

Bill as Introduced

HB 1675-FN - AS INTRODUCED

2010 SESSION

10-2130

10/05

HOUSE BILL

1675-FN

AN ACT

relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

SPONSORS: Rep. N. Elliott, Hills 19; Rep. Mead, Hills 4; Rep. W. O'Brien, Hills 4

COMMITTEE: Legislative Administration

ANALYSIS

This bill repeals provisions allowing members of the general court to be reimbursed for travel expenses. The bill also establishes a 2-year moratorium on the reimbursement of certain travel expenses of executive branch state employees.

Explanation: Matter added to current law appears in **bold italics**.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Ten

AN ACT relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Repeal. RSA 14-A:3, relative to general court travel and expenses when on legislative
2 business, is repealed.
- 3 2 Legislative Branch; Travel Reimbursement; Lapse. Notwithstanding the designation in the
4 2010-2011 operating budget as nonlapsing, any unexpended sums appropriated to the legislative
5 branch for house of representatives or senate out-of-state travel reimbursement, or in-state travel
6 reimbursement other than mileage, shall lapse at the end of each fiscal year to the general fund.
- 7 3 State Employees; Moratorium; Travel Expenses. Notwithstanding any provision of law
8 authorizing or requiring the reimbursement of travel expenses for state employees, there is hereby
9 imposed a moratorium on the reimbursement of the travel expenses of executive branch state
10 employees until July 1, 2012.
- 11 4 Effective Date. This act shall take effect 60 days after its passage.

LBAO
10-2130
12/18/09

HB 1675-FN - FISCAL NOTE

AN ACT relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

LBAO
10-2130
Revised 12/29/09

HB 1675 FISCAL NOTE

AN ACT relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

FISCAL IMPACT:

The Department of Administrative Services states this bill will decrease state expenditures by \$7,540,016 in FY 2011 and FY 2012. The Legislative Branch states this bill will decrease state expenditures by an indeterminable amount in FY 2011 and FY 2012. There will be no fiscal impact on state, county, and local revenue or on county and local expenditures.

METHODOLOGY:

The Department of Administrative Services states this bill imposes a two-year moratorium on travel expense reimbursement for executive branch state employees and eliminates travel reimbursement payments to general court members for both in-state, with the exception of any mileage payments, and out-of-state travel. The Department assumes an effective date of July 1, 2010. In estimating the bill's potential savings to the state, the Department started with the FY 2011 appropriations for in-state (070) and out-of-state (080) class lines for the entire state budget, including all funds. As the moratorium only applies to executive branch employees, the Department removed the travel appropriations for the judicial and legislative branches from this total. The remainder is the amount the Department expects to save in each year. While the budget for FY 2012 has not yet been set, the Department assumed the savings for the second year of the moratorium would be identical to the first year. The estimated fiscal impact is:

	Total FY 2011 Appropriation	Less Judicial	Less Legislative	Total savings per year
In-State	\$5,416,116	(\$492,570)	(\$1,249,020)	\$3,674,526
Out-of-State	\$4,004,811	(\$ 2,500)	(\$ 136,821)	\$3,865,490
Total Travel	\$9,420,927	(\$495,070)	(\$1,385,841)	\$7,540,016

The Department states 84.5% of the estimated in-state travel savings and 14.75% of the out-of-state travel savings would be general funds, with the balance of each coming from other funds. As it did not have sufficient information, the Department did not include the potential impact of the federal revenue foregone as a result of various state agencies being prevented from carrying

HB 1675-FN – AS INTRODUCED

- Page 3 -

out federal grant requirements necessitating employee travel. The Department also did not include the provision relating to the general court travel reimbursement in its analysis.

The Legislative Branch states this proposed elimination of travel reimbursement payments for members of the general court is accomplished in this bill by repealing the provision in current law that allows for these reimbursement payments, with the exception of mileage payments, and then lapsing to the general fund any remaining appropriation for in-state or out-of-state travel. The Branch also assumes an effective date of July 1, 2010. The Branch estimates a majority of the expenditures for in-state travel (class 070) in both the House and the Senate are for mileage payments and the majority of the expenditures for out-of-state travel are for travel reimbursement. During the FY 2008 and 2009 biennium, the Branch states 1.2% of House and 0.0% of Senate in-state travel spending and 95.8% of House and 98.0% of Senate out-of-state travel spending went towards travel reimbursement. The Branch cannot reasonably estimate what the actual savings will be, however using an allocation based on the data from the FY 2008 and 2009 biennium, the Branch projects a fiscal impact of approximately:

	FY 2008/2009		
	% related to travel	FY 2011	Potential annual
	<u>reimbursement</u>	<u>appropriation</u>	<u>savings</u>
House -- class 070	1.2%	\$1,078,500	\$ 13,402
House -- class 080	95.8%	\$125,000	\$119,715
Senate -- class 070	0.0%	\$155,000	\$ 0
Senate -- class 080	98.0%	<u>\$11,500</u>	<u>\$ 11,267</u>
Total		\$1,370,000	\$144,383

While the budget for FY 2012 has not yet been set, the Branch assumed the savings for the second year of the moratorium would be identical to the first year.

Speakers

Hearing Minutes

HOUSE COMMITTEE ON LEGISLATIVE ADMINISTRATION

PUBLIC HEARING ON HB 1675-FN

BILL TITLE: relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

DATE: January 11, 2010

LOB ROOM: 104 **Time Public Hearing Called to Order:** 10:30 AM

Time Adjourned: 12:00 NOON

(please circle if present)

Committee Members: Reps. L. Weber, P. McMahon, Schuett, Lerandean, Shurtleff, Cottling, S. Nord, Pierce, D. Wheeler, Komi, Hunt, J. Flanders, Dowling, Patten, Millham, Kidder, Baldasaro and Haefner.

