of Aging and Disability Services
- The Department of Assistive & Rehabilitative Services
- The Department of Family and Protective Services
- The Department of State Health Services
- The Office of Rural Community Affairs
- The Texas Commission on Environmental Quality
- The Texas Department of Criminal Justice
- The Texas Department of Housing and Community Affairs
- The Texas Education Agency
- The Texas Juvenile Probation Commission
- The Texas Veterans Commission
- The Texas Workforce Commission
- The Texas Youth Commission
- The Office of the Governor
- The Department of Public Safety
- The Texas Department of Insurance

The Public Utility Commission of Texas  
The Office of the Attorney General  
The Department of Agriculture  
The Office of the Comptroller  
The Department of Information Resources  
The Office of State-Federal Relations  
The Office of Secretary of State  
The State Commission on National and Community Service  
One employee from an institution of higher education

### **III. ICG DUTIES AND RESPONSIBILITIES**

#### **ICG Duties and Responsibilities**

- Sec. 535.053. (c)(1) – Meet periodically at the call of the presiding officer
- Sec. 535.053. (c)(2) – Work across state agencies and with State Commission on National and Community Service to facilitate the removal of unnecessary interagency barriers to partnerships between state agencies and faith- and community- based organizations.
- Sec. 535.053. (c)(3) – Operate in a manner that promotes effective partnerships between those

#### **ICG Additional Duties and Responsibilities**

- Sec. 535.055. (c) – In addition to the interagency coordinating group’s other duties, the interagency coordinating group, in coordination with the task force, shall:
  1. – Develop and implement a plan for improving contracting relationships between state agencies and faith- and community-based organizations;
  2. – Develop best practices for cooperating and collaborating with faith- and community-based organizations;
  3. – Identify and address duplication of services provided by the state and faith- and community-based organizations; and
  4. – Identify and address gaps in state services that faith- and community-based organizations could fill.

#### **ICG Reporting Duties**

- Sec. 535.054. (a) – Not later than December 1 of each year, the interagency coordinating group shall submit a report to the legislature that describes in detail the activities, goals, and progress of the interagency coordinating group.
- Sec. 535.054. (b) – The report made under Subsection (a) must be made available to the public through posting on the office of the governor’s Internet website.

### **III. ANNUAL REPORTING OF ICG DUTIES**

Section 535.054. Report. (a) Not later than December 1 of each year, the interagency coordinating group (ICG) shall submit a report to the legislature that describes in detail the activities, goals, and progress of the interagency coordinating group. This report includes activities, goals and progress of the interagency coordinating group since passage of the Act. The H.B. 1965 was passed in the House April 19, 2011 and in the Senate May 19, 2011.

#### **Background**

In its October 1, 2010 ICG meeting, the ICG members agreed to create subgroups to address three areas they identified as needing agency action to facilitate more effective partnerships with Faith and Community-Based Organizations (FCBOs) serving citizens in need. An ICG member led each subgroup. Subgroups also included staff-level representatives operating on behalf of ICG members to assist each subgroup with information and resources as needed.

The subgroups included:

“Removing Barriers”

“Enhanced Training”

“Sharing Information and Resources”

A fourth subgroup was added after the passage of H.B. 1965 to facilitate public-private partnerships using networks of FCBOs to assist the state in addressing specific areas of need identified in legislation:

“Cross-Agency Programs”

#### **Goals of the ICG**

Goals of the ICG are grounded on the original goals of H.B. 492 and have been expanded to include additional activities per H.B. 1965:

- 1) To remove unnecessary barriers to partnerships between state agencies and FCBOs by creating a structure both within separate ICG agencies and across agencies.
  - a. These activities, guided by the “Removing Barriers” subgroup, have been procurement/contract related as a strategy to improve contracting relationships between state agencies and FCBOs. Specific to H.B. 1965, new members of the ICG are included.
  - b. The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.



