

1 STATE FLEET EFFICIENCY REQUIREMENTS

2 2007 GENERAL SESSION

3 STATE OF UTAH

4 Chief Sponsor: Fred R. Hunsaker

5 Senate Sponsor: Scott K. Jenkins

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7 LONG TITLE

8 General Description:

9 This bill modifies the Division of Fleet Operations and Administration of State Motor  
10 Vehicles chapter to amended provisions related to the purchase and management of  
11 state vehicles and reporting of state agency vehicle fleet efficiency.

12 Highlighted Provisions:

13 This bill:

14 ▶ requires the ~~H→ [executive director of the Department of Administrative Services]~~  
14a director of the Division of Fleet Operations ←H to  
15 make rules establishing standards and procedures for purchasing economically  
16 appropriate vehicles for the purposes and driving conditions for which they will be  
17 used, including procedures for granting exceptions ~~H→~~ by the executive director of the  
17a Department of Administrative Services ←H ;

- 18 ▶ requires the division to conduct an annual market analysis of proposed rates and
- 19 fees;
- 20 ▶ requires the division to establish a standard vehicle size and type for replacement
- 21 and fleet expansion vehicles;
- 22 ▶ requires agencies to file written requests and justifications for obtaining a
- 23 nonstandard vehicle size or type;
- 24 ▶ requires the Division of Fleet Operations to develop and coordinate the
- 25 implementation of a statewide vehicle fleet cost efficiency plan to ensure continuing
- 26 progress toward statewide overall cost reduction in government vehicle costs;
- 27 ▶ provides for the content of the cost efficiency plan;



- 28           ▶ requires state agencies to develop, implement, and submit agency vehicle fleet cost
- 29 efficiency plans to the division;
- 30           ▶ requires state agencies that own or lease vehicles to include their vehicle fleet cost
- 31 efficiency plans and standard cost measures with their annual reports submitted to
- 32 the division; and
- 33           ▶ makes technical changes.

34 **Monies Appropriated in this Bill:**

35           None

36 **Other Special Clauses:**

37           None

38 **Utah Code Sections Affected:**

39 AMENDS:

40           **63A-9-401**, as last amended by Chapter 34, Laws of Utah 2004

41           **63A-9-402**, as enacted by Chapter 334, Laws of Utah 1996

42 ENACTS:

43           **63A-9-401.5**, Utah Code Annotated 1953



45 *Be it enacted by the Legislature of the state of Utah:*

46           Section 1. Section **63A-9-401** is amended to read:

47           **63A-9-401. Division -- Duties.**

- 48           (1) The division shall:
- 49           (a) perform all administrative duties and functions related to management of state
- 50 vehicles;
- 51           (b) coordinate all purchases of state vehicles;
- 52           (c) establish one or more fleet automation and information systems for state vehicles;
- 53           (d) make rules establishing requirements for:
- 54           (i) maintenance operations for state vehicles;
- 55           (ii) use requirements for state vehicles;
- 56           (iii) fleet safety and loss prevention programs;
- 57           (iv) preventative maintenance programs;
- 58           (v) procurement of state vehicles, including:

- 59           (A) vehicle standards[;];
- 60           (B) alternative fuel vehicle requirements[;];
- 61           (C) short-term lease programs[;];
- 62           (D) equipment installation[;]; and
- 63           (E) warranty recovery programs;
- 64           (vi) fuel management programs;
- 65           (vii) cost management programs;
- 66           (viii) business and personal use practices, including commute standards;
- 67           (ix) cost recovery and billing procedures;
- 68           (x) disposal of state vehicles;
- 69           (xi) reassignment of state vehicles and reallocation of vehicles throughout the fleet;
- 70           (xii) standard use and rate structures for state vehicles; and
- 71           (xiii) insurance and risk management requirements;
- 72           (e) establish a parts inventory;
- 73           (f) create and administer a fuel dispensing services program that meets the
- 74 requirements of Subsection (2);
- 75           (g) emphasize customer service when dealing with agencies and agency employees;
- 76           (h) conduct an annual audit of all state vehicles for compliance with division
- 77 requirements;
- 78           (i) before charging a rate, fee, or other amount to an executive branch agency, or to a
- 79 subscriber of services other than an executive branch agency:
- 80           (i) submit the proposed rates, fees, and cost analysis to the Rate Committee established
- 81 in Section 63A-1-114; and
- 82           (ii) obtain the approval of the Legislature as required by Section 63-38-3.5; and
- 83           (j) conduct [a] an annual market analysis [~~by July 1, 2005, and periodically thereafter,~~]
- 84 of proposed rates and fees, which analysis shall include a comparison of the division's rates and
- 85 fees with the fees of other public or private sector providers where comparable services and
- 86 rates are reasonably available.
- 87           (2) The division shall operate a fuel dispensing services program in a manner that:
- 88           (a) reduces the risk of environmental damage and subsequent liability for leaks
- 89 involving state-owned underground storage tanks;

