

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2246

2007 SENATE POLITICAL SUBDIVISIONS

SB 2246

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2246**

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: **January 25, 2007**

Recorder Job Number: **1942**

Committee Clerk Signature

Shirley Borg

Minutes:

Chairman Cook called the Senate Political Subdivisions Committee to order. All members (5) present.

Chairman Cook opened the hearing on SB 2246 relating to reimbursement of lodging expenses and allowances for meals for state and political subdivision officers and employees.

Senator Krebsbach, District 40 introduced SB 2246 on behalf of the hospitality association, our state employees and for legislators. Being the fact that in the first quarter the meal reimbursement we are looking to raise from five to six dollars and the second quarter which is the twelve noon to six pm will raise from seven dollars and fifty cents to eight dollars and fifty cents and on the third quarter the sum of twelve dollars to fourteen dollars. This would bring back the amount to reimburse state employees and ourselves and also political subdivisions. The fiscal note should reflect that. If we let this go to long it would be a greater impact on the state budget. The next part would be the increase from fifty dollars to fifty five dollars for lodging. She asked for support on the bill.

Nicki Weissman , Executive Director of the ND Hospitality Association, testified in support of SB 2246. (See attachment #1)

Shannon Gangel, Seven Seas/Doublewood, testified in support of SB 2246. He shared a couple facts with the committee. Last year utilities alone at his properties went up 25%. We are asking for a 10% increase in the state per diem hotel rate and about 15% in food. It would be nice to say that if we allow state employees to stay at our properties at \$50 that we can pass the rest on to the traveling public which we would hope to be out of staters but unfortunately 70% of the hotel quests that we have are North Dakota people. Basically we are asking the public to foot the bill for this state.

Senator Hacker asked at what % of fees increase each year.

Shannon Gangel said he projected about 18% increase in non controllable expenses. The increase in food is about 15%. The problem we have with the per diem with food right now is we are asking for a 15 % increase which is already to low. We have been subsidizing that for many years.

Dave Achtenberg, Ramkota Hotel, Bismarck, ND, testified in support of SB 2246. Costs increase for the hotel every year. There are several bills up both on the state level and national level that could impact us greatly. One of those being the minimum wage increase. We do not know what our cost will be. We need some dollars to help support what we need to get done.

No further testimony in support or opposed to SB 2246.

Nicki Weissman was called back to podium.

Senator Hacker asked if there would be a permanent solution so this did not have to be brought up every session. It costs the government money to pass bills. It would be nice to standardize something like this.

Nicki Weissman said they have talked about that but it was felt the legislators had more control by doing it every two year. We also visited about tying it to the federal rate, so when the federal rate went up the state rate would also.

Senator Krebsbach It was mentioned to try and tie it to federal or do something so it is automatic ever so often. I liken this to what we do with our retirement. We have retirees who would love to have a fixed increase on their retirement, however there are times we have to watch and do what we can on the state budget by the revenue that are coming in. For a long time these people sat without increases and a lot of time what we did in state agencies is reduce travel and adjust according to what we could afford. I think there is a time to look at it but if we let it go another session we will be looking at a bigger increase to catch up. I would like to see some intermitted increases such as what we are purposing in this bill.

No further testimony on SB 2246.

Chairman Cook closed the hearing on SB 2246.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2246**

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: **February 1, 2007 (Action)**

Recorder Job Number: **2661**

Committee Clerk Signature

Shirley Borg

Minutes:

Chairman Cook called the Senate Political Subdivision to order. All members (5) present.

Chairman Cook: The bill we have before us increases travel expenses for state and public political subdivision employees.

Senator Warner moved a Do Pass on SB 2246

Senator Olafson seconded the motion.

Discussion: none

Vote: 5 yes 0 no absent 0 Rereferred to Appropriation

Carrier: **Senator Olafson**

FISCAL NOTE

Requested by Legislative Council

03/27/2007

Amendment to: SB 2246

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$110,809	\$262,621	\$110,809	\$262,621
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 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).*

This fiscal note relates to reimbursement of in-state lodging expenses for state and higher ed. Since OMB does not have access to info for counties, cities or school districts, they are not included.

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.*

The expenditures relate to reimbursement of lodging expenses for state and higher ed. Since OMB does not have access to info for counties, cities or school districts, they are not included.