Bill Sponsors: Reps. N. Elliott, Mead and W. O'Brien

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Nancy Elliot, prime sponsor – Introduced bill. Reduce costs due to recession; current \$240,000. Was surprised by fiscal note showing over \$7 million. Would allow removal of item that gains federal funds. Feels this money could save state employee jobs.

Q: Rep. Al Baldasaro – Funds lapse (line 6) where does that go?

A: That is this term money; would go back to general fund.

Q: Rep. Patricia Dowling – Define junket.

A: Just slang, a trip, usually with meetings, state pays registration, travel and hotel.

Q: Have you been on one?

A: No.

Q: Rep. Susi Nord – I thought we already have a ban in place on those with federal funds left; is this just reinforcing in statute?

A: I think cuts were not put in budget. Doesn't think ban is in place currently.

Q: Rep. Baldasaro – Do you know cost of Speaker's trip to China?

A: No.

Rep. Dan Eaton – Opposes the bill. Governor does have an executive order banning out-of-state travel. The figure in fiscal note on bill would include all travel in-state and out-of-state. Current travel budget is lower than 20 years ago even though travel costs have increased dramatically. Stated cost saving measures imposed by the Speaker. Enumerated NCSL/CSG seminars and importance of attending. New Hampshire received one half million dollar grant as a result of participation.

Q: Rep. Dowling – Has attended meetings; had to turn in reports to be reimbursed. Is that still in place?

A: Yes, still the policy.

Rep. William O'Brien, co-sponsor – Current travel for legislature is \$250K; 2 terms ago budget was \$80K. In-state legislative mileage would not be affected by this bill. Clearly funds have not been taken out of budget.

Q: Rep Nord - HB 2 does extend freeze per our committee research and that this would ban our legislative mileage?

A: Not our intent; cited RSA 14:15-a still intact, this only repeals 14:3.

Q: Rep. John Hunt – Why wouldn't our legislative mileage also be cut?

A: If committee wants to extend it, I would not agree but feels mileage is ok due to low legislative pay.

Q: Rep. Nord - Shouldn't we weigh \$15 million savings against gains mentioned by Rep. Eaton?

A: You can determine.

***Commissioner Tara Reardon, NH Employment Security** – Opposes the bill. Provided two letters. Cited Employment Security employees need to travel state for hearings and training; some are required to obtain federal funding.

Q: Rep. Nord – Amount of federal funding?

A: I don't have figures right now but could for a subcommittee.

Q: How many state vehicles?

A: None.

Q: Rep. Millham - Majority of your travel is federal?

A: We receive no general fund dollars for travel.

***Assistant Dept. of Safety Commissioner Earl Sweeney** – Opposes the bill. This would hamper investigations, extraditions and training, out-of-state road toll collections in state and fuel supplier audits out-of-state. Summer only boat officers use their own vehicles. Grants management gets training out of state. International road toll administrative meetings, Homeland Security meetings.

Q: Rep. Baldasaro - You have a lot of state vehicles?

A: Marine Patrol has maybe 10 vehicles and state troopers.

Q: Marine patrol funded from your budget?

A: Yes.

Q: **Rep. J. Flanders** – Don't you think NH should attend out of state conferences since NH is well respected at them?

A: It does promote information sharing.

Q: **Rep. Haefner** – Did governor's cuts come out of budget?

A: Yes, specific cuts were made by executive order. Some in-state travel is mandated by collective bargaining.

Q: **Rep. Baldasaro** - Layoffs in your department?

A: Made our cuts by attrition.

Q: Can't training, etc. be done by internet?

A: Many items cannot be done that way.

Q: **Rep. David Kidder** – Do you think the ^{Governor's} ~~government's~~ cut are truly being honored? ←

A: I like to think so.

***Richard Head, attorney general/NH Dept. of Justice** – Opposes the bill. We are headquartered in Concord but conduct investigations throughout the whole state. Some cases we are involved in are out-of-state – FairPoint in NY, tobacco lawsuits, e.g. ←

Barry Conway, NH Vets Home – Did not speak, but opposes the bill on behalf of NH Vets Home.

***Mark Nogueira, DAS, and Bureau of Public Works** – Opposes the bill. Department administers construction design, bids and compliance throughout the state. Recent SB 78 provides we must be present. Currently have 30 projects with 5 clerks to track them and 3 part-time clerks. Have done our best to observe executive order. Also must train for certifications which have been limited to in-state now.

Q: **Rep. Baldasaro** – Aren't you budgeted for clerks?

A: Full time clerks are in our budgets, but only wage and benefits; clerks no direct mileage charged.

Q: You are not touching this \$15 million because you are reimbursed from projects including stimulus?

A: Not exactly.

Q: **Rep. Haefner** – Could we amend this bill to find savings in this bill?

A: We could live for two years without training but we would lose the cost effectiveness of clerk of works travel to worksite inspections.

***Margaret Fulton, DRA** – Opposes bill. Stated needs of employees to make collections and audits throughout state. Budget \$133,000 in-state, \$162,000 out-of-state. We lapse thousands of dollars back to budget. We do training in-state only to save dollars. We did not contribute to fiscal note. Forty million dollars return to state per year resulting from our audits. We have 28 vehicles. This bill will have detrimental revenue impact on New Hampshire.

***Glenn Normandeau, NH F&G** – Opposes the bill. One third of our funding is federal. All of our fuel supplies come out of in-state travel in state budget ~~established~~ *estimated* \$300,000 for our department. ←

Q: Rep. Baldasaro – How much money for out-of-state?