- 2) To provide relevant and up-to-date training curriculum for state agencies regarding equal opportunity standards for faith-based organizations.
  - a. These activities are being guided by the “Enhanced Training” subgroup, and specific to H.B. 1965, include new members of the ICG.
  - b. This subgroup is expanding its charge to include equal treatment training for FCBOs seeking to partner with the state.
  - c. Additional expanded scope to include recommendations on how agencies may more effectively conduct trainings on responding to an RFP; compliance with reporting requirements and monitoring; and to streamline and standardize such trainings across agencies where possible. (This will require collaboration with the “Removing Barriers” subgroup which is focusing on streamlining contracting.)
  - d. The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.
  
- 3) To identify and make available to state agencies and FCBOs information regarding practices with demonstrated effectiveness as models of effective partnerships and to ensure state agencies have a more efficient and effective means of outreaching state-wide to potential FBCO partners.
  - a. These activities are being guided by the “Sharing Information and Resources” subgroup, and specific to H.B. 1965, include new members of the ICG.
  - b. This subgroup is expanding its charge to include identifying duplication of services provided by FCBOs and state agencies as well as gaps in service coverage.
  - c. The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.
  
- 4) The fourth subgroup “Cross-Agency Programs” will work with the Task Force on Improving Relations with Nonprofits to facilitate public-private partnerships using networks of FCBOs to assist the state in addressing specific areas of need:
  - a. Examples may include issues related to recruiting and mentoring foster parents; needs within the juvenile justice system; food resources to families in need; HIV/AIDS awareness and resources; and other issue areas as identified jointly by the ICG and Task Force.
  - b. The work of this subgroup will also include expanding public-private partnerships specific to single agencies.

## **Activities and Progress of the ICG**

### **ICG Subgroups**

Over the last year, in continuation of their work under H.B. 492, the first three subgroups listed above facilitated coordination among ICG agencies towards implementing action plans that would address the legislative requirements directed by H.B. 492 as well as the additional responsibilities as outlined in H.B. 1965.

#### **1) Removing Barriers Subgroup**

##### **Background**

At the direction of the Removing Barriers Subgroup, the Faith and Community-Based (FCB) liaisons of the ICG identified procurement/contracts staff within their respective agencies to provide consultation to inform the work of the “Removing Barriers” subgroup regarding its efforts to standardize RFP templates across agencies. The rationale surrounding this stems from the FCB liaisons’ joint decision to create action plans that would enhance FCBOs partnerships with the state.

##### **New Activities**

Since May 2011, the Removing Barriers subgroup designated a procurement/contracts team comprised of Subject Matter Experts (SMEs) who met twice to assess sample RFPs; to compare these agency RFPs with the Comptroller’s RFP; and to discuss possible implications of standardizing the RFP template across agencies. New ICG members have been named to this subgroup.

##### **Progress**

- 1) A draft RFP template was developed incorporating various templates used across agencies. The template was shared with the SME and general feedback was that the sample RFP template has usability.
- 2) Next steps are to present a draft template to the larger group ICG by the next ICG meeting in January so FCB liaisons can forward to their agency decision-makers (i.e., agency heads, legal) for final approval on any long term changes for their agency. It is anticipated that individual agencies may have unique program needs; however, the proposed RFP template should accommodate these needs.

- 3) Additional next steps for this subgroup include developing and implementing a plan to improve contracting relationships with nonprofit organizations.
- 4) The subgroup will collaborate with the Enhanced Training subgroup at the appropriate time.

## **2) Enhanced Training Subgroup**

### **Background**

The Enhanced Training Subgroup identified the primary target audience as state agency staff that initiate or maintain both funded and unfunded partnerships with FCBOs to support the delivery of federally funded social services. They also identified existing resources on equal treatment training and initial themes that align with H.B. 492 requirements for training.

### **New Activities**

Since May 2011, the subgroup determined before developing agency curricula, standardized materials and training schedule, that new ICG members under H.B. 1965 need to be incorporated into the subgroup as these agencies may have existing standards and trainings that may inform the work of this subgroup.

