

1 HOUSE BILL NO. 74

2 INTRODUCED BY MASOLO

3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE TRAVEL REIMBURSEMENT PROVISIONS
6 AFFECTING LODGING, MEALS, AND MILEAGE; ESTABLISHING A MAXIMUM FOR LODGING AND MEALS;
7 PROVIDING FOR EXCEPTIONS; ALLOWING THE DEPARTMENT OF ADMINISTRATION TO PRESCRIBE
8 POLICIES INSTEAD OF RULES; AMENDING SECTIONS 2-18-501, 2-18-502, AND 2-18-503, MCA; AND
9 PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12

13 Section 1. Section 2-18-501, MCA, is amended to read:

14 "2-18-501. Meals, lodging, and transportation of persons in state service. ~~Every~~ All elected official
15 state officials, appointed members of boards, commissions, or councils, department directors, and all other
16 state employees ~~shall~~ must be reimbursed for meals and lodging while away from the person's designated
17 headquarters and engaged in official state business in accordance with the following provisions:

18 (1) ~~For~~ Except as provided under subsection (2), for travel within the ~~state of Montana,~~ United
19 States, the following provisions apply:

20 (a) ~~The governor shall be authorized actual and necessary expenses not to exceed \$55 per day.~~

21 (b) ~~All other elected state officials, appointed members of boards, commissions, or councils,~~
22 ~~department directors, and all other state employees shall be authorized the actual cost of lodging, not~~
23 ~~exceeding \$30 per day, and taxes on the allowable cost of lodging, except as provided in subsection (3),~~
24 ~~plus \$3.50 for the morning meal, \$4 for the midday meal, and \$8 for the evening meal.~~ Lodging must be
25 reimbursed at actual cost, not to exceed the prescribed maximum standard federal lodging rate per day for
26 the location involved. All claims for lodging expense reimbursement allowed under this section must be
27 documented by an appropriate receipt.

28 (b) Meal reimbursement may not exceed the prescribed maximum standard federal rate per meal.

29 (2) ~~For travel out of the state of Montana, the following provisions apply:~~

30 (a) ~~The governor shall be authorized the actual cost of lodging in addition to a meal allowance not~~

INTRODUCED BILL

1 ~~to exceed \$30 per day.~~

2 ~~(b) All~~ The department shall designate the locations and circumstances under which the governor,
 3 other elected state officials, appointed members of boards, commissions, or councils, department directors,
 4 and all other state employees shall may be authorized the actual cost of lodging when the actual cost
 5 exceeds the maximum established in subsection (1)(a) , not exceeding \$50 per day, except as provided in
 6 subsection (3), plus \$5 for the morning meal, \$6.50 for the midday meal, and \$12 for the evening meal.
 7 ~~All claims for the lodging expense reimbursement allowed under this subsection must be documented by~~
 8 ~~an appropriate receipt.~~

9 ~~(3) All other elected state officials, appointed members of boards, commissions, or councils,~~
 10 ~~department directors, and all other state employees shall be authorized the actual cost of lodging when~~
 11 ~~traveling in the normal course of their duties to certain designated areas. The department of administration~~
 12 ~~shall designate those areas where the actual cost of lodging shall be reimbursed.~~

13 ~~(4)~~(3) For travel to a foreign country, the following provisions apply:

14 (a) All elected state officials, appointed members of boards, commissions, councils, department
 15 directors, and all other state employees must be reimbursed for the cost of meals and lodging within the
 16 rates established by the department of administration when traveling in the normal course of their duties
 17 to designated areas. The department shall use the United States department of state maximum travel per
 18 diem allowances for foreign areas in establishing the rates.

19 (b) All claims for ~~meals and~~ lodging reimbursement allowed under this subsection ~~(4)~~ (3) must be
 20 documented by an appropriate receipt.

21 ~~(5)~~(4) When other than commercial, nonreceiptable lodging facilities are ~~utilized~~ used by a state
 22 official or employee while conducting official state business in a travel status, the amount of \$12 ~~will be~~
 23 is authorized for lodging expenses for each day in which travel involves an overnight stay in lieu of the
 24 amount authorized in subsection ~~(1)(b) or (2)(b)~~ (1)(a) above. However, when overnight accommodations
 25 are provided at the expense of ~~any a~~ a government entity, ~~no~~ reimbursement may not be claimed for lodging.

26 ~~(6)~~(5) The actual cost of reasonable transportation expenses and other necessary business
 27 expenses incurred by a state official or employee while in an official travel status ~~shall be~~ is subject to
 28 reimbursement.

29 ~~(7)~~(6) The provisions of this section ~~shall may~~ not be construed as affecting the validity of 5-2-301.

30 ~~(8)~~(7) The department of administration shall ~~prescribe rules~~ establish policies necessary to

1 effectively administer this section for state government.

2 ~~(9)(8)~~ All commercial air travel ~~shall~~ must be by the least expensive class service available."

