By: Brimer S.B. No. 903

A BILL TO BE ENTITLED

1	AN ACT

- 2 relating to the abolishment of the Office of State-Federal
- 3 Relations as an independent agency and the transfer of the duties
- 4 and functions of that agency to the office of the governor.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Sections 751.001 through 751.004, Government
- 7 Code, are amended to read as follows:
- 8 Sec. 751.001. DEFINITIONS. In this chapter:
- 9 (1) "Executive director" ["Board" means the Office of
- 10 State-Federal Relations Advisory Policy Board.
- 11 $\left[\frac{(2)}{\text{"Director"}}\right]$ means the <u>executive</u> director of the
- 12 Office of State-Federal Relations.
- 13 (2) [(3)] "Office" means the Office of State-Federal
- 14 Relations.
- (3) $[\frac{4}{1}]$ "State agency" means a state board,
- 16 commission, department, institution, or officer having statewide
- jurisdiction, including a state college or university.
- 18 Sec. 751.002. OFFICE OF STATE-FEDERAL RELATIONS. (a) The
- 19 Office of State-Federal Relations is a program within the office of
- 20 the governor. The governor shall provide guidance to the office and
- 21 direct the activities of the office [an agency of the state and
- 22 operates within the executive department].
- 23 (b) The office shall consult with the lieutenant governor
- 24 and the speaker of the house of representatives regarding relations

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- 1 between the state and federal governments and shall inform the
- 2 legislative leadership of the office's progress on, and the status
- 3 of, federal issues, including federal funding and policy decisions.
- 4 [The office is subject to the administrative procedure law, Chapter
- 5 2001.]
- 6 Sec. 751.003. SUNSET PROVISION. The Office of
- 7 State-Federal Relations is subject to Chapter 325 (Texas Sunset
- 8 Act). Unless continued in existence as provided by that chapter,
- 9 the office is abolished and this chapter expires September 1, 2013
- 10 $[\frac{2007}{}]$.
- 11 Sec. 751.004. APPOINTMENT AND TERM OF <u>EXECUTIVE</u>
- 12 DIRECTOR. (a) The governor[, with the advice and consent of the
- 13 $\frac{\text{senate}_{\tau}}{\text{senate}_{\tau}}$] shall appoint the executive [a] director of the office.
- 14 The executive director is accountable to the governor.
- 15 (b) The <u>executive</u> director serves at the pleasure of the
- 16 governor.
- 17 SECTION 2. The heading to Section 751.005, Government Code,
- is amended to read as follows:
- 19 Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE
- 20 [DIRECTOR].
- 21 SECTION 3. Section 751.005, Government Code, is amended by
- amending Subsections (a), (b), and (c) and adding Subsection (e) to
- 23 read as follows:
- 24 (a) The office [director] shall exercise the powers and
- 25 carry out the duties prescribed by this section in order to act as a
- liaison from the state to the federal government.
- 27 (b) The <u>office</u> [<u>director</u>] shall:

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- 1 (1) help coordinate state and federal programs dealing
- 2 with the same subject;
- 3 (2) inform the governor and the legislature of federal
- 4 programs that may be carried out in the state or that affect state
- 5 programs;
- 6 (3) provide federal agencies and the United States
- 7 Congress with information about state policy and state conditions
- 8 on matters that concern the federal government;
- 9 (4) provide the legislature with information useful in
- 10 measuring the effect of federal actions on the state and local
- 11 programs;
- 12 (5) prepare and supply to the governor and all members
- 13 of the legislature an annual report that:
- 14 (A) describes the office's operations;
- 15 (B) contains the office's priorities and
- 16 strategies for the following year;
- 17 (C) details projects and legislation pursued by
- 18 the office;
- 19 (D) discusses issues in the following
- 20 congressional session of interest to this state; and
- 21 (E) contains an analysis of federal funds
- 22 availability and formulae; [and]
- 23 (6) prepare annually a complete and detailed written
- 24 report accounting for all funds received and disbursed by the
- office during the preceding fiscal year;
- 26 (7) notify the governor, the lieutenant governor, and
- 27 the speaker of the house of representatives of federal activities

- 1 relevant to the state and inform the Texas congressional delegation
- 2 of state activities;
- 3 (8) conduct weekly conference calls with the
- 4 lieutenant governor and the speaker of the house of representatives
- 5 or their designees regarding state-federal relations and programs;
- 6 (9) respond to requests for information from the
- 7 <u>legislature</u>, the United States Congress, and federal agencies; and
- 8 (10) coordinate with the Legislative Budget Board
- 9 regarding the effects of federal funding on the state budget.
- 10 (c) The office [director] may maintain office space at
- 11 locations inside and outside the state as chosen by the office
- 12 [director].
- (e) The priorities of the office, as stated in the report
- required under Subsection (b)(5), must be approved by the governor
- in consultation with the lieutenant governor and the speaker of the
- 16 house of representatives. The report must include an evaluation of
- 17 the performance of the office based on performance measures that
- 18 are developed by the governor in consultation with the lieutenant
- 19 governor and the speaker of the house of representatives.
- SECTION 4. Sections 751.006(a) and (g), Government Code,
- 21 are amended to read as follows:
- 22 (a) The executive director may employ staff necessary to
- 23 carry out the [director's] powers and duties of the office under
- 24 this chapter. The executive director or the executive director's
- designee shall provide to office employees, as often as necessary,
- 26 information regarding their qualification for employment under
- 27 this chapter and their responsibilities under applicable laws

