

# **The Texas Faith-Based Initiative at Five Years:**

*Warning Signs as President Bush Expands Texas-style Program at National Level*

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# EXECUTIVE SUMMARY

“When we see social needs in America, my administration will look first to faith-based programs and community groups...”

*-- President George W. Bush, on the creation of the White House Office of Faith-Based and Community Initiatives, January 2001<sup>1</sup>*

The national debate over the Faith-Based Initiative is being waged largely in the hypothetical: Would it violate the separation between church and state? Would it overburden our houses of worship? Would it dilute the religious mission and compromise the prophetic voice of churches, synagogues and mosques?

As the state that led the nation with its aggressive implementation of the Faith-Based Initiative, Texas has learned the answers to many of these questions.

After the federal Welfare Reform Act of 1996, and under the leadership of then-Governor George W. Bush, Texas launched an aggressive campaign to facilitate the delivery of social services by faith-based providers. The path of the national initiative makes clear that President Bush is pursuing the Texas model of the Faith-Based Initiative. At both the state and federal level, President Bush has:

- Issued an executive order directing key government agencies to take specific steps to increase contracting with faith-based social service providers;
- Followed a two-pronged approach, diverting public funds to religious social service programs while simultaneously loosening regulations over faith-based providers;
- Established an advisory body to support his initiative and brainstorm ways to bolster faith-based programs;
- Established faith-based liaisons and/or offices within key government agencies to review agency policies, identify regulatory barriers for faith-based providers, and increase faith-based partnerships; and
- Pursued his Faith-Based Initiative through both regulatory and legislative means.

As the national initiative unfolds in much the same way as its Texas predecessor, the state’s five-year record with “Charitable Choice” is revealing. After five years of aggressively implementing the Bush-led Faith-Based Initiative in Texas, positive results have proven impossible to document or measure. Evidence points instead to a system that is unregulated, prone to favoritism and co-mingling of funds, and even dangerous to the very people it is supposed to serve.

The Texas record shows that:

- Loosening regulations over faith-based providers has not served the faith community at large, but has instead provided a refuge for facilities with a history of regulatory violations, a theological objection to state oversight and a higher rate of abuse and neglect.
- Loosening regulations over faith-based providers has endangered people in need and lowered standards of client health, safety and quality of care in Texas.
- Faith-based deregulation has allowed physical diseases to go medically untreated.

- Regulatory changes have resulted in preferential treatment of faith-based providers in government contracting opportunities.
- Taxpayer funds have been co-mingled with church funds and spent on overtly religious activities.
- Clients have been ordered by the courts to attend unlicensed faith-based providers.

The Faith-Based Initiative has proven to be a treacherous enterprise for houses of worship, taxpayers, and people in need alike. So treacherous, in fact, that even the very legislators who once promoted the Faith-Based Initiative in Texas have now abandoned the idea, choosing not to renew the state's Alternative Accreditation program for religious providers last year.

As the state that has forged the farthest ahead in the "Charitable Choice" experiment, Texas' move to reverse its involvement in the Faith-Based Initiative is a warning sign for the nation.

# FEDERAL GENESIS OF THE FAITH-BASED INITIATIVE

In 1996, the United States Congress passed the Personal Responsibility and Work Opportunity Act. John Ashcroft, then-Senator from Missouri and current United States Attorney General, introduced what became known as the Ashcroft Amendment. His amendment created the “Charitable Choice” initiative allowing states to contract directly with sectarian organizations in the provision of social services. The Ashcroft Amendment was adopted and became Section 104 of this sweeping welfare reform legislation.

Prior to passage of Section 104, religiously affiliated groups like Catholic Charities and Jewish Family Services were able to compete for and receive government funds, but only if: 1) the organization established a separate 501(c)(3) nonprofit to administer the funds; 2) the program did not proselytize people in need; and 3) the organization did not discriminate in its hiring practices.

Under the new “Charitable Choice” law, however, organizations would be permitted to compete for funding irrespective of the amount of religion contained in the social programs to be provided.

## TEXAS LEADS THE CHARGE: EVOLUTION OF THE FAITH-BASED INITIATIVE

George W. Bush pursued largely the same model five years ago in Texas as he is pursuing at the federal level today – working first through the executive powers granted to his office and then by advocating changes through legislative and agency action.

Under the leadership of then-Governor Bush, Texas moved beyond the original federal legislation allowing for partnerships with faith-based groups to actually changing state regulation and licensing procedures to favor these organizations. Governor Bush’s aggressive implementation of “Charitable Choice” earned Texas an “A+” rating from the pro-“Charitable Choice” Center for Public Justice, which called Texas the “first and most aggressive” state in implementing taxpayer-funded religious services.<sup>2\*</sup>

### *Executive Action*

Four months after Congress passed the “Charitable Choice” provision, Governor Bush issued an executive order directing “all pertinent executive branch agencies to: (i) take all necessary steps to implement the ‘charitable choice’ provision of the federal welfare law; and (ii) take affirmative steps prescribed by the Act to protect the religious integrity and the functional autonomy of participating faith-based providers....[and] file a written report with the Office of the Governor on the implementation status of ‘charitable choice’ provisions” within six months of the executive order.<sup>3</sup>

Governor Bush also pulled together an almost exclusively Christian Task Force on Faith-Based Programs, made up of 16 clergy and laity that would offer recommendations for applying “Charitable Choice” and other faith-based initiatives in Texas.<sup>†</sup>

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\* For a complete timeline of “Charitable Choice” in Texas, see Appendix A.

† For more on the conflicts of interest and religious diversity issues regarding membership on the Governor’s Task Force on Faith-Based Programs, see Appendix B.

The Governor's instructions to this state-level task force were similar to his later direction to the White House Office of Faith-Based and Community Initiatives, which he created to shepherd his initiative on the federal level. In 1996, Governor Bush charged his task force with two objectives: to identify laws and regulations that impeded the work of faith-based groups and to recommend ways to lift some of those regulations.<sup>4</sup>

Not surprisingly, the task force and their findings echoed the Governor's enthusiasm for aggressive implementation of the Faith-Based Initiative. Over the next several years, Bush implemented many of the task force's recommendations through legislative or regulatory means, to varying degrees of success.

### ***Legislative Action***

State legislation passed in 1997 and 1999 underscores the two-pronged approach of the Texas Faith-Based Initiative, focusing both on deregulating faith-based providers and on increasing the financial resources made available to faith-based programs.

In 1997, the Texas Legislature passed two bills that set the stage for deregulation of faith-based facilities in Texas. One new law established an Alternative Accreditation system that allowed faith-based children's homes and child-care facilities to be accredited by a faith-based entity in lieu of being licensed and regulated by the state.<sup>5‡</sup> Another law allowed faith-based chemical dependency programs to be exempted from state licensing and regulation.<sup>6§</sup>

In 1999, the Texas Legislature went one step further in implementing and promoting the Faith-Based Initiative by providing the framework to disperse funds to faith-based organizations. One new law instructed the Texas Department of Human Services and the Texas Workforce Commission - both conduits for federal "Charitable Choice" funds - to designate regional liaisons to encourage outreach and partnerships with faith-based organizations.<sup>7</sup> Other legislation made specific funding streams available to pervasively sectarian organizations.<sup>8</sup>

### ***Agency Action***

Key state agencies began making structural and policy changes to accommodate the executive and legislative mandates directing their involvement in the Faith-Based Initiative. Major regulatory changes were required at the Texas Department of Human Services and the Texas Workforce Commission, which distribute federal "Charitable Choice" funds at the state level. The Texas Department of Protective and Regulatory Services and the Texas Commission on Alcohol and Drug Abuse were also involved in faith-based policy changes since they oversaw, respectively, faith-based child-care providers and faith-based drug treatment centers deregulated by the Texas Legislature.