3

4 **Section 2.** Section 2-18-502, MCA, is amended to read:

5 **"2-18-502. Computation of meal allowance.** (1) Except as provided in ~~subsection (3)~~ subsections
6 (2) and (4), ~~to be an employee is~~ eligible for the meal allowance provided in 2-18-501, ~~an~~ only if the
7 employee must have been is in a travel status for more than 3 continuous hours. ~~If eligible, an employee~~
8 ~~receives~~ during the following hours:

9 (a) for the morning meal allowance, ~~if in a travel status~~ between the hours of 12:01 a.m. and 10
10 a.m.;

11 (b) for the midday meal allowance, ~~if in a travel status~~ between the hours of 10:01 a.m. and 3
12 p.m.; and

13 (c) for the evening meal allowance, ~~if in a travel status~~ between the hours of 3:01 p.m. and 12
14 midnight;

15 ~~(d)(2)~~ An eligible employee may receive:

16 (a) only one of the three meal allowances provided, if the travel was performed within the
17 employee's assigned travel shift; or

18 ~~(e)(b)~~ a maximum of two meal allowances if the travel begins before or was completed after the
19 employee's assigned travel shift and the travel did not exceed 24 hours.

20 ~~(2)(3)~~ "Travel shift" is that period of time beginning 1 hour before and terminating 1 hour after the
21 employee's normally assigned work shift.

22 ~~(3)(4)~~ An appointed member of a state board, commission, or council or a member of a legislative
23 subcommittee or select or interim committee is entitled to a midday meal allowance on a day ~~he~~ the
24 individual is attending a meeting of the board, commission, council, or committee, regardless of proximity
25 of the meeting place to ~~his~~ the individual's residence or headquarters. This subsection does not apply to
26 a member of a legislative committee during a legislative session.

27 ~~(4)(5)~~ The department of administration shall prescribe ~~rules~~ policies necessary to effectively
28 administer this section for state government."

29

30 **Section 3.** Section 2-18-503, MCA, is amended to read:

1 **"2-18-503. Mileage -- allowance.** (1) Members of the legislature, state officers and employees,
2 jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public
3 funds, when using their own automobiles in the performance of official duties, are entitled to collect mileage
4 for the distance actually traveled by automobile and no more unless otherwise specifically provided by law.

5 (2) When the individual is authorized to operate a privately owned vehicle even though a
6 government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate
7 allowed by the United States internal revenue service for the preceding year ~~shall~~ must be paid.

8 (3) When a privately owned vehicle is used because a government-owned or leased vehicle is not
9 available or because ~~such~~ the use is in the best interest of the governmental entity, a rate equal to the
10 mileage allotment allowed by the United States internal revenue service for the preceding year ~~shall~~ must
11 be paid for the first 1,000 miles and 3 cents less per mile ~~less~~ for all additional miles ~~thereafter~~
12 within a given calendar month.

13 (4) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and
14 all other persons who may be entitled to mileage paid from public funds, when using their own airplanes
15 in the performance of official duties, are entitled to collect mileage for the nautical air miles actually traveled
16 at a rate of twice the mileage allotment for automobile travel and no more unless specifically provided by
17 law.

18 (5) This section does not alter 5-2-301.

19 (6) The department of administration shall prescribe ~~rules~~ policies necessary for the effective
20 administration of this section for state government. The Montana Administrative Procedure Act, Title 2,
21 chapter 4, does not apply to policies prescribed to administer this part."

22

23 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

24

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0074, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill revising state travel reimbursement provisions affecting lodging, meals, and mileage, and establishing a maximum for lodging and meals.

ASSUMPTIONS:

1. The federal standard rate for lodging is \$50.00 per night; the federal standard rate for meals is \$28 per day broken down as follows: breakfast \$6.00; lunch \$6.00 and dinner \$16.00.
2. The current in-state rates are as follows: lodging \$30.00 per night plus 4 per cent lodging tax or a total of \$31.20 per night; \$15.50 per day for meals broken down as follows: breakfast \$3.50; lunch \$4.00; and dinner \$8.00.
3. The current out-of-state rates are as follows: lodging \$50.00 per night; \$23.50 for meals broken down as follows: breakfast \$5.00; lunch \$6.50; and dinner \$12.00.
4. Approximately 99 percent of out-of-state lodging rates are reimbursed at actual cost since most out-of-state areas have been determined "high cost" by the Department of Administration. Approximately 40 percent of in-state-lodging rates are reimbursed at actual cost since adding "high cost" cities in Montana.
5. Reimbursement of all lodging will be limited to the federal maximum in an area, which in most cases is the federal standard rate. The federal government has a listing of a number of cities/areas that can be reimbursed at a higher rate than the federal standard rate; however, these rates are substantially lower per night than the current actual costs now allowed.
6. The Department of Administration did sampling tests on two agencies, and as a result makes this conclusion: agencies that generally have more in-state travel than out-of-state will see an increase in travel expense, but those agencies with more out-of-state travel will see a reduction in expenses.
7. To develop a fiscal note with acceptable accuracy would take an inordinate amount of time, and not be cost justified.

