

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

April 23, 2009

TO: Honorable Veronica Gonzales, Chair, House Committee on Border & Intergovernmental Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1583 by Flynn (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.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would abolish the Office of State Federal Relations (OSFR) and transfer it as a program to the Office of the Governor (Trusted Programs). OSFR (the office) would be required to consult with the speaker and lieutenant governor regarding federal issues affecting the state and inform the legislative leadership of its progress on and the status of issues impacting federal funding and policy decisions. The office would be subject to sunset on September 1, 2015 unless otherwise continued.

The bill would allow staff located in the Washington, D.C. office to receive cost of living adjustments different from those of other state agencies, and repeals certain statutory provisions relating to determination of salaries for OSFR employees.

The bill would require the office to develop written procedures for development and oversight of federal-level government relations consultant contracts, and would provide for audits by the state auditor and other oversight entities of those contracts. The bill would require state agencies and political subdivisions to provide certain reports and information regarding those contracts to the office.

The bill would repeal certain statutory provisions relating to: lobbyist restrictions for the general counsel of the office; complaint tracking and resolution; the OSFR advisory policy board; interagency contracts with the Legislative Budget Board; and, reporting requirements by agencies and institutions of higher education on grant applications and awards to the OSFR and Legislative Budget Board.

The bill would transfer all appropriations and full-time-equivalent positions authorized by the legislature for the Office of State-Federal Relations to the Office of the Governor.

The bill would take effect September 1, 2009.

Local Government Impact

A local government entity that has a contract or enters into a contract with a federal-level government relations consultant within the time frames specified in the bill would incur administrative costs related to preparing and submitting the required report to the Office of State-Federal Relations. No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 308 State Auditor's Office

LBB Staff: JOB, CL, MS, BTA, DB