A: \$15,000 to \$20,000. For example, boat for rough seas, need to train officers to handle. Also diver training and meetings for fisheries on Connecticut River. For two years would not be end of world, but would hamper department.

***John L. Williams, legislative coordinator for DHHS** – Opposes bill. Our department has travel needs, adult service, long term care, juvenile care, public health, investigations and licensing.

Q: Rep. Dowling – This would affect parole and probations?

A: Yes.

Q: Rep Nord – So these employees would not be able to do their jobs?

A: I'm not sure how this would be affected.

Q: Rep. Nord – Do you feel some state employees would spend more money than they earn to do jobs if this passes?

A: May be others could better answer.

Q: Rep. Baldasaro – On out-of-state travel, is two years end of world?

A: We are trying to comply with executive order now.

Commander William Wrenn, NHDOC – Opposes bill. We do prisoner delivery and extraditing out of state. We do not have enough state vehicles so employees must use personal vehicles to do jobs. Feels check and balances are in place that control costs.

Q: Rep. Dowling – Parole & probation –how many vehicles?

A: When I came in most of those vehicles were in the shop. We got some new before the economy soured.

Q: Rep. Baldasaro - Is state reimbursed for prisoner delivery?

A: No.

Respectfully Submitted:

Rep Dianne E. Schuett

Dianne E. Schuett, Clerk

HOUSE COMMITTEE ON LEGISLATIVE ADMINISTRATION

PUBLIC HEARING ON HB 1675-FN

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LOB ROOM: 104 **Time Public Hearing Called to Order:** 10:30 am

Time Adjourned: 12:00 ~~pm~~ ^{noon}

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TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Elliott - introduced bill → reduce costs due to recession current \$240,000. was surprised by FN showing over \$7 million. would allow removal of item that gains Fed. funds. Feels this \$ could save st. emp. jobs.

? Baldasaro - funds lapse (ln 6) - where does that go
A - that is this term \$, would go back to gen. fund

? Dowling - define junket

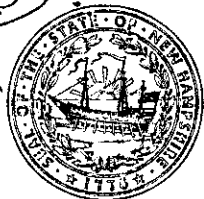
A - just slang → a trip, usually w/ mtgs, st pays reg, travel and hotel

? Dowling - Have you been on one?
A - no

? Nord - I thought we already have a ban in place on those w/ Fed funds left - is this just reinforcing in statute

A - I think cuts were not put in budget

(2)



State of New Hampshire

HOUSE OF REPRESENTATIVES

CONCORD

El - doesn't think ban is in place currently

Baldasaro - Do you know cost of Spkr's trip to China

A - no

D. Eaton - opposed to bill. Gov does do Spec Order banning out-of-st travel. The figure in bill would include all travel in-st & out-st. Current travel budget is lower than 20 yrs ago even tho ~~to~~ travel costs have increased dramatically.

Stated cost saving measures imposed by Spkr. Enumerated NCSL & CSG seminars and importance of attending. NH rec'd $\frac{1}{2}$ mill grant as a result of participation

Dowling? - Has attended mtg - had to turn in repts to be reimbursed & still?

A - Yes, still the policy

3

co-sponsor Rep Wm O'Brien - current travel for Leg \$250K - 2 terms ago, budget was \$80K. In-st ^{leg} mileage would not be affected by this bill. Clearly funds have not been taken out of budget.

? Nord - HB 2 does not freeze per our comm research and that this would ban our leg. mlg.

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Baldassarro?

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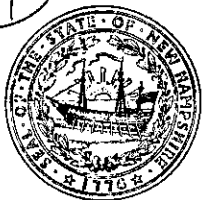
A - If comm wants to extend it would not agree but feels mlg is OK due to low leg pay.

? - Nord - shouldn't we weigh \$15 mil savings against gains mentioned by Rep Eaton

A - you can determine

Comr J. Reardon - opposed bill. Provided 2 letters. Cited Emp Security employees need to travel st. for drugs & trig.

(4)



State of New Hampshire

HOUSE OF REPRESENTATIVES

CONCORD

some are req. to obtain Fed funding.

? - Nord - amt of Fed funding

A - don't have figs right but could for a subcom.

? Baldasaro - how many st. vehs?

A - none

? Millham - major of your trip is Fed?

A - we recv no gen fund \$ for travel

Cost Comr ^{Safety} ~~Investment~~ - this would hamper investigations ^{extrajurisdiction} and bring out of st - road toll collections ^{in st} and fuel supplier audits. - out of st. Summer only boat ofers use their own vehs. Grants might get bring ~~in~~ out of st. Int'l road toll adm mtgs ~~see Homeland~~ Secty mtgs.

? Baldasaro - you have a lot of st. vehs?

A - marine patrol, 10 vehs? and

? B - Marine patrol ^{St. Troopers} funded from your budget?

A - yes

? J. Flanders - ~~last trip I attended~~ Don't you think NH should attend out of st conferences since NH is well respected? _{at them}

⑤ ∴ A - it does promote info sharing

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A - yes, spec cuts were made by Exec Ord.
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A - made our cuts by attrition
~~reducing staff~~, etc

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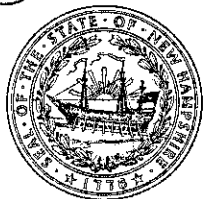
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Barry Conway, NH Vets Home - did not speak, but opposes bill on behalf of NH Vets Home

* Mark Nogueira, ⁱⁿ PA Smokey Bar Pub Wks - opposes bill. Dept administers construction design, bids, ^{compliance} etc. throughout st.

recent SB78 provides we must be present

6



State of New Hampshire

HOUSE OF REPRESENTATIVES

CONCORD

currently 30 projects w/ 5 clerks to track them and 3 part-time clerks. Have done our best to observe Ex. Order Also must bring ^{for certifications} which has been limited to in-st now.

