

## **BILL ANALYSIS**

Senate Research Center

S.B. 1003  
By: Deuell  
Government Organization  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Office of State-Federal Relations (OSFR) acts as the state's advocate in Washington, D.C., to help promote and protect the interests of Texas at the federal level. OSFR's main functions include prioritizing a federal agenda for Texas, advocating for federal funding and policy decisions favorable to Texas, and promoting communication and building relationships between the state and federal governments.

OSFR operated with a budget of about \$750,000 in 2008, with six employees in Washington, D.C., and one in Austin. OSFR is subject to the Texas Sunset Act and will be abolished on September 1, 2009, unless continued by the legislature. The sunset review has found that Texas needs a presence in Washington, D.C., to promote and protect the state's interests, but would be better served by advocating its position on federal issues from the governor's office.

S.B. 1003 amends current law relating to the continuation and functions of the Office of State-Federal Relations and the administrative attachment of that agency to the office of the governor.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 751.002(a), Government Code, to provide that the Office of State-Federal Relations (OSFR) is administratively attached to the office of the governor. Requires the governor's office to provide human resources and other administrative support to the office. Provides that the office is funded by appropriations made to the office of the governor.

SECTION 2. Amends Section 751.003, Government Code, as follows:

Sec. 751.003. SUNSET PROVISION. Provides that OSFR is subject to Chapter 325 (Texas Sunset Act) and unless continued in existence as provided by that chapter, OSFR is abolished and this chapter expires September 1, 2015, rather than September 1, 2009. Deletes existing text requiring the Texas Sunset Advisory Commission, in the review of OSFR by the sunset commission, as required by this section, to limit its review to the appropriateness of recommendations made to the 80th Legislature, Regular Session, 2007. Deletes existing text authorizing the sunset commission, in its report to the 81st Legislature, to include any recommendations it considers appropriate.

SECTION 3. Amends the heading to Section 751.005, Government Code, to read as follows:

Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE.

SECTION 4. Amends Section 751.005, Government Code, by amending Subsections (a)-(c) and adding Subsection (e), as follows:

(a) Requires OSFR, rather than the director, to exercise the powers and carry out the duties prescribed by this section in order to act as a liaison from the state to the federal government.

(b) Requires OSFR to perform certain actions, including to notify the governor, the lieutenant governor, the speaker of the house of representatives, and the legislative standing committees in each house with primary jurisdiction over intergovernmental affairs of federal activities relevant to the state and inform the Texas congressional delegation of state activities; conduct frequent conference calls with the lieutenant governor and the speaker of the house of representatives or their designees regarding state-federal relations and programs; respond to requests for information from the legislature, the United States Congress, and federal agencies; coordinate with the Legislative Budget Board (LBB) regarding the effects of federal funding on the state budget; and report to, and on request send appropriate representatives to appear before, the legislative standing committees in each house with primary jurisdiction over intergovernmental affairs. Makes conforming and nonsubstantive changes.

(c) Makes conforming changes.

(e) Requires that the report required under Subsection (b)(5) (relating to the preparation of an annual report including certain information) include an evaluation of the performance of the office based on performance measures that are developed by the Office of State-Federal Relations Advisory Policy Board (board).

SECTION 5. Amends Section 751.006(g), Government Code, to authorize the executive director and the staff of OSFR working in Washington, D.C., to receive a cost-of-living salary adjustment, rather than the same cost-of-living salary adjustment as is established for an employee of another state agency under Section 751.012(d) (repealed by Acts 2003, 78th Legislature).

SECTION 6. Amends Subchapter A, Chapter 751, Government Code, by adding Sections 751.015 and 751.016, as follows:

Sec. 751.015. **CONTRACTS BETWEEN OFFICE AND CONSULTANTS.** (a) Requires OSFR, if OSFR elects to contract with federal-level government relations consultants (consultants), to adopt written procedures for those contracts. Requires that the procedures include certain guidelines, processes, techniques, and methods.

(b) Sets forth certain requirements of a contract between OSFR and a consultant.

(c) Requires all three members of the board to sign any contract between OSFR and a consultant.

Sec. 751.016. **CONTRACTS BY STATE AGENCIES OR POLITICAL SUBDIVISIONS.** (a) Defines "political subdivision."

(b) Requires an agency or political subdivision of the state to report to OSFR on any contract between the agency or subdivision and a consultant, and to submit one report under this section not later than the 30th day after the date the contract is executed and a second report not later than the 30th day after the date the contract is terminated. Sets forth certain requirements of the report.

(b-1) Requires a state agency or political subdivision contracting with a consultant before September 1, 2009, to, if the contract has not terminated before that date, submit a report as required by Subsection (b) not later than September 30, 2009. Provides that this subsection expires September 1, 2010.

(c) Requires a state agency, if the state agency contracts with a consultant and the consultant subcontracts the work to another firm or individual, to report the subcontract to OSFR.

(d) Provides that this section does not apply to a political subdivision whose federal-level government relations consultant is required by other law to disclose,

report, and make available the information required by Subsection (b) to the public, and a federal or state entity.

SECTION 7. Repealer: Section 751.006(b) (relating to the requirement to develop an intraagency career ladder program), Government Code.

Repealer: Section 751.006(c) (relating to the requirement to develop annual performance evaluations), Government Code.

Repealer: Section 751.006(d) (relating to the requirement to develop an equal employment opportunity (EEO) policy), Government Code.

Repealer: Section 751.006(e) (relating to requirements of the EEO policy), Government Code.

Repealer: Section 751.006(f) (relating to requirement that the governor's office deliver a report based on Subsection (e)), Government Code.

Repealer: Section 751.012(b) (relating to the requirement that OSFR enter into a contract described by Subsection (a) with the LBB), Government Code.

Repealer: Section 751.012(e) (relating to requirements of state agencies that receive federal funding or that are affected by federal policies), Government Code.

Repealer: Section 751.012(f) (relating to the requirement that the Health and Human Services Commission satisfy the requirements of Subsection (e)), Government Code.

Repealer: Section 751.013 (Program and Facility Accessibility), Government Code.

Repealer: Section 751.014 (Funds Subject to State Fund Reform Act), Government Code.

Repealer: Section 751.024 (Reports Concerning Grant Funds), Government Code.

SECTION 8. Requires OSFR and the office of the governor to establish a plan for the administrative attachment of OSFR to the office of the governor.

SECTION 9. Effective date: September 1, 2009.