

## HOUSE BILL NO. 341

INTRODUCED BY M. DUNWELL

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE REIMBURSEMENT RATE FOR MEALS FOR  
5 PUBLIC EMPLOYEES TO THE STANDARD FEDERAL RATE; CLARIFYING TO WHOM THE RATES APPLY;  
6 CLARIFYING LODGING AND FOREIGN TRAVEL RATES TO MATCH CURRENT POLICY; ~~INCREASING THE~~  
7 ~~ACCOMMODATIONS AND CAMPGROUNDS SALES AND USE TAXES TO OFFSET THE COST; PROVIDING~~  
8 AN APPROPRIATION; AMENDING SECTIONS SECTION 2-18-501 AND 15-68-102, MCA; AND PROVIDING  
9 AN APPLICABILITY A DELAYED EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 **Section 1.** Section 2-18-501, MCA, is amended to read:

14 **"2-18-501. Meals, lodging, and transportation of persons in state public service.** All elected state  
15 public officials, appointed members of boards, commissions, or councils, department directors, and all other state  
16 public employees must be reimbursed for meals and lodging while away from the person's designated  
17 headquarters and engaged in official state public business in accordance with the following provisions:

18 (1) Except as provided ~~under~~ in 7-5-2142 through 7-5-2145, 7-5-4141, 7-5-4142, and subsection (3) of  
19 this section, for travel within the state of Montana;

20 (a) lodging must be authorized at the actual cost of lodging, not exceeding \$35 per day, the prescribed  
21 standard federal rate per day and taxes on the allowable cost of lodging, except as provided in subsection (3),  
22 plus \$5 for the morning meal, \$6 for the midday meal, and \$12 for the evening meal. All claims for lodging  
23 expense reimbursement allowed under this section must be documented by an appropriate receipt.

24 (b) except as provided in subsection (10), meal reimbursement may not exceed the prescribed standard  
25 federal rate for the state per meal. All claims for lodging expense reimbursement allowed under this section must  
26 be documented by an appropriate receipt.

27 (2) Except as provided in subsection (3), for travel outside the state of Montana and within the United  
28 States, the following provisions apply:

29 (a) Lodging must be reimbursed at actual cost, not to exceed the prescribed ~~maximum~~ standard federal  
30 rate per day for the location involved plus taxes on the allowable cost.

1 (b) Meal reimbursement may not exceed the prescribed ~~maximum~~ standard federal rate per meal for the  
2 location involved.

3 (3) Except as provided in subsection (10), the department of administration shall designate the locations  
4 and circumstances under which the governor, other elected state officials, appointed members of boards,  
5 commissions, or councils, department directors, and all other state employees may be authorized the actual cost  
6 of the following:

7 (a) meals, not including alcoholic beverages, when the actual cost exceeds the maximum established  
8 in subsection (4)~~(a)~~; and

9 (b) lodging when the actual cost exceeds the maximum established in subsection (1)~~(a)~~, (2)(a), or (4)~~(a)~~.

10 (4) Except as provided in subsection (3), for travel to a foreign country, ~~the following provisions apply:~~

11 ~~—— (a) All all elected state public officials, all appointed members of boards, commissions, and councils, all~~  
12 ~~department directors, and all other state employees must be reimbursed as follows:~~

13 ~~—— (i) \$7 for the morning meal, \$11 for the midday meal, and \$18 for the evening meal; and~~

14 ~~—— (ii) \$155 per night for lodging.~~

15 ~~—— (b) for meals and lodging at the applicable meal or lodging rate for the foreign country and location~~  
16 ~~involved as published by the United States department of state. All claims for meal and lodging reimbursement~~  
17 ~~allowed under this subsection (4) must be documented by an appropriate receipt.~~

18 (5) When other than commercial, nonreceiptable lodging facilities are used by a state public official or  
19 employee while conducting official state public business in a travel status, the amount of \$12 is authorized for  
20 lodging expenses for each day in which travel involves an overnight stay in lieu of the amount authorized in  
21 subsection (1)~~(a)~~ or (2)(a). However, when overnight accommodations are provided at the expense of a  
22 government entity, reimbursement may not be claimed for lodging.