90 (b) eliminates fuel site duplication and reduces overall costs associated with fuel  
91 dispensing;

92 (c) provides efficient fuel management and efficient and accurate accounting of  
93 fuel-related expenses;

94 (d) where practicable, privatizes portions of the state's fuel dispensing system;

95 (e) provides central planning for fuel contingencies;

96 (f) establishes fuel dispensing sites that meet geographical distribution needs and that  
97 reflect usage patterns;

98 (g) where practicable, uses alternative sources of energy; and

99 (h) provides safe, accessible fuel supplies in an emergency.

100 (3) The division shall:

101 (a) ensure that the state and each of its agencies comply with state and federal law and  
102 state and federal rules and regulations governing underground storage tanks;

103 (b) coordinate the installation of new state-owned underground storage tanks and the  
104 upgrading or retrofitting of existing underground storage tanks; and

105 (c) ensure that counties, municipalities, school districts, and special districts  
106 subscribing to services provided by the division sign a contract that:

107 (i) establishes the duties and responsibilities of the parties;

108 (ii) establishes the cost for the services; and

109 (iii) defines the liability of the parties.

110 (4) (a) [The] In accordance with Title 63, Chapter 46a, Utah Administrative

111 Rulemaking Act, the ~~H→~~ [executive director of the Department of Administrative Services] director  
111a of the Division of Fleet Operations ←H :

112 (i) may make rules governing fuel dispensing [~~according to the procedures and~~  
113 ~~requirements of Title 63, Chapter 46a, Utah Administrative Rulemaking Act.~~]; and

114 (ii) shall make rules establishing standards and procedures for purchasing the most  
115 economically appropriate size and type of vehicle for the purposes and driving conditions for

116 which the vehicle will be used ~~H→~~ , ~~←H~~ including procedures for granting exceptions

116a ~~H→~~ to the standards ←H by the executive

117 director ~~H→~~ [or] of ←H the Department of Administrative Services.

118 (b) Rules made under Subsection (4)(a)(ii):

119 (i) shall designate a standard vehicle size and type that shall be designated as the

120 statewide standard vehicle for fleet expansion and vehicle replacement;

121 (ii) may designate different standard vehicle size and types based on defined categories  
122 of vehicle use;

123 (iii) may, when determining a standard vehicle size and type for a specific category of  
124 vehicle use, consider the following factors affecting the vehicle class:

125 (A) size requirements;

126 (B) economic savings;

127 (C) fuel efficiency;

128 (D) driving and use requirements;

129 (E) safety;

130 (F) maintenance requirements; and

131 (G) resale value; and

132 (iv) shall require agencies that request a vehicle size and type that is different from the  
133 standard vehicle size and type to:

134 (A) submit a written request for a nonstandard vehicle to the division that contains the  
135 following:

136 (I) the make and model of the vehicle requested, including acceptable alternate vehicle  
137 makes and models as applicable;

138 (II) the reasons justifying the need for a nonstandard vehicle size or type;

139 (III) the date of the request; and

140 (IV) the name and signature of the person making the request; and

141 (B) obtain the division's written approval for the nonstandard vehicle.

142 (5) (a) (i) Each state agency and each higher education institution shall subscribe to the  
143 fuel dispensing services provided by the division.

144 (ii) A state agency may not provide or subscribe to any other fuel dispensing services,  
145 systems, or products other than those provided by the division.

146 (b) Counties, municipalities, school districts, special districts, and federal agencies may  
147 subscribe to the fuel dispensing services provided by the division if:

148 (i) the county or municipal legislative body, the school district, or the special district  
149 board recommends that the county, municipality, school district, or special district subscribe to  
150 the fuel dispensing services of the division; and

151 (ii) the division approves participation in the program by that government unit.