FISCAL IMPACT:

Statewide, the fiscal impact will be approximately neutral.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Counties and local governments that reimburse their employees at the state rates will have an increase in travel costs.

Dave Lewis 1-15-97

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Gay Ann Masolo

GAY ANN MASOLO, PRIMARY SPONSOR DATE

Fiscal Note for HB0074, as introduced

HB 74

APPROVED BY COM ON
STATE ADMINISTRATION

HOUSE BILL NO. 74

INTRODUCED BY MASOLO

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE TRAVEL REIMBURSEMENT PROVISIONS AFFECTING LODGING, MEALS, AND MILEAGE; ESTABLISHING A MAXIMUM FOR LODGING AND MEALS; PROVIDING FOR EXCEPTIONS; ALLOWING THE DEPARTMENT OF ADMINISTRATION TO PRESCRIBE POLICIES INSTEAD OF RULES; AMENDING SECTIONS 2-18-501, 2-18-502, AND 2-18-503, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-18-501, MCA, is amended to read:

"2-18-501. Meals, lodging, and transportation of persons in state service. ~~Every~~ All elected official ~~state officials~~, appointed members of boards, commissions, or councils, department directors, and all other state employees ~~shall~~ must be reimbursed for meals and lodging while away from the person's designated headquarters and engaged in official state business in accordance with the following provisions:

(1) ~~For~~ Except as provided under subsection (2) (3), for travel within the ~~state of Montana, United States~~ STATE OF MONTANA, the following provisions apply:

(a) ~~The governor shall be authorized actual and necessary expenses not to exceed \$55 per day.~~

~~(b) All other elected state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees shall be authorized the actual cost of lodging, not exceeding \$30 per day, and taxes on the allowable cost of lodging, except as provided in subsection (3), plus \$3.50 for the morning meal, \$4 for the midday meal, and \$8 for the evening meal. Lodging must be reimbursed at actual cost, not to exceed 75% OF the prescribed maximum standard federal lodging rate per day for the location involved PLUS TAXES ON THE ALLOWABLE COST. All claims for lodging expense reimbursement allowed under this section must be documented by an appropriate receipt.~~

(b) Meal reimbursement may not exceed 75% OF the prescribed maximum standard federal rate per meal.

(2) ~~For travel out of the state of Montana, the following provisions apply:~~

1 ~~(a) The governor shall be authorized the actual cost of lodging in addition to a meal allowance not~~
 2 ~~to exceed \$30 per day. EXCEPT AS PROVIDED IN SUBSECTION (3), FOR TRAVEL OUTSIDE THE STATE~~
 3 ~~OF MONTANA AND WITHIN THE UNITED STATES, THE FOLLOWING PROVISIONS APPLY:~~

4 (A) LODGING MUST BE REIMBURSED AT ACTUAL COST, NOT TO EXCEED THE PRESCRIBED
 5 MAXIMUM STANDARD FEDERAL RATE PER DAY FOR THE LOCATION INVOLVED PLUS TAXES ON THE
 6 ALLOWABLE COST.

7 (B) MEAL REIMBURSEMENT MAY NOT EXCEED THE PRESCRIBED MAXIMUM STANDARD
 8 FEDERAL RATE PER MEAL.

9 ~~(b) All (3) The department shall designate the locations and circumstances under which the~~
 10 ~~governor, other elected state officials, appointed members of boards, commissions, or councils, department~~
 11 ~~directors, and all other state employees shall may be authorized the actual cost of lodging when the actual~~
 12 ~~cost exceeds the maximum established in subsection (1)(a) OR (2)(A) , not exceeding \$50 per day, except~~
 13 ~~as provided in subsection (3), plus \$5 for the morning meal, \$6.50 for the midday meal, and \$12 for the~~
 14 ~~evening meal. All claims for the lodging expense reimbursement allowed under this subsection must be~~
 15 ~~documented by an appropriate receipt.~~

16 ~~(3) All other elected state officials, appointed members of boards, commissions, or councils,~~
 17 ~~department directors, and all other state employees shall be authorized the actual cost of lodging when~~
 18 ~~traveling in the normal course of their duties to certain designated areas. The department of administration~~
 19 ~~shall designate those areas where the actual cost of lodging shall be reimbursed.~~

20 ~~(4)(3)(4)~~ For travel to a foreign country, the following provisions apply:

21 (a) All elected state officials, appointed members of boards, commissions, councils, department
 22 directors, and all other state employees must be reimbursed for the cost of meals and lodging within the
 23 rates established by the department of administration when traveling in the normal course of their duties
 24 to designated areas. The department shall use the United States department of state maximum travel per
 25 diem allowances for foreign areas in establishing the rates.

26 (b) All claims for ~~meals and~~ lodging reimbursement allowed under this subsection ~~(4) (3) (4)~~ must
 27 be documented by an appropriate receipt.