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Cap. Clerk ~~also~~

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7

- we do bring in - st only to save \$. We did not contribute to st. \$20 mil a yr results from our audits. We have 28 vehs. This bill will have detrimental revenue impact on NH.

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1/3 of funding is Fed. All of our fuel supplies come out of in-st travel in st budget est. \$300K for our dept.

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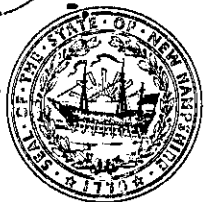
* John Williams ^{Sydney} D H H S - dept has travel needs similar travel needs to A.G.
adult services investigations
long term care licensing
juvenile care
pub health

? Dowling - this would affect parole & probation

A - yes

? Nord - so these ppl would not be able to do their jobs?

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State of New Hampshire

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CONCORD

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? Bald - Is state reimbursed for prisoner delivery?

A - no

Testimony



TARA G. REARDON
COMMISSIONER

NEW HAMPSHIRE EMPLOYMENT SECURITY

32 SOUTH MAIN STREET
CONCORD, NH 03301-4857
(603) 228-4000



January 11, 2010

The Honorable Lucy V. Weber, Chair
House Legislative Administration Committee
Legislative Office Building Room 104
Concord, NH 03301

RE: House Bill 1675 - Two Year Moratorium on Travel Expenses

Dear Madam Chair and Members of the Committee:

As the Commissioner of New Hampshire Employment Security (NHES), I submit this letter in opposition to the above-referenced House Bill 1675.

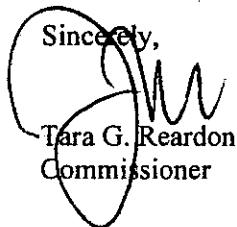
NHES is spread across 15 buildings in 13 different cities and towns in New Hampshire. Our Conway and Littleton offices share a Manager. We currently have 3 itinerant offices, one day a week in Franklin, one day a month in Plymouth and 5 days a week in Colebrook. Our Colebrook employees also work in either the Littleton or Berlin offices. We employ Appeals Chairman who travel throughout the state for hearings with unemployed claimants and businesses, collectively they preside at over 100 hearings a week. Our field agents audit books and assist business people in their respective area of the state. We regularly conduct training for numerous reasons, this year alone we have implemented 2 new benefit programs passed by Congress. All require travel by our employees.

Agreements with the US Department of Labor obligate us to send certain key personnel to training sessions, or lose a portion of our funding. Attendance this year at the National Workforce convention brought to our attention that NH was excluded from a bill before Congress authorizing new extended benefits. We learned this in time to successfully have NH included in that federal law and NH unemployed claimants received additional federally funded benefits.

The bill as written does not prohibit the travel, but rather the reimbursement of the travel. The New Hampshire Department of Employment Security does not receive general funds from the State of New Hampshire. The passage of this bill would severely inhibit our ability to serve the people of the state, put us in violation of US Department of Labor requirements, result in fewer federal funds to the department, and not save the State of New Hampshire any money.

I respectfully request that the Committee on Legislative Administration find House Bill 1675 Inexpedient to Legislate.

Sincerely,



Tara G. Reardon
Commissioner

NHES is a proud member of America's Workforce Network and NH Works. NHES is an Equal Opportunity Employer and complies with the Americans with Disabilities Act. Auxiliary Aids and Services are available on request of individuals with disabilities.

Telephone (603) 224-3311 Fax (603) 228-4145 TDD/TTY Access: Relay 1-800-735-2964 Web site: www.nh.gov/nhes

John L Williams

01/10/2010 01:15 PM

To John D Wallace/Commissioner/SOPS_Brown/DHHS,
cc Nicholas Toumpas/Commissioner/SOPS_Brown/DHHS,
bcc
Subject Fw: HB 1675 Relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

The following are some additional examples generated at Friday's legislative liaison meeting as to Department programs and services that would be impacted under the proposed 2-year moratorium on travel expense reimbursement for executive branch state employees:

BEAS - Adult Protective Services (APS) investigations, Office of LTC Ombudsman investigations;

DJJS - JPPO's need to travel to Court and conduct "face-to-face" meetings as a condition of federal funding;

DPHS - Lead inspections, food protection inspections, communicable disease inspections, e.g., recent anthrax incident in Durham, radiological health program and licensing; and

OOS - DCYF/DCSS attorneys, Child Support Officers and CPSW's required to attend court proceedings under Social Security Act to meet federal program requirements, child care licensing, health facilities administration licensing and inspections.

Please let me know if you have any questions or need any additional assistance. John

John L. Williams, Legislative Coordinator
New Hampshire Department of Health & Human Services
Office of the Commissioner
129 Pleasant Street
Concord, NH 03301

(603) 271-0552 (office)
(603) 545-2934 (cell)

STATEMENT OF CONFIDENTIALITY: This message may contain information which is privileged and confidential and is intended for the exclusive use of the individual(s) to whom it is addressed.

----- Forwarded by John L Williams/Commissioner/SOPS_Brown/DHHS on 01/10/2010 01:15 PM -----

John L Williams

01/08/2010 10:31 AM

To John D Wallace/Commissioner/SOPS_Brown/DHHS
cc Nicholas Toumpas/Commissioner/SOPS_Brown/DHHS@DHHS
Subject Re: Fw: HB 1675 [1]

John, I'll plan to include this as part of our discussion at today's liaison meeting to generate additional examples as you mention below. John

John D Wallace

John D Wallace

01/08/2010 10:20 AM

To John L Williams/Commissioner/SOPS_Brown/DHHS@DHHS
cc Nicholas Toumpas/Commissioner/SOPS_Brown/DHHS@DHHS

Rep: Schuett

Clerks

HB 1675

Loss of DMHS services

2 programs impacted.



