

**2011 HOUSE GOVERNMENT AND VETERANS AFFAIRS**

**HB 1426**

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee  
Fort Union Room, State Capitol

HB 1426  
January 28, 2011  
13643

Conference Committee

Committee Clerk Signature

*Carmen Hart*

## Explanation or reason for introduction of bill/resolution:

Relating to travel reimbursement rates for state employees and officers

## Minutes:

**Chairman Bette Grande** opened the hearing on HB 1426.

**Vice Chairman Randy Boehning, District 27**, appeared in support of this bill. Currently we are only at about 55% of the GSA rate, a daily food allowance rate. The GSA rate is at \$46 and currently we are at \$25 so that puts us about 55% of the GSA rate. I had proposed to do a 90% of the GSA rate, but when you take a look at the fiscal note, it is kind of a fiscal shock at approximately \$2.2 million. I am going to offer an amendment that would take it down to a 65% of the GSA rate which is a little bit better. **Attachment 2**. I did give a handout to the committee that is a spreadsheet. **Attachment 1**. You have the 60% GSA rate on there. I didn't do the 65. I just went from the 60 to the 75. Basically if you take the 60% and take that number and double it that is what the fiscal note would be approximately. It would approximately be \$750,000.

**Rep. Vicky Steiner:** Do you know how long we have had this \$25 rate?

**Vice Chairman Randy Boehning:** I do not know. I know it has been in effect since 2003.

**Rudie Martinson, Executive Director, ND Hospitality Association**, appeared in support of the bill. It is difficult in our industry, particularly in a banquet setting, to provide meals for traveling state employees at the current rates. The current rates are broken down. The total is \$25 a day. That is broken out to \$5.00 for breakfast, \$7.50 for lunch, and \$12.50 for dinner. We are in support of both raising the rate and the concept of doing with this rate what we did with the hotel rate last session which is tying it to the GSA rate, so that every time they get an increase, we also get an increase and I don't have to stand here every other year and ask for an increase. To answer Rep. Steiner's question, I don't know when the last time this went up was either, but having spoken to operators and members of mine in anticipation of this hearing, I can't remember the last time it went up. We also agree with Rep. Boehning that there was some sticker shock at 90% of the federal rate. The 90% rate came about during discussions because it is the same rate that we have for hotel rooms. We are also in favor of that amendment to take that down to 65%. Another thing you have to keep in mind in a banquet setting if a state agency is having an event, we also have to

add tax and gratuity for our staff to come in under that cap. What we can actually charge for a lunch is around \$5.75 by the time you have added the extra 23% for the tax and the gratuity to come under the \$7.50. The GSA rate right now is \$46 a day. It is \$7.00 for breakfast, \$11.00 for lunch, and \$23.00 for dinner. I think the compromise at 65% of that would be acceptable to our association.

**Lyle Schneider, Radisson Hotel**, appeared in support of the bill. Hopefully, we can provide some better meal choices for you at the rates.

**Jeff Larshus, OMB Fiscal Management**, appeared. I believe 2005 was the last session when we did the last meal increase, and that went from \$20 a day to \$25.

**Vice Chairman Randy Boehning:** Do you know the time before 2005?

**Jeff Larshus:** I can check for you and get it back to you today.

Chairman Grande asked Jeff to run a fiscal note at 65%.

There was no one neutral or in opposition to this bill.

The hearing was closed.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee  
Fort Union Room, State Capitol

HB 1426  
February 3, 2011  
13999

Conference Committee

Committee Clerk Signature

*Carmen Hart*

## Explanation or reason for introduction of bill/resolution:

Relating to travel reimbursement rates for state employees and officers

## Minutes:

**Chairman Bette Grande** opened the meeting on HB 1426. The amendment was handed out. **Attachment 1.**

**Vice Chairman Randy Boehning** moved to accept the amendment.

**Rep. Ron Guggisberg** seconded the motion.

**Rep. Bill Amerman:** Could I get a quick overview.

**Vice Chairman Randy Boehning:** Basically what this bill is doing and to get our daily rate when we are out here during the interim, it is taking care of our meal allowances. It raises them up from the current 55% of the GSA rate to 65% of the GSA rate. It takes from a current \$25 a day up to \$29.90 a day. It is going to raise the per diem rates for us and for state employees up to 65% of the current GSA rate which is \$46. It would continually tie it to the GSA rate.

