

STORAGE NAME: h1825.frc.doc
DATE: March 20, 2001

HOUSE OF REPRESENTATIVES
FISCAL RESPONSIBILITY COUNCIL
ANALYSIS

BILL #: HB 1825
RELATING TO: Class C Travel
SPONSOR(S): Fiscal Responsibility Council and Representative Dockery

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) FISCAL RESPONSIBILITY COUNCIL YEAS 21 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

This legislation eliminates the meal allowance for Class C travel (day trips) for public employees.

This legislation is estimated to save state agencies \$1.8 million annually (½ General Revenue and ½ trust funds). The impact on other public employers is unknown.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

"Class A travel" is defined as continuous travel of at least 24 hours away from the employee's official headquarters. "Class B travel" is defined as continuous travel of less than 24 hours which involves an overnight absence from the employee's official headquarters. "Class C travel" is defined to be "travel for short or day trips where the traveler is not away from his or her official headquarters overnight." Section 112.061(2).

While on Class A or B travel, employees are entitled to either \$50 per diem or, if actual expenses exceed \$50, meal allowances plus actual expenses for lodging. The allowances for meals are \$3 for breakfast, \$6 for lunch, and \$12 for dinner. While on Class C travel employees are permitted to receive the appropriate meal allowance. Section 112.061(6).

The meal allowances paid to employees for Class C travel are subject to federal income taxes. The meal allowances paid to employees for Class A and B travel are not subject to federal income taxes.

C. EFFECT OF PROPOSED CHANGES:

This legislation eliminates the meal allowances for Class C travel for public employees.

D. SECTION-BY-SECTION ANALYSIS:

See B and C above.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The elimination of meal allowances for Class C travel is estimated to save state agencies \$1.8 million annually ($\frac{1}{2}$ General Revenue and $\frac{1}{2}$ trust funds).

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

Local governments will experience cost savings.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of municipalities and counties to raise revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

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None.

VII. SIGNATURES:

FISCAL RESPONSIBILITY COUNCIL:

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