**State of New Hampshire
LIQUOR COMMISSION**

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503
(603) 271-3755

John H. Lynch
Governor

Mark M. Bodi
Chairman

Richard E. Simard
Commissioner

January 8, 2010

Representative Lucy Weber, Chair
Legislative Administration Committee
Room 104, LOB
Concord, New Hampshire 03301

Representative Weber:

The Liquor Commission strongly opposes the provisions of HB 1675 regarding the proposed moratorium on the reimbursement of travel expenses for executive branch state employees.

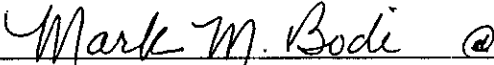
This proposed legislation would have a very profound, negative impact to the Commission's operational effectiveness – particularly as it relates to our retail store operations. In order to properly manage our retail store system, we require managers and area supervisors to properly manage their areas of responsibility by traveling to their stores on a regular weekly basis. They also attend training, marketing, and merchandising meetings on a regular basis.

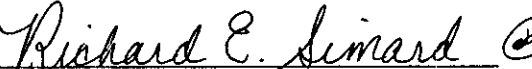
Other Commission staff travel to surrounding states to evaluate pricing, marketing and merchandising activities of our competition. The elimination of this capability would put the Commission at a great competitive disadvantage.

Should this bill become law, it will have an immediate and negative impact on our ability to maximize revenues and meet the aggressive revenue goals established by the Legislature for Fiscal Years 2010 and 2011.

If we can be of further assistance, please do not hesitate to contact us at 271-1705. Thank you.

Respectfully Submitted,
New Hampshire State Liquor Commission


Mark M. Bodi, Chairman


Richard E. Simard, Commissioner



STATE OF NEW HAMPSHIRE
DEPARTMENT OF ADMINISTRATIVE SERVICES
BUREAU OF PUBLIC WORKS DESIGN & CONSTRUCTION
POB 483, 7 Hazen Drive - Room 250
Concord, New Hampshire 03302-0483
Phone (603) 271-3516, Fax (603) 271-3515

LINDA M. HODGDON
Commissioner

January 11, 2010

To: Representative Lucy Weber, Chairman
House Legislative Administration Committee
Legislative Office Building, Room 104
Concord, New Hampshire

RE: HB 1675-FN
AN ACT relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

Dear Representative Weber:

Please accept and consider the following information relative to the impact that passage of HB 1675 would have on the primary duties and function of the Department of Administrative Services, Bureau of Public Works, Design & Construction (BPW). Based on the following comments, the BPW asks that the Committee consider amending HB-1675 to allow mileage reimbursement for executive branch employees or find the bill Inexpedient To Legislate (ITL), as it currently exists.

Per RSA 21-I:80(I) requires for all Major Projects that *"Each state project whose estimated cost is more than \$25,000 shall be built under contracts awarded to the lowest qualified bidder who meets all project specifications through competitive bidding"*, through the BPW.

RSA 21-I:82 Client Relationship, Section (III), authorizes the Department of Administrative Services, through the BPW to *"Exercise general supervision, control and direction over all matters pertaining to design, construction, maintenance standards, and preservation of all state buildings, and related facilities."*

RSA 21-I:83 Compliance with Contracts specifically requires that the BPW to ensure compliance with the plans and specifications as follows:

"I. (a) The performance of contracts for all state projects costing over \$ 25,000 shall be inspected to assure compliance with the plans and specifications. The department shall require inspection service by one of the following methods:

- (1) By a registered architect or professional engineer or representative;*
- (2) By qualified personnel of the state agency, institution or department concerned; or*
- (3) By personnel of the division of plant and property management bureau of public works design and construction, or the bureau's designated agent or agents."* (emphasis added)

Further, RSA 21-I:83(III) requires *"Manifests for final payment shall certify that inspections have been carried out, that the project has been completed in accordance with the specifications and the contract, and that it has been accepted. Such manifest shall be certified by the department that the progress reports furnished by the department are correct and that inspections have been made and the provisions of the plans and specifications have been carried out."*

John O. Morton Building • 7 Hazen Drive, Room 250 • POB 483 • Concord, New Hampshire 03302-0483
Telephone: 603-271-3516 • Fax: 603-271-3515 • TDD: 1-800-735-2964
<http://admin.state.nh.us/purchasing/PublicWorks/PWindex.asp>

In addition, SB-78 recently added RSA 21-I:81-b Worksite Accountability that requires a worksite presence by BPW Clerk of the Works and Project Managers to ensure compliance with the following provisions of that section *"the general contractor or designated project construction manager, if any, shall provide to the awarding state agency a current list of all subcontractors and independent contractors that the general contractor has agreed to use on the job site, with a record of the entity to whom that subcontractor or independent contractor is directly contracted and by whom that contractor or subcontractor is insured for worker's compensation purposes. This list shall be posted on the jobsite and updated as needed to reflect any new subcontractors or independent contractors and also posted on the state agency website, to be updated every 30 days. If it is determined that a subcontractor or independent contractor is present on a state construction site without the contractor's name and direct contracting relationship being posted in a visible location at the worksite, the general contractor or designated project manager shall require the subcontractor or independent contractor to provide the information within 36 hours and to post the information in a visible location at the worksite."*

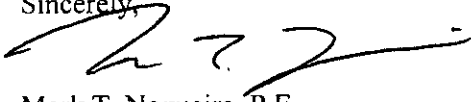
The above references establish the BPW's statutory roles and responsibilities for executing Major Projects. In order to certify to the above requirements, the BPW uses Clerks of the Works as the regular onsite presence to review the contractor's day-to-day work and procedures. In addition the BPW Project Managers provide a periodic, generally weekly, professional review for compliance and work acceptance. The BPW Project Manager signs all payment requests submitted by the contractor and must know what work has been both completed and accepted, for payment purposes. As Administrator of the BPW, I sign all manifests and certify at the end of the projects that work was completed according to the plans and specifications and has been accepted.