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- 1 relating to standards of conduct for state employees.
- 2 (g) The executive director and the staff of the office
- 3 working in Washington, D.C., may receive a [the same]
- 4 cost-of-living salary adjustment [as is established for an employee
- 5 of another state agency under Section 751.012(d)].
- 6 SECTION 5. Sections 751.012(a) and (c), Government Code,
- 7 are amended to read as follows:
- 8 (a) The office may enter into interagency contracts with
- 9 [other] state agencies to locate staff of the [other] state
- 10 <u>agencies</u> [agency] in Washington, D.C., to work under the
- 11 supervision of the <u>executive</u> director and shall coordinate
- 12 activities conducted on behalf of the state agencies [other agency]
- 13 with those of the office.
- 14 (c) A contract under this section must include provisions
- under which staff of the [other] state agency:
- 16 (1) report directly to the [that] agency's
- 17 administrative head or the presiding officer of the [that] agency's
- 18 governing body;
- 19 (2) have an officially recognized role in the [that]
- 20 agency's budget planning process; and
- 21 (3) provide periodic updates of activities at meetings
- of the [that] agency's governing body.
- SECTION 6. Subchapter A, Chapter 751, Government Code, is
- 24 amended by adding Sections 751.015 and 751.016 to read as follows:
- Sec. 751.015. CONTRACTS BETWEEN OFFICE AND CONSULTANTS.
- 26 (a) If the office elects to contract with federal-level government
- 27 relations consultants, the office shall adopt written procedures

2	(1) guidelines regarding contract management;
3	(2) a competitive procurement process and method to
4	assess the effectiveness of a prospective consultant;
5	(3) a technique for assigning a value to a prospective
6	consultant's ability to provide services at a reasonable price and
7	level of experience;
8	(4) a process for determining a prospective
9	consultant's ability to work with influential members of the United
10	States Congress and serve as an effective advocate on behalf of the
11	state; and
12	(5) a method to verify that the interests of a
13	prospective consultant or the consultant's other clients do not
14	create a conflict of interest that may jeopardize the state's
15	interest.
16	(b) A contract between the office and a federal-level
17	government relations consultant must include:
18	(1) an agreement regarding the goals of the service to
19	be provided by the consultant and targeted performance measures;

contract may be terminated by the parties to the contract; and

and a federal-level government relations consultant.

specified oversight entities to audit the contractor's performance

(c) The governor must sign any contract between the office

Sec. 751.016. CONTRACTS BY STATE AGENCIES OR POLITICAL

for those contracts. The procedures must include:

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under the contract.

(2) a provision governing the manner in which the

(3) a provision allowing the office and other

- 1 SUBDIVISIONS. (a) In this section, "political subdivision"
- 2 <u>includes a river authority.</u>
- 3 (b) An agency or political subdivision of the state shall
- 4 report to the office annually on any contract between the agency or
- 5 subdivision and a federal-level government relations consultant.
- 6 The report must include:
- 7 (1) the name of the consultant or consulting firm;
- 8 (2) the issue on which the consultant was hired to
- 9 consult; and
- 10 (3) the amount of compensation paid or to be paid to
- 11 the consultant under the contract.
- 12 (c) If a state agency contracts with a federal-level
- 13 government relations consultant and the consultant subcontracts
- 14 the work to another firm or individual, the state agency shall
- 15 report the subcontract to the office.
- 16 SECTION 7. Sections 751.006(b), (c), (d), (e), and (f),
- 751.007, 751.008, 751.010, 751.011, 751.012(b), (e), and (f),
- 18 751.013, 751.014, and 751.024, Government Code, are repealed.
- 19 SECTION 8. (a) The Office of State-Federal Relations is
- 20 abolished as an independent agency and created as a program in the
- 21 office of the governor. The Office of State-Federal Relations
- 22 Advisory Policy Board is abolished.
- 23 (b) The validity of an action taken by the Office of
- 24 State-Federal Relations before it is abolished under Subsection (a)
- of this section is not affected by the abolishment.
- SECTION 9. On September 1, 2007:
- 27 (1) the director of the Office of State-Federal

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- 1 Relations becomes the executive director of the Office of
- 2 State-Federal Relations in the office of the governor;
- 3 (2) an employee of the Office of State-Federal
- 4 Relations becomes an employee of the Office of State-Federal
- 5 Relations in the office of the governor;
- 6 (3) a reference in law to the Office of State-Federal
- 7 Relations means the Office of State-Federal Relations in the office
- 8 of the governor;
- 9 (4) all money, contracts, leases, rights, and
- 10 obligations of the Office of State-Federal Relations are
- 11 transferred to the Office of State-Federal Relations in the office
- 12 of the governor;
- 13 (5) all property, including records, in the custody of
- 14 the Office of State-Federal Relations becomes the property of the
- 15 Office of State-Federal Relations in the office of the governor;
- 16 and
- 17 (6) all funds appropriated by the legislature to the
- 18 Office of State-Federal Relations are transferred to the Office of
- 19 State-Federal Relations in the office of the governor.
- 20 SECTION 10. A function or activity performed by the Office
- 21 of State-Federal Relations is transferred to the Office of
- 22 State-Federal Relations in the office of the governor as provided
- 23 by this Act.
- 24 SECTION 11. The Office of State-Federal Relations and the
- 25 office of the governor shall establish a transition plan for the
- 26 transfer described in Section 9 of this Act.
- 27 SECTION 12. This Act takes effect September 1, 2007.