This subgroup will expand its charge to include:

- 1) Equal treatment training for FCBOs seeking to partner with the state.
- 2) Recommendations for more effective trainings for FCBOs on responding to an RFP; compliance with reporting requirements and monitoring; and for streamlining and standardizing such trainings across agencies where possible.
- 3) This subgroup will collaborate with the Removing Barriers subgroup to incorporate any training necessary around new RFP templates.
- 4) The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.
- 5) New ICG members have been named to this subgroup.
- 6) Leadership of this subgroup has been transferred from the Department of State Health Services (DSHS) to the Department of Public Safety (DPS).

### **Progress**

The week of November 28, 2011 DPS will consult with their internal training unit which has expertise in curriculum development and instructional design and may be able to assist the subgroup with developing a curriculum template and project

management plan for the enhanced training group. The subgroup will schedule a working meeting in December to discuss implementing their activity plans prior to presenting to the full ICG in January.

### **3) Sharing Information and Resources Subgroup**

#### **Background**

The Sharing Information and Resources Subgroup was charged with determining the best way to both identify best practices for working effectively with the state and also to identify a mechanism for sharing state agency and other resources of interest to FCBOs.

#### **New Activities**

- 1) Per H.B. 1965, the role of this subgroup has expanded to include determining how state agencies can identify duplication of services and gaps in services.
- 2) The subgroup developed a draft “mock” website with the intent of creating a portal that could serve as a single entry point for FCBOs seeking to partner or contract with the state. The website would link to state agency resources, funding opportunities, RFPs and other pertinent information.
- 3) The subgroup will work with the State Commission on National and Community Service to determine how the State Commission on National and Community Service Texas Connector geo-mapping tool may be a companion resource. The State Commission on National and Community Service Texas Connector is slated for state-wide rollout in spring 2012 in partnership with HHSC and will address two of the charges: identifying duplication of services and gaps in services.
- 4) New ICG members have been named to this subgroup and leadership has transferred to another chairman within the same agency, the Department of Assistive & Rehabilitative Services (DARS) DARS.
- 5) The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.

#### **Progress**

The subgroup met on Friday, November 18, 2011. Bee Moorhead, one of the newly named co-chairs of the Task Force on Improving Relations with Nonprofits was in attendance as were all of the newly appointed ICG members assigned to this committee. Ms. Moorhead provided insight into how non-profits can streamline the sharing of information. She will ensure that the Task Force

provides input into the functionality and practicality of the “mock” website. Subgroup members are to provide the chair with edits and comments by December 15, 2011. The draft will be prepared for discussion with the full ICG in January, 2012. The Department of Information Resources (DIR) will investigate options for hosting the proposed website.

#### **4) Cross-Agency Programs Subgroup**

##### **Background**

After the passage of H.B. 1965, it was determined that there are opportunities with the assistance of the new Task Force on Improving Relations with Nonprofits to assist state agencies in the implementation of certain legislative mandates related directly to external constituencies as opposed to focusing on processes internal to state government. Representative Kolkhorst’s office, the State Commission on National and Community Service and members of the Task Force identified several areas for potential partnership. These will be discussed with each subgroup to determine which are best suited for public-private partnership.

##### **New Activities**

- 1) The new chair of the ICG formed a new subgroup called “Cross-Agency Programs” chaired by the Higher Education Coordinating Board.
- 2) The first meeting of this new subgroup is scheduled for December 8, 2011.
- 3) The newly formed Task Force on Improving Relations with Nonprofits will serve in an advisory role to ensure the voice of the nonprofit sector informs all activities.

##### **Progress**

None to date.

#### **ICG Leadership**

H.B. 1965 transferred the leadership of the ICG from HHSC to the State Commission on National and Community Service and named ten new agencies as ICG participants. Additionally, a new Task Force on Improving Relations with Nonprofits was created to assist the ICG in carrying out its duties. The State Commission on National and Community Service plans to use the Task Force strategically to ensure the voice of the nonprofit sector informs the work of the ICG and in so doing creates an effective mechanism for successful implementation of the Act. The Task Force will work closely with the presiding officer of the ICG to facilitate its interaction with the ICG and its subgroups (the

presiding officer is a member of all subgroups) and to help that the result of this groundbreaking legislation has meaningful impact.