The BPW has an average of thirty (30) projects (up to sixty in peak season) under construction at any given time that are covered by our Clerks of the Works. The BPW currently has five full-time permanent, Clerks and four of the five Clerks have been permanently assigned a state vehicle, and so HB 1675 will not impact them. One of the permanent Clerks uses his personal vehicle to travel to project sites. The BPW also has three part-time, temporary Clerks that use their personal vehicles to travel to the projects they have been assigned, as authorized by the Laws of New Hampshire, Chapter 145:11. On average, each of the full time permanent Clerks is responsible to observe and document four to five projects (up to seven in peak season), each project located throughout the state. Similarly, the temporary Clerks are responsible to observe and document an average of one to two projects (up to three in peak season). In order to reduce mileage expenses to the state, the temporary Clerks are assigned to a primary project for which the travel is not compensated. Any travel to additional assigned projects is subject to mileage reimbursement. The Clerks travel between project sites and maximize their presence onsite during critical work periods.

Each of the BPW's fourteen (14) Project Managers has an average of one to four projects under construction at any given time. At a minimum of once per week, the BPW Project Managers conduct site visits to review work progress and quality, as well as, attend onsite project meetings to ensure the contractor is performing according to the contract and to make critical project decisions. Currently, the Project Managers use the BPW pool vehicle (A-1), when it is available, or a Department of Transportation (DOT) pool vehicles, as they may be available. Assuming an average of thirty (30) site visits per week, the Project Managers make an average of six site visits per day, requiring approximately six available state pool vehicles per day. The BPW Project Managers compete for the DOT vehicles with DOT employees. Occasionally, there are no pool vehicles available for BPW use, requiring the project managers to use their personal vehicles to travel to the project sites from their assigned location at the John O. Morton Building in Concord, NH. Should HB 1675 pass, the BPW anticipates more demand for DOT pool vehicles by DOT employees, effectively reducing the BPW's access to those vehicles.

In conclusion, passage of HB 1675 and the moratorium on executive branch state employee in-state mileage reimbursement would have a detrimental impact on the BPW's ability to perform according to its statutory requirements.

Sincerely,



Mark T. Nogueira, P.E.
Administrator
(603) 271-3516
(603) 271-3515

cc: Linda M. Hodgdon, Commissioner, Department of Administrative Services
Michael Connor, Director, Department of Administrative Services
Michelle Juliano, Assistant Administrator, Bureau of Public Works, Design & Construction
Thomas Kehr, Administrator, Department of Administrative Services

Commr. J. Reardon

January 11, 2010

The Honorable Lucy V. Weber, Chair
House Legislative Administration Committee
Legislative Office Building
Room 104
Concord, NH 03301

RE: House Bill 1675
Two Year Moratorium on Travel Expenses

Dear Madam Chair and Members of the Committee:

As the Commissioners and Directors of the state departments and agencies listed on the signature page, we submit this letter in opposition to the above-referenced House Bill 1675.

The bill as written does not prohibit the travel, but rather the **reimbursement** of the travel. This requirement violates not only the regulations established by the Department of Administrative Services but also the Collective Bargaining Agreement between the State of New Hampshire and the State Employees Association of New Hampshire at Sections 19.4.1, 19.4.2. and 19.4.3.

State Agencies require their employees to travel throughout the State of New Hampshire to complete core functions including inspections, audits, examinations and hearings. State employees provide valuable training and information services to other state employees and the public. In addition, certain federal programs require state employees to travel for monitoring, inspection and compliance requirements. The inability to travel hinders their job performance and may put millions of federal funds in jeopardy. It is not always possible to serve a population of 1.3 million citizens from Concord or fully staff every state office, requiring staff to travel to other locations as the need and customer service requires.

We respectfully request that the Committee on Legislative Administration find House Bill 1675 Inexpedient to Legislate, and stand ready to assist the Committee if additional information is requested.

Respectfully submitted,

Lorraine S. Merrill

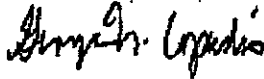
Lorraine Stuart Merrill, Commissioner
Department of Agriculture, Market & Foods

Thomas S. Burack

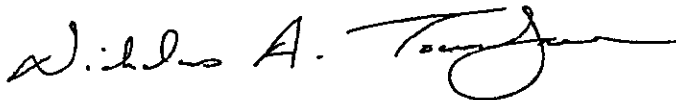
Thomas S. Burack, Commissioner
Department of Environmental Services



Roger A. Sevigny, Commissioner
Insurance Department



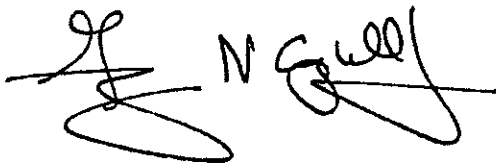
George N. Copadis, Commissioner
Department of Labor



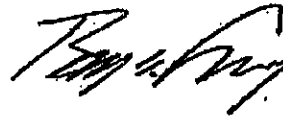
Nicholas A. Toumpas, Commissioner
Department of Health & Human Services



Tara G. Reardon, Commissioner
Department of Employment Security



George Campbell, Commissioner
Department of Transportation



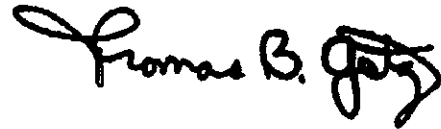
Barry E. Conway, Commandant
New Hampshire Veterans Home



Michael A. Delaney, Attorney General
Department of Justice



Van McLeod, Commissioner
Department of Cultural Resources



Thomas Getz, Chairman
Public Utilities Commission

Rep. Wm O'Brien
H.B. 1675

TITLE I

THE STATE AND ITS GOVERNMENT

CHAPTER 14

LEGISLATIVE OFFICERS AND PROCEEDINGS

Compensation, Etc.

