

88th Texas Legislative Session Recap Report



With a \$32 billion budget surplus in consideration, the 88th Texas Legislative Session presented a key opportunity to bolster the state's underfunded services and support for Texas youth, young adults (YYA), and their families. The need for greater mental health supports emerged as a priority, and legislators clearly saw that a mental health workforce shortage contributed to barriers to services, particularly for Texans on Medicaid. In response, the legislature passed several bills to address workforce shortages by expanding loan repayment eligibility and increasing the availability of mental health training for those serving children and youth. Moreover, the legislature increased funding for prevention and early intervention, foster care, and the juvenile justice system. However, funding for YYA-focused housing and homelessness services or school mental health was deprioritized.

Major changes occurred in Texas prevention services as the legislature moved the Prevention and Early Intervention division at the Department of Family and Protective Services (DFPS) to the Health and Human Services Commission (HHSC), hoping to narrow the focus of DFPS. The legislature fully funded foster care rate modernization, and in acknowledgment of capacity concerns within the foster care system and other residential services for youth, the legislature also required an audit of rules, minimum standards, and contract requirements to understand how they impact providers' ability to promote the safety and well-being of youth in their care.

Additionally, this legislative session saw the most bills ever filed that directly related to housing and homelessness services. While the legislature made little movement to prevent or address homelessness or increase services for those experiencing homelessness, they did pass legislation prohibiting homeowners associations (HOAs) from banning the use of vouchers within their association boundaries, potentially increasing housing options for voucher holders.

This session also saw an increased focus on juvenile justice, with the Texas Juvenile Justice Department under Sunset review and calls for closure of the state-run juvenile lockups in response to understaffing and alarming conditions in the facilities. Instead of closing the state-run facilities, the legislature moved to build two new 100-bed secure facilities. It tasked TJJD with developing a plan for the use of all facilities the agency operates. TNOYS prioritized legislation that would reduce the number of youth impacted by the juvenile justice system. Our focus included eliminating curfew ordinances that criminalize youth experiencing homelessness and do not have a safe place to go during curfew hours, decriminalizing the offense of running away from unsafe situations, and raising the age of juvenile court jurisdiction so that 10, 11, and 12-year-olds cannot be arrested. Unfortunately, decriminalizing the offense of running away and raising the lower age of juvenile court jurisdiction did not pass.

Much of the legislative focus on education centered on school safety and parental rights. While mental health supports were part of these discussions, TNOYS' priority to support student mental health by creating a mental health allotment for schools did not pass. Parental rights focused on parents making decisions or "opting in" their students into curriculums and services rather than "opting out," such as taking sex ed classes, accessing counseling and mental health, and providing vouchers to cover part of the cost of private schools.

While the session brought many roadblocks and setbacks, TNOYS was proud to unite with our 100+ members, fellow advocates, and youth and young adult partners to build momentum for a cross-systems, youth-focused policy agenda. Below, we have summarized key bills and budget changes passed during the 88th Texas Legislative Session. As we move into the 89th Texas Legislative Session, TNOYS will build on the momentum from the past legislative session to continue prioritizing the needs of YYA and the providers that serve them to build a Texas where all YYA are valued, their strengths are recognized, their voices are heard and respected, and they have access to the resources, opportunities, and support they need to thrive.

State Budget

HB 1, the state budget, provided \$321,337,600,000 in funding for state services and supports for the 2024-2025 biennium, a 5.95% increase over the last biennium and an increase of 10.53% in state funds.

Department of Family and Protective Services (DFPS)

Prevention and Community-Based Services

Prevention and Early Intervention (PEI)

PEI funding increased substantially to address the dual increases to staffing costs and the need for services. The legislature funded 16.5 new PEI staff to manage the expansion of services. The funding covers both increased costs of providers and increases in the number of children, youth, and families served. Increases include:

- Family and Youth Success Program (FAYS) - \$14.1 million
- Community Youth Development (CYD) - \$4 million
- Health Outcomes through Prevention and Early Support (HOPES)- \$17.9 million
- Texas Home Visiting (THV) - \$21 million
- Nurse-Family Partnership (NFP) - \$4 million

Family First Prevention Services Act

The legislature continued the current pilot program on foster care prevention under the Family First Prevention Services Act (FFPSA) with the direction to increase the number of families served in the pilot; however, they provided no clear directives or plan for long-term implementation of FFPSA prevention services.

Foster Care

Foster Care Rates

- Fully funded (\$219.7 million) foster care rates under rate modernization, now referred to as the Texas Child-Centered Care System (T3C). The new T3C rate methodology does away with the service-level model. Instead, rates will be determined by service packages provided for each youth. The T3C rates will begin in 2025.
- Provided funding to bridge the gap before the new rate methodology and rates start. Funding continues the current enhanced rate for foster care providers serving higher-needs youth and provides \$30.6 million to fund a new, increased temporary rate to serve youth identified as basic and moderate in the current rate methodology.

Kinship Care

- When the new foster care rates are rolled out in 2025, rates for unverified kinship placements will increase to 50% of the new rate for basic foster care.
- A \$7 million budget will help kinship families become verified placements.

