

- SUBJECT:** Creation of the Texas Nonprofit Council
- COMMITTEE:** Human Services — favorable, without amendment
- VOTE:** 8 ayes — Raymond, Fallon, Klick, Naishtat, Rose, Sanford, Scott Turner, Zerwas
- 0 nays
- 1 absent — N. Gonzalez
- SENATE VOTE:** On final passage, April 18 — 31 - 0 on Local and Uncontested Calendar
- WITNESSES:** For — Bee Moorhead, Texas Impact; Barry Silverberg, Texas Association of Nonprofit Organizations; (*Registered, but did not testify:* Melody Chatelle, United Ways of Texas; Donna Chatham, Association of Rural Communities)
- Against — None
- On — (*Registered, but did not testify:* Liz Garbutt, Health and Human Services Commission)
- BACKGROUND:** The 82nd Legislature passed HB 1965 by Kolkhorst, et. al in 2011, establishing the Task Force on Improving Relations with Nonprofits. The task force’s authorization expires September 2013.
- HB 1965 charged the task force with:
- developing and implementing a plan for improving contracting relationships between state agencies and faith- and community-based organizations;
 - developing best practices for cooperating and collaborating with faith-and community-based organizations;
 - identifying and addressing duplication of services provided by the state and faith- and community-based organizations; and
 - identifying and addressing gaps in state services that faith- and community-based organizations could fill.

The task force presented a report to the Legislature describing its work with the interagency coordinating group, including recommendations for necessary legislation.

DIGEST: SB 933 would rename the Task Force on Improving Relations with Nonprofits as the Texas Nonprofit Council. The bill would also change the council's membership and duties and would make the council subject to the Texas Sunset Act.

Membership. The bill would change the council's membership to include two representatives each from:

- statewide nonprofit organizations;
- local governments;
- faith-based groups;
- community-based groups;
- consultants to nonprofit corporations; and
- statewide associations of nonprofit organizations.

The bill would remove experts in grant writing from membership in the task force.

The executive commissioner of the Health and Human Services Commission would appoint members to the council by October 1, 2013 and by October 1 every three years thereafter. The bill also would require the council to elect a chair or chairs and secretary from among its members and assist the executive council in finding individuals to fill vacant council positions. Council members would serve three-year terms that would expire on October 1 every three years. A council member could serve a maximum of two consecutive terms.

Duties. The bill would require the council to coordinate with the interagency coordinating group to make recommendations for improving contracting relationships between state agencies and faith- and community-based organizations. The council would be required to prepare and present a biennial report to the House Committee on Human Services, the House Committee on Public Health, and the Senate Health and Human Services Committee by December 1 of every even-numbered year describing the council's work, including any recommendations for necessary legislation.

Under the bill, the council would continue to perform the other duties previously assigned to the Task Force on Improving Relations with Nonprofits.

Review. The council would undergo Sunset review in 2019 and every 12th year after 2019 but could not be abolished under the Sunset Act. The council would not be subject to Chapter 2110, Texas Government Code, governing state agency advisory committees.

Effective date. This 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 August 31, 2013.

**SUPPORTERS
SAY:**

SB 993 would strengthen existing collaboration between public programs and the nonprofit sector by making the Task Force on Improving Relations with Nonprofits permanent and renaming it the Texas Nonprofit Council. The task force achieved many of its goals and issued a report last year that was well received. SB 993 is necessary to continue the task force as the Texas Nonprofit Council because otherwise it would expire on September 1, 2013.

Texas has tens of thousands of 501(c)(3) nonprofits, and they are crucial to the successful implementation of many state programs. SB 993 would allow state agencies and the nonprofit community to continue to work together to make government more efficient and more responsive, enhancing the effectiveness of both parties. The tough economic times experienced by families, nonprofits and state agencies require greater cooperation between the nonprofit sector and state services to meet the needs of vulnerable residents.

The bill has no fiscal note and the council would not represent an additional cost to taxpayers. The council could help boost the effectiveness of nonprofits to allow the state to cut back on services in the future that could be provided more efficiently and effectively by nonprofits.

**OPPONENTS
SAY:**

Continuing a codified task force on relations between nonprofits and the state would impede the ability of nonprofits to react quickly and effectively to meet changing community needs without dealing with government bureaucracy.