Section 14:15-a

14:15-a Travel Allowance for Members. – A member of the general court shall be allowed mileage by choosing the method in either paragraph I or II prior to the first mileage reimbursement payment in the term:

I. (a) In the computation of mileage under the provisions of this paragraph, the word "day" shall be deemed to be a calendar day; and, whenever a legislative session shall be continued beyond 12 o'clock midnight, the members present shall be entitled to additional mileage for another day's attendance; provided, however, that any member of the general court absent for any cause from such attendance shall not be allowed mileage for the day the member is so absent.

(b) A member of the general court shall be allowed mileage for the round trip to and from the member's home to the state house in Concord for each day of attendance at the following rates:

- (1) For the first 45 miles, \$.38 per mile; and
- (2) For all miles in excess of 45 miles, \$.19 per mile.

II. A member of the general court shall be allowed compensation for actual travel expenses of the round trip to and from the member's home to the state house in Concord. Mileage shall be paid at the maximum rate established in the United States Internal Revenue Code and Regulations for the number of miles traveled.

Source. 1909, 160:1. PL 4:16. 1935, 136:1. RL 9:15. 1943, 14:1. 1949, 117:1. 1951, 251:3. RSA 14:15. 1955, 228:1. 1957, 272:1. 1961, 203:1. 1963, 284:1. 1965, 337:1. 1975, 438:1. 1979, 294:1; 434:109. 1983, 38:1, eff. Jan. 5, 1983. 1997, 110:1, eff. Aug. 8, 1997.



HOUSE COMMITTEE RESEARCH OFFICE

**New Hampshire House of Representatives
4th Floor, Legislative Office Building
Concord, NH 03301
Tel: (603) 271-3600
Fax: (603) 271-6689**

*Pam Smarling, Committee Researcher
(603) 271-3387; Pam.Smarling@leg.state.nh.us*

To: Rep. Lucy Weber, Chairman, House Legislative Administration Committee

From: Pam Smarling, Committee Researcher
House Committee Research

A handwritten signature in black ink, appearing to be "P. Smarling".

Date: January 11, 2010

RE: Current Status of Reimbursement for State Employee Travel Expenses

HB 1675, relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

You asked:

What is the current policy in effect relative to reimbursement for state employee travel expenses?

Currently, state employees are reimbursed for in-state travel when driving their own vehicles in the course of their duties. There has been a freeze on payment for out-of-state travel using appropriations from the General Fund since February, 2008. This freeze does not affect travel that is reimbursed using federal funds.

History

In February, 2008, Governor Lynch signed Executive Order 2008-1 which included a provision to freeze reimbursement for out-of-state travel expenses appropriated from the General Fund until June 30, 2009 or until terminated earlier. Under the Executive Order, any department could request an individual exception to this freeze in writing to the Governor. The order further required any exceptions that are granted to be transmitted to the Fiscal Committee.

Under HB 2 (Chapter 144:215, Laws of 2009), the freeze in Executive Order 2008-1 was extended until June 30, 2011, unless earlier terminated by order of the governor.

Provision in HB 1675

Section 3 of HB 1675, as introduced, would impose a moratorium on all travel expenses incurred by state employees until July 1, 2012, making no distinction between in-state and out-of-state travel, or General Fund or federal fund expenditures.

Section on Legislative Mileage Repealed Under HB 1675

Reimbursement for Travel while on Legislative Business

14-A:3 Travel and Expenses When on Legislative Business. --

I. A member of the general court shall be entitled to a mileage allowance at the rates specified by RSA 14:15-a for miles actually traveled while on legislative business. Except as otherwise specifically provided only travel paid out of legislative travel funds shall be considered legislative travel. The presiding officer of the house of representatives or senate, or his respective designee, shall determine what constitutes travel on legislative business for the members of his respective house.

II. In addition to legislative mileage, the president of the senate or the speaker of the house may authorize payment of expenses incident to travel by a member of his respective house on official legislative business, provided that no additional expenses shall be paid for such business at Concord on a day when the general court meets.

III. Any member of the general court who travels on official state business which is not legislative business as determined by the president of the senate or the speaker of the house shall be reimbursed for his actual travel by the appropriate state agency at the same rate provided for state employees. Except as otherwise specifically provided, no mileage paid out of executive agency funds shall be considered legislative business.

IV. The provisions of this section shall not apply to members of the general court traveling on official business pursuant to a specific statute which provides for legislative mileage. In such cases, the members shall receive legislative mileage at the rate provided for in RSA 14:15-a, notwithstanding that the mileage is paid out of executive agency funds.

Legislative Mileage Provision Not Repealed Under HB 1675:

14:15-a Travel Allowance for Members. -- A member of the general court shall be allowed mileage by choosing the method in either paragraph I or II prior to the first mileage reimbursement payment in the term:

I. (a) In the computation of mileage under the provisions of this paragraph, the word "day" shall be deemed to be a calendar day; and, whenever a legislative session shall be continued beyond 12 o'clock midnight, the members present shall be entitled to additional mileage for another day's attendance; provided, however, that any member of the general

court absent for any cause from such attendance shall not be allowed mileage for the day the member is so absent.