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.*

Name:	Jeff Larshu	Agency:	OMB-Fiscal Management
Phone Number:	328-4902	Date Prepared:	03/27/2007

FISCAL NOTE
 Requested by Legislative Council
 01/16/2007

Bill/Resolution No.: SB 2246

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$260,492	\$760,776	\$260,492	\$760,776
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 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).*

This fiscal note relates to reimbursement of in-state lodging expenses and allowances for in-state meals for state and higher ed. Since OMB does not have access to info for counties, cities or school districts, they are not included.

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.*

The expenditures relate to reimbursement of lodging expenses and allowances for meals for state and higher ed. Since OMB does not have access to info for counties, cities or school districts, they are not included.

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.*

Name:	Jeff Larshus	Agency:	OMB
Phone Number:	328-4902	Date Prepared:	01/18/2007

REPORT OF STANDING COMMITTEE

SB 2246: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2246 was rereferred to the Appropriations Committee.

2007 SENATE APPROPRIATIONS

SB 2246

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2246


Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-13-07

Recorder Job Number: 3453

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2246.

Nicki (did not identify last name, who represented, nor sign roster) testified on SB 2246, indicating the hotel association would like to see the increase in daily rate from \$50 to \$55 a day and the state employees per diem to have \$ 6 allocated for breakfast, \$8 for lunch and \$14.50 for dinner.

Chairman Holmberg asked of OMB when this has been done in the past, we had not added additional funding to budgets. We have required the agencies to suck it up.

Senator Kilzer, do you have a handout showing the increases that have taken place in the last decade or so. The response was that she would find out.

Chairman Holmberg indicated that what had been distributed to GVA does not come to Appropriations. The response was Nicki would get that information to the committee.

Senator Tallackson indicated the fiscal note looks at special funds. The response indicated that is how it was handled in the past.

Senator Robinson indicated we said we had not appropriated dollars in the past, I agree with that, but I am trying to reconcile the two. He also questioned whether the hotels would be in on this again. Chairman Holmberg indicated there will be an expenditure sucking away \$260,000 general funds but there is not an appropriation for that. He indicated this section of

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Senate Appropriations Committee

Bill/Resolution No. 2246

Hearing Date: 02-13-07 am

law is covered by the constitution, "The Legislative Assembly shall receive no more per diem than any other state employees."

Chairman Holmberg closed the hearing on SB 2246.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2246

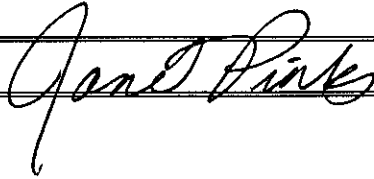
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-13-07

Recorder Job Number: 3454

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2246.

Senator Krebsbach indicated that some of these reimbursements have been increased before and this again is kind of a catch up on this issue.

Senator Krebsbach moved a do pass on SB 2246, **Senator Seymour** seconded, no discussion took place. A roll call vote was taken resulting in 7 yes, 4 no, 3 absent. The motion passed and **Senator Olafson** will carry the bill.

Chairman Holmberg closed the hearing on SB 2246.

Date: 2/13/07
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2246

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DP

Motion Made By Krebsbach Seconded By Seymour

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter		✓
Senator Bill Bowman, V Chrm		✓	Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm		✓	Senator Tim Mathern		✓
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson		
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner					

Total (Yes) 7 No 4

Absent 3

Floor Assignment OLAS Pol Sub

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

REPORT OF STANDING COMMITTEE (410)
February 13, 2007 2:54 p.m.

Module No: SR-30-3125
Carrier: Olafson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2246: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(7 YEAS, 4 NAYS, 3 ABSENT AND NOT VOTING). SB 2246 was placed on the
Eleventh order on the calendar.

2007 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2246

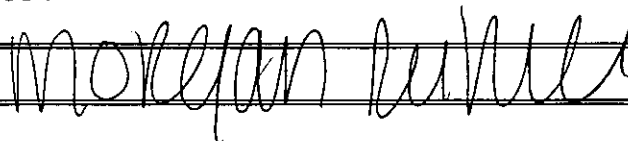
House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: March 8, 2007

Recorder Job Number: 4634

Committee Clerk Signature



Minutes:

Nicki Weissman: Testimony attached.

Rep. Weiler: If I travel in state and go to Fargo, and I see the breakfast is \$6, lunch is \$8, and \$14 for dinner. If I choose not to eat breakfast and lunch, do I get to add them up and use it all for dinner? Can you just not exceed the full day?

Nicki Weissman: My understanding is that everybody has to turn in receipts when they travel. If they don't eat breakfast, then they don't get that reimbursed.