### **Activities and Progress**

- 1) Since May 2011, on-going communication between HHSC and the State Commission on National and Community Service leadership has centered on how best to facilitate a seamless transfer of duties.
- 2) June 16, 2011 the ICG met at HHSC to discuss the reporting requirements of H.B. 492; the new requirements of H.B. 1965; and to hear reports from the subgroups under H.B. 492.
- 3) July 18, 2011 the new presiding officer of the ICG sent a letter in electronic and hard copy to the heads of all ten new agencies named to the ICG requesting their appointment of a high level liaison by September 2, 2011.
- 4) August 1, 2011 HHSC announced open applications for membership to the Task Force on Improving Relations with Nonprofits.
- 5) By September 2, 2011 all agencies except the Office of State-Federal Relations (OSFR), which was in transition, had submitted the names of their appointed liaisons. OSFR has since complied.
- 6) September 28, 2011 HHSC and the State Commission on National and Community Service hosted a webinar for all new ICG members to review the history of the ICG, the legislative intent of H.B. 492, and the changes made by H.B. 1965, including the charge to the ICG.
- 7) October 4, 2011 the full membership of the ICG met at the Brown-Heatly Building for a 3 hour interactive meeting. All present signed up for new subgroups. Those not present were assigned by the presiding officer.
- 8) October 6, 2011 the six agencies not in attendance at the October 4, 2011 meeting were contacted by the presiding officer to ensure participation.
- 9) November 3, 2011 Task Force members were notified of their appointment by HHSC.
- 10) November 18, 2011 Bee Moorhead joins the “Sharing Information and Resources” subgroup meeting as the Task Force begins its work.
- 11) November 28, 2011 co-chairs Bee Moorhead and Barry Silverberg meet with HHSC and State Commission on National and Community leadership to discuss roles and responsibilities.

#### **IV. NEXT STEPS FOR 2012**

- 1) The next meeting of the full ICG will be January 11, 2012. The agenda will be shaped by the work of the four subgroups.
- 2) The presiding officer will set timelines for subgroup activities to ensure movement toward the goals of the ICG on:
  - a. Implementation of a portal/website that effectively communicates with FCBOs
  - b. Development of curriculum and implementation of a training schedule across agencies on equal opportunity standards for both state agencies and FCBOs
  - c. Creating a standardized RFP template; and developing and implementing a contracting improvement plan.
  - d. Training state agencies on using the Texas Connector as a resource for identifying duplication of services and gaps in services
  - e. Implementation of a select few public-private partnerships between FCBOs and state agencies to assist those agencies in addressing legislative mandates
- 3) The presiding officer will coordinate with the ten new state agency liaisons to complete their internal barrier assessments. HHSC and the State Commission on National and Community Service drafted a streamlined version of the original barrier template used by the state agencies under H.B. 492. The revised template is more efficient and less confusing.
- 4) Ensure that the Task Force on Improving Relations with Nonprofits - in coordination with the ICG subgroups - develops and implements a plan for improving contracting relationships between state agencies and faith- and community-based organizations; develops best practices for cooperating and collaborating with faith- and community-based organizations; identifies and addresses duplication of services provided by the state and faith- and community-based organizations; and identifies and addresses gaps in state services that faith- and community-based organizations could fill.

## APPENDIX

H.B. No. 1965

### AN ACT

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

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

SECTION 1. Section 535.051, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

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

(1) the Texas Department [~~Office~~] of Rural [~~Community~~] Affairs;

(2) the Texas Commission on Environmental Quality;

(3) the Texas Department of Criminal Justice;

(4) the Texas Department of Housing and Community Affairs;

(5) the Texas Education Agency;



- (6) the Texas Juvenile Probation Commission;
- (7) the Texas Veterans Commission;
- (8) the Texas Workforce Commission;
- (9) the Texas Youth Commission;
- (10) the office of the governor;
- (11) the Department of Public Safety;
- (12) the Texas Department of Insurance;
- (13) the Public Utility Commission of Texas;
- (14) the office of the attorney general;
- (15) the Department of Agriculture;
- (16) the office of the comptroller;
- (17) the Department of Information Resources;
- (18) the Office of State-Federal Relations;
- (19) the office of the secretary of state; and
- (20) [~~10~~] other state agencies as determined

by the governor.