**Rep. Vicky Steiner:** Did you think about maybe making it an even number of 30 and then making it a little bit less percentage because people fill out the form? Does it constantly move?

**Vice Chairman Randy Boehning:** As you can see off to the side in the lower right hand column you can see where the GSA rates are. In 2005 the GSA rates were \$31. For 2006-2009 it stayed at \$39. From 2009 to 2010 it jumped to \$46. It stays fairly stable. If a state employee goes to Moorhead for work they would get reimbursed at the \$46, but if they have a meal in Fargo, they only get reimbursed for the current \$25. As soon as you go out of state, the GSA rate applies, but it does not in North Dakota at the full amount.

**Chairman Bette Grande:** Give me the bottom line. What is the fiscal note?

**Vice Chairman Randy Boehning:** The fiscal note would be \$176,000 in general funds and \$488,000 in appropriations.

**Chairman Bette Grande:** Does everybody understand when they are looking at this what they are seeing for a fiscal note? The fourth one down 65% of GSA rate, go to the second column 2011-2013 general fund appropriation expenditure will be \$175,920.40 with the appropriation matching that. Then on expenditures for other you have \$527,761. I don't know why the appropriations don't match.

**Vice Chairman Randy Boehning:** I am not sure either. I can't remember the explanation between the expenditure and the appropriation. Once it is amended we will have to get the new fiscal note on it.

**A voice vote was taken. Motion carried.**

**Rep. Glen Froseth moved a Do Pass as amended and rerefer to appropriations.**

**Rep. Mark Sanford** seconded the motion.

**DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS, 12 YEAS, 0 NAYS, 1 ABSENT. Rep. Glen Froseth is the carrier of this bill.**

**FISCAL NOTE**  
 Requested by Legislative Council  
 03/21/2011

Amendment to: Engrossed  
 HB 1426

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$175,920	\$527,761	\$175,920	\$527,761
Appropriations			\$175,920	\$488,179	\$175,920	\$488,179

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Current in-state meal rate is \$25/day. Proposed increase to \$30/day is a 20% increase in the daily rate. Estimated amounts for the 11-13 and 13-15 biennium are based on projected 09-11 biennium expenditures.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

OMB does not have expenditure totals for counties, cities or school districts.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

These increase amounts were not included in the executive budget. The difference between appropriation totals to expenditure totals are some agencies have expenditures that are not appropriated (ex: commodity agencies).

Name:	Jeff Larshus	Agency:	OMB
Phone Number:	328-4902	Date Prepared:	03/21/2011

**FISCAL NOTE**  
 Requested by Legislative Council  
 02/08/2011

Amendment to: HB 1426

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$175,920	\$527,761	\$175,920	\$527,761
Appropriations			\$175,920	\$488,179	\$175,920	\$488,179

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

These estimates are based on current GSA standard meal rate of \$46 for North Dakota. Sixty-five percent (65%) of that GSA rate is \$29.90. Current in-state meal rate is \$25. Estimated amounts for the 11-13 and 13-15 biennium are based on projected 09-11 biennium expenditures.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

These increase amounts were not included in the executive budget.

Name:	Jeff Larshus	Agency:	OMB
Phone Number:	328-4902	Date Prepared:	02/08/2011

# FISCAL NOTE

Requested by Legislative Council  
02/04/2011

REVISION

Bill/Resolution No.: HB 1426

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$175,920	\$527,761	\$175,920	\$527,761
Appropriations			\$175,920	\$488,179	\$175,920	\$488,179

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

These estimates are based on current GSA standard meal rate of \$46 for North Dakota. Sixty-five percent (65%) of that GSA rate is \$29.90. Current in-state meal rate is \$25. Estimated amounts for the 11-13 and 13-15 biennium are based on projected 09-11 biennium expenditures.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

These increase amounts were not included in the executive budget.