152 (6) The director, with the approval of the executive director, may delegate functions to  
153 institutions of higher education, by contract or other means authorized by law, if:

- 154 (a) the agency or institution of higher education has requested the authority;
- 155 (b) in the judgment of the director, the state agency or institution has the necessary  
156 resources and skills to perform the delegated responsibilities; and
- 157 (c) the delegation of authority is in the best interest of the state and the function  
158 delegated is accomplished according to provisions contained in law or rule.

159 Section 2. Section **63A-9-401.5** is enacted to read:

160 **63A-9-401.5. Vehicle fleet cost efficiency plans -- Requirements -- Contents --**  
161 **Submission by agencies.**

162 (1) The division shall develop and coordinate the implementation of a statewide  
163 vehicle fleet cost efficiency plan to ensure continuing progress toward statewide overall cost  
164 reduction in government vehicle costs. The plan shall include:

- 165 (a) goals for vehicle fleet cost efficiency;
- 166 (b) a summary of agency submitted plans, statistics, and progress;
- 167 (c) standard measures of cost including:
  - 168 (i) vehicle cost per mile;
  - 169 (ii) total vehicles;
  - 170 (iii) total fuel used; and
  - 171 (iv) miles per gallon of fuel;
  - 172 (d) goals for purchasing the most economically appropriate size and type of vehicle for  
173 the purposes and driving conditions for which the vehicle will be used;
  - 174 (e) cost reduction measures which may include:
    - 175 (i) reducing vehicle engine idle time;
    - 176 (ii) driving fewer miles;
    - 177 (iii) using car pools when possible;
    - 178 (iv) avoiding rush hour traffic;
    - 179 (v) reducing aggressive driving;
    - 180 (vi) providing proper preventive maintenance including properly inflated tires; and
    - 181 (vii) purchasing from state fuel sites and using the lowest octane fuel needed for the  
182 altitude;

183 (f) reducing inventories of underutilized vehicles; and  
184 (g) education to inform drivers of their accountability on implementing cost reduction  
185 measures.

186 (2) The division shall assist agencies to develop and implement their own plans in  
187 accordance with this part.

188 (3) Each agency that owns or leases vehicles shall develop, implement, and submit to  
189 the division under Section 63A-9-402, a vehicle fleet cost efficiency plan for their agency in  
190 accordance with the provisions under Subsection (1). The plan shall include agency goals and  
191 statistics, and a report of agency progress.

192 Section 3. Section **63A-9-402** is amended to read:

193 **63A-9-402. State-owned vehicle report -- Contents.**

194 (1) On or before October 1 of each year, each agency that owns or leases vehicles shall  
195 submit a report to the division that contains at least the following information:

196 (a) a description of each vehicle owned or leased by that agency, including the license  
197 number, year, make, and model of the vehicle; [~~and~~]

198 (b) the person and administrative unit within the agency to whom each vehicle is  
199 assigned[-]; and

200 (c) a vehicle fleet cost efficiency plan in accordance with the provisions of Section  
201 63A-9-401.5.

202 (2) (a) On or before November 1 of each calendar year, the director of the division  
203 shall submit a state-owned vehicle report to the governor and to the legislative fiscal analyst.

204 (b) The report shall contain a summary of vehicles owned or leased by each state  
205 agency including:

206 (i) a description of each vehicle owned or leased by each agency; [~~and~~]

207 (ii) the person or administrative unit within the agency to whom each vehicle is  
208 assigned[-]; and

209 (iii) standard measures of cost for the previous year, for each vehicle, including:

210 (A) vehicle cost per mile;

211 (B) total vehicles;

212 (C) total fuel used; and

213 (D) miles per gallon of fuel.

214 (3) The legislative fiscal analyst shall submit the information from the state-owned  
215 vehicle report about each agency's state-owned vehicles to the legislative appropriation  
216 subcommittee that has jurisdiction over that agency.

217 (4) (a) Vehicles used in official investigative work where secrecy is essential are  
218 exempt from the requirements of this section.

219 (b) The report to the governor and legislative fiscal analyst shall include the total  
220 number of state vehicles used in official investigative work where secrecy is essential that are  
221 not otherwise accounted for in the report.

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**Legislative Review Note**  
as of **1-10-07 10:57 AM**

**Office of Legislative Research and General Counsel**



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**H.B. 110 - State Fleet Efficiency Requirements**

**Fiscal Note**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations. This bill may result in savings to the state, depending on the amount of efficiencies found.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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*1/18/2007, 11:49:37 AM, Lead Analyst: Allred, S.*

**Office of the Legislative Fiscal Analyst**