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H.B. No. 1583

A BILL TO BE ENTITLED

AN ACT

relating to the abolishment of the Office of State-Federal Relations as an independent agency and the transfer of the duties and functions of that agency to the office of the governor.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 751.001 through 751.004, Government Code, are amended to read as follows:

Sec. 751.001. DEFINITIONS. In this chapter:

(1) "Executive director" [~~"Board" means the Office of State-Federal Relations Advisory Policy Board.~~

~~](2) "Director"~~] means the executive director of the Office of State-Federal Relations.

(2) [~~(3)~~] "Office" means the Office of State-Federal Relations.

(3) [~~(4)~~] "State agency" means a state board, commission, department, institution, or officer having statewide jurisdiction, including a state college or university.

Sec. 751.002. OFFICE OF STATE-FEDERAL RELATIONS. (a) The Office of State-Federal Relations is a program within the office of the governor. The governor shall provide guidance to the office and direct the activities of the office [~~an agency of the state and operates within the executive department~~].

(b) The office shall consult with the lieutenant governor and the speaker of the house of representatives regarding relations

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, 2015
10 ~~[2009]. [In the review of the office by the Sunset Advisory~~
11 ~~Commission, as required by this section, the sunset commission~~
12 ~~shall limit its review to the appropriateness of recommendations~~
13 ~~made to the 80th Legislature. In its report to the 81st~~
14 ~~Legislature, the sunset commission may include any recommendations~~
15 ~~it considers appropriate.]~~

16 Sec. 751.004. APPOINTMENT AND TERM OF EXECUTIVE
17 DIRECTOR. (a) The governor~~[, with the advice and consent of the~~
18 ~~senate,]~~ shall appoint the executive ~~[a]~~ director of the office.
19 The executive director is accountable to the governor.

20 (b) The executive director serves at the pleasure of the
21 governor.

22 SECTION 2. The heading to Section 751.005, Government Code,
23 is amended to read as follows:

24 Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE
25 ~~[DIRECTOR]~~.

26 SECTION 3. Section 751.005, Government Code, is amended by
27 amending Subsections (a), (b), and (c) and adding Subsection (e) to

1 read as follows:

2 (a) The office [~~director~~] shall exercise the powers and
3 carry out the duties prescribed by this section in order to act as a
4 liaison from the state to the federal government.

5 (b) The office [~~director~~] shall:

6 (1) help coordinate state and federal programs dealing
7 with the same subject;

8 (2) inform the governor and the legislature of federal
9 programs that may be carried out in the state or that affect state
10 programs;

11 (3) provide federal agencies and the United States
12 Congress with information about state policy and state conditions
13 on matters that concern the federal government;

14 (4) provide the legislature with information useful in
15 measuring the effect of federal actions on the state and local
16 programs;

17 (5) prepare and supply to the governor and all members
18 of the legislature an annual report that:

19 (A) describes the office's operations;

20 (B) contains the office's priorities and
21 strategies for the following year;

22 (C) details projects and legislation pursued by
23 the office;

24 (D) discusses issues in the following
25 congressional session of interest to this state; and

26 (E) contains an analysis of federal funds
27 availability and formulae; [~~and~~]

1 (6) prepare annually a complete and detailed written
2 report accounting for all funds received and disbursed by the
3 office during the preceding fiscal year;

4 (7) notify the governor, the lieutenant governor, and
5 the speaker of the house of representatives of federal activities
6 relevant to the state and inform the Texas congressional delegation
7 of state activities;

8 (8) conduct frequent conference calls with the
9 lieutenant governor and the speaker of the house of representatives
10 or their designees regarding state-federal relations and programs;

11 (9) respond to requests for information from the
12 legislature, the United States Congress, and federal agencies; and

13 (10) coordinate with the Legislative Budget Board
14 regarding the effects of federal funding on the state budget.

15 (c) The office [~~director~~] may maintain office space at
16 locations inside and outside the state as chosen by the office
17 [~~director~~].

18 (e) The priorities of the office, as stated in the report
19 required under Subsection (b)(5), must be approved by the governor
20 in consultation with the lieutenant governor and the speaker of the
21 house of representatives. The report must include an evaluation of
22 the performance of the office based on performance measures that
23 are developed by the governor in consultation with the lieutenant
24 governor and the speaker of the house of representatives.

25 SECTION 4. Sections 751.006(a) and (g), Government Code,
26 are amended to read as follows:

27 (a) The executive director may employ staff necessary to

1 carry out the ~~[director's]~~ powers and duties of the office under
 2 this chapter. The executive director or the executive director's
 3 designee shall provide to office employees, as often as necessary,
 4 information regarding their qualification for employment under
 5 this chapter and their responsibilities under applicable laws
 6 relating to standards of conduct for state employees.

7 (g) The executive director and the staff of the office
 8 working in Washington, D.C., may receive a ~~[the same]~~
 9 cost-of-living salary adjustment ~~[as is established for an employee~~
 10 ~~of another state agency under Section 751.012(d)]~~.

