By: Deuell S.B. No. 1003

Substitute the following for S.B. No. 1003:

By: Gonzales C.S.S.B. No. 1003

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the continuation and functions of the Office of
- 3 State-Federal Relations and the administrative attachment of that
- 4 agency to the office of the governor.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 751.002(a), Government Code, is amended
- 7 to read as follows:
- 8 (a) The Office of State-Federal Relations is an agency of
- 9 the state and operates within the executive department. The office
- 10 <u>is administratively attached to the office of the governor. The</u>
- 11 governor's office shall provide human resources and other
- 12 administrative support for the office. The office is funded by
- 13 appropriations made to the office of the governor.
- 14 SECTION 2. Section 751.003, Government Code, is amended to
- 15 read as follows:
- 16 Sec. 751.003. SUNSET PROVISION. The Office of
- 17 State-Federal Relations is subject to Chapter 325 (Texas Sunset
- 18 Act). Unless continued in existence as provided by that chapter,
- 19 the office is abolished and this chapter expires September 1, 2015
- 20 [2009]. [In the review of the office by the Sunset Advisory
- 21 Commission, as required by this section, the sunset commission
- 22 shall limit its review to the appropriateness of recommendations
- 23 made to the 80th Legislature. In its report to the 81st
- 24 Legislature, the sunset commission may include any recommendations

- 1 it considers appropriate.
- 2 SECTION 3. The heading to Section 751.005, Government Code,
- 3 is amended to read as follows:
- 4 Sec. 751.005. GENERAL POWERS AND DUTIES OF OFFICE
- 5 [DIRECTOR].
- 6 SECTION 4. Section 751.005, Government Code, is amended by
- 7 amending Subsections (a), (b), and (c) and adding Subsection (e) to
- 8 read as follows:
- 9 (a) The $\underline{\text{office}}$ [$\underline{\text{director}}$] shall exercise the powers and
- 10 carry out the duties prescribed by this section in order to act as a
- 11 liaison from the state to the federal government.
- 12 (b) The office [director] shall:
- 13 (1) help coordinate state and federal programs dealing
- 14 with the same subject;
- 15 (2) inform the governor and the legislature of federal
- 16 programs that may be carried out in the state or that affect state
- 17 programs;
- 18 (3) provide federal agencies and the United States
- 19 Congress with information about state policy and state conditions
- 20 on matters that concern the federal government;
- 21 (4) provide the legislature with information useful in
- 22 measuring the effect of federal actions on the state and local
- 23 programs;
- 24 (5) prepare and supply to the governor and all members
- 25 of the legislature an annual report that:
- 26 (A) describes the office's operations;
- 27 (B) contains the office's priorities and

- 1 strategies for the following year;
- 2 (C) details projects and legislation pursued by
- 3 the office;
- 4 (D) discusses issues in the following
- 5 congressional session of interest to this state; and
- 6 (E) contains an analysis of federal funds
- 7 availability and formulae; [and]
- 8 (6) prepare annually a complete and detailed written
- 9 report accounting for all funds received and disbursed by the
- 10 office during the preceding fiscal year;
- 11 (7) notify the governor, the lieutenant governor, the
- 12 speaker of the house of representatives, and the legislative
- 13 standing committees in each house with primary jurisdiction over
- 14 intergovernmental affairs of federal activities relevant to the
- 15 state and inform the Texas congressional delegation of state
- 16 <u>activities;</u>
- 17 (8) conduct frequent conference calls with the
- 18 lieutenant governor and the speaker of the house of representatives
- 19 or their designees regarding state-federal relations and programs;
- 20 (9) respond to requests for information from the
- 21 <u>legislature</u>, the United States Congress, and federal agencies;
- 22 (10) coordinate with the Legislative Budget Board
- 23 regarding the effects of federal funding on the state budget; and
- 24 (11) report to, and on request send appropriate
- 25 representatives to appear before, the legislative standing
- 26 committees in each house with primary jurisdiction over
- 27 intergovernmental affairs.