Community-Based Care

- Moved to expand Community-Based Care, providing \$97.1 million to expand into new regions and stages where CBC has already started. New Regions for Stage one include: 8A, 6A, 6B, and 10
- Funded five new staff at DFPS to plan for the Community-Based Care transition.

Children's Mental Health

- Provided \$21.1 million to continue the Intensive Psychiatric Stabilization Program
- Funded five new staff positions at DFPS to focus on the mental health needs of youth in care by coordinating and connecting youth to services.
- Provided funding to the Health and Human Services Commission (HHSC) to support three Youth Mobile Crisis Outreach teams to support youth in foster care.

Texas Juvenile Justice Department (TJJD)

Local Juvenile Probation Departments

- Increased state funding for local juvenile probation departments by \$142 million. The majority of funds are earmarked for salary increase stipends to address staffing challenges.
- Increased funding for the Regional Diversion Alternatives program to help divert youth from the state-secure facilities. Much of this funding is anticipated to fund placements for youth. However, there may be funding available to support youth in the community.

TJJD State Secure Facilities

- Sustained salary increases made during the interim for direct care and mental health staff in the state-secure facilities
- Provided 200 million dollars and directed the agency to build two new state-secure facilities with at least 200 beds in total. TJJD will work with the Texas Facilities Commission to identify locations for facilities that are within budget and can meet staffing demands.

Health and Human Services Commission (HHSC)

Mental Health Funding for Children

- Passed a \$33 million increase (17%) in funding for Community Mental Health for Children through Local Mental Health Authorities. Allocated over \$2 billion to build and support state hospital beds (SB 30) and funding for data systems enhancements.
- Earmarked \$100,000,000 for a Community Mental Health Grant program to divert people from state hospital beds. Funding will support beds outside of state hospitals, such as permanent supportive housing, step-down facilities, and jail diversion facilities.
- Allocated \$2.7 million toward funding community-based providers to support the mental health needs of children and youth. Funding aims to prevent juvenile justice or foster care involvement and, ultimately, the need for more intensive mental health support.

Beyond the base budget, the legislature's only funding appropriation to TDHCA was a one-time 1 million dollar earmark to provide housing and homelessness services to youth and young adults in Fort Bend County.

System-Specific Legislation

Child Welfare/Foster Care

Prevention

SB 24 moves the Prevention and Early Intervention (PEI) division from DFPS to HHSC, beginning September 1, 2024. Over the next year, HHSC and DFPS will coordinate and plan the transition. All funded staff positions in the PEI division will be moved in addition to the programs. The bill also removes statutory requirements for evidence-based and promising practices in some prevention programs. In the near term, this change is not likely to impact funded services.

Supporting Parents

SB 2120 provides legal representation and services to indigent parents or children named in a suit filed by the Department of Family and Protective Services.

Supporting Children and Youth in Care

SB 1930 ensures judges review whether youths' foster care placement decisions are the most appropriate and least restrictive for their needs to keep youth in the least restrictive setting.

HB 3765 requires that DFPS provide luggage to transport the personal belongings of children and youth who are removed from their homes or are moving between placements in foster care. DFPS is required to develop a plan and procedures to maintain a supply and to store and distribute the luggage as appropriate. DFPS is also required to track and report the number of times trash bags are used to transport a child or youth's belongings.

SB 1379 Establishes a pilot program granting foster youth bank accounts by requiring DFPS to enter into an agreement with one or more banks or similar financial institutions to create no-fee checking and savings accounts for youth ages 14 to 18 and make financial coaching or mentoring available to foster youth participating in the pilot program.

Legislation Impacting Foster Care Providers

HB 4233 requires that those caring for children and youth in care aged ten and over complete training on runaway prevention measures and procedures. The training can be included as part of training already provided to residential providers.

HB 4170 makes a person ineligible to reapply for a child-care or child-placing agency license if their license was refused renewal in the past five years.

SB 719 grants property tax exemptions to organizations providing services supporting the placement of children in foster or adoptive homes.

SB 593 requires an independent assessment of HHSC and DFPS' rules, minimum standards, and contract requirements that apply to foster care providers. The assessment will include recommendations to simplify and update standards to prioritize the health, safety, and well-being of children while reducing barriers to opening, recruiting, and retaining quality providers and relative, foster, and adoptive parents.

SB 1849 creates the Texas Interagency Reportable Conduct Search Engine to centralize and make searchable data from HHSC, DFPS, TEA, and TJJD on former employees who have engaged in misconduct, abuse, neglect, or exploitation. Requires providers serving vulnerable populations to use the search engine to determine the eligibility of potential hires.

Health and Behavioral Health



SB 14 is harmful to transgender youth who are disproportionately impacted by the systems in which TNOYS works. It prohibits medical professionals from prescribing puberty blockers or hormones or providing surgical interventions to support the transition of transgender youth under the age of 18. It is important to note that the legislation does not prohibit therapeutic gender-affirming mental health supports or the use of affirming language through which providers support youth.