*Texas Department of Human Services* -- The Texas Department of Human Services (TDHS) contracts for nutrition programs, family violence assistance, refugee assistance, health care, nursing facilities, community care and TANF-related services - all program areas for which faith-based and community organizations are eligible to apply.<sup>9</sup> Responding to legislative direction, TDHS established a Charitable Choice Workgroup within the agency that completed an initial review of agency policies

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<sup>‡</sup> For more on the Texas Alternative Accreditation system, see "Alternative Accreditation" section of report and the Roloff Homes case study in Appendix G.

<sup>§</sup> For more on Texas' exemption for faith-based chemical dependency programs, see "Licensing Exemption" section of report and the case studies in Appendices H-J.

and regulations to identify regulatory barriers that hindered the participation of faith-based social service providers. TDHS then changed the language on all Request for Proposals and contracts, targeted outreach to faith-based organizations, and established regional liaisons to cultivate faith-based groups – all with an eye to increasing the agency’s financial and non-financial partnerships with faith-based providers.<sup>10\*\*</sup>

*Texas Workforce Commission* -- The Texas Workforce Commission (TWC) and its 28 Local Workforce Development Boards contract for child-care, job training and all workforce-related services.<sup>11</sup> To implement the state’s Faith-Based Initiative, TWC ordered its 28 local boards to develop strategies to cull more faith-based providers, expand outreach activities and report quarterly on the number of “Charitable Choice” partnerships. TWC, in turn, compiles these local reports and submits them annually to the Governor.<sup>12††</sup>

*Texas Department of Criminal Justice* -- Although the Texas Department of Criminal Justice (TDCJ) does not have jurisdiction over the “Charitable Choice” programs targeted specifically by the federal legislation, TDCJ has followed suit and increased its faith-based partnerships. In fact, TDCJ dedicated \$1.5 million of its 2001 appropriations specifically to fund the “Inner Change” pre-release program,<sup>13</sup> whose mission is to “create and maintain a prison environment that fosters respect for God’s law, the rights of others, and to encourage the spiritual and moral regeneration of offenders to the end that they develop responsible and productive relationships with their Creator, families and communities.”<sup>14</sup> Prior to these state appropriations, Inner Change had to fund its own operations, but state funds now pay for the program’s Bible-based counseling and Christianity-centered materials.<sup>15</sup>

*Texas Department of Protective and Regulatory Services* -- The Texas Department of Protective and Regulatory Services (TDPRS) licenses and regulates both secular and faith-based child-care providers, children’s homes and child placing agencies. When the Texas Legislature created the Alternative Accreditation system for faith-based providers in 1997, TDPRS was the state agency charged with approving faith-based accrediting entities that would, in turn, approve and monitor faith-based providers pursuing Alternative Accreditation in lieu of state licensing. TDPRS then would no longer license or directly oversee these faith-based child-care providers. TDPRS was instead responsible for ensuring that the accrediting entities complied with state law and conducted proper oversight of the faith-based child-care providers.<sup>‡‡</sup>

*Texas Commission on Alcohol and Drug Abuse* -- The Texas Commission on Alcohol and Drug Abuse (TCADA) licenses and monitors all substance abuse treatment facilities in Texas. Since the 1997 Texas Legislative session, any faith-based substance abuse treatment center may now register with TCADA to be exempted from virtually all regulations and standards by which state-licensed facilities must abide. Any faith-based facility wishing to do so must only file the appropriate form with TCADA, and TCADA maintains a list of all such exempt facilities.<sup>§§</sup>

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\*\* For more on policy changes at the Texas Department of Human Services, see Appendix C.

†† For more on policy changes at the Texas Workforce Commission, see Appendix D.

‡‡ For more on the Texas Alternative Accreditation system, see “Alternative Accreditation” section of report and the Roloff Homes case study in Appendix G.

§§ For more on Texas’ exemption for faith-based chemical dependency programs, see “Licensing Exemption” section of report and the case studies in Appendices H-J. For the exemption application, see Appendix E.

# **DEREGULATING FAITH-BASED PROVIDERS IN TEXAS: THE IMPACT OF LICENSING AND REGULATION CHANGES**

In Texas, the Faith-Based Initiative has meant more than allowing faith-based organizations to compete for government funds without altering their sectarian nature; it has meant a radical change in licensing and regulation laws to loosen oversight over *some* faith-based groups providing services to children and chemically-dependant people.

Faith-based deregulation in Texas was the result of both executive and legislative direction. Regulatory changes in Texas came not only in the form of agency policy and contract changes (as is already seen at the federal level), but also in the form of direct deregulation of faith-based providers through changes in licensing and inspection requirements. The aftermath of this latter form of deregulation has only recently come to bear, but it is evident that this is clearly the least discussed and most dangerous aspect of the Bush-led faith-based initiative.

## ***Rationale for Deregulating Faith-Based Providers***

Deregulation of faith-based service providers is essential to the Faith-Based Initiative, which essentially strives to bring more faith-based providers into the social safety net – whether by increasing funding streams or by removing regulatory barriers for these programs. One rationale cited for loosening regulations over faith-based providers is that these groups achieve worthy results and should thus not be hampered by government “red tape.” Some advocates even claim that the success rates and effectiveness of faith-based programs are better than those of secular programs.<sup>16</sup> Supporters of the Faith-Based Initiative also argue that conventional government regulations impede what they call the “faith factor” - the expressly religious component that drives sectarian programs and their success rates.<sup>17</sup> Furthermore, supporters argue that government simply has no business regulating the social ministries provided by religious entities.

Whatever the rationale, faith-based deregulation in Texas has been rapid and widespread – and devastating.

## ***Immediate Impetus for Deregulating Faith-based Providers***

The specific path deregulation took in Texas was more a product of the composition of Governor Bush’s 1996 Task Force on Faith-Based Programs and his personal religious beliefs, than pressure from the faith-based provider community to lift regulations over sectarian programs. The Task Force included representatives from several faith-based chemical dependency programs, many of which had already publicly declared their opposition to state licensing. Most notable among these was the director of Teen Challenge of South Texas, whose facility received a 49-page list of non-compliances with the state’s health and safety codes following a state inspection the year before.

Governor Bush’s reaction to Teen Challenge’s violations was: “TCADA was following procedure [in issuing the non-compliance report]. But I support faith-based programs. I believe that a conversion to religion – in this case Christianity...by its very nature promotes sobriety. There is logic to what Teen Challenge is doing, and I support it strongly....But Teen Challenge is going to exist...and licensing standards have to be different from what they are today.”<sup>18</sup> Teen Challenge and the four other religious drug treatment centers represented on the Task Force would be the impetus for altering state



regulation over these facilities.<sup>\*\*\*</sup>

Similarly, representatives of faith-based child-care facilities served on and lobbied the Task Force, setting the ball in motion to deregulate the few sectarian children's facilities that objected to licensing standards. One guest invited to speak to the Task Force about his theological opposition to state oversight was Wiley Cameron, director of the Roloff Homes – a faith-based home for troubled teens notorious for a history of child abuse allegations and a decades-long battle with the state over licensing issues. Cameron convinced the Task Force to recommend changes in state regulations over faith-based children's homes and child-care facilities, and eventually drafted the legislation that stemmed from the Task Force's work.<sup>19†††</sup>

### *Alternative Accreditation for Faith-Based Children's Services*

In 1997, the Texas Legislature established an Alternative Accreditation program that allowed faith-based child-care centers and residential children's homes to attain exemption from state licensing by instead submitting to "alternative accreditation" where they were monitored by a non-governmental entity, such as a group of pastors. The only such non-governmental entity approved by the state was the Texas Association of Christian Child-Care Agencies (TACCCA). Approved by the state in December 1998, TACCCA was charged with reviewing and approving applications for accreditation, and conducting inspections of accredited facilities.

