

**BUDGET ADJUSTMENTS RESULTING FROM INCREASED MILEAGE  
REIMBURSEMENT RATE - 1995 HOUSE BILL NO. 1245****STATUTORY PROVISIONS RELATING  
TO STATE EMPLOYEE MILEAGE  
REIMBURSEMENT AND TRAVEL  
BY STATE VEHICLE**

North Dakota Century Code Section 54-06-09(1) provides that state officers and employees are allowed 25 cents per mile as reimbursement for mileage driven in the performance of an official duty.

North Dakota Century Code Section 24-02-03.3 provides that the director of the Department of Transportation shall establish a central vehicle management system to regulate the operation, maintenance, and management of all motor vehicles owned or leased by the state. This section also provides that every state agency, institution, department, board, bureau, and commission, unless exempted by the director, must use the system.

North Dakota Century Code Section 54-06-09(4) provides that a state official or employee, when required to travel by motor vehicle or truck in the performance of an official duty, shall use a

state-owned vehicle whenever possible, unless exempted because of a disability.

**1995 HOUSE BILL NO. 1245 -  
BUDGET ADJUSTMENTS**

The state mileage reimbursement rate of 25 cents per mile was last changed by the 1995 Legislative Assembly, which passed House Bill No. 1245 increasing the mileage reimbursement rate from 20 to 25 cents per mile.

State agency budgets for the 1995-97 biennium were not increased to reflect the additional costs incurred by state agencies for mileage reimbursement as a result of House Bill No. 1245. Testimony provided in support of the bill indicates that it was the intent of the Legislative Assembly that agency budgets not be adjusted to reflect the higher mileage rate and that agencies adjust travel accordingly to pay the new rate of 25 cents per mile without exceeding the amounts appropriated for travel expenses.