

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE

February 11, 2010
9:00 a.m.

MEMBERS PRESENT

Senator Linda Menard, Chair
Senator Kevin Meyer, Vice Chair
Senator Hollis French
Senator Joe Paskvan

MEMBERS ABSENT

Senator Albert Kookesh

OTHER LEGISLATORS PRESENT

Senator Egan

COMMITTEE CALENDAR

SENATE BILL NO. 244

"An Act providing that, during the governor's term of office, the duty station of the governor is Juneau, and prohibiting payment of certain travel allowances for use of the governor's personal residence."

MOVED SB 244 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 244

SHORT TITLE: GOVERNOR'S DUTY STATION/TRAVEL ALLOWANCES

SPONSOR(S): SENATOR(S) STEDMAN

01/29/10	(S)	READ THE FIRST TIME - REFERRALS
01/29/10	(S)	STA, JUD
02/11/10	(S)	STA AT 9:00 AM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR STEDMAN
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Co-sponsor of SB 244.

DARWIN PETERSON

Aide to Senator Stedman
Alaska State Legislature
Juneau, AK

POSITION STATEMENT: Provided information on SB 244.

KEVIN BROOKS, Deputy Commissioner
Department of Administration
Juneau, AK

POSITION STATEMENT: Provided information for SB 244.

ACTION NARRATIVE

[9:00:48 AM](#)

CHAIR LINDA MENARD called the Senate State Affairs Standing Committee meeting to order at 9:00 a.m. Present at the call to order were Senators Paskvan, Meyer, French and Menard.

SB 244-GOVERNOR'S DUTY STATION/TRAVEL ALLOWANCES

[9:01:49 AM](#)

CHAIR MENARD announced SB 244 to be up for consideration.

SENATOR STEDMAN, co-sponsor of SB 244, said SB 244 codifies in statute that Juneau is officially considered the governor's duty station. Currently, no provisions in statute require the governor to reside in the capitol city or occupy the governor's mansion. SB 244 does not try to restrict the selection of a governor from Juneau, nor does SB 244 change the governor's ability to maintain a legal residence of his or her choosing elsewhere in the state. SB 244 would subject the governor to state personnel laws related to the calculation of the payment of travel allowance. SB 244 will not change the existing policies of the current governor but will set the policy for future governors to make Juneau their duty station. He pointed out that the current policy of the current governor is exactly what SB 244 is trying to put in statute.

[9:04:18 AM](#)

SENATOR MEYER said SB 244 makes sense and asked if it pertains to the lieutenant governor.

SENATOR STEDMAN replied that SB 244 targets the governor.

[9:05:25 AM](#)

CHAIR MENARD opened public testimony.

SENATOR FRENCH asked if the phrase "duty station" is defined in state law.

DARWIN PETERSON, staff to Senator Stedman, replied that "duty station" is defined in the administrative manual dealing with travel. He read the definition:

The duty station of the traveler includes the city, town or village within 50 miles of where the traveler spends the major portion of their working time, or the place to which the traveler returns to duty on completion of special assignments. On a case by case basis, commissioners may identify a radius or commuting area that is broader than 50 miles within which per diem will not be allowed for travel within one calendar day.

SENATOR FRENCH asked if the Legislature has a duty station.

MR. PETERSON replied no and said there is not a statutory requirement that legislators be in Juneau during the session. However, he explained that if there was a call on the house law enforcement would be sent to find the legislator and bring him or her in.

[9:07:27 AM](#)

CHAIR MENARD asked if any pushback has come from the Administration.

MR. PETERSON replied no and that Kevin Brooks was present to represent the Administration.

KEVIN BROOKS, Deputy Commissioner, Department of Administration, said he had not heard any feedback one way or another. He said he and Kim Garner, Director of Finance for the Department of Administration, are the authors of the Administration manual. They do quarterly updates interacting with other state agencies about how the state government is going to operate.

SENATOR FRENCH said the idea of SB 244 clearly seems to be to prevent the governor from collecting per diem while away from the mansion and living in a personal home. He asked if expenses would be paid for travel from where the governor lived and where the mansion is located.

[9:09:44 AM](#)

MR. BROOKS responded that SB 244 reads "the governor is not entitled to, and may not claim as a travel allowance, a lodging allowance..." He said the state has never paid a lodging allowance and only would do so upon presentation of an invoice. He explained this is the same for any state employee who travels - upon return, invoices for lodging are reimbursed. He said SB 244 gets at meals and incidentals and points out the distinction between 'per diem' and 'meals and incidentals.' He said that the governors' business travel is reimbursed with state funds.

SENATOR FRENCH said Section 2 (b) (2) of SB 244 gives direction to whoever makes out the governor's paycheck.

MR. BROOKS agreed.

SENATOR FRENCH asked the difference between a travel allowance and a per diem allowance and when each is allowed or not allowed.

MR. BROOKS said the state used to pay a per diem to cover costs. Over the last decade or so, the state has gone toward a "reimbursement of expenditure" approach to travel. For example, a state worker is reimbursed for a car, a hotel, air fare or conference fees. Similar to the federal government and other states, the state of Alaska currently pays \$60 per day for meals and incidentals which is meant to cover three meals, tips, dry cleaning, etc. Meals and incidentals are based on the days the state employee is in travel status and receipts do not need to be submitted.

[9:12:58 AM](#)

SENATOR FRENCH said the statute in [SB 244] does not seem to change the Department of Administration's practice.

MR. BROOKS said that is correct.