(c) The commissioner of higher education, in consultation with the presiding officer of the interagency coordinating group, shall designate one employee from an institution of higher education, as that term is defined under Section 61.003, Education Code, to serve as a liaison for faith- and community-based organizations.

SECTION 2. Sections 535.053(a) and (b), Government Code, are amended to read as follows:

(a) The interagency coordinating group for faith- and community-based initiatives is composed of each faith- and community-based liaison designated under Section 535.051 and a liaison from the State Commission on National and Community Service. The commission shall provide administrative support to the interagency coordinating group.

(b) The liaison from the State Commission on National and Community Service [~~commission employee designated as a liaison under Section 535.051~~] is the presiding officer of the interagency coordinating group. If the State Commission on National and Community Service is abolished, the liaison from the governor's office is the presiding officer of the interagency coordinating group.

SECTION 3. Section 535.054, Government Code, is amended to read as follows:

Sec. 535.054. REPORT [~~REPORTS~~]. (a) Not later than December 1 of each year, the interagency coordinating group shall submit a report to the legislature that describes in detail the activities, goals, and progress of the

interagency coordinating group. [~~A liaison designated under Section 535.051 shall:~~

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

~~[(2) report annually to the governor's office of faith and community based initiatives and as necessary to the State Commission on National and Community Service regarding the liaison's efforts to comply with the duties imposed under Sections 535.052 and 535.053.]~~

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

SECTION 4. Subchapter B, Chapter 535, Government Code, is amended by adding Section 535.055 to read as follows:

Sec. 535.055. TASK FORCE ON IMPROVING RELATIONS WITH NONPROFITS. (a) The interagency coordinating group task force is established to help direct the interagency

coordinating group in carrying out the group's duties under this section. The commission shall provide administrative support to the task force.

(b) The executive commissioner, in consultation with the presiding officer of the interagency coordinating group, shall appoint as members of the task force one representative from each of the following groups and entities:

- (1) a statewide nonprofit organization;
- (2) local governments;
- (3) faith-based groups;
- (4) community-based groups;
- (5) consultants to nonprofit corporations;
- (6) experts in grant writing; and
- (7) a statewide association of nonprofit organizations.

(c) In addition to the interagency coordinating group's other duties, the interagency coordinating group, in coordination with the task force, shall:

- (1) develop and implement a plan for improving contracting relationships between state agencies and faith- and community-based organizations;

(2) develop best practices for cooperating and collaborating with faith- and community-based organizations;

(3) identify and address duplication of services provided by the state and faith- and community-based organizations; and

(4) identify and address gaps in state services that faith- and community-based organizations could fill.

(d) The task force shall prepare a report describing actions taken or not taken by the interagency coordinating group under this section and include in the report any recommendations relating to legislation necessary to address an issue identified by the group under this section. The task force shall present the report to the House Committee on Human Services or its successor, the House Committee on Public Health or its successor, and the Senate Health and Human Services Committee or its successor not later than September 1, 2012.

(e) This section expires September 1, 2013.

SECTION 5. Not later than October 1, 2011, the executive commissioner of the Health and Human Services Commission shall appoint members to the interagency

coordinating group task force in accordance with Section 535.055, Government Code, as added by this Act.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1965 was passed by the House on April 19, 2011, by the following vote: Yeas 144, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1965 was passed by the Senate on May 19, 2011, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor

AN ACT

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

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

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

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

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 535.001. DEFINITIONS. In this chapter:

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

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

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



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

(A) is operated through a religious or denominational organization, including an organization that is operated for religious, educational, or charitable purposes and that is operated, supervised, or controlled, wholly or partly, by or in connection with a religious organization; or

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

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

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

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

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

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

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

[Sections 535.005-535.050 reserved for expansion]

SUBCHAPTER B. GOVERNMENTAL LIAISONS FOR FAITH- AND COMMUNITY-BASED ORGANIZATIONS

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

(b) The chief administrative officer of each of the following state agencies, in consultation with the governor, shall designate one employee from the agency to

serve as a liaison for faith- and community-based organizations:

- (1) the Office of Rural Community Affairs;
- (2) the Texas Commission on Environmental Quality;
- (3) the Texas Department of Criminal Justice;
- (4) the Texas Department of Housing and Community Affairs;
- (5) the Texas Education Agency;
- (6) the Texas Juvenile Probation Commission;
- (7) the Texas Veterans Commission;
- (8) the Texas Workforce Commission;
- (9) the Texas Youth Commission; and
- (10) other state agencies as determined by the governor.