TACCCA began accrediting faith-based children's facilities in 1999, starting with the Roloff Homes, which prior to the Alternative Accreditation program were barred by the U.S. Supreme Court from operating in Texas without a state license. TACCCA accredited a total of only eight facilities in the four years the Alternative Accreditation program was in place. Over the same period, more than 2,000 faith-based child-care facilities chose to continue operating under a state license.<sup>20</sup>

In theory, TACCCA was required to enforce the same standards, and conduct the same inspections, at facilities it regulated as were enforced at state-licensed facilities. In reality, however:

- Three of the eight facilities accredited by TACCCA – the Roloff Children's Home, Channelview Christian Daycare and Miller Road Baptist Daycare<sup>21</sup> – were run by pastors who served on the TACCCA board. Thus, these pastors were in charge of approving, inspecting and policing their own facilities.<sup>22</sup>
- TACCCA was cited by the state for failing to conduct *any* unannounced inspections of its facilities, as were required by state law and TACCCA's state contract to be conducted annually at each facility.<sup>23</sup>
- The rate of *confirmed* abuse and neglect at alternatively-accredited facilities was 25 times higher than that of state-licensed facilities. Alternatively-accredited facilities had a 25% rate of confirmed abuse and neglect,<sup>24</sup> compared to a rate of less than 1% at state-licensed facilities.<sup>25</sup>
- The complaint rate at alternatively-accredited facilities was 75%,<sup>26</sup> compared to a 5.4% complaint rate at state-licensed facilities.<sup>27</sup>
- The state could not conduct site visits or address complaints at alternatively-accredited facilities unless TACCCA filed formal allegations of abuse against a facility it accredits.
- Alternative Accreditation buffered faith-based organizations from state oversight, but left the children in their care vulnerable.

In Spring 2001, the Texas Legislature chose not to renew the state's Alternative Accreditation program for faith-based child-care providers, dismantling one of the pillars of the state's faith-based initiative.

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<sup>\*\*\*</sup> For more on Teen Challenge, see case study in Appendix H.

<sup>†††</sup> For more on the Roloff Homes, see case study in Appendix G.

## ***Licensing Exemption for Faith-Based Drug Treatment***

In 1997, the Texas Legislature enacted another of Governor Bush's task force recommendations, allowing faith-based drug and alcohol treatment centers to exempt themselves from state licensing.

Under Texas' new, permissive regulatory structure, faith-based drug treatment centers must simply register their religious status with the Texas Commission on Alcohol and Drug Abuse (TCADA) to be exempt from virtually all health, safety and quality of care regulations required of state-licensed treatment facilities, including: all employee training and licensing requirements, medical treatment guidelines, abuse and neglect prevention training, client rights protections, and requirements for reporting abuse, neglect, emergencies and medication errors.<sup>28+++</sup>

TCADA has no authority to investigate complaints, remedy unsafe conditions or ensure quality treatment practices at faith-based treatment centers that are exempt from state regulations. As such, clients of exempt treatment centers have no recourse through the state if they have a grievance with a facility they attended.<sup>29</sup> Responding to one complaint against an exempt faith-based treatment center, the state said "Unfortunately, [the program administrator] is not licensed as a chemical dependency counselor with the Commission on Alcohol and Drug Abuse and we therefore have no jurisdiction over him. The Right Step Program is registered with the Commission as a faith based chemical dependency treatment program, which is exempt from facility licensure. It is unfortunate that your experiences at Right Step were not positive. Releasing confidential information is a violation of the licensed chemical dependency counselor rules, but since [the administrator] isn't licensed, there is not anything we can do at this point."<sup>30</sup>

The Right Step Program (d.b.a. Williamson Baptist Association) and other treatment programs continue to operate *legally* in Texas – without licensed counselors, adherence to state health and safety standards, or accountability for client rights.<sup>31</sup>

### ***"Model" Faith-Based Treatment Center?***

**Teen Challenge Health & Safety Violations**  
(1995 state inspection immediately prior to deregulation under the Texas Faith-Based Initiative)<sup>70\*</sup>

- "No qualified credential counselors on staff."
- "No chemical dependency services are being provided."
- "No staff has current CPR and First-Aid training. No policies on psychiatric or medical emergencies were found."
- "No documentation...[of the required] initial training for staff" on "client rights; client grievance procedures; confidentiality of client-identifying information; client neglect and exploitation; requirements for reporting neglect and other serious incidents; standards of conduct; emergency...procedures; and the individual's specific job duties."
- "The present handling of medications at this facility are badly out of compliance. No one we spoke to understood or delivered service according to the policy...standards."
- "Smoke detection alarm system inoperable."
- "Exposed wires and electrical outlets...missing bulbs, dangling light fixtures, and holes in ceilings near light fixtures."
- Violated requirement to "provide a safe, secure, and well-maintained environment."
- Violated food preparation requirements creating "a potential health hazard."
- Violated requirement to disclose client Bill of Rights and client grievance procedures.
- Violated required admission criteria, intake consent procedures, treatment plans, discharge procedures and discharge follow-up.
- Violated requirement that "the facility shall not exploit clients by using client labor inappropriately."
- Violated incident reporting requirements.
- Violated requirement to: "protect the health, safety, rights, and welfare of clients; provide adequate services...; comply with all applicable laws, regulation, policies, and procedures; maintain required licenses, permits, and credentials; and comply with professional and ethical codes of conduct."

***"Teen Challenge should view itself as a pioneer in how Texas approaches faith-based programs."***

– George W. Bush, July 1995<sup>18</sup>

<sup>+++</sup> For a list of state licensing, health and safety standards from which faith-based chemical dependency programs are exempt, see Appendix F. For the 2-page exemption application, see Appendix E.

\* For more on Teen Challenge, see case study in Appendix H.

# TEXAS LESSONS

- 1: ***The Faith-Based Initiative is not a vehicle for the faith community at large, but for fringe religious providers avoiding legitimate state oversight and regulations.*** Only eight faith-based children’s facilities sought Alternative Accreditation in lieu of state licensing,<sup>32</sup> and 129 faith-based chemical dependency programs have sought exemption from state licensing to date.<sup>33</sup> In contrast, over 2,000 *faith-based* child-care centers<sup>34</sup> and more than 900 chemical dependency programs – faith-based and non faith-based alike – currently maintain state licensing.<sup>35</sup> In Texas, faith-based deregulation has been a refuge for facilities with a history of regulatory violations, a theological objection to state oversight and a higher rate of abuse and neglect.<sup>§§§</sup>
- 2: ***Faith-based deregulation endangers vulnerable populations.*** It has proven dangerous to exempt social service providers - simply because they are faith-based – from the health and safety regulations expressly created to protect vulnerable populations like children and chemically-dependent people. There is no question that eliminating basic health and safety standards made operations easier for a few faith-based programs in Texas, but it has also jeopardized the well-being of clients served by these facilities.<sup>§§§</sup>
- 3: ***Faith-based deregulation has lowered the standard of client health, safety and quality of care in Texas.*** Not only is this not in the best interest of program clients, but it also establishes two radically different standards of patient care and accountability for Texas service providers.
- 4: ***Faith-based deregulation has allowed physical diseases to go medically untreated.*** Indeed, the very reason many faith-based chemical dependency programs sought exemption from state laws was the belief that state oversight hindered the “faith factor” that was the underpinning of their success. Most of the exempt faith-based programs have no medical component and rely instead on treating drug and alcohol addiction as a sin, not a disease.<sup>\*\*\*\*</sup>
- 5: ***Regulatory changes have resulted in preferential treatment of faith-based providers in government contracting opportunities.*** Agency policy changes, contract and RFP language changes, establishment of faith-based liaisons, targeted outreach efforts, and set-asides for faith-based providers have gone far beyond the stated aim of leveling the playing field to now actually tipping the scales in favor of faith-based providers. The application of a spiritual philosophy on program participants appears to now play a great role in determining contract and grant recipients, often outweighing the organization’s track record, experience and cost effectiveness.<sup>††††</sup>
- 6: ***Concerns about clients’ religious freedom and the separation of church and state have proven to be valid.*** In Texas, it has become apparent that, when the government funds programs where the infusion of faith through every element of the program is a defining element of success, there is simply no way to ensure that taxpayer funds are not co-mingled with church funds or spent on overtly religious activities.<sup>\*\*\*\*</sup>

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§§§ See Roloff Homes case study in Appendix G and Teen Challenge case study in Appendix H.