(b) A member of the general court shall be allowed mileage for the round trip to and from the member's home to the state house in Concord for each day of attendance at the following rates:

(1) For the first 45 miles, \$.38 per mile; and

(2) For all miles in excess of 45 miles, \$.19 per mile.

II. A member of the general court shall be allowed compensation for actual travel expenses of the round trip to and from the member's home to the state house in Concord. Mileage shall be paid at the maximum rate established in the United States Internal Revenue Code and Regulations for the number of miles traveled.

If I can provide further information on this, please let me know.

Voting Sheets

HOUSE COMMITTEE ON LEGISLATIVE ADMINISTRATION

EXECUTIVE SESSION on HB 1675-FN

BILL TITLE: relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

DATE: 1-26-10

LOB ROOM: 104

Amendments:

Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Komi

Seconded by Rep. Shurtleff

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Dianne E. Schuett, Clerk

HOUSE COMMITTEE ON LEGISLATIVE ADMINISTRATION

EXECUTIVE SESSION on HB 1675-FN

BILL TITLE: relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.

DATE: 1-26-10

LOB ROOM: 104

Amendments:

Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. *Komi*

Seconded by Rep. *Shuttleff*

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.) *Seraudace / Hunt*

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Dianne E. Schuett, Clerk

LEGISLATIVE ADMINISTRATION

Bill #: HB 1675-FN Title: to eliminate payment of certain travel expenses for members and state employee travel.
 PH Date: 1/26/2010 Exec Session Date: 1/26/10

Motion: ITL Amendment #: _____

MEMBER	YEAS	NAYS
Weber, Lucy M, Chairman	16	
McMahon, Patricia M, V Chairman <i>absent</i>		
Lerandean, Alfred C	1	
Shurtleff, Stephen J	2	
Gottling, Suzanne H	3	
Nord, Susi	4	
Pierce, David M	5	
Wheeler, Deborah	6	
Komi, Richard N	7	
Schuett, Dianne E, Clerk	8	
Hunt, John B	9	
Flanders, John W	10	
Dowling, Patricia A	11	
Patten, Betsey L	12	
Millham, Alida I	13	
Kidder, David H <i>absent</i>		
Baldasaro, Alfred P	14	
Haefner, Robert H	15	
TOTAL VOTE:	16	0

Committee Report

CONSENT CALENDAR

February 3, 2010

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on LEGISLATIVE ADMINISTRATION

to which was referred HB1675-FN,

**AN ACT relative to eliminating payment of certain
travel expenses for members of the general court, and**

**imposing a 2-year moratorium on reimbursement of
executive branch state employee travel. Having**

considered the same, report the same with the following

**Resolution: RESOLVED, That it is INEXPEDIENT TO
LEGISLATE.**

Rep. Richard N Komi

FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

COMMITTEE REPORT

Committee:	LEGISLATIVE ADMINISTRATION
Bill Number:	HB1675-FN
Title:	relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel.
Date:	January 28, 2010
Consent Calendar:	YES
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

After careful study, the committee feels that while this bill is well intentioned, passage of this bill will create enormous problems for many state agencies. For example, law enforcement officers must travel out of state to conduct investigations and transport prisoners. Auditors of the Department of Revenue Administration travel in state and out of state. Their audits produce millions of dollars in state revenue which would be lost if the bill passes. Besides creating an executive crisis, it would be a violation of a collective bargaining agreement and an unfair labor practice if staff are not reimbursed for their job related travel expenses. The committee therefore voted Inexpedient to Legislate.

Vote 16-0.

Rep. Richard N Komi
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

LEGISLATIVE ADMINISTRATION

HB1675-FN, relative to eliminating payment of certain travel expenses for members of the general court, and imposing a 2-year moratorium on reimbursement of executive branch state employee travel. **INEXPEDIENT TO LEGISLATE.**

Rep. Richard N Komi for LEGISLATIVE ADMINISTRATION. After careful study, the committee feels that while this bill is well intentioned, passage of this bill will create enormous problems for many state agencies. For example, law enforcement officers must travel out of state to conduct investigations and transport prisoners. Auditors of the Department of Revenue Administration travel in state and out of state. Their audits produce millions of dollars in state revenue which would be lost if the bill passes. Besides creating an executive crisis, it would be a violation of a collective bargaining agreement and an unfair labor practice if staff are not reimbursed for their job related travel expenses. The committee therefore voted Inexpedient to Legislate. **Vote 16-0.**

Original: House Clerk
Cc: Committee Bill File

Stapler, Carol

From: Lucy McVitty Weber [lwmcv@comcast.net]
Sent: Tuesday, January 26, 2010 9:09 PM
To: Stapler, Carol
Subject: Blurb for HB 1675-FN

HB 1675-FN

After careful study, the committee feels that while this bill is well intentioned, passage of this bill will create enormous problems for many state agencies. For example, law enforcement officers must travel out of state to conduct investigations and transport prisoners. Auditors of the Department of Revenue Administration travel in state and out of state. Their audits produce millions of dollars in state revenue which would be lost if the bill passes. Besides creating an executive crisis, it would be a violation of a collective bargaining agreement and an unfair labor practice if staff are not reimbursed for their job related travel expenses. The committee therefore voted Inexpedient to Legislate.

Vote 16-0, Consent Calendar.

Richard Komi

Carol, this is my edit of Rep. Komi's blurb. I would like to check it over with him tomorrow to be sure he is comfortable with the changes before I sign off.

Thank you,
Lucy

Rep. Lucy McVitty Weber
217 Old Keene Road
Walpole NH 03608
603-756-4338
lwmcv@comcast.net