23 (6) The actual cost of reasonable transportation expenses and other necessary business expenses  
24 incurred by a state public official or employee while in an official travel status is subject to reimbursement.

25 (7) The provisions of this section may not be construed as affecting the validity of 5-2-301.

26 (8) The department of administration shall establish policies necessary to effectively administer this  
27 section for state government.

28 (9) All commercial air travel must be by the least expensive class service available.

29 (10) When the actual cost of meals exceeds the maximum standard allowed pursuant to subsection (1),  
30 the department of administration may authorize the actual cost of meals for firefighters.

1 (11) For the purposes of implementing subsection (10), the following definitions apply:

2 (a) "Firefighter" means a firefighter who is employed by the department of natural resources and  
3 conservation and who is directly involved in the suppression of a wildfire in Montana.

4 (b) "Wildfire" means an unplanned, unwanted fire burning uncontrolled and consuming vegetative fuels."  
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6 ~~Section 2. Section 15-68-102, MCA, is amended to read:~~

7 ~~"15-68-102. Imposition and rate of sales tax and use tax -- exceptions. (1) A sales tax of the~~  
8 ~~following percentages is imposed on sales of the following property or services:~~

9 ~~(a) 3% 4% on accommodations and campgrounds;~~

10 ~~(b) 4% on the base rental charge for rental vehicles.~~

11 ~~(2) The sales tax is imposed on the purchaser and must be collected by the seller and paid to the~~  
12 ~~department by the seller. The seller holds all sales taxes collected in trust for the state. The sales tax must be~~  
13 ~~applied to the sales price.~~

14 ~~(3) (a) For the privilege of using property or services within this state, there is imposed on the person~~  
15 ~~using the following property or services a use tax equal to the following percentages of the value of the property~~  
16 ~~or services:~~

17 ~~(i) 3% 4% on accommodations and campgrounds;~~

18 ~~(ii) 4% on the base rental charge for rental vehicles.~~

19 ~~(b) The use tax is imposed on property or services that were:~~

20 ~~(i) acquired outside this state as the result of a transaction that would have been subject to the sales tax~~  
21 ~~had it occurred within this state;~~

22 ~~(ii) acquired within the exterior boundaries of an Indian reservation within this state as a result of a~~  
23 ~~transaction that would have been subject to the sales tax had it occurred outside the exterior boundaries of an~~  
24 ~~Indian reservation within this state;~~

25 ~~(iii) acquired as the result of a transaction that was not initially subject to the sales tax imposed by~~  
26 ~~subsection (1) or the use tax imposed by subsection (3)(a) but which transaction, because of the buyer's~~  
27 ~~subsequent use of the property, is subject to the sales tax or use tax; or~~

28 ~~(iv) rendered as the result of a transaction that was not initially subject to the sales tax or use tax but that~~  
29 ~~because of the buyer's subsequent use of the services is subject to the sales tax or use tax.~~

30 ~~(4) For purposes of this section, the value of property must be determined as of the time of acquisition,~~

1 introduction into this state, or conversion to use, whichever is latest.

2 ~~—— (5) The sale of property or services exempt or nontaxable under this chapter is exempt from the tax~~  
3 ~~imposed in subsections (1) and (3).~~

4 ~~—— (6) Lodging facilities and campgrounds are exempt from the tax imposed in subsections (1)(a) and~~  
5 ~~(3)(a)(i) until October 1, 2003, for contracts entered into prior to April 30, 2003, that provide for a guaranteed~~  
6 ~~charge for accommodations or campgrounds."~~

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8 ~~—— NEW SECTION. Section 3. Applicability. [This act] applies to sales or use of property or services~~  
9 ~~covered under 15-68-102 on or after October 1, 2017.~~

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11 NEW SECTION. SECTION 2. APPROPRIATION. THERE IS APPROPRIATED TO THE DEPARTMENT OF  
12 ADMINISTRATION \$1 FROM THE GENERAL FUND FOR THE FISCAL YEAR BEGINNING JULY 1, 2019, FOR ADMINISTERING THE  
13 PROVISIONS OF 2-18-501.

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15 NEW SECTION. SECTION 3. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE JULY 1, 2019.

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