\*\*\*\* See Victory Fellowship case study in Appendix I.

†††† See Institute for Responsible Fatherhood case study in Appendix K.

\*\*\*\* See Jobs Partnership of Washington County case study in Appendix L.

- 7: ***Clients are being ordered by the court to attend unlicensed faith-based programs.*** Clients ordered to attend a faith-based chemical dependency program are often unaware the provider is not subject to state licensing – and the health and safety regulations that accompany that license.<sup>§§§§</sup>
- 8: ***Faith-based providers deregulated at the state level could be eligible for funding at the federal level since they are sanctioned by the state and operating legally.***
- 9: ***After five years of aggressively implementing a Bush-style faith-based initiative in Texas, positive results have proven impossible to document or measure.*** Evidence points instead to a system that is unregulated, prone to favoritism and co-mingling of funds, and even dangerous to the very people it is supposed to serve.
- 10: ***State lawmakers have already begun to reverse the state’s involvement in the Faith-Based Initiative because of its troubled record.*** The Faith-Based Initiative has proven to be a treacherous enterprise for houses of worship, taxpayers, and people in need alike. So treacherous, in fact, that even the very legislators who once promoted “Charitable Choice” in Texas have now abandoned the idea, choosing not to renew the Alternative Accreditation plan last year. As the state that has moved the farthest along in the Faith-Based Initiative experiment, Texas’ move to shut down one of the lynchpins of “Charitable Choice” signifies a dramatic rollback of this initiative.

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<sup>§§§§</sup> See Right Step Program case study in Appendix J.

## Appendix A.

### Timeline of the Bush-led Faith-Based Initiative

#### Before “Charitable Choice” becomes law in 1996:

- 1985: After the U.S. Supreme Court rules they must accept state licensing and regulation, the Roloff Homes for troubled youth – which had become a symbolic cause for the Religious Right - closes its facility and moves to Missouri rather than accept state oversight in Texas.
- 1995: Texas Commission for Alcohol and Drug Abuse (TCADA) auditors find numerous violations at Teen Challenge – a faith-based residential drug treatment program. TCADA demands that Teen Challenge comply with the state’s health and safety standards in order to maintain a state license. Then-Governor George W. Bush publicly defends Teen Challenge and begins to explore alternative licensing procedures for faith-based organizations.

#### 1996:

- May 2, 1996: Gov. Bush creates a state Task Force on Faith-Based Programs made up of 16 clergy and volunteer leaders, and charges the Task Force with two objectives: survey Texas’ legal and regulatory landscape to identify obstacles to faith-based groups, and recommend ways that Texas can lift regulatory barriers for faith-based social service providers.
- August 22, 1996: The Personal Responsibility and Work Opportunity Reconciliation Act is signed into law (PL 104-193). Section 104 of this federal welfare reform legislation - authored by then-Senator John Ashcroft – created what became known as the “Charitable Choice” provision allowing states to contract with faith-based and community-based organizations for the provision of social services.
- December 17, 1996: Gov. Bush issues executive order directing state agencies to aggressively implement the federal “Charitable Choice” provision and to increase partnerships with faith-based social service providers.
- December, 1996: Gov. Bush’s Task Force issues its recommendations in a report, “Faith in Action: A New Vision for Church-State Cooperation in Texas,” which serve as the basis for legislation passed in the 1997 and 1999 Texas Legislative sessions.

#### 1997:

- During the 75<sup>th</sup> Legislative Session, Texas passed the following legislation:
  - *House Bill 2482*: Allowing faith-based child-care facilities and residential children’s homes “to be accredited by private sector entities instead of being licensed and regulated by the state.” Roloff Homes director Wiley Cameron was instrumental in drafting and lobbying for this legislation, bringing Florida-based attorneys for the Roloff Homes to testify in favor of the bill.
  - *House Bill 2481*: “Exempt[ing] from state licensing and regulation those faith-based alcohol and drug treatment programs which rely exclusively on faith to change lives.”
- Texas Association of Christian Child-Care Agencies (TACCCA) is created as an alternative means of accreditation for faith-based child-care organizations. Gov. Bush invites Roloff Homes back to Texas where they are the first organization to apply for and receive TACCCA approval.
- May, 1997: Deadline set by Bush executive order for agencies’ plans to “implement the letter and intent of the ‘Charitable Choice’ provision.”

#### 1999:

- During the 76<sup>th</sup> Legislative Session, Texas passed the following legislation:
  - *House Bill 2017*: Directing the Texas Department of Human Services and Texas Workforce Commission, which are the state conduits for federal “Charitable Choice” funds, to establish regional liaisons to oversee and encourage partnerships with faith-based providers.

➤ *House Bill 3656*: Making faith-based organizations specifically eligible to receive Skills Development Fund awards.

- May 28, 1999: Texas Department of Protective and Regulatory Services (TDPRS) receives the first allegation of physical abuse at the Rebekah Home for Girls – one of the five Roloff Homes facilities.
- June 1, 1999: TDPRS issues a finding of physical abuse, neglectful supervision and medical neglect at the Rebekah Home for Girls. Faye Cameron, supervisor of the Rebekah Home for Girls and Wiley Cameron's wife, is banned for life from ever working or being present at any juvenile home in Texas.
- July 22, 1999: Unveiling his national Faith-Based Initiative, Bush proposes to spend \$8 billion in his first year in office to implement faith-based programs nationwide.

#### 2000:

- March 21, 2000: TDPRS receives complaint of physical abuse at a second Roloff Homes facility – the Lighthouse Home for adults. TDPRS begins investigation and Texas authorities pursue criminal charges surrounding the allegations.
- April 10, 2000: Texas authorities arrest men connected to the Roloff Homes for allegations of severe abuse of juveniles in their care. Two weeks later, TACCCA re-approves the Roloff Homes' license. Wiley Cameron subsequently resigns from his position on the TACCCA accreditation committee, due to conflicts of interest.
- May 16, 2000: TDPRS receives another complaint of neglectful supervision at the Roloff Homes' Rebekah Home for Girls.
- July 24, 2000: Lawsuit filed in Texas state court against the Jobs Partnership of Washington County faith-based program. *American Jewish Congress and Texas Civil Rights Project v. Bost* was filed on the grounds that "Protestant evangelical Christianity permeates" the job training and placement program "at the expense of taxpayers," asserting that the program even used some \$8,000 in state funds to buy Bibles.
- As part of his presidential platform, Bush announces his intention to promote alternative licensing avenues at the state and federal level for faith-based programs.