28 ~~(5)(4)(5)~~ When other than commercial, nonreceiptable lodging facilities are ~~utilized~~ used by a state
 29 official or employee while conducting official state business in a travel status, the amount of \$12 ~~will be~~
 30 is authorized for lodging expenses for each day in which travel involves an overnight stay in lieu of the

1 amount authorized in subsection ~~(1)(b) or (2)(b)~~ (1)(a) OR (2)(A) above. However, when overnight
2 accommodations are provided at the expense of ~~any~~ a government entity, ~~no~~ reimbursement may not be
3 claimed for lodging.

4 ~~(6)(5)(6)~~ The actual cost of reasonable transportation expenses and other necessary business
5 expenses incurred by a state official or employee while in an official travel status ~~shall be~~ is subject to
6 reimbursement.

7 ~~(7)(6)(7)~~ The provisions of this section ~~shall~~ may not be construed as affecting the validity of
8 5-2-301.

9 ~~(8)(7)(8)~~ The department of administration shall ~~prescribe rules~~ establish policies necessary to
10 effectively administer this section for state government.

11 ~~(9)(8)(9)~~ All commercial air travel ~~shall~~ must be by the least expensive class service available."
12

13 **Section 2.** Section 2-18-502, MCA, is amended to read:

14 **"2-18-502. Computation of meal allowance.** (1) Except as provided in ~~subsection (3)~~ subsections
15 (2) and (4), ~~to be an employee is~~ eligible for the meal allowance provided in 2-18-501, ~~an~~ only if the
16 ~~employee must have been~~ is in a travel status for more than 3 continuous hours. ~~If eligible, an employee~~
17 ~~receives~~ during the following hours:

18 (a) for the morning meal allowance, ~~if in a travel status~~ between the hours of 12:01 a.m. and 10
19 a.m.;

20 (b) for the midday meal allowance, ~~if in a travel status~~ between the hours of 10:01 a.m. and 3
21 p.m.; and

22 (c) for the evening meal allowance, ~~if in a travel status~~ between the hours of 3:01 p.m. and 12
23 midnight;

24 ~~(4)(2)~~ An eligible employee may receive:

25 (a) only one of the three meal allowances provided, if the travel was performed within the
26 employee's assigned travel shift; or

27 ~~(e)(b)~~ a maximum of two meal allowances if the travel begins before or was completed after the
28 employee's assigned travel shift and the travel did not exceed 24 hours.

29 ~~(2)(3)~~ "Travel shift" is that period of time beginning 1 hour before and terminating 1 hour after the
30 employee's normally assigned work shift.

1 ~~(3)~~(4) An appointed member of a state board, commission, or council or a member of a legislative
 2 subcommittee or select or interim committee is entitled to a midday meal allowance on a day ~~he~~ the
 3 individual is attending a meeting of the board, commission, council, or committee, regardless of proximity
 4 of the meeting place to ~~his~~ the individual's residence or headquarters. This subsection does not apply to
 5 a member of a legislative committee during a legislative session.

6 ~~(4)~~(5) The department of administration shall prescribe ~~rules~~ policies necessary to effectively
 7 administer this section for state government."
 8

9 **Section 3.** Section 2-18-503, MCA, is amended to read:

10 **"2-18-503. Mileage -- allowance.** (1) Members of the legislature, state officers and employees,
 11 jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public
 12 funds, when using their own automobiles in the performance of official duties, are entitled to collect mileage
 13 for the distance actually traveled by automobile and no more unless otherwise specifically provided by law.

14 (2) When the individual is authorized to operate a privately owned vehicle even though a
 15 government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate
 16 allowed by the United States internal revenue service for the preceding year ~~shall~~ must be paid.

17 (3) When a privately owned vehicle is used because a government-owned or leased vehicle is not
 18 available or because ~~such~~ the use is in the best interest of the governmental entity, a rate equal to the
 19 mileage allotment allowed by the United States internal revenue service for the preceding year ~~shall~~ must
 20 be paid for the first 1,000 miles and 3 cents less per mile ~~less~~ for all additional miles ~~thereafter~~
 21 within a given calendar month.

22 (4) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and
 23 all other persons who may be entitled to mileage paid from public funds, when using their own airplanes
 24 in the performance of official duties, are entitled to collect mileage for the nautical air miles actually traveled
 25 at a rate of twice the mileage allotment for automobile travel and no more unless specifically provided by
 26 law.

27 (5) This section does not alter 5-2-301.

28 (6) The department of administration shall prescribe ~~rules~~ policies necessary for the effective
 29 administration of this section for state government. The Montana Administrative Procedure Act, Title 2,
 30 chapter 4, does not apply to policies prescribed to administer this part."

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0074, second reading

DESCRIPTION OF PROPOSED LEGISLATION:

A bill revising state travel reimbursement provisions affecting lodging and meals.