Name:	Jeff Larshus	Agency:	OMB
Phone Number:	701-328-4902	Date Prepared:	02/04/2011

# FISCAL NOTE

Requested by Legislative Council  
02/03/2011

**REVISION**

Bill/Resolution No.: HB 1426

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						
<b>Expenditures</b>			\$580,537	\$1,741,612	\$580,537	\$1,741,612
<b>Appropriations</b>			\$580,537	\$1,610,991	\$580,537	\$1,610,991

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2A. Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

These estimates are based on current GSA standard meal rate of \$46 for North Dakota. Ninety percent (90%) of that GSA rate is \$41.40. Current in-state meal rate is \$25. Estimated amounts for the 11-13 and 13-15 biennium are based on projected 09-11 biennium expenditures. See \* below for 65% of GSA.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

\*Following is the state fiscal effect at 65% of GSA Rate, which is \$29.90:

2011-13 General Fund Expenditures = \$175,920.40  
 2011-13 Other Funds Expenditures = \$527,761.20  
 2011-13 General Fund Appropriations = \$175,920.40  
 2011-13 Other Fund Appropriations = \$488,179.11

2013-15 General Fund Expenditures = \$175,920.40  
 2013-15 Other Funds Expenditures = \$527,761.20  
 2013-15 General Fund Appropriations = \$175,920.40  
 2013-15 Other Fund Appropriations = \$488,179.11

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

These increase amounts were not included in the executive budget.

<b>Name:</b>	Jeff Larshus	<b>Agency:</b>	OMB
<b>Phone Number:</b>	701-328-4902	<b>Date Prepared:</b>	02/03/2011

# FISCAL NOTE

Requested by Legislative Council  
01/19/2011

Bill/Resolution No.: HB 1426

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$580,537	\$1,741,612	\$580,537	\$1,741,612
Appropriations			\$580,537	\$1,610,991	\$580,537	\$1,610,991

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

These estimates are based on the current GSA standard meal rate of \$46 for North Dakota. Ninety percent (90%) of that GSA rate is \$41.40. Current in-state meal rate is \$25. Estimated amounts for the 2011-13 and 2013-15 biennium are based on projected 2009-11 biennium expenditures.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

These increase amounts were not included in the executive budget.

Name:	Jeff Larshus	Agency:	OMB
Phone Number:	701-328-4902	Date Prepared:	01/20/2011

11.0673.01002  
Title.02000

Prepared by the Legislative Council staff for  
Representative Boehning  
January 25, 2011

VR  
2/3/11

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1426

Page 1, line 11, replace "ninety" with "sixty-five"

Page 1, line 18, replace "ninety" with "sixty-five"

Page 1, line 24, replace "ninety" with "sixty-five"

Renumber accordingly

Date: 2-3-11  
 Roll Call Vote #: 1

**2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1426**

House GOVERNMENT AND VETERAN AFFAIRS Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken  Do Pass  Do Not Pass  Amended  Adopt Amendment

Rerefer to Appropriations  Reconsider

Motion Made By Boehning Seconded By Guggisberg

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande			Bill Amerman		
Vice Chairman Randy Boehning			Ron Guggisberg		
Glen Froseth			Lonny Winrich		
Karen Karls					
Lisa Meier					
Gary Paur					
Karen Rohr					
Mark Sanford					
Vicky Steiner					
Roscoe Streyle					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*Vote vote to  
 adopt  
 amendment  
 motion  
 carried*

Date: 2-3-11  
 Roll Call Vote #: 2

**2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1426**

House GOVERNMENT AND VETERAN AFFAIRS Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.0673.01002

Action Taken  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Froseth Seconded By Sanford

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande	✓		Bill Amerman	✓	
Vice Chairman Randy Boehning	✓		Ron Guggisberg	✓	
Glen Froseth	✓		Lonny Winrich	✓	
Karen Karls	✓				
Lisa Meier					
Gary Paur	✓				
Karen Rohr	✓				
Mark Sanford	✓				
Vicky Steiner	✓				
Roscoe Streyle	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Rep. Froseth

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1426: Government and Veterans Affairs Committee (Rep. Grande, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1426 was placed on the Sixth order on the calendar.

Page 1, line 11, replace "ninety" with "sixty-five"

Page 1, line 18, replace "ninety" with "sixty-five"

Page 1, line 24, replace "ninety" with "sixty-five"

Renumber accordingly

**2011 HOUSE APPROPRIATIONS**

**HB 1426**

# 2011 HOUSE STANDING COMMITTEE MINUTES

## House Appropriations Committee Roughrider Room, State Capitol

HB 1426  
2/10/11  
14363, 14404

Conference Committee

Committee Clerk Signature

*Meredith Truholtz*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act relating to travel reimbursement rates for state employees and officers.

### Minutes:

You may make reference to "attached testimony."

