

## TEXAS WORKFORCE COMMISSION LETTER

**ID/No:** WD 06-05

**Date:** February 2, 2005

**Keyword:** General

**To:** Local Workforce Development Board Executive Directors  
Commission Executive Staff  
Integrated Service Area Managers  
Commission Local Offices

**From:** Luis M. Macias, Director, Workforce Development Division

**Subject:** **Restrictions on Lobbying Activities and Expenditures**

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### **PURPOSE:**

To provide guidance to Local Workforce Development Boards (Boards) to ensure compliance with statutory restrictions on the use of appropriated funds.

### **REFERENCE:**

Texas Government Code, Chapters 305 and 556

### **FLEXIBILITY RATINGS:**

**No Local Flexibility (NLF):** This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. Federal and state laws, rules, policies, and required procedures with a “No Local Flexibility” rating are indicated by the acronym, **NLF**, in the margin to the right of the applicable paragraph. Additionally, all information with a “No Local Flexibility” rating is indicated by “must” or “shall.”

Failure to comply with the federal and state laws, rules, policies, and required procedures with a “No Local Flexibility” rating may result in corrective action, up to and including sanction and penalty.

**Local Flexibility (LF):** This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All guidance or recommended practices with a “Local Flexibility” rating are indicated by the acronym, **LF**, located in the margin to the right of the applicable paragraph. Additionally, guidance or recommended practices with a “Local Flexibility” rating are indicated by “may” or “recommend.”

Boards are not subject to corrective action for failure to comply with guidance or recommended practices with a “Local Flexibility” rating.

### **BACKGROUND:**

Texas Government Code, Chapter 556 prohibits certain public entities and individuals from engaging in political activities. Section 556.002(a)(2) of the Texas Government Code specifically applies to the use by Boards of appropriated

money. All moneys provided to Boards by the Texas Workforce Commission are state-appropriated funds.

This WD Letter supersedes and rescinds:

- WD Letter 13-00, issued February 4, 2000, entitled “Restrictions on Lobbying Activities and Expenditures”
- WD Letter 14-00, issued February 4, 2000, entitled “Membership Dues”

**PROCEDURES:**

Boards, which include officers, employees, and Board members, must:

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- follow the provisions set forth in Texas Government Code, Chapters 305 and 556;
- ensure that staff with approval authority are aware of these statutes;
- verify that appropriated funds are used strictly for allowable expenses; and
- be aware that **violations of these restrictions may have financial implications.**

Boards must not use appropriated money to:

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- employ or contract with an individual who is required by Texas Government Code, Chapter 305 to register as a lobbyist; or
- attempt to influence the passage or defeat of a legislative measure.

Specifically, Boards must not use state funds to pay:

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- lobbying expenses incurred by the recipient of the funds;
- a person or entity that is required to register with the Texas Ethics Commission under Texas Government Code, Chapter 305;
- any partner, employee, employer, relative, contractor, consultant, or related entity of a person or entity that is required to register with the Texas Ethics Commission under Texas Government Code, Chapter 305; or
- a person or entity that has been hired to represent associations or other entities for the purpose of affecting the outcome of legislation, agency rules, ordinances, or other government policies.

In addition, state law prohibits Boards from using state-appropriated money to pay membership dues to an organization that pays part or all of the salary of a person who is required by Chapter 305 of the Texas Government Code to register as a lobbyist.

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Lobbyists and lobby organizations are required to publicly disclose and regularly identify expenditures and activities with the Texas Ethics Commission. Therefore, before incurring expenditures for membership dues of any type to be paid with state-appropriated funds, it is recommended that Boards follow the

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procedures below to ensure that the organization does not have a lobbyist registered with the Texas Ethics Commission:

- Go to <http://www.ethics.state.tx.us>.
- Click on *Lobby Reports*.
- Click on *Lobby Lists*.
- Click on *2004 List of Registered Lobbyists with Clients, sorted by Clients*.
- Scroll down the list until you locate the organization (or client). All lobbyists employed by that organization are listed.
- Print a copy of the screen indicating the results.
- If there is no lobbyist registered, proceed with processing the membership application.
- If there is a lobbyist registered for the organization, state-appropriated funds cannot be used to pay the membership dues.

Boards, which include officers, employees, and Board members, must not:

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- finance with appropriated money or any money under Board control—or otherwise support—the candidacy of a person for an office in the legislative, executive, or judicial branch of state government or of the government of the United States. This prohibition includes the direct or indirect employment of a person to support the candidacy of a person for an office in the legislative, executive, or judicial branch of state government or of the government of the United States;
- use a state-owned or state-leased motor vehicle to finance or otherwise support the candidacy of a person for an office in the legislative, executive, or judicial branch of state government or of the government of the United States;
- use official authority or influence—or permit the use of a program administered by the Board of which the person is an officer or employee—to interfere with or affect the result of an election or nomination of a candidate or to achieve any other political purpose; or
- coerce, attempt to coerce, command, restrict, attempt to restrict, or prevent the payment, loan, or contribution of any thing of value to a person or political organization for a political purpose.

Boards must review Chapter 556 of the Texas Government Code and take appropriate measures to verify compliance with all requirements and restrictions.

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**ACTIONS REQUIRED:**

Boards must ensure that officers, employees, and Board members are apprised of and comply with the requirements in this WD Letter.

**INQUIRIES:**

Direct inquiries regarding this WD Letter to John Fuller at (512) 463-7459 or [John.Fuller@twc.state.tx.us](mailto:John.Fuller@twc.state.tx.us).

Rescissions: WD Letters 13-00 and 14-00

Expiration: Continuing