

SUBJECT: Faith- and community-based social, health, and human services initiatives

COMMITTEE: Public Health — committee substitute recommended

VOTE: 8 ayes — Delisi, Jackson, Cohen, Coleman, Gonzales, S. King, Olivo,
Truitt

0 nays

1 absent — Laubenberg

WITNESSES: For — Chris Bugbee, OneStar Foundation; Bee Moorhead, Texas Impact;
Stephen Reeves, Christian Life Commission; (*Registered, but did not
testify*: Mohamed Elibiary, The Freedom and Justice Foundation; Jason
Sabo, United Ways of Texas; Brenda Trolin, Catholic Health Association
of Texas)

Against — (*Registered, but did not testify*: Cathie Adams and Merry Lynn
Gerstenschlager, Texas Eagle Forum)

On — Ryan Valentine, Texas Freedom Network

BACKGROUND: The National and Community Service Act of 1990 created a new
independent federal agency, the Commission on National and Community
Service. The OneStar Foundation is the Texas State Commission on
National and Community Service. The OneStar Foundation was developed
to help volunteer and charitable organizations build effective partnerships
with the state.

DIGEST: CSHB 289 would designate the use of the Renewing Our Communities
Account to support initiatives with faith- and community-based
organizations. Government liaisons would work with these organizations
to foster partnerships with state agencies. The bill would not exempt a
faith- or community-based organization from any applicable state or
federal law or endorse the religious character, expression, beliefs,
doctrines, or practices of a faith-based organization.

Governmental liaisons for faith- and community-based organizations.

The governor, in consultation with agency chief administrative officers,
would designate one employee from each health and human services

agency and one employee from at least nine other designated agencies to serve as a liaison for faith- and community-based organizations. The liaisons would participate in an interagency coordinating group to remove interagency barriers to partnerships between state agencies and faith- and community-based organizations. A faith- and community-based liaison also would:

- provide information and training for state employees;
- conduct outreach efforts to encourage new faith- and community-based organizations partnerships with the agency;
- coordinate efforts with the governor's office of faith-based and community initiatives; and
- attend conferences to remain informed of issues and developments regarding faith- and community-based initiatives.

A liaison would provide periodic reports to the agency's chief executive officer and annual reports to the Governor's Office of Faith- and Community-Based Initiatives regarding the liaison's efforts to comply with these duties.

Renewing Our Communities Account. The Renewing Our Communities Account would be a state general revenue account consisting of funds from appropriations, gifts, grants, donations, and other sources. The account would be used to:

- increase the capacity of faith- and community-based organizations to provide charitable services and to manage internal operations;
- assist local governmental entities in establishing local offices to promote faith- and community-based initiatives; and
- foster better partnerships between state government and faith- and community-based organizations.

Membership of the Renewing Our Communities Account Advisory Committee would represent the religious, cultural, and geographic diversity in Texas. The advisory committee would make recommendations to the executive commissioner of the Health and Human Services Commission (HHSC) regarding the powers and duties with respect to the Renewing Our Communities Account.

Administration of the account. HHSC would contract with the State Commission on National and Community Service to administer funds

appropriated from the account. This administrative entity would create an objective, competitive process for awarding grants and develop criteria limiting grant awards based on the size of the faith- and community-based organizations. The entity also would establish and monitor performance and outcome measures for persons to whom grants were awarded. Administrative policies and procedures would establish that no funds appropriated from the Renewing Our Communities Account could be used to advance a sectarian purpose.

HHSC or the administrative entity could assist faith- and community-based organizations by providing or contracting to provide grant writing workshops, legal assistance, or referrals to organizational experts. The entity would offer other capacity-building services such as conducting needs assessments, facilitating coordination of services and resource sharing, providing best practice information, and encouraging research into the impact of organizational capacity on program delivery. The entity could use account funds to provide matching money for federal or private grant programs that aligned with the purpose of the account.

The Task Force on Strengthening Nonprofit Capacity would make recommendations for strengthening the capacity of faith- and community-based organizations for providing services and managing human resources and funds. The task force membership would include representatives from state agencies, nonprofit organizations, the academic community, and the foundation community.

Reporting and public information. The administrative entity would provide periodic reports to HHSC including an annual report with a specific accounting of the use of Renewing Our Communities Account funds and a summary of the efforts of the faith- and community-based liaisons. HHSC would post the annual report on the commission's web site.

The commission would monitor the use of the funds administered by the administrative entity to ensure the funds were used in accordance with requirements. Records relating to the award of a contract or grant to the entity, grants awarded by the entity, and records relating to other uses of the funds would be subject to public information statutes.

HHSC's web site would provide a link to the web site of the administrative entity with which the commission contracted. The entity's

web site would provide the recipient, amount, and purpose of any grant awarded and information regarding the methods by which the public could request information about those grants.

By February 1, 2008, HHSC would establish a database of volunteer opportunities to deliver services to Texans through state agencies and faith- and community-based organizations.

Effective date. The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

SUPPORTERS
SAY:

The faith- and community-based initiatives set forth by CSHB 289 would coordinate and increase efficiency for many activities that state agencies and the Governor's Office already are performing to benefit the lives of Texans. The bill also would broaden the participation of faith- and community-based organizations in non-traditional service provision through the incorporation of liaisons from agencies that do not focus on health and human services. Agency liaisons would enhance state partnerships with and awareness of faith- and community-based organizations.

The bill would tap unused community capacity and further build capacity in other entities through training and assistance to nonprofits. The administrator would teach nonprofits how to better engage in their business, better serve the community, and how to solicit other grant money. The grant program particularly could enable smaller communities to capitalize on local resources. The bill also would inform private citizens of ways they could become involved through the volunteer database.

CSHB 289 would contain many provisions designed to ensure transparency and accountability. HHSC would have oversight of the grant administration process. The public could review grant information accessible on the administrator's web site, and any interested citizen could track every dollar spent by the administrator because the program would use general revenue. Records related to grant administration would be subject to open records requirements. State agencies also would submit audit reports to satisfy oversight of funding through each partnered entity.

Strict rules would prevent a faith-based organization from using funding for sectarian purposes. If a faith-based organization refused to compromise

the way it delivered services to meet the requirements of Renewing our Community Account funding, the organization would not have to participate in the program. Other faith-based organizations, however, already have been participating in similar programs for years and have provided services in a non-sectarian fashion without compromising their principles.

**OPPONENTS
SAY:**

Faith-based organizations naturally have their own agendas and should be able to use their funding to implement programs in the manner of their choosing. The use of state funding would be restricted, and faith-based organizations should not be forced to compromise their principles by accepting funding with strings attached. Faith-based organizations should rely on the members of their faith to provide money for any social, health, or human services offered.

**OTHER
OPPONENTS
SAY:**

While faith- and community-based initiatives are positive undertakings, CSHB 289 would contain no provision for independent oversight of how grant funds were spent. Oversight by HHSC would not be impartial. The bill instead should allow for independent oversight of the grant administration process and review of how grant funds were expended by a collaboration between the HHSC Office of the Inspector General and the comptroller. The results of this unbiased review should be published biennially in a report made available through the governor's web-site. Such reporting would reveal if grantees used funds in a non-discriminatory fashion adhering to the requirements for Renewing our Community Account funding.

NOTES:

The companion bill, SB 200 by Nelson, has been referred to the Senate Health and Human Services Committee.