**Chairman Delzer:** Opened discussion on HB 1426.

**Representative Glen Froseth, District 6:** This bill adjusts meal allowance for state employees and officers. Presently, all state employees receive \$25 per day, and this would increase it to \$29.90. It's based on 65% of the GSA. It looks like it should be \$175,920.40 for the 11-13 biennium. This rate has not been increased since 2005.

**Chairman Delzer:** Does this make any change in out-of-state meal?

**Representative Froseth:** I believe this is strictly in-state.

**Chairman Delzer:** Legislative Council, do we know what out-of-state is?

**Roxanne Woeste, Legislative Council:** I believe out-of-state is based on the federal GSA rate of the city you are visiting.

**Representative Bellew:** Why 65% of the rate?

**Representative Froseth:** The way this bill first came to us, it was figured at 90%, which had a Fiscal Note of \$580,537, which is quite high. After discussion, we thought 65% is a very minimal increase, so it was a consensus of the committee as a good rate to set. It could be adjusted in a later session, if needed.

**Vice Chairman Kempenich:** This is just state isn't it? Is that mostly federal, or DOT?

**Chairman Delzer:** I believe OMB did the Fiscal Note, do you care to comment on the split between general fund and other funds?

**Tad Torgerson, Office of Management and Budget:** I don't have the answer, it was prepared by someone else. I can ask him.

**Chairman Delzer:** Representative Froseth, do you have the answer?

**Representative Froseth:** I don't, unless it is included in agency budgets.

**Chairman Delzer:** I'm sure it is, but that seems like a pretty high rate of other funds. Further questions by the committee? If not, thank you Representative Froseth.

Continued on recording 14404

**Chairman Delzer:** This bill came out of GVA committee Do Pass as Amended, the vote was 12-0. OMB did you have an answer on the Fiscal Note, why the other funds were so high?

**Tammy Dolan, OMB:** Yes, I do. This is the explanation from the preparer: Expenditures are higher than the appropriations because not all agencies are appropriated, e.g., commodity groups. Federal and special funds make up 75% of the spend for in-state meals for the current biennium.

**Chairman Delzer:** It says these increases are not included in the executive budget, but this would be costs that would fall throughout all the agencies. To try to come up with a dollar figure would be pretty hard to do, is it not?

**Dolan:** Yes it would be difficult to calculate that.

**Chairman Delzer:** Discussion by the committee?

**Vice Chairman Kempenich:** It's based on the federal GSA rate. I think we should tie it to something so we don't have to revisit this all the time. I move Do Pass.

**Representative Klein:** Second.

**Chairman Delzer:** Do Pass on engrossed HB 1426 and second, discussion?

**Representative Monson:** I find this cumbersome, when you do 65% of a number that you don't know. A flat rate would be more to my liking.

**Vice Chairman Kempenich:** I saw a breakdown of what states do for these types of expenses, and most states are tying them to a federal rate, a lot of them at 90 or 100%. This GSA rate does fluctuate once in a while, but it is a known number, and this way we can rise along with it. Most businesses do it this way, too.

**Representative Hawken:** It probably is cumbersome, but I would say 65% is not very high. What made us pick that number?

**Chairman Delzer:** I think they thought it would be too high at 90%.

**Representative Hawken:** There's a lot of room between 65 and 90. I think it's low.

**Chairman Delzer:** It's up for discussion.

**Representative Glassheim:** Do we know what the numbers are at 65%?

**Chairman Delzer:** Yes, it is in the Fiscal Note, total \$29.90 per day.

**Representative Bellew:** The split is 20% for breakfast, 30% for lunch, and 50% for dinner.

**Chairman Delzer:** Further discussion? This is before us, we can do what we want with it.

**Vice Chairman Kempenich:** It is an option to change it, but this is higher than what we're getting now and the fiscal could become a problem if we get too extravagant.

**Chairman Delzer:** Further discussion? Seeing none, we'll call the roll for a Do Pass. Motion carries 12-9. Vice Chairman Kempenich will carry the bill.

