

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 director of the Division of Fleet Operations to make rules establishing  
15 standards and procedures for purchasing economically appropriate vehicles for the  
16 purposes and driving conditions for which they will be used, including procedures  
17 for granting exceptions by the executive director of the Department of  
18 Administrative Services;

19           ▶ requires the division to conduct an annual market analysis of proposed rates and  
20 fees;

21           ▶ requires the division to establish a standard vehicle size and type for replacement  
22 and fleet expansion vehicles;

23           ▶ requires agencies to file written requests and justifications for obtaining a  
24 nonstandard vehicle size or type;

25           ▶ requires the Division of Fleet Operations to develop and coordinate the  
26 implementation of a statewide vehicle fleet cost efficiency plan to ensure continuing  
27 progress toward statewide overall cost reduction in government vehicle costs;

28           ▶ provides for the content of the cost efficiency plan;

29           ▶ requires state agencies to develop, implement, and submit agency vehicle fleet cost

30 efficiency plans to the division;

31       ▶ requires state agencies that own or lease vehicles to include their vehicle fleet cost

32 efficiency plans and standard cost measures with their annual reports submitted to

33 the division; and

34       ▶ makes technical changes.

35 **Monies Appropriated in this Bill:**

36       None

37 **Other Special Clauses:**

38       None

39 **Utah Code Sections Affected:**

40 AMENDS:

41       **63A-9-401**, as last amended by Chapter 34, Laws of Utah 2004

42       **63A-9-402**, as enacted by Chapter 334, Laws of Utah 1996

43 ENACTS:

44       **63A-9-401.5**, Utah Code Annotated 1953



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

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

48       **63A-9-401. Division -- Duties.**

49       (1) The division shall:

50       (a) perform all administrative duties and functions related to management of state

51 vehicles;

52       (b) coordinate all purchases of state vehicles;

53       (c) establish one or more fleet automation and information systems for state vehicles;

54       (d) make rules establishing requirements for:

55       (i) maintenance operations for state vehicles;

56       (ii) use requirements for state vehicles;

57       (iii) fleet safety and loss prevention programs;

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

86 fees with the fees of other public or private sector providers where comparable services and  
87 rates are reasonably available.

88 (2) The division shall operate a fuel dispensing services program in a manner that:

89 (a) reduces the risk of environmental damage and subsequent liability for leaks  
90 involving state-owned underground storage tanks;

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

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

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

96 (e) provides central planning for fuel contingencies;

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

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

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

101 (3) The division shall:

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

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

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

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

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

110 (iii) defines the liability of the parties.

111 (4) (a) [The executive director of the Department of Administrative Services] In  
112 accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the director of  
113 the Division of Fleet Operations:

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

116 (ii) shall make rules establishing standards and procedures for purchasing the most  
117 economically appropriate size and type of vehicle for the purposes and driving conditions for  
118 which the vehicle will be used, including procedures for granting exceptions to the standards  
119 by the executive director of the Department of Administrative Services.

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

121 (i) shall designate a standard vehicle size and type that shall be designated as the  
122 statewide standard vehicle for fleet expansion and vehicle replacement;

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

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

127 (A) size requirements;

128 (B) economic savings;

129 (C) fuel efficiency;

130 (D) driving and use requirements;

131 (E) safety;

132 (F) maintenance requirements; and

133 (G) resale value; and

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

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

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

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

141 (III) the date of the request; and

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

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

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

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

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

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

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

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

156 (a) the agency or institution of higher education has requested the authority;

157 (b) in the judgment of the director, the state agency or institution has the necessary  
158 resources and skills to perform the delegated responsibilities; and

159 (c) the delegation of authority is in the best interest of the state and the function  
160 delegated is accomplished according to provisions contained in law or rule.

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

162 **63A-9-401.5. Vehicle fleet cost efficiency plans -- Requirements -- Contents --**

163 **Submission by agencies.**

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

167 (a) goals for vehicle fleet cost efficiency;

168 (b) a summary of agency submitted plans, statistics, and progress;

169 (c) standard measures of cost including:

- 170 (i) vehicle cost per mile;
- 171 (ii) total vehicles;
- 172 (iii) total fuel used; and
- 173 (iv) miles per gallon of fuel;
- 174 (d) goals for purchasing the most economically appropriate size and type of vehicle for
- 175 the purposes and driving conditions for which the vehicle will be used;
- 176 (e) cost reduction measures which may include:
  - 177 (i) reducing vehicle engine idle time;
  - 178 (ii) driving fewer miles;
  - 179 (iii) using car pools when possible;
  - 180 (iv) avoiding rush hour traffic;
  - 181 (v) reducing aggressive driving;
  - 182 (vi) providing proper preventative maintenance including properly inflated tires; and
  - 183 (vii) purchasing from state fuel sites and using the lowest octane fuel needed for the
  - 184 altitude;
  - 185 (f) reducing inventories of underutilized vehicles; and
  - 186 (g) education to inform drivers of their accountability on implementing cost reduction
  - 187 measures.

188 (2) The division shall assist agencies to develop and implement their own plans in

189 accordance with this part.

190 (3) Each agency that owns or leases vehicles shall develop, implement, and submit to

191 the division under Section 63A-9-402, a vehicle fleet cost efficiency plan for their agency in

192 accordance with the provisions under Subsection (1). The plan shall include agency goals and

193 statistics, and a report of agency progress.

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

195 **63A-9-402. State-owned vehicle report -- Contents.**

196 (1) On or before October 1 of each year, each agency that owns or leases vehicles shall

197 submit a report to the division that contains at least the following information:

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

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

202 (c) a vehicle fleet cost efficiency plan in accordance with the provisions of Section  
203 63A-9-401.5.

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

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

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

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

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

212 (A) vehicle cost per mile;

213 (B) total vehicles;

214 (C) total fuel used; and

215 (D) miles per gallon of fuel.

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

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

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