11 SECTION 5. Sections 751.012(a) and (c), Government Code,
 12 are amended to read as follows:

13 (a) The office may enter into interagency contracts with
 14 ~~[other]~~ state agencies to locate staff of the ~~[other]~~ state
 15 agencies ~~[agency]~~ in Washington, D.C., to work under the
 16 supervision of the executive director and shall coordinate
 17 activities conducted on behalf of the state agencies ~~[other agency]~~
 18 with those of the office.

19 (c) A contract under this section must include provisions
 20 under which staff of the ~~[other]~~ state agency:

21 (1) report directly to the ~~[that]~~ agency's
 22 administrative head or the presiding officer of the ~~[that]~~ agency's
 23 governing body;

24 (2) have an officially recognized role in the ~~[that]~~
 25 agency's budget planning process; and

26 (3) provide periodic updates of activities at meetings
 27 of the ~~[that]~~ agency's governing body.

SECTION 6. Subchapter A, Chapter 751, Government Code, is amended by adding Sections 751.015 and 751.016 to read as follows:

Sec. 751.015. CONTRACTS BETWEEN OFFICE AND CONSULTANTS.

(a) If the office elects to contract with federal-level government relations consultants, the office shall adopt written procedures for those contracts. The procedures must include:

(1) guidelines regarding contract management;

(2) a competitive procurement process and method to assess the effectiveness of a prospective consultant;

(3) a technique for assigning a value to a prospective consultant's ability to provide services at a reasonable price and level of experience;

(4) a process for determining a prospective consultant's ability to work with influential members of the United States Congress and serve as an effective advocate on behalf of the state; and

(5) a method to verify that the interests of a prospective consultant or the consultant's other clients do not create a conflict of interest that may jeopardize the state's interest.

(b) A contract between the office and a federal-level government relations consultant must include:

(1) an agreement regarding the goals of the service to be provided by the consultant and targeted performance measures;

(2) a provision governing the manner in which the contract may be terminated by the parties to the contract; and

(3) a provision allowing the office, the state

1 auditor's office as provided by Section 2262.003, and other
2 specified oversight entities to audit the contractor's performance
3 under the contract.

4 (c) The governor must sign any contract between the office
5 and a federal-level government relations consultant.

6 Sec. 751.016. CONTRACTS BY STATE AGENCIES OR POLITICAL
7 SUBDIVISIONS. (a) In this section, "political subdivision"
8 includes a river authority.

9 (b) An agency or political subdivision of the state shall
10 report to the office on any contract between the agency or
11 subdivision and a federal-level government relations consultant. A
12 state agency or political subdivision shall submit one report under
13 this section not later than the 30th day after the date the contract
14 is executed and a second report not later than the 30th day after
15 the date the contract is terminated. The report must include:

16 (1) the name of the consultant or consulting firm;
17 (2) the issue on which the consultant was hired to
18 consult; and

19 (3) the amount of compensation paid or to be paid to
20 the consultant under the contract.

21 (b-1) A state agency or political subdivision contracting
22 with a federal-level government relations consultant before
23 September 1, 2009, shall, if the contract has not terminated before
24 that date, submit a report as required by Subsection (b) not later
25 than September 30, 2009. This subsection expires September 1,
26 2010.

27 (c) If a state agency contracts with a federal-level

1 government relations consultant and the consultant subcontracts
2 the work to another firm or individual, the state agency shall
3 report the subcontract to the office.

4 SECTION 7. Sections 751.006(b), (c), (d), (e), and (f),
5 751.007, 751.008, 751.010, 751.011, 751.012(b), (e), and (f),
6 751.013, 751.014, and 751.024, Government Code, are repealed.

7 SECTION 8. (a) The Office of State-Federal Relations is
8 abolished as an independent agency and created as a program in the
9 office of the governor. The Office of State-Federal Relations
10 Advisory Policy Board is abolished.

11 (b) The validity of an action taken by the Office of
12 State-Federal Relations before it is abolished under Subsection (a)
13 of this section is not affected by the abolishment.

14 SECTION 9. On September 1, 2009:

15 (1) the director of the Office of State-Federal
16 Relations becomes the executive director of the Office of
17 State-Federal Relations in the office of the governor;

18 (2) an employee of the Office of State-Federal
19 Relations becomes an employee of the Office of State-Federal
20 Relations in the office of the governor;

21 (3) a reference in law to the Office of State-Federal
22 Relations means the Office of State-Federal Relations in the office
23 of the governor;

24 (4) all money, contracts, leases, rights, and
25 obligations of the Office of State-Federal Relations are
26 transferred to the Office of State-Federal Relations in the office
27 of the governor;

1 (5) all property, including records, in the custody of
2 the Office of State-Federal Relations becomes the property of the
3 Office of State-Federal Relations in the office of the governor;
4 and

5 (6) all funds appropriated by the legislature to the
6 Office of State-Federal Relations are transferred to the Office of
7 State-Federal Relations in the office of the governor.

8 SECTION 10. A function or activity performed by the Office
9 of State-Federal Relations is transferred to the Office of
10 State-Federal Relations in the office of the governor as provided
11 by this Act.

12 SECTION 11. The Office of State-Federal Relations and the
13 office of the governor shall establish a transition plan for the
14 transfer described in Section 9 of this Act.

15 SECTION 12. This Act takes effect September 1, 2009.