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

- (1) identify and remove unnecessary barriers to partnerships between the state agency the liaison represents and faith- and community-based organizations;
- (2) provide information and training, if necessary, for employees of the state agency the liaison

represents regarding equal opportunity standards for faith- and community-based organizations seeking to partner with state government;

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

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

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

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

(b) A faith- and community-based liaison designated under Section 535.051 may coordinate and interact with

statewide organizations that represent faith- or community-based organizations as necessary to accomplish the purposes of this chapter.

Sec. 535.053. INTERAGENCY COORDINATING GROUP. (a)

The interagency coordinating group for faith- and community-based initiatives is composed of each faith- and community-based liaison designated under Section 535.051 and a liaison from the State Commission on National and Community Service.

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

(c) The interagency coordinating group shall:

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

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

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

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

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

(2) report annually to the governor's office of faith- and community-based initiatives and as necessary to the State Commission on National and Community Service regarding the liaison's efforts to comply with the duties imposed under Sections 535.052 and 535.053.

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

Sections 535.055-535.100 reserved for expansion]

SUBCHAPTER C. RENEWING OUR COMMUNITIES ACCOUNT

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

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

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

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

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

Sec. 535.103. RENEWING OUR COMMUNITIES ACCOUNT. (a) The renewing our communities account is an account in the general revenue fund that may be appropriated only to the commission for the purposes and activities authorized by this subchapter and for reasonable administrative expenses under this subchapter.

b) The account consists of:

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

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

(3) interest earned on money in the account.

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

(d) The purposes of the account are to:

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

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

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

Sec. 535.104. POWERS AND DUTIES REGARDING ACCOUNT.

(a) The commission shall:

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

(A) consolidates the capacity of and strengthens national service and community and faith- and community-based initiatives; and

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



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

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

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

(5) establish general state priorities for the account;

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

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

(b) Instead of contracting with the State Commission on National and Community Service under Subsection (a)(1), the commission may award account funds appropriated to the commission to the State Commission on National and Community Service in the form of a grant.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) The commission shall monitor the use of the funds administered by the State Commission on National and Community Service under a contract or through a grant under this section to ensure that the funds are used in a manner consistent with the requirements of this subchapter.

Records relating to the award of a contract or grant to the State Commission on National and Community Service, or to grants awarded by that entity, and records relating to other uses of the funds are public information subject to Chapter 552.

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

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

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

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

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

Sec. 535.105. ADMINISTRATION OF ACCOUNT FUNDS. If under Section 535.104 the commission contracts with or

awards a grant to the State Commission on National and Community Service, that entity:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Using money appropriated from the account, the task force shall hold at least three public hearings in various geographic areas of this state, at least one of which must be outside of Central Texas. The task force shall hear testimony at the hearings regarding strengthening the capacity of faith- and community-based organizations to manage human resources and funds and provide services.

(c) The task force is not required to hold a public hearing if the remaining money appropriated from the account to the commission for the state fiscal biennium is



insufficient for the performance of the duties or activities under this subchapter.

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

(e) This section expires September 1, 2011.

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

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

(c) Except as otherwise provided by this subsection, the advisory committee shall meet at least twice each

calendar year. The advisory committee is not required to meet if the remaining amount appropriated from the account to the commission for the state fiscal biennium is insufficient for the performance of any duties or activities under this subchapter.

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

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

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

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

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

SECTION 3. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

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

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
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.

\_\_\_\_\_  
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.

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

\_\_\_\_\_  
Governor