Date: 2/10

Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1426

House Appropriations Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Kempenich Seconded By Rep. Klein

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X	Representative Nelson	X	
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol		X			
Representative Thoreson	X		Representative Glassheim	X	
Representative Bellew		X	Representative Kaldor	X	
Representative Brandenburg		X	Representative Kroeber	X	
Representative Dahl	X		Representative Metcalf		X
Representative Dosch	X		Representative Williams		X
Representative Hawken		X			
Representative Klein	X				
Representative Kreidt	X				
Representative Martinson		X			
Representative Monson		X			

Total (Yes) 12 No 9

Absent 0

Floor Assignment Rep. Kempenich

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1426, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)**  
recommends **DO PASS** (12 YEAS, 9 NAYS, 0 ABSENT AND NOT VOTING).  
Engrossed HB 1426 was placed on the Eleventh order on the calendar.

2011 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1426

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee  
Missouri River Room, State Capitol

HB 1426  
March 17, 2011  
15584

Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Relating to travel reimbursement rates for state employees and officers.

## Minutes:

*Testimony attached*

**Representative Boehning:** Randy Boehning, District 17 in Fargo. The sheet that I handed out was prepared by OMB. See attachment #1. If you are willing to increase it to a higher rate, I would be in favor to amending this if the committee was open to it.

**Chairman Dever:** Does the GSA break it down by meal?

**Rudie Martinson:** Executive Director of the North Dakota Hospitality Association. In our statute it is broken down by quarters of the day and the GSA breaks it down by breakfast, lunch and dinner.

**Chairman Dever:** So the bill would continue to use that language but be at a portion of that rate?

**Rudie Martinson:** That is correct.

**Senator Nelson:** If the House started at 90% and lowered it to 65% would your committee chair agree or would we have a conference committee on this?

**Representative Boehning:** The reason we chose 65% is based on the hotel rates.

**Chairman Dever:** Currently we are at 55%.

**Representative Boehning:** The 65% would mirror what we are seeing.

**Chairman Dever:** So it would fluctuate.

**Rudie Martinson:** Trade association for the lodging, eating and restaurant industries. We support this because at the current per diem for state employees who are traveling is \$5.00 for breakfast, \$7.50 for lunch and \$12.50 dinner. It is difficult to provide at those prices particularly in any kind of banquets setting. We tied the hotel rate to the GSA rate last session. We are in support of the bill and I would stand for any questions.

**Chairman Dever:** Do restaurant give discounts like hotels do?

**Rudie Martinson:** Sometimes. Many times that does wind up happening. If the banquet setting is trying to come in under the cap you are essentially only going to get a cold sandwich and a cup of soup.

**Chairman Dever:** Do private banquets see that as different?

**Rudie Martinson:** Yes we do. Private employers generally have the whole menu to choose from.

**Senator Cook:** What are the 3 meal figures at 65% as written in the bill?

**Chairman Dever:** How is GSA rate figured?

**Rudie Martinson:** I don't know.

**Chairman Dever:** How does it compare to other states?

**Rudie Martinson:** South Dakota & Montana are within a few dollars of North Dakota but Minnesota is significantly higher.

**Representative Boehning:** As soon as a state employee crosses the state line they get reimbursed at the state level of which they entered. If someone goes to Moorhead for a meeting they get the mileage for Minnesota

**Chairman Dever:** How would you feel about, instead of tying ourselves to a rate that is connected to the federal government why not just raise the price?

**Representative Boehning:** The rate is going to change and if prices goes up the per diem goes up and as the prices go down the rates go down. If we tie it to the GSA rate then we don't have to revisit it every year.

**Jeff Larshus:** Fiscal Note author from OMB. General and other funds are strictly state agencies, both totals that you see on this sheet. The question with the meal breakout at \$29.90 would be \$5.98 for breakfast, \$8.97 for lunch and, \$14.95 for dinner. At 75% it would be \$34.50 for the day; breakfast would be \$6.90, lunch at \$10.35, and dinner amount of \$17.25. \$46 is the standard rate for the entire state of ND. If you go to Texas the rate is \$71.

**Senator Nelson:** Do state agencies require receipts for meals?

**Jeff Larshus:** No. A lot of the bigger cities are at \$71.

There was no one else to testify in support, neutral, or opposition to HB 1426 and Chairman Dever closed the public hearing on HB 1426

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee  
Missouri River Room, State Capitol

HB 1426  
March 17, 2011  
15618

Conference Committee

Committee Clerk Signature

**Explanation or reason for introduction of bill/resolution:**

Relating to travel reimbursement rates for state employees and officers.

**Minutes:**

*No testimony attached*

**Chairman Dever:** I am not sure that I am exciting about tying this to the GSA rate, I think that it is a little different than motel rates. The fact that GSA allows \$46 in North Dakota seems a little exurbanite.