ASSUMPTIONS:

1. The Department of Administration (DOA) has determined that certain locations should be designated "high cost" both in-state and out-of-state; under current statute, an employee can be reimbursed for the actual cost of lodging in these "high cost" areas. DOA estimates that 40% of in-state lodging and 95% of out-of-state lodging is currently reimbursed at actual cost.
2. Federal reimbursement rates will not increase during the 1999 biennium.
3. The DOA estimates that the maximum federal reimbursement rate for lodging averages 13% less than the currently allowed actual-cost reimbursement. This was determined based upon a sampling of travel claims recently filed by state agencies.
4. Comparing current language with language in the amended bill, meal reimbursement rates (for full day) increase 35% in-state, and 19% out-of state.
5. Maximum in-state lodging rates will increase 20%, but that percentage is high when taking into account the 40% high-cost city factor in assumption #1.
6. An overall conclusion for fiscal impact would be: agencies that generally have more in-state travel than out-of-state will see an increase in travel expense, but those with greater out-of-state will see a reduction.
7. Because of the variables introduced by the high-cost city concept, estimating a fiscal impact of this bill difficult. The approximate total net impact is presented below for information. Adjustments to agency budgets are not anticipated based on this information.

FISCAL IMPACT:


	<u>FY98</u> <u>Difference</u>	<u>FY99</u> <u>Difference</u>
All state agencies:		
Travel	\$753,000	\$753,000
<u>Funding:</u>		
General fund (01)	\$155,000	\$155,000
State special (02)	295,000	295,000
Federal special (03)	250,000	250,000
other funds	<u>53,000</u>	<u>53,000</u>
Total	\$753,000	\$753,000

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Some local governments tie their travel reimbursement rates to the state rates. If they adopt the new rates, some increase in costs may occur.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

If and when federal government travel rates increase, state government would also increase.


 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning


 GAY ANN MASOLO, PRIMARY SPONSOR DATE

Fiscal Note for HB0074, second reading

Am HB 74 -#2

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6 AFFECTING LODGING, MEALS, AND MILEAGE; ESTABLISHING A MAXIMUM FOR LODGING AND MEALS;
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8 POLICIES INSTEAD OF RULES; AMENDING SECTIONS 2-18-501, 2-18-502, AND 2-18-503, MCA; AND
9 PROVIDING AN EFFECTIVE DATE."
10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

THERE ARE NO CHANGES IN THIS BILL AND IT WILL NOT BE REPRINTED. PLEASE REFER TO SECOND READING COPY (YELLOW) FOR COMPLETE TEXT.

HOUSE BILL NO. 74

INTRODUCED BY MASOLO

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE TRAVEL REIMBURSEMENT PROVISIONS AFFECTING LODGING, MEALS, AND MILEAGE; ESTABLISHING A MAXIMUM FOR LODGING AND MEALS; PROVIDING FOR EXCEPTIONS; ALLOWING THE DEPARTMENT OF ADMINISTRATION TO PRESCRIBE POLICIES INSTEAD OF RULES; AMENDING SECTIONS 2-18-501, 2-18-502, AND 2-18-503, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-18-501, MCA, is amended to read:

"2-18-501. Meals, lodging, and transportation of persons in state service. ~~Every~~ All elected ~~official~~ state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees ~~shall~~ must be reimbursed for meals and lodging while away from the person's designated headquarters and engaged in official state business in accordance with the following provisions:

(1) ~~For~~ Except as provided under subsection (2) (3), for travel within the ~~state of Montana, United States~~ STATE OF MONTANA, the following provisions apply:

(a) ~~The governor shall be authorized actual and necessary expenses not to exceed \$55 per day.~~
(b) ~~All other elected state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees shall be authorized the actual cost of lodging, not exceeding \$30 per day, and taxes on the allowable cost of lodging, except as provided in subsection (3), plus \$3.50 for the morning meal, \$4 for the midday meal, and \$8 for the evening meal. Lodging must be reimbursed at actual cost, not to exceed 75% OF the prescribed maximum standard federal lodging rate per day for the location involved PLUS TAXES ON THE ALLOWABLE COST. All claims for lodging expense reimbursement allowed under this section must be documented by an appropriate receipt.~~

(b) Meal reimbursement may not exceed 75% OF the prescribed maximum standard federal rate per meal.

(2) ~~For travel out of the state of Montana, the following provisions apply:~~

1 ~~(a) The governor shall be authorized the actual cost of lodging in addition to a meal allowance not~~
 2 ~~to exceed \$30 per day. EXCEPT AS PROVIDED IN SUBSECTION (3), FOR TRAVEL OUTSIDE THE STATE~~
 3 ~~OF MONTANA AND WITHIN THE UNITED STATES, THE FOLLOWING PROVISIONS APPLY:~~

4 (A) LODGING MUST BE REIMBURSED AT ACTUAL COST, NOT TO EXCEED THE PRESCRIBED
 5 MAXIMUM STANDARD FEDERAL RATE PER DAY FOR THE LOCATION INVOLVED PLUS TAXES ON THE
 6 ALLOWABLE COST.