#### 2001:

- Spring 2001: The Texas Legislature chooses not to reauthorize the state's Alternative Accreditation program for faith-based child-care providers, signifying a major rollback of the state's faith-based initiative.
- January 29, 2001: President George W. Bush issues an executive order creating the White House Office of Faith-Based and Community Initiatives to "develop, lead, and coordinate the Administration's policy agenda affecting faith-based and other community programs" and to "eliminate unnecessary legislative, regulatory, and other bureaucratic barriers that impede" government partnership with faith-based programs.<sup>36</sup>
- January 29, 2001: President Bush issues another executive order creating Centers for Faith-Based and Community Initiatives in the federal departments of Justice, Education, Labor, Health and Human Services, and Housing and Urban Development.<sup>37</sup>
- February 20, 2001: The White House Office of Faith-Based and Community Initiatives officially opens.
- June, 2001: Administrators of the Roloff Homes found guilty of abuse in a criminal trial. State officials are notified that the Roloff Homes have moved to another state.
- July 19, 2001: U.S. House of Representatives passes H.R. 7 (Watts/Hall) to implement the Bush administration's Faith-Based Initiative.
- July, 2001: The Centers for faith-based activity at each of the five federal agencies release reports evaluating agency regulations and policies that act as barriers to faith-based providers.

## Appendix B.

### Membership of Governor’s 1996 Task Force on Faith-Based Programs<sup>38, 39</sup>

The recommendations of the advisory body created by then-Governor Bush have largely guided the direction of “Charitable Choice” in Texas. Yet, the composition of the Task Force on Faith-Based Programs has come under fire for several reasons since the recommendations were made.

- *Task force members stood to gain directly from their recommendations – either through financial contracts or licensing changes, creating a conflict of interest or, at the minimum, a lack of unbiased perspective.* 13 of the 16 task force members worked directly for faith-based providers. Thus, more than eighty percent of the task force membership had a vested professional and financial interest in the recommendations made.
- *The professional affiliations of task force members affected the specific recommendations – and subsequent legislative changes – made.* With five task force members from faith-based drug treatment centers – two of which had already tussled with the state over licensing and regulation issues, it was no surprise the task force recommended loosening state regulations over faith-based drug treatment. Similar recommendations were handed down to deregulate faith-based children’s homes and encourage faith-based prison ministries, both industries that were represented on the task force.
- *The task force lacked religious diversity, as all but one of the task force members were Christian.* The final report from the task force seems to reflect its disproportionately Christian membership with recommendations wrapped in decidedly Christian language, like using the word “church” to refer to all places of worship.

Task Force Member	Religious Affiliation	Organizational Ties
Dr. Thomas Currie III	Christian	Pastor, First Presbyterian Church, Kerrville, TX. Also part of a consortium of churches providing child-care for single welfare mothers.
Rev. Msgr. Dermot N. Bronsan	Christian	Founder, Patrician Movement, a faith-based drug treatment program.
Margaret Dudar	Christian	Board, Catholic Charities. Board President, Coalition for the Homeless. Also affiliated with New Zion Fellowship, a faith-based drug treatment program.
Freddie Garcia	Christian	President, Victory Fellowship of Texas, a Christian drug treatment program. Pastor, Victory Temple Church. Graduate, Teen Challenge.
Brother Cecil Hawkins	Christian	Director, African Men of Peace, a faith-based service provider for at-risk youth. Comments about faith-based deregulation: “I’ve been licensed by God. I don’t want to be held accountable to the state for my ministry.” <sup>40</sup>
Chaplain Gilbert Herrera	Christian	Chaplain, prison ministry through Lubbock County Sheriff’s Department. Ex-convict and former prime minister of the militant West Texas Brown Berets. Works closely with conservative Christian groups, including the Christian Coalition.
Gerald Jimenez	Christian	Affiliated with Centers of Hope, a faith-based drug treatment center.
S. Herbert Meppelink	Christian	Then-Executive Director, Teen Challenge of South Texas. He has pastored several churches and been involved with Teen Challenge at the local, state and national levels since 1965.
D.R. “Duke” Millard III	Christian	Assistant U.S. Attorney. Former Deputy General Counsel for Gov. Bill Clements. Volunteer, St. Martin’s Episcopal Church.
Dr. G. Dean Posey	Christian	Senior Pastor, First United Methodist Church. President, MANNA House, a faith-based food and clothing distribution center.
Mary Como Randall	Christian	Affiliated with Women Aglow Ministry and Partners in Prevention, a prison ministry. Member, Texas Association for Counseling and Development.
Elizabeth Darling Seale	Christian	Then-Board of Texas Commission on Health and Human Services. Current head of U.S. Dept. of Health and Human Services Faith-Based Office. Former Board, Buckner Benevolence, a social care agency. Former teacher/director of college ministries, Trinity Baptist Church.
Rev. Cosby Shorter III	Christian	Pastor, Rosewood Avenue Baptist Church.
Lt. Colonel Jack Waters	Christian	State Commander, Salvation Army in Texas. Board, Kindness Foundation. Board, Sammons Foundation.
Fred S. Zeidman	Jewish	Board Temple Emanu-El, which offers faith-based social service programs. Director, Jewish Foundation of Greater Houston. Chairman, Holocaust Memorial, Washington, D.C.
Delton Brazell	Christian	Board, Hannah House Maternity Home, a faith-based program. Deacon, Westover Baptist Church. Comments about faith-based deregulation: “would prefer complete exemptions from state licensing and oversight for religious social ministries that receive no public funds....believes licensing is tantamount to state sovereignty, does not necessarily ensure quality care, and unduly subordinates the church to government control.” <sup>41</sup>

## Appendix C.

### **“Charitable Choice” policy changes at the Texas Department of Human Services<sup>42</sup>**

According to the TDHS “Charitable Choice” Workgroup Report, TDHS recognized the “need to actively pursue new...faith-based partnerships.” In line with this goal of “encouraging” faith-based organizations to partner with the state, TDHS encourages employees to send contracting packets to potential contractors with a cover letter “explaining TDHS’ commitment to providing contracting opportunities for charitable and religious organizations.” Proposed language for such a letter includes the following:

The Texas Department of Human Services is committed to providing opportunities for charitable and religious organizations to participate in all of its programs, not just the programs covered by the federal welfare-reform legislation. Accordingly, the Department encourages charitable and religious organizations, as well as other organizations, to seek contracts and other relationships with the Department. In return, the Department promises to honor the goals of charitable choice.

Further, when formally requesting proposals through published notices (Texas Register, Newspapers, Trade Journals, etc.), the following statement is to be included:

...charitable community or religious organizations, as well as Historically Underutilized Businesses, are encouraged to submit proposals for contracts (Charitable Choice Contract Language).

In addition, TDHS actual contracts with service providers have changed to include language that “emphasizes the religious liberty protections of religious or charitable organizations that chose to contract with TDHS.” The new “Charitable Choice” language in TDHS contracts includes the following:

The contractor retains its independence from State and local governments, including the contractor's control over the definition, development, practice, and expression of its charitable or religious beliefs.

Except as provided by federal law, TDHS shall not interpret this contract to require a charitable or religious organization to alter its form of internal governance or remove religious art, icons, scripture, or other symbols.



## Appendix D.

### **“Charitable Choice” policy changes at the Texas Workforce Commission**

The Texas Workforce Commission instructed all of its 28 Local Workforce Development Boards to implement the following procedures concerning “Charitable Choice”:

- Boards must develop and implement strategies for involving faith-based, nonprofit community-based, and private organizations in the delivery of local services, in accordance with federal and state laws.
- Boards must expand their outreach, procurement, and contracting efforts to include these organizations as potential providers of services to workforce development customers.
- Boards must become familiar with relevant federal and State provisions for contracting with faith-based, nonprofit community-based, and private entities within the workforce area.
- Boards must promote and encourage faith-based, nonprofit community-based, and private groups’ cooperation, coordination, and participation in workforce development programs and services through financial and non-financial agreements.
- Boards are required to record and report quarterly to the Commission on their use of Charitable Choice service providers, capturing all relationships, both financial and non-financial.
- Boards should utilize and promote the use of the [online] Charitable Choice Bulletin Board<sup>♦</sup> as a means of expanding the use of services provided by faith-based, nonprofit community-based, and private organizations.<sup>43</sup>

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<sup>♦</sup> The Charitable Choice Bulletin Board is located online at [http://m06hostp.twc.state.tx.us/cgi-bin/charity\\_services](http://m06hostp.twc.state.tx.us/cgi-bin/charity_services).