Rep. Haas: It's different. Generally in our travel vouchers you report everything. You have to have a receipt for your room. For your meals you simply report them by quarter. There are 4 quarters on your travel voucher. First is breakfast, second is lunch, third is dinner, and fourth is overnight.

Rep. Froseth: If you look at the bill it says on line 9 breakfast is from 6am to 12, lunch from noon to 6pm, and dinner 6pm to midnight. I noticed in the newspaper this morning that the legislator is getting blasted again for passing a bill in the house that gives the legislator a 12% increase in their salary over the 8 years. This is a 17% increase, don't you think the media will blast us?

Nicki Weissman: You never know what the media is going to do with that.

Rep. Weiler: I still don't know what the correct answer is. Can you exceed the total for the day, or not exceed the total for any meal?

Nicki Weissman: As far as I know the fact is that you can spend all you want but you will only get paid so much. If you pay \$20 on your dinner and your allocation is \$14.50, you have to pay the rest.

Rep. Weiler: The reason I bring that up is because in here you have that the proprietor is responsible for taxes. Any hotel that we stay at for \$55 doesn't have the restaurants. The ones that have the restaurants are \$150 a night like the Holiday Inn. We don't stay there. We don't eat there. The ones that we stay at are the ones that have the continental breakfasts. So again my question is if we do not eat breakfast and I save \$6. If I go to dinner and spend \$20, do I only get reimbursed \$14 or do I get the daily total of \$28.

Rep. Haas: It depends on what you check on your travel voucher. Under the expense column in your travel voucher, there are four different blocks, one for breakfast, lunch, dinner, and overnight.

Rep. Weiler: So even if I don't eat breakfast I still check it for \$6, I will get reimbursed.

Rep. Haas: That is right.

Rep. Amerman: On the automatic gratuity of 15%, do you know in the past when you raise this has that been a part of it too?

Nicki Weissman: The 15% is additional that is added to the gratuity.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2246

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: March 8, 2007

Recorder Job Number: 4642

Committee Clerk Signature

Morgan Pennington

Minutes:

Rep. Haas: This was the first bill we heard this morning. The fiscal note is \$260,000 to the general fund.

Rep. Potter: Briefly I can say that I don't think this is worth it. I don't think that we should be asked every session to raise this. I will move a do not pass on SB 2246.

Rep. Weiler: I Second that.

Rep. Haas: Is there discussion?

Rep. Dahl: When the director of the hospitality association was here she mentioned that it was difficult for the hotels to sometimes accommodate state employees. I haven't actually heard that. I was wondering if any other committee members have heard of that.

Rep. Haas: I think that is an excellent point. I have never had trouble finding a room for the \$50 a night. I don't know how everyone else feels about it.

Rep. Potter: To respond to Rep. Dahl's question, two years ago they thought that the \$50 a night was wonderful. They were talking that up. I don't think the price of rooms has gone up that much in the past two years.

Rep. Wolf: Didn't we have a bill similar to this before crossover?

Rep. Haas: We had two bills. One increased the mileage reimbursement rate and one increased salaries.

Rep. Weiler: We had one on lodging tax. I don't know if it was this committee. It was for when we are session to raise the monthly housing allowance.

Rep. Amerman: One thing about the bill that I struggle with is that I don't understand why a 15% gratuity is included. The other thing that I wanted to mention in favor of the bill is if you have a patient at Medcenter One, you can get a thing to go to a hotel for \$55, if you have a family member in the hospital.

Rep. Weiler: I think that in response to Rep. Amerman's question about gratuity that is just a suggestion that you give a 15% tip. That is not in the bill. She is just making the statement that if you get \$6 for breakfast, you have to add on that gratuity.

Rep. Haas: Is there any other discussion on a do not pass motion for SB 2246. The do not pass motion passes with a vote of 10-0-3. Is there a volunteer to carry this bill?

Rep. Potter: I will.

REPORT OF STANDING COMMITTEE (410)
March 8, 2007 1:17 p.m.

Module No: HR-44-4740
Carrier: Potter
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2246: Government and Veterans Affairs Committee (Rep. Haas, Chairman)
recommends **DO NOT PASS** (10 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING).
SB 2246 was placed on the Fourteenth order on the calendar.

2007 HOUSE APPROPRIATIONS

SB 2246

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2246

House Appropriations Committee
Education and Environment Division

Check here for Conference Committee

Hearing Date: March 19, 2007

Recorder Job Number: 5291

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Wald: Called the meeting to order on SB 2246, a Bill to reimburse meals and lodging expenses for travel by reviewing the bill for the committee.