7 (B) MEAL REIMBURSEMENT MAY NOT EXCEED THE PRESCRIBED MAXIMUM STANDARD
 8 FEDERAL RATE PER MEAL.

9 ~~(b) All (3) The department shall designate the locations and circumstances under which the~~
 10 ~~governor, other elected state officials, appointed members of boards, commissions, or councils, department~~
 11 ~~directors, and all other state employees shall may be authorized the actual cost of lodging when the actual~~
 12 ~~cost exceeds the maximum established in subsection (1)(a) OR (2)(A), not exceeding \$50 per day, except~~
 13 ~~as provided in subsection (3), plus \$5 for the morning meal, \$6.50 for the midday meal, and \$12 for the~~
 14 ~~evening meal. All claims for the lodging expense reimbursement allowed under this subsection must be~~
 15 ~~documented by an appropriate receipt.~~

16 ~~(3) All other elected state officials, appointed members of boards, commissions, or councils,~~
 17 ~~department directors, and all other state employees shall be authorized the actual cost of lodging when~~
 18 ~~traveling in the normal course of their duties to certain designated areas. The department of administration~~
 19 ~~shall designate those areas where the actual cost of lodging shall be reimbursed.~~

20 ~~(4)(3)(4)~~ For travel to a foreign country, the following provisions apply:

21 (a) All elected state officials, appointed members of boards, commissions, councils, department
 22 directors, and all other state employees must be reimbursed for the cost of meals and lodging within the
 23 rates established by the department of administration when traveling in the normal course of their duties
 24 to designated areas. The department shall use the United States department of state maximum travel per
 25 diem allowances for foreign areas in establishing the rates.

26 (b) All claims for ~~meals and~~ lodging reimbursement allowed under this subsection ~~(4) (3) (4)~~ must
 27 be documented by an appropriate receipt.

28 ~~(5)(4)(5)~~ When other than commercial, nonreceiptable lodging facilities are ~~utilized~~ used by a state
 29 official or employee while conducting official state business in a travel status, the amount of \$12 will be
 30 is authorized for lodging expenses for each day in which travel involves an overnight stay in lieu of the

1 amount authorized in subsection ~~(1)(b) or (2)(b)~~ (1)(a) OR (2)(A) ~~above~~. However, when overnight
 2 accommodations are provided at the expense of ~~any~~ a government entity, ~~no~~ reimbursement may not be
 3 claimed for lodging.

4 ~~(6)(5)(6)~~ The actual cost of reasonable transportation expenses and other necessary business
 5 expenses incurred by a state official or employee while in an official travel status ~~shall be~~ is subject to
 6 reimbursement.

7 ~~(7)(6)(7)~~ The provisions of this section ~~shall~~ may not be construed as affecting the validity of
 8 5-2-301.

9 ~~(8)(7)(8)~~ The department of administration shall ~~prescribe rules~~ establish policies necessary to
 10 effectively administer this section for state government.

11 ~~(9)(8)(9)~~ All commercial air travel ~~shall~~ must be by the least expensive class service available."
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13 **Section 2.** Section 2-18-502, MCA, is amended to read:

14 **"2-18-502. Computation of meal allowance.** (1) Except as provided in ~~subsection (2)~~ subsections
 15 (2) and (4), ~~to be an employee is~~ eligible for the meal allowance provided in 2-18-501, ~~an~~ only if the
 16 employee must have been is in a travel status for more than 3 continuous hours. ~~If eligible, an employee~~
 17 receives during the following hours:

18 (a) for the morning meal allowance, ~~if in a travel status~~ between the hours of 12:01 a.m. and 10
 19 a.m.;

20 (b) for the midday meal allowance, ~~if in a travel status~~ between the hours of 10:01 a.m. and 3
 21 p.m.; and

22 (c) for the evening meal allowance, ~~if in a travel status~~ between the hours of 3:01 p.m. and 12
 23 midnight;

24 ~~(d)~~ (2) An eligible employee may receive:

25 (a) only one of the three meal allowances provided, if the travel was performed within the
 26 employee's assigned travel shift; or

27 ~~(b)~~ (b) a maximum of two meal allowances if the travel begins before or was completed after the
 28 employee's assigned travel shift and the travel did not exceed 24 hours.

29 ~~(2)~~ (3) "Travel shift" is that period of time beginning 1 hour before and terminating 1 hour after the
 30 employee's normally assigned work shift.

1 ~~(3)~~(4) An appointed member of a state board, commission, or council or a member of a legislative
 2 subcommittee or select or interim committee is entitled to a midday meal allowance on a day ~~he~~ the
 3 individual is attending a meeting of the board, commission, council, or committee, regardless of proximity
 4 of the meeting place to ~~his~~ the individual's residence or headquarters. This subsection does not apply to
 5 a member of a legislative committee during a legislative session.

6 ~~(4)~~(5) The department of administration shall prescribe ~~rules~~ policies necessary to effectively
 7 administer this section for state government."

