BILL ANALYSIS

Senate Research Center 80R1259 CAE-D S.B. 903 By: Brimer Government Organization 4/13/2007 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Office of State-Federal Relations (OSFR) acts as the state's advocate in Washington, D.C., in order to promote and protect the interests of Texas at the federal level. Its main functions include prioritizing a federal agenda for the state, advocating federal funding and policy decisions favorable to the state, and promoting communication and building relationships between state and federal governments. OSFR is subject to the Sunset Act and will be abolished on September 1, 2007, unless continued by the legislature.

The Sunset Advisory Commission (commission) made several findings and recommendations regarding OSFR. It found that the agency's organizational structure is not effective, resulting in unnecessary administrative burdens that inhibit its ability to promptly react to changes in Washington. It also found that OSFR needs clear guidelines regarding contracts with consultants employed to assist OSFR in its mission. The commission's most substantial recommendation was to abolish OSFR as an independent state agency and transfer its functions to OSFR of the governor. The commission also recommended that OSFR establish and adhere to clear and concise contracting guidelines, compile and report information about such contracts, and track performance indicators.

As proposed, S.B. 903 renews OSFR in accordance with and enacts the recommendations of the commission.

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 through 751.004, Government Code, as follows:

Sec. 751.001. DEFINITIONS. Defines the previously-defined "director" as the "executive director." Deletes the definition of "board." Makes conforming and 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 governor's office, rather than an agency of the state operating within the executive department. Requires the governor to provide guidance to and direct the activities of OSFR.

(b) Adds the requirement that OSFR consult with the lieutenant governor and speaker of the house (speaker) regarding relations between the state and federal governments and inform the legislative leadership of OSFR's progress on and 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.

Sec. 751.003. SUNSET PROVISION. Extends the sunset date to September 1, 2013.

Sec. 751.004. New heading: APPOINTMENT AND TERM OF EXECUTIVE DIRECTOR. (a) Provides that the executive director is accountable to the governor.

Deletes the requirement that the governor appoint the director with the advice and consent of the senate. Makes conforming and nonsubstantive changes.

(b) Makes a conforming change.

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

Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE.

SECTION 3. Amends Section 751.005, Code, by amending Subsections (a), (b), and (c) and adding Subsection (e), as follows:

(a) Provides that the powers and duties of the director are now those of OSFR.

(b) Provides that required actions as set forth in this section of the director are now those of OSFR. Sets forth additional required actions of OSFR.

(c) Makes conforming changes.

(e) Requires the priorities of OSFR to be approved by the governor in consultation with the lieutenant governor and speaker. Requires the report to include an evaluation of the performance measures developed by the governor in consultation with the lieutenant governor and speaker of the house of representatives.

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

(a) Makes conforming changes.

(g) Deletes the requirement of a cost-of-living salary adjustment being made as provided under Section 751.012(d). Makes conforming and nonsubstantive changes.

SECTION 5. Amends Sections 751.012(a) and (c), Government Code, to make 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 to adopt written procedures for contracts it elects to enter into with federal-level government relations consultants. Sets forth the requirements of the procedures.

(b) Requires a contract between OSFR and a federal-level government relations consultant to include certain agreements and provisions.

(c) Requires the governor to sign any such contracts.

Sec. 751.016. CONTRACTS BY STATE AGENCIES OR POLITICAL SUBDIVISIONS. (a) Defines "political subdivision" to include a river authority.

(b) Requires an agency or political subdivision of the state to report to OSFR annually on any contract between the agency or subdivision and a federal-level government relations consultant. Sets forth the requirements of the report.

(c) Requires a state agency, upon contracting with a federal-level government relations consultant who subsequently subcontracts the work to another firm or individual, to report that subcontract to OSFR.

SECTION 7. Repealer: Sections 751.006(b), (c), (d), (e), and (f) (Staff; Personnel Policies), 751.007 (Lobbyist Restriction), 751.008 (Public Information and Complaints), 751.010 (Office of State-Federal Relations Advisory Policy Board), 751.011 (Board Duties), 751.012(b), (e), and

(f) (Interagency Contracts), 751.013 (Program and Facility Accessibility), 751.014 (Funds Subject to State Reform Act), and 751.024 (Reports Concerning Grant Funds), Government Code.

SECTION 8. Abolishes the OSFR advisory board and OSFR as an independent agency and creates OSFR as a program in the governor's office.

SECTION 9. Provides that on this Act's effective date, the executive director of, all employees of, references in law to, all money, contracts, leases, rights, and obligations of, all property, including records, in the custody of, and all funds appropriated by the legislature to OSFR become the same entities of the newly created OSFR within the governor's office.

SECTION 10. Transfers any functions or activities performed by OSFR to the newly created OSFR within the governor's office as provided by this Act.

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

SECTION 12. Effective date: September 1, 2007.