

## **BILL ANALYSIS**

Senate Research Center

S.B. 1055  
By: Haywood  
Intergovernmental Relations  
4-3-97  
Committee Report (Amended)

### **DIGEST**

Currently, councils of government provide a forum for regional planning, in addition to functioning as pass-through agencies that facilitate the implementation of state and federally funded programs, and provide necessary services on behalf of cities and counties. However, state law limits the application for oversight and operations of regional planning commissions and councils of governments. This bill sets forth provisions to strengthen the oversight and operations of regional planning commissions and councils of governments.

### **PURPOSE**

As proposed, S.B. 1055 sets forth provisions to strengthen the oversight and operations of regional planning commissions and councils of governments.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the governor in SECTION 4 (Section 391.009, Local Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 391.002, Local Government Code, by adding Subdivision (4), to define "unit of local government."

SECTION 2. Amends Sections 391.005(a) and (b), Local Government Code, to provide that a regional planning commission (commission) is authorized to contract with a participating governmental unit to perform a service if the participating governmental unit could contract with another governmental unit, the state, or a private organization without governmental powers to perform the service. Deletes text referring to the Employees Retirement System of Texas.

SECTION 3. Amends Section 391.006, Local Government Code, by adding Subsections (c), (d), and (e), to require the governing body of each commission to establish salary schedules for all employees, benefits available to employees, travel approval and reimbursement policies, and procurement policies and procedures. Prohibits salary schedules from being changed without a compensation study of market salaries and benefits and requires any changes to be consistent with the findings of the study. Requires procurement policies to be equivalent to those required of municipalities by Chapter 252. Requires the governing body of each commission to arrange annually for at least eight hours of training for its members. Sets forth provisions for training topics, compliance with certain laws, and finances and the work program that affects the commission. Authorizes training on the required topics to be provided as a part of other required training for county or municipal officials. Requires the nepotism provisions of Chapter 573, Government Code, to apply to the commission.

SECTION 4. Amends Section 391.009, Local Government Code, as follows:

Sec. 391.009. ROLE OF GOVERNOR AND STATE AGENCIES. Requires the governor to issue rules for, rather than guidelines to, commissions and governmental units, including but not limited, rather than relating, to review and comment procedures. Requires the governor and state agencies to meet certain requirements, among which include ensuring

compliance with the adopted rules of Subsection (a). Requires state agencies to comply with Chapter 783, Government Code, in regard to contracts, financial reporting, allowability of direct and indirect charges to a project, and auditing. Requires the office of the comptroller of public accounts to be the cognizant agency for review and approval of a commission's indirect cost allocation plan. Requires rules issued by the governor to include requirements that the governing body of a commission report certain matters annually to the governor on its operation and oversight of the commission. Requires each commission to provide a copy of audit reports to the governor. Requires the governor to report the expenditure to the state auditor for review, if the governor determines that there is a question about the appropriateness of an expenditure or other action of a commission. Requires the commission to give each state agency that gives funds to the commission a written notice of its planned audit along with certain information annually at least 60 days before the commencement of its independent audit. Requires state agencies to review a commission's most recent independent audit before initiating a field audit of the commission, and requires the state agency to coordinate audits, along with certain other matters, of the state agency through the office of the governor. Requires a commission to send a copy of a report or an audit required under this chapter to the state auditor, the comptroller, and the Legislative Budget Board.

SECTION 5. Amends Section 391.011, Local Government Code, by adding Subsections (e), (f), and (g), to prohibit a commission from expending public funds, including funds appropriated by the State of Texas, for certain purposes. Requires a commission to comply with the same federal and state laws and rules regarding the definition and application of indirect costs that apply to other local governmental units and state agencies. Requires the annual independent audit of a commission to include an audit of the basis for and the allowability of, any indirect charges. Requires the commission to comply with the provisions of state and federal law regarding the use of state or federal funds for lobbying or advocacy.

SECTION 6. Effective date: September 1, 1997.

SECTION 7. Emergency clause.

#### **SUMMARY OF COMMITTEE CHANGES**

Amendment 1.

Page 1, line 20, replace "lease" with "least."