8

9 **Section 3.** Section 2-18-503, MCA, is amended to read:

10 **"2-18-503. Mileage -- allowance.** (1) Members of the legislature, state officers and employees,
 11 jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public
 12 funds, when using their own automobiles in the performance of official duties, are entitled to collect mileage
 13 for the distance actually traveled by automobile and no more unless otherwise specifically provided by law.

14 (2) When the individual is authorized to operate a privately owned vehicle even though a
 15 government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate
 16 allowed by the United States internal revenue service for the preceding year ~~shall~~ must be paid.

17 (3) When a privately owned vehicle is used because a government-owned or leased vehicle is not
 18 available or because ~~such~~ the use is in the best interest of the governmental entity, a rate equal to the
 19 mileage allotment allowed by the United States internal revenue service for the preceding year ~~shall~~ must
 20 be paid for the first 1,000 miles and 3 cents less per mile ~~less~~ for all additional miles ~~thereafter~~
 21 within a given calendar month.

22 (4) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and
 23 all other persons who may be entitled to mileage paid from public funds, when using their own airplanes
 24 in the performance of official duties, are entitled to collect mileage for the nautical air miles actually traveled
 25 at a rate of twice the mileage allotment for automobile travel and no more unless specifically provided by
 26 law.

27 (5) This section does not alter 5-2-301.

28 (6) The department of administration shall prescribe ~~rules~~ policies necessary for the effective
 29 administration of this section for state government. The Montana Administrative Procedure Act, Title 2,
 30 chapter 4, does not apply to policies prescribed to administer this part."

HOUSE BILL NO. 74

INTRODUCED BY MASOLO

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE TRAVEL REIMBURSEMENT PROVISIONS AFFECTING LODGING, MEALS, AND MILEAGE; ESTABLISHING A MAXIMUM FOR LODGING AND MEALS; PROVIDING FOR EXCEPTIONS; ALLOWING THE DEPARTMENT OF ADMINISTRATION TO PRESCRIBE POLICIES INSTEAD OF RULES; AMENDING SECTIONS 2-18-501, 2-18-502, AND 2-18-503, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-18-501, MCA, is amended to read:

"2-18-501. Meals, lodging, and transportation of persons in state service. ~~Every~~ All elected official state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees ~~shall~~ must be reimbursed for meals and lodging while away from the person's designated headquarters and engaged in official state business in accordance with the following provisions:

(1) ~~For~~ Except as provided under subsection (2) (3), for travel within the ~~state of Montana, United States~~ STATE OF MONTANA, the following provisions apply:

~~(a) The governor shall be authorized actual and necessary expenses not to exceed \$55 per day.~~

~~(b) All other elected state officials, appointed members of boards, commissions, or councils, department directors, and all other state employees shall be authorized the actual cost of lodging, not exceeding \$30 per day, and taxes on the allowable cost of lodging, except as provided in subsection (3), plus \$3.50 for the morning meal, \$4 for the midday meal, and \$8 for the evening meal. Lodging must be reimbursed at actual cost, not to exceed 75% OF the prescribed maximum standard federal lodging rate per day for the location involved PLUS TAXES ON THE ALLOWABLE COST. LODGING MUST BE AUTHORIZED AT THE ACTUAL COST OF LODGING, NOT EXCEEDING \$35 PER DAY, AND TAXES ON THE ALLOWABLE COST OF LODGING, EXCEPT AS PROVIDED IN SUBSECTION (3), PLUS \$5 FOR THE MORNING MEAL, \$6 FOR THE MIDDAY MEAL, AND \$12 FOR THE EVENING MEAL.~~ All claims for lodging expense reimbursement allowed under this section must be documented by an appropriate receipt.

1 ~~(b) Meal reimbursement may not exceed 75% OF the prescribed maximum standard federal rate~~
2 ~~per meal.~~

3 (2) ~~For travel out of the state of Montana, the following provisions apply:~~

4 ~~(a) The governor shall be authorized the actual cost of lodging in addition to a meal allowance not~~
5 ~~to exceed \$30 per day. EXCEPT AS PROVIDED IN SUBSECTION (3), FOR TRAVEL OUTSIDE THE STATE~~
6 ~~OF MONTANA AND WITHIN THE UNITED STATES, THE FOLLOWING PROVISIONS APPLY:~~

7 ~~(A) LODGING MUST BE REIMBURSED AT ACTUAL COST, NOT TO EXCEED THE PRESCRIBED~~
8 ~~MAXIMUM STANDARD FEDERAL RATE PER DAY FOR THE LOCATION INVOLVED PLUS TAXES ON THE~~
9 ~~ALLOWABLE COST.~~