Appendix E.

**Application for Exemption as a Faith-Based Chemical Dependency Program**

[scan in application, 1-page]

Appendix F.

**Facility Licensing Regulations from which Faith-Based Providers are Exempt**

Texas Commission on Alcohol and Drug Abuse “Rules and Regulations”

Chapter 148, Facility Licensure

- License Required
- Required Inspections
- Policies, Procedures, and Licensure Rules
- Standards of Conduct
- Hiring Practices
- Staff Training
- Training Requirements Relating to Abuse, Neglect, and Unprofessional or Unethical Conduct
- Client Bill of Rights
- Client Grievances
- Client Abuse, Neglect, and Exploitation
- Client Labor
- Client Restraint and Seclusion
- Client Records
- Client Transportation
- Administration of Medication
- Medication Storage
- Screening and Admission Procedures
- Intake and Consent to Treatment Procedures
- Initial Assessment Procedures
- Treatment Planning and Implementation
- Discharge Procedures
- Significant Incident Reports
- Emergency Evacuation/ Exits
- Fire Systems
- General Physical Plant Provisions
- General Environment
- Required Postings and Disclosure
- General Documentation Requirements

## Appendix G.

### CASE STUDY

#### Roloff Homes: Jeopardizing People in Need

We have already caught a glimpse of the harm that can come of relaxing government regulation through the dramatic example of the Roloff Homes—a faith-based home for troubled teens notorious for a history of abuse allegations and a refusal to succumb to state licensing.

The Roloff Homes were founded by Lester Roloff, a fundamentalist preacher and head of the People’s Baptist Church in Corpus Christi. Responding to a string of abuse allegations in the early 1970s, the state ordered the Roloff Homes to allow state inspections of the facilities. Roloff refused to submit to state oversight or obtain a state license, arguing that the homes administered ‘tough Christian love,’ not physical abuse and that the state had no right to license his religious children’s homes. The state’s case against the Roloff Homes went to the U.S. Supreme Court, which ruled that the Homes must either be licensed by the state or shut down.

In 1985, rather than accept state oversight, the Roloff Homes closed down and moved to Missouri—where they stayed until invited by then-Governor George Bush to return to Texas and take advantage of changes in state law that now exempted faith-based children’s facilities from state oversight and regulation.

In 1997, the Texas Legislature passed House Bill 2482, which allowed children’s homes and child-care facilities to be accredited by private sector entities in lieu of being licensed and regulated by the state. Texas Association of Christian Child-Care Agencies (TACCCA) was the first and only means of alternative accreditation created for faith-based children’s facilities. In 1999, the Roloff Homes were the first of eight faith-based child-care facilities accredited by TACCCA.

Since the Roloff Homes received accreditation from TACCCA to again operate in Texas, there has been a string of abuse and neglect allegations against the homes. In June 1999, the state issued a finding of physical abuse, neglectful supervision and medical neglect at the Roloff Homes’ Rebekah Home for Girls. Faye Cameron, supervisor of the Rebekah Home and Wiley Cameron’s wife, was banned for life from ever working or being present at any juvenile home in Texas.

In early 2000, the state began an investigation into new allegations of abuse at the homes and filed criminal charges against the facilities’ administrators. Within two weeks of the resulting arrests, however, TACCCA re-accredited the Roloff Homes.

Until the criminal charges were filed, Wiley Cameron (who took over the Roloff Homes when Roloff passed away) served on the TACCCA accreditation committee. Cameron voluntarily resigned his committee seat during the investigation due to the conflict of interest. Administrators at the Roloff Homes’ Lighthouse Home for Adults were found guilty of abuse in a criminal trial in June 2001.

In the Spring of 2001, the Texas Legislature chose not to renew the state’s Alternative Accreditation program for faith-based child-care facilities, signifying a major rollback of the state’s faith-based initiative. The Roloff Homes and other alternatively-accredited facilities were forced to either pursue state licensing or close their doors in Texas. The Roloff Homes chose to move their operations to another state.<sup>44</sup>

## Appendix H.

### CASE STUDY

#### Teen Challenge: Lowering Health, Safety and Quality of Care Standards

Teen Challenge is a faith-based residential drug treatment program, with five branches in Texas and more than 150 sites across the country. The programs have no medical component and center instead around prayer, Bible study and religious conversion. Teen Challenge says its mission is “to evangelize people who have life-controlling problems and initiate the discipleship process to the point where students can function as Christians in society, applying spiritually motivated Bible principles to relationships in the family, local church, chosen vocation, and the community.”<sup>45</sup>

Teen Challenge currently operates five drug treatment centers in Texas<sup>46</sup> – none of which have a state license, but only two of which have formally registered their status as a faith-based facility exempt from state licensing.<sup>47</sup> As exempt faith-based drug treatment centers, Teen Challenge facilities are not required to have licensed chemical dependency counselors, conduct staff training or criminal background checks, protect client confidentiality rights, adhere to state health and safety standards, or report abuse, neglect, emergencies and medication errors.

Even prior to seeking an exemption from state licensing, a 1995 state inspection revealed that Teen Challenge was not compliant with numerous state health, safety and quality of care standards. [See “Deregulating Faith-Based Providers in Texas” section of this report].

Rather than force Teen Challenge to meet the basic health and safety standards to which their secular counterparts must adhere, then-Governor George Bush pushed through legislation that would exempt Teen Challenge and other faith-based drug treatment centers from state licensing – and the health, safety and quality of care standards that accompany that licensure. “Teen Challenge should view itself as a pioneer in how Texas approaches faith-based programs, I’ll call together people, ask them to make recommendations. I’d like to make recommendations to the legislature...But Teen Challenge is going to exist...and licensing standards have to be different from what they are today”, then-Governor Bush said.<sup>48</sup>

There is no question that eliminating basic health and safety standards made operations easier for a few faith-based programs in Texas, however the lack of minimum standards has threatened the safety of those participating in the program. In 1998, a boy filed suit against Dallas Teen Challenge Boys Ranch and Assemblies of God, alleging that a counselor, who was a convicted drug trafficker, sexually molested him and two other boys. The lawsuit also claimed that the ranch’s Executive Director, the church and the ranch’s board knowingly hired people with criminal histories to serve as counselors.<sup>49</sup>

Without state inspections or high publicity cases like the Boys Ranch incident to shed light on Teen Challenge practices, it is impossible to know how many other health code infractions and dangerous policies are being implemented at these facilities.

Teen Challenge and over a hundred other exempted faith-based drug treatment programs in Texas are now operating completely free of any state oversight or standards of care.

## Appendix I.

### CASE STUDY

#### Victory Fellowship: “Treating” Drug Abuse as a Sin

Closely related to the case of Teen Challenge is Victory Fellowship, a similar Christian-based drug-treatment facility based in San Antonio. Like Teen Challenge, Victory Fellowship relies on the “faith factor” to help treat drug and alcohol addiction.

The treatment program at Victory Fellowship is based on the premise that drug and alcohol addiction is a moral flaw rather than a physical disease. Thus the program does not hire licensed chemical dependency counselors or follow medical treatment plans.

