

CHAPTER 137

(HB 383)

AN ACT relating to faith-based initiatives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 5 of this Act, unless the context otherwise requires:

- (1) *"Government funding" means financial assistance received by nongovernment entities in the form of federal, state, or local government grants, loans, loan guarantees, property, cooperative agreements, food commodities, direct appropriations, or other assistance. Government funding does not include tax credits, deductions, or exemptions.*
- (2) *"Social service program" means a program administered by the federal, state, or local government using government funding to provide social services directed at reducing poverty, improving opportunities for low-income adults or children, self-sufficiency, rehabilitation, or other services directed toward vulnerable citizens. Social service program includes, but is not limited to:*
 - (a) *Adult or child day care;*
 - (b) *Adult or child protective services, foster care, or adoption, including programs relating to domestic violence;*
 - (c) *Services for adults or children with special needs or disabilities;*
 - (d) *Job training and related services, and employment services;*
 - (e) *Transportation services;*
 - (f) *Food or meal preparation or delivery services relating to soup kitchens or food banks;*
 - (g) *Alcohol and other drug abuse prevention and treatment;*
 - (h) *Health support services;*
 - (i) *Literacy and educational services, including adult education services;*
 - (j) *Crime prevention services and assistance to the victims and family members of criminal offenders; and*
 - (k) *Services for housing assistance as provided under local, state, and federal law.*

SECTION 2. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares:

- (1) *Faith-based and community nonprofit organizations are indispensable in meeting the needs of our poor and disadvantaged citizens, and by embracing and partnering with these organizations, the capacity of government to respond to its citizens is strengthened;*
- (2) *Faith-based and community nonprofit organizations should have full opportunity to participate in federal and state government funding for services directed at reducing*

poverty, improving the lives of low-income and vulnerable adults and children, self-sufficiency, and rehabilitation;

- (3) *It is necessary to ensure that:*
- (a) *The rights and protections granted by the United States Constitution, the Constitution of Kentucky, and all amendments thereto are respected and preserved by all entities that receive government funding;*
 - (b) *Faith-based and community nonprofit organizations have equal opportunity to seek government funding for social service programs and that these social service programs remain separate from other inherently religious activities, including, but not limited to, worship, religious instruction, and proselytization;*
 - (c) *Faith-based and community nonprofit organizations do not discriminate against beneficiaries or potential beneficiaries of government-funded social service programs on any basis prohibited by law, including but not limited to discrimination based on religion, religious practices, or beliefs; and*
 - (d) *Faith-based and community nonprofit organizations have the capacity to effectively and efficiently manage government funds for social service programs, to perform program and service evaluations, and to report outcomes similar to any entity that receives government funding; and*
- (4) *Communication, coordination, and technical assistance at the highest level of state government is needed to enhance the opportunities for faith-based and community nonprofit organization to provide needed social services to our citizens.*

SECTION 3. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

- (1) *The Office for Faith-Based and Community Nonprofit Social Services is established in the Office of the Governor. The office shall be administered by a staff person designated by the Governor and shall have sufficient staff as required to implement the provisions of Sections 1 to 5 this Act.*
- (2) *The office shall have primary responsibility to establish policies, priorities, and practices in the executive branch to enable and expand social service programs of faith-based and community nonprofit organizations to the extent permitted by law.*
- (3) *The office and all state government agencies that administer social service programs supported by government funding shall adhere to the following principles:*
 - (a) *Government funding for social service programs shall be distributed in the most effective and efficient manner possible;*
 - (b) *No organization shall be discriminated against on the basis of religion, religious practices, or beliefs in the administration or distribution of government funding for social service programs;*
 - (c) *No faith-based or community nonprofit organization providing social service programs in whole or in part with government funding shall discriminate against beneficiaries or potential beneficiaries on the basis of religion, religious practices, beliefs, or refusal to hold a religious belief or to participate in a religious practice, or as otherwise provided by law;*