**Senator Cook:** I already wrote down what I thought. I would amend this bill simply to take the reference to the GSA rates out of there and just have a rate in dollars as we do now except change the rates to \$6.00, \$9.00, and \$15.00

A motion to amend the bill to add the dollar amount that Senator Cook suggested was made with a second by Senator Berry. There was no further discussion, roll was taken and the amendment was adopted.

A motion for a do pass as amended with a re referral to appropriations was made by Senator Nelson with a second by Senator Berry. There was no further discussion, roll was taken, the motion passed with Senator Berry carrying the bill to the floor.

Date: 3/17/11  
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1476

Senate \_\_\_\_\_ Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Cook Seconded By Berry

Senators	Yes	No	Senators	Yes	No
Chairman Dever	X		Senator Marcellais	X	
Vice Chairman Sorvaag	X		Senator Nelson	X	
Senator Barry	X				
Senator Cook	X				
Senator Schaible	X				

Total (Yes) 7 No 0

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 3/17/11  
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1426

Senate \_\_\_\_\_ Committee \_\_\_\_\_

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Nelson Seconded By Berry

Senators	Yes	No	Senators	Yes	No
Chairman Dever	X		Senator Marcellais	X	
Vice Chairman Sorvaag	X		Senator Nelson	X	
Senator Barry	X				
Senator Cook	X				
Senator Schaible	X				

Total (Yes) 7 No 0

Absent \_\_\_\_\_

Floor Assignment Senator Berry

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1426, as engrossed: Government and Veterans Affairs Committee (Sen. Dever, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1426 was placed on the Sixth order on the calendar.**

Page 1, line 8, remove the overstrike over "~~must-be~~"

Page 1, line 8, after "~~five~~" insert "six"

Page 1, line 8, remove the overstrike over "~~dollars~~"

Page 1, line 8, remove "may"

Page 1, remove lines 9 through 12

Page 1, line 13, remove "category in this state"

Page 1, line 15, remove the overstrike over "~~must-be~~"

Page 1, line 15, after "~~seven~~" insert "nine"

Page 1, line 16, remove the overstrike over "~~dollars~~"

Page 1, line 16, remove "may not exceed an amount established by policy by the"

Page 1, remove lines 17 through 19

Page 1, line 20, remove "in the "lunch" category in this state"

Page 1, line 21, remove the overstrike over "~~must-be~~"

Page 1, line 21, after "~~twelve~~" insert "fifteen"

Page 1, line 22, remove the overstrike over "~~dollars~~"

Page 1, line 22, remove "may not exceed an amount established by policy by the"

Page 1, remove lines 23 and 24

Page 2, remove line 1

Page 2, line 2, remove "in the "dinner" category in this state"

Renumber accordingly

2011 SENATE APPROPRIATIONS

HB 1426

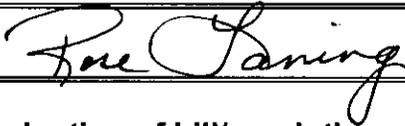
# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee  
Harvest Room, State Capitol

HB 1426  
March 23, 2011  
Job # 15905

Conference Committee

Committee Clerk Signature



**Explanation or reason for introduction of bill/resolution:**

**A bill relating to travel reimbursement rates for state employees and officers.**

**Minutes:**

You may make reference to "attached testimony."

**Chairman Holmberg** called the committee hearing to order on HB 1426.  
**Roxanne Woeste** - Legislative Council; **Tad H. Torgerson** - OMB.

**Chairman Holmberg** asked if anyone wanted to testify.

No one was there to testify.

**Senator Wardner** states, I signed on as a distance supporter of the idea.

**Chairman Holmberg** states, it raises the meals \$5/day and does not add money to any budgets.

**Senator Robinson** states, a comment from my HR people, adjustments in this area, when you travel out of state. There is a sliding scale in different parts of the country due to higher costs. This is state driven but with some federal index, I would imagine.

**Chairman Holmberg** states, let's put this in our subcommittee.

**Senator Christmann** asks a question for the Council? Is this being addressed anywhere else? Are there specific agencies that set their own?

**Roxanne Woeste** states, this is the only bill that is still alive that addresses any increases for the meal reimbursements. It's set in statute and they are all paid at the same rate.