According to director and founder Freddie Garcia, Victory Fellowship does not believe in any medical treatment for drug abuse. Garcia is an ex-addict and graduate of Teen Challenge who says drug addiction is the symptom, not the disease. He explains, “Sin is the problem. Jesus Christ is the solution.”<sup>50</sup> “The addict is a slave to sin, not drugs,” Garcia argues.<sup>51</sup>

Garcia’s philosophy sheds light on the treatment program at Victory Fellowship: “If you treat an addict with a drug rehab program, all you have is a reformed junkie, if he meets Christ, he is transformed. He’s a whole new person.”<sup>52</sup> Garcia says, “We don’t use drugs or psychiatrists or any of that, only Bible study.”<sup>53</sup>

Like Garcia, most of the Victory Fellowship counselors and mentors are also ex-addicts, but untrained in chemical dependency treatment and unlicensed by the state. Even prior to seeking the faith-based exemption, Garcia objected to the state’s insistence that facilities have state-licensed counselors and follow other “regulations that make no sense.”<sup>54</sup>

In 1996, Then-Governor George Bush invited Garcia – and four other faith-based drug treatment providers - to serve on his Governor’s Advisory Task Force on Faith-Based Programs, whose final report recommended that faith-based chemical dependency programs be wholly exempt from state licensing and regulation.

One argument that Garcia and other advocates cite for loosening regulations over faith-based providers is that conventional government regulations impede what they call the “faith factor” - the expressly religious component that drives sectarian programs and their success rates.

However, the Texas experience has shown that reliance only on the “faith factor” has left some chemically dependant people without the medical treatment they need.

## Appendix J.

### CASE STUDY

#### Right Step Program: Ordering Clients to Unlicensed Facilities

Under Texas' new, permissive regulatory structure, faith-based drug treatment centers must now simply register their religious status with the Texas Commission on Alcohol and Drug Abuse (TCADA) to be exempt from virtually all health, safety and quality of care regulations required of state-licensed treatment facilities, including: all employee training and licensing requirements, medical treatment guidelines, abuse and neglect prevention training, client rights protections, and requirements for reporting abuse, neglect, emergencies and medication errors.<sup>55</sup>

As a result, the state has no authority to investigate complaints, remedy unsafe conditions or ensure quality treatment practices at faith-based treatment centers exempt from state regulations.

It is now apparent that the state cannot hold exempt facilities accountability for the care they deliver and clients of exempt treatment centers have no recourse through the state if they have a grievance with a facility they attended.<sup>56</sup>

The state's recent response to a complaint against an exempt faith-based treatment center underscores the myriad problems that have emerged with this exemption: "Unfortunately, [the program administrator] is not licensed as a chemical dependency counselor with the Commission on Alcohol and Drug Abuse and we therefore have no jurisdiction over him. The Right Step Program is registered with the Commission as a faith based chemical dependency treatment program, which is exempt from facility licensure. It is unfortunate that your experiences at Right Step were not positive. Releasing confidential information is a violation of the licensed chemical dependency counselor rules, but since [the administrator] isn't licensed, there is not anything we can do at this point."<sup>57</sup>

The client in question was ordered to attend the Right Step Program after appearing in court for a truancy violation. The program did not disclose to the client that it was not subject to state licensing and regulation. The client was also not made aware of being entitled to attend another program if the religious nature of the program was objectionable.

The fact that the client did not make a conscious choice to attend an exempt faith-based program and then had no recourse when the program violated client confidentiality illustrates the problems associated with the faith-based exemption.

The Right Step Program (d.b.a. Williamson Baptist Association) and over a hundred other treatment programs continue to operate legally in Texas – without licensed counselors, adherence to state health and safety standards, or accountability for client rights.<sup>58</sup>

## Appendix K.

### CASE STUDY

#### Institute for Responsible Fatherhood: Securing Government Contracts for Faith-Based Providers

In Texas, proposals by faith-based organizations have actually been given priority over other kinds of organizations – simply because of the religious philosophy of the program. By aggressively “encouraging” faith-based organizations to apply for financial contracts, this approaches crossing the line between neutral nondiscrimination and faith-based favoritism.

In response to a Texas Workforce Commission contract opportunity for fatherhood responsibility and employment initiatives,<sup>59</sup> two nationally recognized groups - the Institute for Responsible Fatherhood and Family Revitalization (IRFFR) and Lockheed Martin (in conjunction with the Ray Marshall Center of the University of Texas at Austin) - submitted proposals.

The past track records and proposal costs for these two groups differed greatly. The Lockheed/ Ray Marshall group had a proven track record and longevity, having successfully placed almost 300 times the number of people placed by IRFFR, and worked with the state 25 years longer than IRFFR. The Lockheed/ Ray Marshall management team also had many more years experience in social service delivery than did IRFFR personnel. For this grant request, the Institute for Responsible Fatherhood and Family Revitalization submitted a proposal for the maximum amount allowed under this particular bid - \$1.5 million - and the Lockheed Martin group set forth a \$930,000 proposal.<sup>60</sup> The Institute for Responsible Fatherhood was awarded the Texas Workforce Commission grant.<sup>61</sup>

The significant differences in measurable factors seemed to have been outweighed by subjective criteria that played into the evaluation of these two organizations. The Lockheed Martin proposal presented a work program geared directly toward job training and placement by practical application, with no prescribed spiritual element. On the other hand, the IRFFR grant proposal clearly indicated a faith-based teaching structure, with a mission and program that incorporated a religious mission. Thomas Fulford Jr., director of the Philadelphia branch of IRFFR and a former program participant commented that IRFFR is a one-step program, and that the step is a “total surrender to Christ.”<sup>62</sup>

The application of a spiritual philosophy on program participants appears to have played a greater role in determining the outcome of the grant decision than did the actual budget proposal or the experience of the organizations. In this instance, the playing field was not level. Instead, the implementation of a faith-based philosophy outweighed the organization’s track record, experience and cost effectiveness.

#### *Whom Would You Choose?*

	<b>Lockheed Martin/ Ray Marshall</b>	<b>IRFFR</b>
<b>Requested Amount (\$)</b>	\$930,000	\$1.5 million
<b>Previous History in Texas</b>	Worked with many state agencies since 1963; Had contracts in Texas to partner with 13 Local Workforce Development Boards	Worked with other state agencies since 1988; Texas experience limited to 1 pilot program
<b>Staff Qualifications</b>	Director had 20 years experience directing and managing social service programs	IRFFR Board had little experience in social services delivery
<b>Method for Operation</b>	Work program speaks directly to job training and placement through practical application	Faith-based teaching structure
<b>Number of People Served Under Program</b>	Just one of Lockheed’s 43 national programs served more than 10,000 TANF recipients	676 Total
<b>Placement Statistics</b>	Over 125,000 Nationwide	436 Total at a cost of \$4.4 million



## Appendix L.

### CASE STUDY

#### Jobs Partnership of Washington County: Co-mingling Church & State Funds

In Texas, it has become apparent that there is simply no way to ensure that taxpayer funds are not co-mingled with church funds or spent on overtly religious activities.

The Jobs Partnership of Washington County won a state contract through “Charitable Choice,” receiving \$8,000 of its \$20,000 annual budget from the Texas Department of Human Services (DHS).<sup>63, 64</sup> The program’s budget and curriculum show that Jobs Partnership of Washington County used state money to buy Bibles, and that the program focused a great deal of its efforts on Bible study. In fact, religion--specifically Christianity--permeated nearly every aspect of this program, which is belied by the stated mission of the program: to help clients “find employment through a relationship with Jesus Christ.”<sup>65</sup> The August 1998 Texas Department of Human Services newsletter also reveals the pervasively sectarian nature of the program, describing how “The Jobs Partnership of Washington County....integrates biblical teachings on the importance and role of work in a healthy Christian life with job skills necessary to seek and hold employment. The curriculum covers such topics as man’s relationship with God, family and work, and the importance of authority, integrity and crisis resolution in the job environment.”<sup>66</sup>

Instructors at the Jobs Partnership readily acknowledged that they were trying to change students’ beliefs and put Jesus at the center of their lives. They say that the religious and moral aspects of the curriculum were crucial in helping program participants’ change themselves from the inside out.

