

State of Alaska

Legislative Affairs Agency

Administrative Services

Terry Miller Legislative Office Building

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DRAFT DRAFT DRAFT

November ##, 2008

Representative-elect xxxxxxxxx
xxxxxxxxxxxxx
xxxx, Alaska #####

Subj: Legislative Relocation
Legislative Allowance Account
Legislative Travel and Per Diems

Dear Representative-elect xxxxxxx:

Congratulations on your election to the Alaska Legislature. I look forward to meeting you upon your arrival in Juneau. I am taking this opportunity to briefly explain Legislative relocation, allowance accounts, travel and per diem expenses. More information about relocation and allowance expenses is presented in the convening information packet, which is included in this package.

Relocation Travel Expenses

Legislators and their families are entitled to reimbursement for relocating to and from Juneau for the legislative session. Policies relating to relocation are included in the Accounting Guide attached to this letter. Travel is by airplane, car, and the Alaska Marine Highway System. We reimburse or pay vendors directly for tickets and for bills from moving companies. Legislators are entitled to per diem (currently \$165/day) for up to five days while in route and for up to ten days pre session once they arrive in Juneau for the first session of a Legislature. Spouses are entitled to half of the federal per diem rate, and dependents receive \$18 per day. If you would like additional information or would like to discuss this further, please contact me at the above address, 465-6626 or Karla_Schofield@legis.state.ak.us, and I would be happy to talk with you.

Legislative Allowance Accounts

One of the benefits you receive as an Alaska Legislator is a Legislative Allowance account for postage, stationery, stenographic services and other expenses. These accounts are administered on an annual basis. Senators receive \$10,000 per year and Representatives receive \$8,000 per year.

Allowance accounts are administered as accountable or non accountable or a combination of both. A **non accountable account** means the allowance is issued in a lump sum from which taxes, Supplemental Benefits System, and Medicare deductions are withheld. These amounts are reported on the W-2. An **accountable allowance account** means an allowance account is set up in the Legislative Affairs Agency from which business expenses are paid. Business expenses are the normal and current costs of carrying on a trade, business, or profession. Accountable plan expenses must have a business connection and are substantiated by receipts. Deductions by the federal and state governments are not required and these amounts are not reported on the W-2. A **combination plan**, is a plan where a

portion of the account is issued as a non accountable plan and a portion is issued as an accountable plan.

I have attached a booklet explaining the types of expenditures that may be submitted to the Accounting Office for payment under an accountable allowance plan for your information. If you would like additional information or would like to discuss this further, please contact me at the above address, 465-6626 or Karla_Schofield@legis.state.ak.us, and I would be happy to talk with you.

An allowance option form will be included in your convening information packet. You will be asked to elect your option by completing the form and submitting it to the Accounting Office as soon as possible prior to the Legislative session.

Session Per Diem

Session per diem is paid at the federal per diem rate set by the Department of Defense for Alaska. It is currently \$165 per day in Juneau and is paid in advance, every two weeks, beginning the first day of session. Juneau Legislators receive 75% of this rate. The federal per diem rate fluctuates and may change during the year, based on Department of Defense criteria for travel costs in a particular location. Last year, each non Juneau Legislator received \$14,670, and each Juneau Legislator received \$11,002.50 in session per diem for the 90 day session.

Legislative Travel

The Legislative Council and the presiding officers set almost all legislative travel policies pertaining to Legislators and Legislative staff. Travel will only be reimbursed if it serves a legislative and public purpose and has been approved by the appropriate office. In most cases this is the presiding officer's office. Approval forms and travel reimbursement claim forms are included in the attached Accounting Guide. The presiding officer travel guidelines included in this attachment will be replaced in January with the guidelines of the new presiding officers.

Reimbursement for travel expenses is at the federal per diem rate. If the federal per diem rate is not adequate to cover expenses, actual lodging expenses and the appropriate pro rated meal allowance will be reimbursed. It is unlikely you will be requesting travel expenses until after session convenes but if you have any questions regarding this subject, please contact me.

Legislative Long Term Per Diem

Legislators may claim long term per diem for being on legislative business for more than four hours on a particular day, or attending a meeting for a public purpose. This per diem is often referred to as interim long term per diem and is paid at the \$150 per day rate. This per diem is taxable and paid through the payroll system. Further information and forms are available in the Accounting Guide attached to this letter. You will not need to claim this per diem until next interim but if you have any questions regarding this subject, please contact me.

Once again congratulations. If there is anything we can do to assist you as you begin your official duties, please let us know.

Sincerely,

Karla Schofield
Deputy Director

Enclosures