**Chairman Holmberg** states, the constitution says, that Legislators shall not be paid more than anyone else. At the same time, they eliminated the \$5 /day.

**Senator Christmann** states, was this something that was suggested last session? Did we adjust this last time?

**Roxanne Woeste** states, I don't believe it was adjusted in the 2009 session but I can look back and see when it last adjusted.

**Jeff Larson, Fiscal Management, OMB.** I did the fiscal note so I came here if there were any questions. The last time the meal rate was increased was during the 2005 session. The old rate was \$20/day and that went up to the current rate of \$25. Prior to that, it was during the 1995 session, it went from \$17/day to \$20/day. It started on the House side, where they initially wanted 90% of the GSA rate. The GSA rate in ND is a flat rate statewide, which is \$46. When you go to other states, you go the GSA rate for that particular city and that state. When you get into the metropolitan areas, the rates are anywhere from \$46-71. Washington, DC is \$71. The GSA standard rate, lowest rate, is \$46. The initial bill was at 90% and when they saw the fiscal note they went down to 65% of that GSA rate. Those dollar amounts were \$29. and some cents so then when it was over in the other committee, they just amended the bill to just flat new rates of \$30/day.

**Chairman Holmberg** states a rack of ribs is \$25.00.

**Jeff Larson** states, the last time the rates were increased were the 2005 session.

**Senator Krebsbach** states, was that effective in the 2005 session or in the next biennium?

**Jeff Larson** states, that should have been in the next biennium, August, in the next biennium.

**Senator Robinson** states I've always thought that being overly cautious and then we get way behind. We are better off with modest increases so as to not to fall so far behind the market, that there has to be a substantial catch up. Then you get a lot of negative comments. It's been 5 years and the bill may have some merit and the subcommittee may need to take a look at it.

**Chairman Holmberg** states, I am amazed the state employee groups didn't show up to testify. We did have to change the time, twice, on this hearing.

**Chairman Holmberg** states we will turn this over to the subcommittee, the same one that has the Legislative branch. The subcommittee is: **Senators Christmann, Holmberg and O'Connell.**

**Chairman Holmberg** closed the hearing on HB 1426.

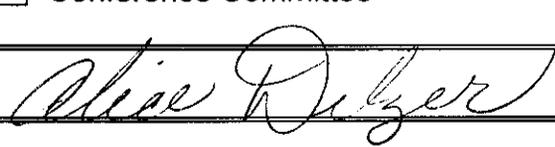
# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee  
Harvest Room, State Capitol

HB 1426  
04-06-2011  
Job # 16393

Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A ROLL CALL VOTE FOR A DO PASS RELATING TO TRAVEL REIMBURSEMENT RATES TO STAET EMPLOYEES AND OFFICERS

## Minutes:

You may make reference to "attached testimony."

**Chairman Holmberg** called the committee to order in reference to HB 1426. Tammy R. Dolan, OMB and Roxanne Woeste, Legislative Council were also present.

**Senator Christmann:** This bill isn't specifically about us, we happen to fall into it. This is also about our other state employees who travel and the current meal reimbursement rate for breakfast lunch and dinner are \$5; \$7.50, \$12.50 this would change it to \$6; \$9 and \$15. I thought a little high, but I guess especially some of the people that travel from here to Fargo or from there to here their maybe not treated as well as we sometimes during the session by others. As I asked around most people that I talked to seemed to feel this was a reasonable rate so I would move a do pass.

**Seconded by Senator Wardner.**

**A ROLL CALL VOTE WAS TAKEN ON A DO PASS ON 1426. YEA: 13; NAY: 0; ABSENT: 0.**

**Chairman Holmberg:** Everyone voted the bill goes back to GVA. Senator Berry will carry the bill. The hearing was closed on HB 1426.

Date: 4-6-11

Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1426

Senate APPROPRIATIONS Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Christmann Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
	✓				
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Carry. D/A Berry

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1426, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).** Engrossed HB 1426, as amended, was placed on the Fourteenth order on the calendar.