Representative Klein: Made a motion to amend the bill to delete the increase in meal expenses and leave the lodging expenses at \$55.00.

Vice Chairman Monson: Second

Representative Klein: In most motels, there is a continental breakfast of some kind.

Vice Chairman Monson: It is not necessary to raise the rate for meals.

Representative Hawken: What is the federal rate?

Nicki Wiesman, Executive Director of the North Dakota Hospitality Association: the federal rate is \$60.00. Within the hotel rate it is known.

Representative Hawken: The federal rate for meals is \$39.00 for North Dakota.

Chairman Wald: There is a motion on the floor to not increase the meals but increase the lodging by \$5.00, what is the fiscal impact of the motion?

Representative Martinson: It would have no effect at all because it is within their budgets.

We are not going to provide them any more appropriations.

Chairman Wald: Motion on the floor Do Pass the Amendment.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2246

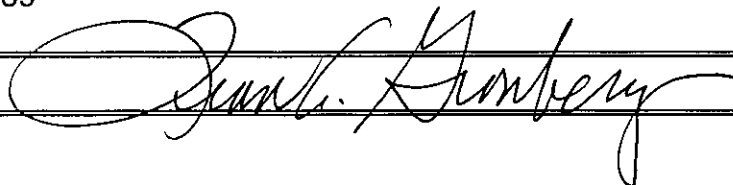
House Appropriations Committee

Check here for Conference Committee

Hearing Date: 3-21-07

Recorder Job Number: 5389

Committee Clerk Signature



Minutes:

Chairman Svedjan opened the hearing on SB 2246. Amendment 0101 is being distributed.
(attachment A)

Rep Klein moved the amendment 0101

Rep Wald seconded the motion

Rep Klein: What the amendment does is takes out the money for meals. It leaves the \$5 in for motels. The decrease is a total of \$647,837. That is both general and special funds.

Rep Carlisle: What is the purpose for taking the meals out?

Rep Klein: Because it effects not only a large number of people traveling, we figured that in most cases the motels have a continental breakfast. The \$3 change isn't going to be that significant, but the motel money was a major issue so we kept that one in.

Rep Wald: This also impacts political subdivisions because they are all on the same scale.

Chairman Svedjan: The reason the amendment doesn't show any dollars in it is because there is no additional money appropriated for this.

Rep Klein: That's correct. That all has to come out of the existing travel budgets.

Chairman Svedjan: The fiscal impact would be \$600,000 over all.

Rep Klein: No, that's just meals.

Chairman Svedjan: But it would be across all budgets.

Rep Kline: That's correct.

Rep Nelson: Did you address when the last time the meal allowance was addressed in legislation as opposed to the reimbursement for hotel rooms?

Rep Kline: No, we did not. It's been several years since we addressed it.

Rep Wald: The lodging allowance was increased by \$5 last biennium. It went from \$45 to \$50 and this goes from \$55 to \$60.

Rep Kerzman: Some of the debate on the floor was out of state reimbursement of actual costs - is that true of meals too? This just deals with instate meals here right?

Chairman Svedjan: That's correct and there's a different rate. It's tied into the federal rates when there is out of state travel.

Rep Carlson: The point that was made about the fact that it effects other than ourselves is an important point to remember. Because we send a significant number of our state employees on the road to go out and do services and most of us are thinking about ourselves and don't want to raise our own meals, but the point is the majority of that money is not spent on us. It is on our employees that we send out and make them spend the night overnight. They end up going backwards on the deal. It shouldn't cost them money out of their pocket to do the job we send them out to do. I won't support the amendment.

Rep Martinson: I agree with Rep Carlson and once we adopt these amendments, I'm going to further amend to put the \$5 back in.

Rep Klein: It's \$3 not \$5.

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House Appropriations Committee

Bill/Resolution No. SB 2246

Hearing Date: 3-21-07

A voice vote to adopt the amendment 0101 on SB 2246

Chairman was uncertain

Roll Call Vote

(yes) 21 (no) 3 (absent) 0

The amendment is adopted

Rep Martinson moved to further amend to restore the \$4 for the food allowance

Rep Carlson seconded the motion

(yes) 11 (no) 13 (absent) 0

The motion failed

Rep Klein moved a Do Pass as amended

Rep Wald seconded the bill

(yes) 17 (no) 7 (absent) 0

Carrier: Rep Klein