The religious message of the program also seemed to infringe on program clients’ religious freedom, with clients saying they felt coerced into joining the host church in order to remain in the program. About one-third of the participants said in their program evaluation that they felt pressure to join the host church, Grace Fellowship Baptist Church.<sup>67</sup> Moreover, the only other job-training program in the area was located in the next county, making it an implausible alternative for many of the low-income clients.<sup>68</sup> Thus, for many people needing job-training in the area, their only viable option was the Jobs Partnership of Washington County.

A lawsuit was brought against the Texas Department of Human Services and the Jobs Partnership of Washington County alleging that taxpayer funds were being used for unconstitutional, expressly religious purposes and that program clients’ religious freedom was violated because they were provided no secular, non-proselytizing alternative.<sup>69</sup>

The District Court recently found that the state’s distribution of funds to the Jobs Partnership of Washington County was indeed unconstitutional.

The outcome of the suit is of particular importance as the state continues to fund faith-based programs and, as Jobs Partnership of Washington County has shown, it is incredibly difficult for these programs to separate the religious aspects of a program from the non-religious aspects.

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- <sup>1</sup> “Bush on the creation of a White House Office tied to religion,” *New York Times*. Jan 30, 2001.
- <sup>2</sup> *Charitable Choice Compliance: A National Reportcard*. Center for Public Justice. [www.cpjustice.org](http://www.cpjustice.org).
- <sup>3</sup> State of Texas Executive Order (GWB 96-10), Dec 17, 1996.
- <sup>4</sup> State of Texas Executive Order (GWB 96-5), May 2, 1996.
- <sup>5</sup> House Bill 2482 (75R), [www.capitol.state.tx.us/tlo/75R/billtext/HB02482F.HTM](http://www.capitol.state.tx.us/tlo/75R/billtext/HB02482F.HTM).
- <sup>6</sup> House Bill 2481 (75R), [www.capitol.state.tx.us/tlo/75R/billtext/HB02481F.HTM](http://www.capitol.state.tx.us/tlo/75R/billtext/HB02481F.HTM).
- <sup>7</sup> House Bill 2017 (76R), [www.capitol.state.tx.us/tlo/76R/billtext/HB02017F.HTM](http://www.capitol.state.tx.us/tlo/76R/billtext/HB02017F.HTM).
- <sup>8</sup> House Bill 3656 (76R), [www.capitol.state.tx.us/tlo/76R/billtext/HB03656F.HTM](http://www.capitol.state.tx.us/tlo/76R/billtext/HB03656F.HTM).
- <sup>9</sup> Texas Department of Human Services, [www.dhs.state.tx.us](http://www.dhs.state.tx.us).
- <sup>10</sup> *Implementing ‘Charitable Choice’ provisions of Welfare Reform*. Report of the Texas Department of Human Services "Charitable Choice" Workgroup submitted by the Texas Department of Humans Services. May 1, 1997. [www.dhs.state.tx.us/communitypartnerships/charitable/char1.html](http://www.dhs.state.tx.us/communitypartnerships/charitable/char1.html).
- <sup>11</sup> Texas Workforce Commission, [www.twc.state.tx.us](http://www.twc.state.tx.us).
- <sup>12</sup> Texas Workforce Commission letter to Local Workforce Development Boards, Apr 5, 2000.
- <sup>13</sup> Donald, Mark. “Pass the plate God and Texas taxpayers answer the prayers of a prison-based ministry,” *Dallas Observer*. Jun 14, 2001.
- <sup>14</sup> “Inner Change” Faith-based Pre-release Program, [www.tdcj.state.tx.us](http://www.tdcj.state.tx.us).
- <sup>15</sup> Donald, Mark. “Pass the plate God and Texas taxpayers answer the prayers of a prison-based ministry,” *Dallas Observer*. Jun 14, 2001.
- <sup>16</sup> Teen Challenge self-reported program success rates. [www.teenchallenge.com](http://www.teenchallenge.com).
- <sup>17</sup> *Houston Chronicle*. Jul 23, 1999.
- <sup>18</sup> Maynard, Roy and Marvin Olasky. “Governor Bush backs Teen Challenge,” *World Magazine*. Jul 29/Aug 5 1995.
- <sup>19</sup> Colloff, Pamela. “Remember the Christian Alamo,” *Texas Monthly*. Dec. 2001.
- <sup>20</sup> “Licensed and Alternatively Accredited Facilities,” Texas Department of Protective and Regulatory Services. 2001.
- <sup>21</sup> “List of Alternative Accreditation Organizations Alternatively Accredited Facilities,” Texas Department of Protective and Regulatory Services. Sep 2000.
- <sup>22</sup> “Application for State Approval of the Texas Association of Christian Child-Care Agencies as an Accrediting Agency in the State of Texas,” Jun 15, 1998. On file at the Texas Department of Protective and Regulatory Services.
- <sup>23</sup> Texas Department of Protective and Regulatory Services letter to Rev. David Blaser, Texas Association of Christian Child-Care Agencies, Mar 8, 2001.
- <sup>24</sup> “List of Alternative Accreditation Organizations Alternatively Accredited Facilities,” Texas Department of Protective and Regulatory Services. Sep 2000.
- <sup>25</sup> Texas Department of Protective and Regulatory Services statistics on state-licensed facilities, 2001.
- <sup>26</sup> “List of Alternative Accreditation Organizations Alternatively Accredited Facilities,” Texas Department of Protective and Regulatory Services. Sep 2000.
- <sup>27</sup> Texas Department of Protective and Regulatory Services statistics on state-licensed facilities, 2001.
- <sup>28</sup> Texas Commission on Alcohol and Drug Abuse Rules, Chapter 148 - Facility Licensure. [www.tcada.state.tx.us/rules/new\\_chapter148.html](http://www.tcada.state.tx.us/rules/new_chapter148.html).

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- <sup>29</sup> Texas Commission on Alcohol and Drug Abuse correspondence, Sep 21, 2001.
- <sup>30</sup> Texas Commission on Alcohol and Drug Abuse letter to complainant, Jun 1, 2000.
- <sup>31</sup> “List of Registered Faith-Based Exemptions,” Texas Commission on Alcohol and Drug Abuse. Sep 2002.  
[www.tcada.state.tx.us/asp/faithbased.asp](http://www.tcada.state.tx.us/asp/faithbased.asp).
- <sup>32</sup> Texas Department of Protective and Regulatory Services statistics on alternatively-accredited facilities, 2001.
- <sup>33</sup> “List of Registered Faith-Based Exemptions,” Texas Commission on Alcohol and Drug Abuse. Sep 2002.  
[www.tcada.state.tx.us/asp/faithbased.asp](http://www.tcada.state.tx.us/asp/faithbased.asp)
- <sup>34</sup> Texas Department of Protective and Regulatory Services statistics on state-licensed facilities, 2001.
- <sup>35</sup> Texas Commission on Alcohol and Drug Abuse statistics on state-licensed facilities, 2001.
- <sup>36</sup> United States Executive Order No. 13199, January 29, 2001.
- <sup>37</sup> United States Executive Order No. 13198, January 29, 2001.
- <sup>38</sup> “Governor Bush Announces New Task Force on Faith-Based Programs” Press Release, Office of Governor George W. Bush. May 2, 1996.
- <sup>39</sup> *Faith In Action...A New Vision For Church-State Cooperation in Texas*. Report of the Governor’s Advisory Task Force on Faith-Based Community Service Groups. Dec 1996.
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- <sup>41</sup> *Faith In Action...A New Vision For Church-State Cooperation in Texas*. Report of the Governor’s Advisory Task Force on Faith-Based Community Service Groups. Dec 1996.
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