2011 TESTIMONY

HB 1426

HB 1426 Fiscal notes:

Attachment  
1426

90% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	580,537.32	1,741,611.95	580,537.32	1,741,611.95
Appropriations	N/A	N/A	580,537.32	1,610,991.06	580,537.32	1,610,991.06

80% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	415,172.14	1,245,516.43	415,172.14	1,245,516.43
Appropriations	N/A	N/A	415,172.14	1,152,102.70	415,172.14	1,152,102.70

75% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	334,248.76	1,002,746.28	334,248.76	1,002,746.28
Appropriations	N/A	N/A	334,248.76	927,540.34	334,248.76	927,540.31

60% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	91,478.61	274,435.82	91,478.61	274,535.82
Appropriations	N/A	N/A	91,478.61	253,853.14	91,478.61	253,853.14

**GSA Daily Meal Rates for North Dakota:**

90% of GSA Rate:	\$46.00
80% of GSA Rate:	\$41.40
75% of GSA Rate:	\$36.80
60% of GSA Rate:	\$34.50
	\$27.60

Current state rate:

\$25.00

These increases are based on 2009-2011 biennium projected expenditures for in-state meals. These amounts are for all state agencies on the central accounting system.

11.0673.01002  
Title.

Prepared by the Legislative Council's  
Representative Boehning  
January 25, 2011

Attachment 2  
1426

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1426

Page 1, line 11, replace "ninety" with "sixty-five"

Page 1, line 18, replace "ninety" with "sixty-five"

Page 1, line 24, replace "ninety" with "sixty-five"

Renumber accordingly

Attachment 1  
1426

**HB 1426 Fiscal Note Increases:**

90% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	580,537.32	1,741,611.95	580,537.32	1,741,611.95
Appropriations	N/A	N/A	580,537.32	1,610,991.06	580,537.32	1,610,991.06

80% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	415,172.14	1,245,516.43	415,172.14	1,245,516.43
Appropriations	N/A	N/A	415,172.14	1,152,102.70	415,172.14	1,152,102.70

75% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	334,248.76	1,002,746.28	334,248.76	1,002,746.28
Appropriations	N/A	N/A	334,248.76	927,540.34	334,248.76	927,540.31

65% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	175,920.40	527,761.20	175,920.40	527,761.20
Appropriations	N/A	N/A	175,920.40	488,179.11	175,920.40	488,179.11

GSA Daily Meal Rates for North Dakota:		GSA Rates:	
		FY	Rate
90% of GSA Rate:	\$46.00	2010	\$46
80% of GSA Rate:	\$41.40	2009	\$39
75% of GSA Rate:	\$36.80	2008	\$39
65% of GSA Rate:	\$34.50	2007	\$39
	\$29.90	2006	\$39
		2005	\$31
Current In-State Meal Rate:	\$25.00		

These increases are based on 2009-2011 biennium projected expenditures for in-state meals.

The meal rate was increase during the 2005 session to \$25 per day. Old rate was 20.00 per day  
 The meal rate was increase during the 1995 session to \$20 per day. Old rate was 17.00 per day

**HB 1426 Fiscal Note Increases:**

90% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	580,537.32	1,741,611.95	580,537.32	1,741,611.95
Appropriations	N/A	N/A	580,537.32	1,610,991.06	580,537.32	1,610,991.06

80% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	415,172.14	1,245,516.43	415,172.14	1,245,516.43
Appropriations	N/A	N/A	415,172.14	1,152,102.70	415,172.14	1,152,102.70

75% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	334,248.76	1,002,746.28	334,248.76	1,002,746.28
Appropriations	N/A	N/A	334,248.76	927,540.34	334,248.76	927,540.31

65% of GSA Rate	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Funds	Other Funds	General Funds	Other Funds	General Funds	Other Funds
Revenue	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures	N/A	N/A	175,920.40	527,761.20	175,920.40	527,761.20
Appropriations	N/A	N/A	175,920.40	488,179.11	175,920.40	488,179.11

GSA Daily Meal Rates for North Dakota:		GSA Rates:	
		FY	Rate
	<b>\$46.00</b>	2010	\$46
90% of GSA Rate:	\$41.40	2009	\$39
80% of GSA Rate:	\$36.80	2008	\$39
75% of GSA Rate:	\$34.50	2007	\$39
65% of GSA Rate:	\$29.90	2006	\$39
Current In-State Meal Rate:	\$25.00	2005	\$31

These increases are based on 2009-2011 biennium projected expenditures for in-state meals.

In-state meal rate was increase during the 2005 session to \$25 per day. Old rate was 20.00 per day  
 In-state meal rate was increase during the 1995 session to \$20 per day. Old rate was 17.00 per day