Increase the Mental Health Workforce

HB 400 creates two grant programs to increase the number of professionals working in mental health care.

- The Psychiatric Specialty Innovation Grant Program enables medical schools to train more psychiatric care specialists in residency training programs.
- The Behavioral Health Innovation Grant Program will equip higher education institutions to administer programs to train more mental health professionals.

HB 2100 expands eligibility for student loan repayment programs for mental health professionals. Those who provide services in a state hospital or local mental health authority are eligible for student loan repayment.

SB 532 expands eligibility for student loan repayment programs for mental health professionals to those who provide services in a state hospital or local mental health authority. The bills also reduce the time frame for the recipient to receive the maximum amount of assistance.

HB 1211 expands eligibility to the Texas Joint Admission Medical Program loan repayment program to include licensed specialists in school psychology working in a Title 1 school or a school district in a mental health shortage area.

Training

HB 2059 expands eligibility for free Mental Health First Aid Training provided by Local Mental Health Authorities. The training can be available to anyone with direct or recurring contact with students, employees, and contractors of child-care facilities and higher education institutions. They can also provide the training directly to youth.

HB 1905 allows public school districts to provide school safety trainings to other child-serving organizations.

New Grant Programs

SB 26 creates a grant program to improve access to early mental health intervention and treatment for children and families with the goals of reducing the need for future intensive mental health services and preventing placement in foster care, juvenile justice, or other residential mental health facilities. Eligible entities include non-profits, hospitals, LMHAs, and child-care centers, with priority going to those working with children and family members of children at high risk of experiencing a crisis or developing a mental health condition.

Housing and Homelessness Services

HB 1193 prohibits property owners' associations from discriminating against a prospective or current renter based on the renter's payment method. The bill explicitly bars homeowner's associations from prohibiting or limiting the use of housing vouchers in the community.

HB 4645 grants property tax exemptions to low-income housing providers leasing the land they developed for housing.

Justice

SB 1727, the Texas Juvenile Justice Department sunset bill, continues the agency for four more years and sets the agency up for an early sunset review to determine if the policy changes and increased funding are working as intended. The legislation also requires the agency to work with stakeholders for long-term planning to build capacity at the local level.

HB 422 allows juvenile courts to hold detention hearings remotely, including allowing or requiring any participant to join remotely.

SB 1612 eliminates juvenile court fees charged to youth and their families.

HB 1819 prohibits the adoption and enforcement of local juvenile curfew ordinances, eliminating the offense of juvenile curfew and keeping more youth out of justice and municipal courts.

HB 3186 requires that youth be diverted from municipal and justice courts for fine-only misdemeanors.

Commercial Sexual Exploitation of Youth (CSEY)

HB 3554 enhances the penalty for the offense of trafficking of persons if committed in or near a juvenile justice facility, a shelter, RTC, a community center offering youth services or programs, or a child care facility.

SB 1527 creates the offense of "child grooming" and updates the composition and duties of the Human Trafficking Prevention Council and Human Trafficking Taskforce.

Education

HB 3 Is a “school safety” bill with various provisions and requirements:

- Requires that each district employee who interacts with students regularly completes evidence-based mental health training
- Requires school districts to have at least one armed security officer on each campus. Otherwise, the campus must have a marshall or another armed person.
- Requires that Education Service Centers (ESC) act as a school safety resource for schools in their region. They must assist regional school safety teams and may assist with Positive Behavior Interventions and Support (PBIS).

SB 133 prohibits law enforcement or school personnel from restraining or using pepper spray or tasers on students in 5th grade or below unless the student poses a serious risk.

HB 3917 creates an opportunity for charges to be dropped against parents for contribution to non-attendance (truancy) if the parent agrees to and completes a standardized counseling, training, or other program determined by the school district.

Higher Education and Workforce

HB 1361 requires colleges and universities to have at least one campus staff member designated as a liaison for current and incoming student parents to children under age 18. Liaisons will provide these students with information, resources, and support services.

SB 412 protects pregnant and/or parenting students on college campuses by requiring higher education institutions to provide reasonable accommodations to support them.

SB 2139 establishes the Opportunity High School Diploma pilot program at up to 5 community colleges. The program will allow adult students to earn a high school degree through workforce development programs.

SB 532 requires colleges and universities to provide all students with information about accessing mental health support on campus.

Cross-Systems

While TNOYS policy priorities often touch multiple issue areas, the following bills passed by the legislature are not specific to systems-involved youth but will disproportionately impact the youth, providers, and the youth-serving systems TNOYS works to reform.

SB 14 prohibits medical professionals from prescribing puberty blockers or hormones or providing surgical interventions to support the transition of transgender youth under the age of 18. It is important to note that the legislation does not prohibit therapeutic gender-affirming mental health supports or the use of affirming language.

HB 567, colloquially known as the “Crown Act,” prohibits discrimination against a hair texture or protective hairstyle commonly or historically associated with race. The prohibition includes employment or workplace and housing discrimination as well as inclusion in school and higher education dress codes or grooming policies.

For questions and to engage further, reach out to us!

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