- (d) All programs involving government funding to faith-based and nonprofit community organizations for social service programs shall be implemented in accordance with the United States Constitution, the Constitution of Kentucky, and all amendments thereto. Organizations that engage in religious worship, religious instruction, and proselytization that receive government funding for social service programs shall offer those social service programs separately in time and location, and participation in such religious activities by any beneficiary or potential beneficiary of a government-funded social service program shall be strictly voluntary;*
 - (e) Faith-based and nonprofit community organizations that receive government funding may retain their autonomy, expression, or religious character and may continue practicing or expressing religious beliefs. Organizations may use existing facilities, in accordance with paragraph (d) of this subsection, without removing or altering religious icons, art, scripture or symbols and may retain religious terms in its name and other documents governing the organization. Government funding shall not be used to support inherently religious activities, including but not limited to worship, religious instruction, and proselytizing; and*
 - (f) Faith-based and nonprofit community organizations that receive government funding for social service programs shall comply with the same requirements as any other entity that receives government funding for social service programs is subject to, including but not limited to timely progress and final reports, audits, inspection of premises, recordkeeping and accounting practices, program evaluation, and outcome studies.*
- (4) The office shall:**
- (a) Develop and implement policies affecting faith-based and community nonprofit organizations to increase the capacity of those organizations to provide social services through executive action, legislative proposals, administrative regulations, and government and private funding;*
 - (b) Review and coordinate policies affecting the opportunities for government funding for social service programs by faith-based and other community nonprofit organizations throughout all related agencies of state government;*
 - (c) Implement and coordinate public education activities to increase faith-based and community nonprofit social service program initiatives through volunteerism, special projects, pilot or demonstration projects, and public-private partnerships;*
 - (d) Encourage private charitable giving to support faith-based and community nonprofit organizations and social service programs;*
 - (e) Provide information and legal education to state and local public officials and policymakers to improve opportunities for government funding for social service programs by faith-based and community nonprofit organizations;*
 - (f) Provide education, training, and technical assistance to increase the capacity and expertise of faith-based and community nonprofit organizations to effectively manage government funded social service programs; and*

- (g) *Provide training and technical assistance to enable faith-based and community nonprofit organizations to conduct program evaluation and outcome studies on social services provided with government funding.*

SECTION 4. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

- (1) *The following agencies shall designate a liaison to the Office for Faith-Based and Community Nonprofit Social Services:*
 - (a) *The Cabinet for Health Services;*
 - (b) *The Cabinet for Families and Children;*
 - (c) *The Workforce Development Cabinet;*
 - (d) *The Education, Arts, and Humanities Cabinet;*
 - (e) *The Department of Agriculture;*
 - (f) *The Kentucky Housing Corporation;*
 - (g) *The Labor Cabinet; and*
 - (h) *The Economic Development Cabinet.*
- (2) *Each agency identified in subsection (1) of this section shall, in cooperation and coordination with the Office for Faith-Based and Community Nonprofit Social Services:*
 - (a) *Review and evaluate existing policies that affect government funding opportunities for faith-based and nonprofit community organizations and report to the office, within ninety (90) days of the effective date of this Act, actions necessary to implement Section 3 of this Act; and*
 - (b) *Amend existing policies and administrative regulations or implement new policies or administrative regulations in accordance with KRS Chapter 13A consistent with the principles established in Sections 1 to 5 of this Act.*

SECTION 5. A NEW SECTION OF KRS CHAPTER 12 IS CREATED TO READ AS FOLLOWS:

- (1) *Nothing in Sections 1 to 5 of this Act shall be construed to be contrary to state or federal law concerning government funding for faith-based or nonprofit community organizations.*
- (2) *Nothing in Sections 1 to 5 of this Act shall be construed to establish a preference for faith-based or nonprofit organizations in soliciting, evaluating proposals for, or awarding of government contracts, grants, loans, or other funds.*

Approved March 18, 2005.