10 ~~(B) MEAL REIMBURSEMENT MAY NOT EXCEED THE PRESCRIBED MAXIMUM STANDARD~~
11 ~~FEDERAL RATE PER MEAL.~~

12 ~~(b) All (3) The department shall designate the locations and circumstances under which the~~
13 ~~governor, other elected state officials, appointed members of boards, commissions, or councils, department~~
14 ~~directors, and all other state employees shall may be authorized the actual cost of lodging when the actual~~
15 ~~cost exceeds the maximum established in subsection (1)(a) OR (2)(A) , not exceeding \$50 per day, except~~
16 ~~as provided in subsection (3), plus \$5 for the morning meal, \$6.50 for the midday meal, and \$12 for the~~
17 ~~evening meal. All claims for the lodging expense reimbursement allowed under this subsection must be~~
18 ~~documented by an appropriate receipt.~~

19 ~~(3) All other elected state officials, appointed members of boards, commissions, or councils,~~
20 ~~department directors, and all other state employees shall be authorized the actual cost of lodging when~~
21 ~~traveling in the normal course of their duties to certain designated areas. The department of administration~~
22 ~~shall designate those areas where the actual cost of lodging shall be reimbursed.~~

23 ~~(4)(3)(4) For travel to a foreign country, the following provisions apply:~~

24 (a) All elected state officials, appointed members of boards, commissions, councils, department
25 directors, and all other state employees must be reimbursed for the cost of meals and lodging within the
26 rates established by the department of administration when traveling in the normal course of their duties
27 to designated areas. The department shall use the United States department of state maximum travel per
28 diem allowances for foreign areas in establishing the rates.

29 (b) All claims for ~~meals and~~ lodging reimbursement allowed under this subsection ~~(4) (3) (4)~~ must
30 be documented by an appropriate receipt.

1 ~~(5)(4)(5)~~ When other than commercial, nonreceiptable lodging facilities are ~~utilized~~ used by a state
 2 official or employee while conducting official state business in a travel status, the amount of \$12 ~~will be~~
 3 is authorized for lodging expenses for each day in which travel involves an overnight stay in lieu of the
 4 amount authorized in subsection ~~(1)(b) or (2)(b)~~ (1)(a) OR (2)(A) ~~above~~. However, when overnight
 5 accommodations are provided at the expense of ~~any~~ a government entity, ~~no~~ reimbursement may not be
 6 claimed for lodging.

7 ~~(6)(5)(6)~~ The actual cost of reasonable transportation expenses and other necessary business
 8 expenses incurred by a state official or employee while in an official travel status ~~shall be~~ is subject to
 9 reimbursement.

10 ~~(7)(6)(7)~~ The provisions of this section ~~shall~~ may not be construed as affecting the validity of
 11 5-2-301.

12 ~~(8)(7)(8)~~ The department of administration shall ~~prescribe rules~~ establish policies necessary to
 13 effectively administer this section for state government.

14 ~~(9)(8)(9)~~ All commercial air travel ~~shall~~ must be by the least expensive class service available."
 15

16 **Section 2.** Section 2-18-502, MCA, is amended to read:

17 **"2-18-502. Computation of meal allowance.** (1) Except as provided in ~~subsection (3)~~ subsections
 18 (2) and (4), ~~to be an employee is~~ eligible for the meal allowance provided in 2-18-501, ~~an~~ only if the
 19 employee must have been is in a travel status for more than 3 continuous hours. ~~If eligible, an employee~~
 20 receives during the following hours:

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 22 a.m.;

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 24 p.m.; and

25 (c) for the evening meal allowance, ~~if in a travel status~~ between the hours of 3:01 p.m. and 12
 26 midnight;

27 ~~(d)(2)~~ An eligible employee may receive:

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 29 employee's assigned travel shift; or

30 ~~(b)~~ a maximum of two meal allowances if the travel begins before or was completed after the

1 employee's assigned travel shift and the travel did not exceed 24 hours.

2 ~~(2)~~(3) "Travel shift" is that period of time beginning 1 hour before and terminating 1 hour after the
3 employee's normally assigned work shift.

4 ~~(3)~~(4) An appointed member of a state board, commission, or council or a member of a legislative
5 subcommittee or select or interim committee is entitled to a midday meal allowance on a day ~~he~~ the
6 individual is attending a meeting of the board, commission, council, or committee, regardless of proximity
7 of the meeting place to ~~his~~ the individual's residence or headquarters. This subsection does not apply to
8 a member of a legislative committee during a legislative session.

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13 **"2-18-503. Mileage -- allowance.** (1) Members of the legislature, state officers and employees,
14 jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public
15 funds, when using their own automobiles in the performance of official duties, are entitled to collect mileage
16 for the distance actually traveled by automobile and no more unless otherwise specifically provided by law.

17 (2) When the individual is authorized to operate a privately owned vehicle even though a
18 government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate
19 allowed by the United States internal revenue service for the preceding year ~~shall~~ must be paid.

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29 law.

30 (5) This section does not alter 5-2-301.

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2 administration of this section for state government. The Montana Administrative Procedure Act, Title 2,
3 chapter 4, does not apply to policies prescribed to administer this part."

4

5 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

6

-END-

1 HOUSE BILL NO. 74

2 INTRODUCED BY MASOLO

3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE TRAVEL REIMBURSEMENT PROVISIONS
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5 NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.

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