CHAIR MENARD asked when mileage is paid.

MR. BROOKS said a mileage reimbursement claim can be submitted. He did not know the amount but said it is tied to what the federal government reimburses and is adjusted annually.

SENATOR PASKVAN asked if a per diem is paid if a governor is away from Juneau, as a duty station.

MR. BROOKS replied that \$60 per day would be paid if the governor were away from the residence in Juneau.

SENATOR PASKVAN clarified that would include the governor living in his or her personal residence.

MR. BROOKS replied that has been the practice and was the subject of some controversy over the past couple of years. He explained that the concept behind that policy is that if a person is traveling away from his or her duty station to another place, and has a residence available, "you still have to eat." He said the cupboards and refrigerator may not be stocked. He explained that when a person is in travel status lodging and the costs for the day's food are differentiated.

[9:15:38 AM](#)

CHAIR MENARD asked if Mr. Brooks understood that SB 244 has been brought forward to change the following example: a governor lives in Juneau as a duty station but lives in a personal home in Anchorage during the interim and charges per diem back to the state.

MR. BROOKS said SB 244 does not change that practice. He said in the example Chair Menard just described, the state would still pay \$60 per day to someone in travel status away from the governor's mansion in Juneau.

SENATOR FRENCH asked if the payment was automatic or if the governor must submit something for reimbursement.

MR. BROOKS clarified that everything is subject to a claim for reimbursement by the individual.

SENATOR FRENCH said "there is a little bit of let your conscience be your guide." He said he is not sure a state employee should be paid \$60 per day while he or she is home in their own kitchen cooking dinner. He said if one is stationed in Juneau but is in his home in Anchorage for a week on business, his salary should cover normal expenses. He felt that person elected to have two homes. He suggested this topic may be something to "kick around for a day or two" to see if a different approach would be appropriate.

SENATOR MEYER said he does not disagree with Senator French but pointed out that if that state employee was going to Anchorage to do state business and stayed in a hotel, the state would pay for the hotel.

MR. BROOK said the person could stay at a hotel, paid for by the state, plus a meal allowance. He said this policy recognizes the employee might have some incremental costs and will receive \$60 a day, but the hotel cost is avoided.

[9:18:12 AM](#)

SENATOR MEYER said in some ways the current practice saves the state money. If that person stays in his or her personal residence the cost of the hotel is saved.

MR. BROOKS agreed that Senator Meyer's statement was accurate and was considered when the rule was established.

SENATOR PASKVAN said SB 244 applies to one executive office and felt it to be understood that the governor has a residence in Juneau, provided by the citizens, and a residence somewhere else in the state. He asked why the governor would stay in a hotel in Anchorage, if he or she is a resident of Anchorage, just to run up the bill.

MR. BROOKS said that is the other side of the discussion and he has not seen anyone trying to run up the bill. He said the rules work well 99.9 percent of the time. He said the Department of Administration administers travel regulations for 15 state departments, including the governor's office. He pointed out that the governor's administrative staff arranges all travel for the governor. He said the rules are meant to minimize cost and encourage responsible travel by all state employees.

[9:21:08 AM](#)

SENATOR PASKVAN said the \$60 per day for meals and incidentals is the issue. He said the question is should the governor be allowed to charge the state \$60 a day when sleeping in their personal home, away from the duty station of the office they volunteered to run for.

MR. BROOKS said he thought that was an accurate description.

SENATOR MEYER said the governor lives in Juneau for four years. If the governor flies back to a personal residence, he or she might not have any food in the house and will need to buy groceries or go to a restaurant. He thought the \$60 was legitimate. He also thought the assumption should not be made that a governor's house would be available; for example, it could be rented.

MR. BROOKS said a distinction is made between a person having a private residence and it being available to him or her. He pointed out that the cost of the food per day is still the issue. He said part of living in the governor's mansion in Juneau is that food is shopped for and prepared. None of that is provided during travel, so the question is what is fair.

9:24:15 AM

CHAIR MENARD pointed out that the governor has an office in the Atwood Building in Anchorage where, as the largest city, a lot goes on. The governor can't constantly be in Juneau. She said the struggle is coming up with a fair and reasonable approach and deciding if SB 244 is a fair and reasonable bill.

SENATOR PASKVAN asked if establishing a duty station [for the governor] is of any benefit to the state.

MR. BROOKS replied that every state position has a Position Control Number (PCN). Retirement and Benefits (RNB) has a process to change a duty station for a position. SB 244 does not conflict with the system of every position having an assigned duty station.

CHAIR MENARD asked if Mr. Brooks was saying that the governor does not have a duty station.

MR. BROOKS answered that the governor's duty station is not as "spelled out."

SENATOR PASKVAN asked if the governor is allowed to elect his or her duty station or is it assigned. Could a governor elect to live in Barrow, for instance, or anywhere in Alaska other than Juneau.

MR. BROOKS replied that the capitol is Juneau and the residence is in Juneau. He said nothing is written that states that the governor's duty station is in Juneau. SB 244 spells that out.

SENATOR MEYER said he that SB 244 clearly sets the governor's duty station as Juneau but does not affect anything else. He felt it was good to have that flexibility in place.

SENATOR FRENCH said SB 244 goes to Judiciary next so he can mull it over.

SENATOR MEYER moved to report SB 244 from committee with individual recommendations and attached fiscal note(s). There being no objection, the motion carried.

9:29:18 AM

Seeing no further business before the committee, Chair Menard adjourned the meeting at 9:29 a.m.