

GOVERNMENT CODE

TITLE 4. EXECUTIVE BRANCH

SUBTITLE I. HEALTH AND HUMAN SERVICES

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.).

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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 Texas Commission on Environmental Quality;

(2) the Texas Department of Criminal Justice;

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

(4) the Texas Juvenile Justice Department;

(5) the Texas Veterans Commission;

(6) the Texas Workforce Commission;

(7) the office of the governor;

(8) the Department of Public Safety;

(9) the Texas Department of Insurance;

(10) the Public Utility Commission of Texas;

(11) the office of the attorney general;

(12) the Department of Agriculture;

(13) the office of the comptroller;

(14) the Department of Information Resources;

(15) the Office of State-Federal Relations;

(16) the office of the secretary of state; and

(17) 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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 298 (H.B. 1965), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1176 (H.B. 3278), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 9.012, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 2.257, eff. April 2, 2015.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

(a-1) Service on the interagency coordinating group is an additional duty of the office or position held by each person designated as a liaison under Section 535.051(b). The state agencies described by Section 535.051(b) shall provide administrative support for the interagency coordinating group as coordinated by the presiding officer.

(b) The liaison from the State Commission on National and Community Service 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.

(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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 298 (H.B. 1965), Sec. 2, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 837 (S.B. 200), Sec. 3.18, eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 946 (S.B. 277), Sec. 2.18, eff. January 1, 2016.

Sec. 535.054. REPORT. (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.

(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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 298 (H.B. 1965), Sec. 3, eff. June 17, 2011.

Sec. 535.055. TEXAS NONPROFIT COUNCIL. (a) The Texas Nonprofit Council is established to help direct the interagency coordinating group in carrying out the group's duties under this section. The state agencies of the interagency coordinating group described by Section 535.051(b) shall provide administrative support to the council as coordinated by the presiding officer of the interagency coordinating group.

(b) The governor, in consultation with the presiding officer of the interagency coordinating group, shall appoint as members of the council two representatives from each of the following groups and entities to represent each group's and entity's appropriate sector:

- (1) statewide nonprofit organizations;
- (2) local governments;
- (3) faith-based groups, at least one of which must be a statewide interfaith group;
- (4) community-based groups;
- (5) consultants to nonprofit corporations; and
- (6) statewide associations of nonprofit organizations.

(c) The council, in coordination with the interagency coordinating group, shall:

- (1) make recommendations 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.

(c-1) The council shall elect a chair or chairs and secretary from among its members and shall assist the executive commissioner in identifying individuals to fill vacant council positions that arise.

(c-2) Council members serve three-year terms. The terms expire on October 1 of every third year. A council member shall serve a maximum of two consecutive terms.

(d) The council shall prepare a biennial report detailing the council's work, including in the report any recommendations relating to legislation necessary to address an issue identified under this section. The council 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 December 1 of each even-numbered year.

(e) Chapter 2110 does not apply to the Texas Nonprofit Council.

(f) Repealed by Acts 2015, 84th Leg., R.S., Ch. 837, Sec. 3.40(a)(19), and Ch. 946, Sec. 2.37(b)(18) eff. January 1, 2016. Added by Acts 2011, 82nd Leg., R.S., Ch. 298 (H.B. 1965), Sec. 4, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1183 (S.B. 993), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 837 (S.B. 200), Sec. 3.19, eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 837 (S.B. 200), Sec. 3.40(a)(19), eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 946 (S.B. 277), Sec. 2.19, eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 946 (S.B. 277), Sec. 2.37(b)(18), eff. January 1, 2016.

SUBCHAPTER C. RENEWING OUR COMMUNITIES ACCOUNT

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

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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; and

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

(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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 2.258, eff. April 2, 2015.

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 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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 837 (S.B. 200), Sec. 3.20, eff. January 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 946 (S.B. 277), Sec. 2.20, eff. January 1, 2016.

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).

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.

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.

Added by Acts 2009, 81st Leg., R.S., Ch. 259 (H.B. 492), Sec. 1(a), eff. May 30, 2009.