

BILL ANALYSIS

Senate Research Center
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S.B. 1003
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Government Organization
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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 staff 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.

As proposed, S.B. 1003 provides that OSFR is abolished as an independent agency and is created as a program in the Office of the Governor. S.B. 1003 requires OSFR to consult with the lieutenant governor and the speaker of the house of representatives regarding relations between the state and federal governments. S.B. 1003 provides that OSFR's functions and activities are transferred to the Office of the Governor. S.B. 1003 repeals certain statutes relating to OSFR as an independent agency.

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 Sections 751.001-751.004, Government Code, as follows:

Sec. 751.001. DEFINITIONS. Redefines "director" as "executive director." Deletes existing text that defines "board." Makes nonsubstantive changes.

Sec. 751.002. OFFICE OF STATE-FEDERAL RELATIONS. (a) Provides that the Office of State-Federal Relations (OSFR) is a program within the office of the governor. Requires the governor to provide guidance to OSFR and direct the activities of OSFR. Deletes existing text providing that OSFR is an agency of the state and operates within the executive department.

(b) Requires OSFR to consult with the lieutenant governor and the speaker of the house of representatives regarding relations between the state and federal governments and to inform the legislative leadership of OSFR's progress on, and the status of, federal issues, including federal funding and policy decisions. Deletes existing text providing that OSFR is subject to the administrative procedure law, Chapter 2001 (Administrative Procedure).

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.

Sec. 751.004. New heading: APPOINTMENT AND TERM OF EXECUTIVE DIRECTOR. (a) Requires the governor to appoint the executive director of OSFR, who is accountable to the governor. Deletes existing text requiring the governor, with the advice and consent of the senate, to appoint a director of OSFR.

(b) Makes a conforming change.

SECTION 2. Amends the heading to Section 751.005, Government Code, to read as follows:

Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE.

SECTION 3. 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 prepare and supply to the governor and all members of the legislature an annual report that provides certain information; notify the governor, the lieutenant governor, and the speaker of the house of representatives 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; and coordinate with the Legislative Budget Board (LBB) regarding the effects of federal funding on the state budget. Makes conforming and nonsubstantive changes.

(c) Makes conforming changes.

(e) Requires that the priorities of OSFR, as stated in the report required under Subsection (b), be approved by the governor in consultation with the lieutenant governor and the speaker of the house of representatives. Requires that the report include an evaluation of the performance of OSFR based on performance measures that are developed by the governor in consultation with the lieutenant governor and the speaker of the house of representatives.

SECTION 4. Amends Sections 751.006(a) and (g), Government Code, as follows:

(a) Makes conforming and nonsubstantive changes.

(g) Authorizes 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 5. Amends Sections 751.012(a) and (c), Government Code, as follows:

(a) Authorizes OSFR to enter into interagency contracts with state agencies to locate staff of the state agencies, rather than of the other state agency, in Washington, D.C., to work under the supervision of the executive director and requires OSFR to coordinate activities conducted on behalf of the state agencies with those of OSFR. Makes conforming and nonsubstantive changes.

(c) Makes conforming and nonsubstantive changes.

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 the governor 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.

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 751.007 (Lobbyist Restriction), Government Code.

Repealer: Section 751.008 (Public Information and Complaints), Government Code.

Repealer: Section 751.010 (Office of State-Federal Relations Advisory Policy Board), Government Code.

Repealer: Section 751.011 (Board Duties), 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. (a) Provides that OSFR is abolished as an independent agency and created as a program in the office of the governor, and that the OSFR Advisory Policy Board is abolished.

(b) Provides that the validity of an action taken by OSFR before it is abolished under Subsection (a) of this section is not affected by the abolishment.

SECTION 9. Provides that on September 1, 2009:

(1) the director of OSFR becomes the executive director of OSFR in the office of the governor;

(2) an employee of OSFR becomes an employee of OSFR in the office of the governor;

(3) a reference in law to OSFR means OSFR in the office of the governor;

(4) all money, contracts, leases, rights, and obligations of OSFR are transferred to OSFR in the office of the governor;

(5) all property, including records, in the custody of OSFR becomes the property of OSFR in the office of the governor; and

(6) all funds appropriated by the legislature to OSFR are transferred to OSFR in the office of the governor.

SECTION 10. Provides that a function or activity performed by OSFR is transferred to OSFR in the office of the governor as provided by this Act.

SECTION 11. Requires OSFR and the office of the governor to establish a transition plan for the transfer described in Section 9 of this Act.

SECTION 12. Effective date: September 1, 2009.