

HOUSE BILL REPORT

HB 1525

*As Reported By House Committee on:
Education*

Title: An act relating to educational employees' travel expenses.

Brief Description: Authorizing government travel and subsistence rates for educational employees.

Sponsor(s): Representatives Schmidt, Peery, Wood, Brumsickle, Zellinsky, Wilson, Anderson and Neher.

Brief History:

Reported by House Committee on:
Education, February 25, 1991, DPS.

**HOUSE COMMITTEE ON
EDUCATION**

Majority Report: *That Substitute House Bill No. 1525 be substituted therefor, and the substitute bill do pass.*

Signed by 17 members: Representatives Peery, Chair; G. Fisher, Vice Chair; Brough, Ranking Minority Member; Vance, Assistant Ranking Minority Member; Betrozoff; Broback; Brumsickle; Cole; Holland; P. Johnson; Jones; Neher; Orr; Rasmussen; Roland; H. Sommers; and Valle.

Staff: Susan Kirkpatrick (786-7291).

Background: The State of Washington through the Department of General Administration has negotiated with the various airlines and car rental agencies and has obtained preferred rates for state employee travel. The negotiated contract with the airlines applies only to state agencies and institutions of higher education.

School districts are financed with funds from federal, state, and local sources. The school boards of each school district set their own rates of reimbursement. When school district employees are reimbursed for their travel expenses, the school districts charge the travel reimbursement expense against the program or division relating to the purpose for the travel.

Educational service districts (ESDs) are financed with funds from federal and state sources. In addition, some programs

are funded through cooperatives between a number of school districts. The ESDs follow Office of Financial Management guidelines. When ESD employees are reimbursed for their travel expenses, the travel reimbursement expenses are charged against the program or division relating to the purpose for the travel.

Summary of Substitute Bill: In order to obtain the lower state preferred travel rates, ESDs and school districts are allowed to charge travel expenses incurred by employees and board members during official travel to the Superintendent of Public Instruction (SPI) if the travel is funded by state dollars and is authorized by the ESDs and school districts. The employee or board member is required to use the supplier giving the preferred rate. SPI bills the ESDs and school districts for any expenses paid, and the ESDs and school districts are required to reimburse SPI.

The state of Washington, through the Department of General Administration, is directed to take all reasonable and necessary action to include ESDs and school districts as direct beneficiaries of any contract negotiated by the State for preferred rates.

Substitute Bill Compared to Original Bill: The substitute bill completely supersedes the original bill which provided that SPI had the authority to set the levels of reimbursement and per diem allowances for employees of SPI and also provided that employees of school districts and ESDs qualify for travel and subsistence rates to the same extent state employees qualify for state rates.

Fiscal Note: Requested February 6, 1991.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: On a recent trip to Washington, D.C., the air fares of the state employees were approximately \$550, with state preferred rates. The air fares of the ESD employees were approximately \$1,000, with regular rates. At this time, to get the benefit of the state preferred rates under the state contract with the airlines, the travel expenses must be paid by a state agency or by state credit card. State dollars funding travel expenses should be treated the same everywhere.

ESDs have an extensive amount of travel across the State, and two of the ESDs that have looked into this matter have determined they would save between \$10,000 and \$12,000 annually if they were able to get the benefit of the state preferred rates.

Testimony Against: None.

Witnesses: Representative Schmidt, prime sponsor (in favor); Frank Deebach, ESDs (in favor); and Norm Wisner, Washington Association of School Administrators (in favor).