

# HOUSE BILL REPORT

## SHB 1525

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*As Amended by the Senate*

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

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

**Sponsor(s):** By House Committee on Education (originally sponsored by Representatives Schmidt, Peery, Wood, Brumsickle, Zellinsky, Wilson, Anderson and Neher).

**Brief History:**

Reported by House Committee on:  
Education, February 25, 1991, DPS;  
Passed House, March 12, 1991, 98-0;  
Amended by Senate.

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**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 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.

**EFFECT OF SENATE AMENDMENT(S):** The provisions allowing educational service districts and school districts to charge travel expenses to SPI in order to obtain the benefit of the state preferred rates for travel expenses expire December 31, 1991. Savings language is added which provides that the intent of the act is not to impair any contractual rights in effect as of the effective date of the act.

**Fiscal Note:** Requested February 6, 1991.

**Effective Date:** 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).

***VOTE ON FINAL PASSAGE:***

Yeas 98