- 1 (c) The office [director] may maintain office space at
- 2 locations inside and outside the state as chosen by the office
- 3 [director].
- 4 (e) The report required under Subsection (b)(5) must
- 5 include an evaluation of the performance of the office based on
- 6 performance measures that are developed by the board.
- 7 SECTION 5. Section 751.006(g), Government Code, is amended
- 8 to read as follows:
- 9 (g) The director and the staff of the office working in
- 10 Washington, D.C., may receive \underline{a} [the same] cost-of-living salary
- 11 adjustment [as is established for an employee of another state
- 12 agency under Section 751.012(d)].
- SECTION 6. Subchapter A, Chapter 751, Government Code, is
- 14 amended by adding Sections 751.015 and 751.016 to read as follows:
- 15 Sec. 751.015. CONTRACTS BETWEEN OFFICE AND CONSULTANTS.
- 16 (a) If the office elects to contract with federal-level government
- 17 relations consultants, the office shall adopt written procedures
- 18 for those contracts. The procedures must include:
- 19 (1) guidelines regarding contract management;
- 20 (2) a competitive procurement process and method to
- 21 assess the effectiveness of a prospective consultant;
- 22 (3) a technique for assigning a value to a prospective
- 23 consultant's ability to provide services at a reasonable price and
- 24 level of experience;
- 25 <u>(4) a process for determining a prospective</u>
- 26 consultant's ability to work with influential members of the United
- 27 States Congress and serve as an effective advocate on behalf of the

- 1 state; and
- 2 (5) a method to verify that the interests of a
- 3 prospective consultant or the consultant's other clients do not
- 4 create a conflict of interest that may jeopardize the state's
- 5 interest.
- 6 (b) A contract between the office and a federal-level
- 7 government relations consultant must include:
- 8 (1) an agreement regarding the goals of the service to
- 9 be provided by the consultant and targeted performance measures;
- 10 (2) a provision governing the manner in which the
- 11 contract may be terminated by the parties to the contract; and
- 12 (3) a provision allowing the office, the state
- 13 auditor's office as provided by Section 2262.003, and other
- 14 specified oversight entities to audit the contractor's performance
- 15 <u>under the contract.</u>
- 16 (c) All three members of the board must sign any contract
- 17 between the office and a federal-level government relations
- 18 consultant.
- 19 Sec. 751.016. CONTRACTS BY STATE AGENCIES OR POLITICAL
- 20 SUBDIVISIONS. (a) In this section, "political subdivision"
- 21 <u>includes a river authority.</u>
- (b) An agency or political subdivision of the state shall
- 23 report to the office on any contract between the agency or
- 24 subdivision and a federal-level government relations consultant. A
- 25 state agency or political subdivision shall submit one report under
- 26 this section not later than the 30th day after the date the contract
- 27 is executed and a second report not later than the 30th day after

1 the date the contract is terminated. The report must include: 2 (1) the name of the consultant or consulting firm; (2) the issue on which the consultant was hired to 3 4 consult; and 5 (3) the amount of compensation paid or to be paid to the consultant under the contract. 6 7 (b-1) A state agency or political subdivision contracting with a federal-level government relations consultant before 8 September 1, 2009, shall, if the contract has not terminated before 9 10 that date, submit a report as required by Subsection (b) not later than September 30, 2009. This subsection expires September 1, 11 12 2010. (c) If a state agency contracts with a federal-level 13 14 government relations consultant and the consultant subcontracts 15 the work to another firm or individual, the state agency shall report the subcontract to the office. 16 17 (d) This section does not apply to a political subdivision whose federal-level government relations consultant is required by 18 other law to disclose, report, and make available the information 19 required by Subsection (b) to: 20 21 (1) the public; and 22 (2) a federal or state entity. 23 SECTION 7. The following provisions of the Government Code

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Sections 751.006(b), (c), (d), (e), and (f);

Sections 751.012(b), (e), and (f); and

Sections 751.013, 751.014, and 751.024.

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are repealed:

(1)

(2)

(3)

C.S.S.B. No. 1003

- 1 SECTION 8. The Office of State-Federal Relations and the
- 2 office of the governor shall establish a plan for the
- 3 administrative attachment of the Office of State-Federal Relations
- 4 to the office of the governor.
- 5 SECTION 9. This Act takes effect September 1, 2009.