

Bill as Introduced

HB 1240-FN - AS INTRODUCED

2010 SESSION

10-2511
05/03

HOUSE BILL

1240-FN

AN ACT

relative to the use of state-owned vehicles.

SPONSORS:

Rep. McGuire, Merr 8; Rep. K. Gould, Rock 5; Rep. Irwin, Hills 3

COMMITTEE:

Executive Departments and Administration

ANALYSIS

This bill requires state employees to pay mileage for personal use of a state-owned vehicle.

Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 1240-FN - AS INTRODUCED

10-2511
05/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Ten

AN ACT relative to the use of state-owned vehicles.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Department of Administrative Services; Division of Personnel; Use of State-
2 Owned Vehicles. Amend RSA 21-I by inserting after section 43-a the following new section:

3 21-I:43-b Use of State-Owned Vehicles. Any employee authorized to use a state-owned vehicle
4 shall be charged mileage for the personal use of such vehicle. The rate per mile shall be the
5 standard mileage rate for employee transportation expenses set by the Internal Revenue Service.

6 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
10-2511
11/04/09

HB 1240-FN - FISCAL NOTE

AN ACT relative to the use of state-owned vehicles.

FISCAL IMPACT:

The Department of Administrative Services states this bill will increase state revenue by \$1,508,650 in FY 2011 and each year thereafter. There will be no fiscal impact on county and local revenue or on state, county, and local expenditures.

METHODOLOGY:

The Department of Administrative Services states the proposed bill will require employees to pay mileage to the state for personal use of state-owned vehicles. According to the Department, current practice only obligates state agencies to report personal use of these vehicles annually for IRS W2 reporting purposes. The Department states it relies on self-reporting from the agencies and individual employees and it uses the IRS commuting rule (each one-way commute between the home and office times \$1.50) to calculate a value to be reported as income. The Department states this current methodology does not provide an estimate of miles traveled, however it does provide an estimate of the total number of vehicles being used for personal commuting (211 vehicles). As part of its effort to comply with Chapter 134, Laws of 2009, which mandates that all permanently assigned vehicles must be reported to the Governor and Executive Council, the Department preliminarily estimated the average number of miles (52 miles) traveled during each round-trip commute (i.e. an average number of personal miles traveled in a state-owned vehicle). The Department states should more permanently assigned vehicles be reported, this estimate could change. The Department also estimated that each vehicle would be used for commuting 5 days a week for 50 weeks, for a total annual estimate of round-trip commutes of 250 per vehicle. Using these assumptions, the Department calculated estimated annual personal miles traveled of 2,743,000. The Department assumed a reimbursement rate equal to the current IRS mileage rate of \$0.55 per mile, which would generate estimated total revenue of \$1,508,650 per fiscal year, to be deposited in the general fund due to the absence of provisions to the contrary. The Department also assumed an effective date on the proposed bill of July 1, 2010, so the additional revenue would begin in FY 2011 and continue each year thereafter, as the Department projected the number of vehicles with personal use, the driving patterns, and the reimbursement rate would remain relatively consistent.

HB 1240-FN - AS AMENDED BY THE HOUSE

03Mar2010... 0551h

2010 SESSION

10-2511
05/03

HOUSE BILL ***1240-FN***

AN ACT relative to the use of state-owned vehicles.

SPONSORS: Rep. McGuire, Merr 8; Rep. K. Gould, Rock 5; Rep. Irwin, Hills 3

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill authorizes the director of plant and property management to transfer or sell state-owned vehicles to ensure that the state fleet is used efficiently. The bill also expands reporting requirements for use of state-owned light duty trucks and the personal use of state vehicles.

.....

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 1240-FN - AS AMENDED BY THE HOUSE

03Mar2010... 0551h

10-2511
05/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Ten

AN ACT relative to the use of state-owned vehicles.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Section Heading. Amend the section heading of RSA 21-I:19-g to read as follows:

2 21-I:19-g Use of State-Owned [~~Passenger Automobiles~~] **Vehicles**.

3 2 Department of Administrative Services; Use of State-Owned Vehicles. Amend RSA 21-I:19-g,
4 III to read as follows:

5 III. If state-owned passenger vehicles are assigned to a state agency and such vehicles [~~on~~
6 ~~average~~] are not used for travel at or above the break-even mileage requirement during such year,
7 the director of plant and property management shall [~~transfer a vehicle or vehicles and~~] declare
8 them surplus [~~until the agency's re-computed average passenger vehicle mileage is at or above the~~
9 ~~break-even mileage~~] **and transfer or otherwise dispose of such vehicle or vehicles**. [~~Average~~
10 ~~vehicle mileage shall be calculated by the total miles driven by an agency's passenger vehicles~~
11 ~~divided by the total number of passenger vehicles.~~] An agency may within [60] **90** days after the end
12 of the fiscal year apply to the fiscal committee of the general court to retain such vehicle or vehicles.
13 If such agency presents a clear and convincing case for the continued assignment of a vehicle or
14 vehicles to the agency, the fiscal committee may permit the agency to retain a vehicle or vehicles. ***In***
15 ***granting an agency the authority to retain such vehicle or vehicles, favorable***
16 ***consideration shall be given to the most fuel efficient use of the existing fleet***. The director of
17 plant and property management shall either sell [~~or transfer the vehicle or vehicles declared to be~~
18 ~~surplus pursuant~~] ***the vehicle or vehicles declared to be surplus, transfer them*** to a centralized
19 state vehicle pool, or [~~to this section~~] ***transfer them*** to any state agency having employees who
20 travel more than the break-even mileage requirement as set by the department of administrative
21 services and who are being reimbursed for travel in privately-owned vehicles. The term "agency" as
22 used in this section includes a department, institution, board, division, and commission. ***The***
23 ***director of plant and property management may develop measures to determine or improve***
24 ***fleet efficiency in addition to those set forth in this section. Such measures may be shared***
25 ***with the fiscal committee for their information and consideration***.

26 3 New Paragraphs; Use of State-Owned Vehicles; Light Duty Trucks. Amend RSA 21-I:19-g by
27 inserting after paragraph III the following new paragraphs:

28 III-a. In this section:

29 (a) "Light duty truck" shall mean any of the following which have a gross vehicle weight
30 rating of up to 10,000 pounds: a passenger van seating up to 8 people, a pick-up truck, a sport utility

HB 1240-FN - AS AMENDED BY THE HOUSE

- Page 2 -

1 vehicle, or a cargo van.

2 (b) "Passenger vehicle" shall mean a passenger sedan or station wagon.

3 III-b. The department of administrative services shall annually report to the fiscal
4 committee of the general court all light duty trucks whose mileage is at or below the break-even
5 mileage requirement during such year.

6 4 New Paragraph; Use of State-Owned Vehicles; Annual Report. Amend RSA 21-I:19-g by
7 inserting after paragraph V the following new paragraph:

8 V-a. State employees shall accurately report to their agency payroll personnel all personal
9 use of any state-owned motor vehicle of any type, including but not limited to any commuting miles.
10 The agency shall annually report all personal use of state-owned vehicles in that agency, as well as
11 such other information regarding vehicles and vehicle usage, to the department of administrative
12 services as directed by the department.

13 5 Effective Date. This act shall take effect 60 days after its passage.

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HB 1240-FN - FISCAL NOTE

AN ACT relative to the use of state-owned vehicles.

FISCAL IMPACT:

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METHODOLOGY:

The Department of Administrative Services states the proposed bill will require employees to pay mileage to the state for personal use of state-owned vehicles. According to the Department, current practice only obligates state agencies to report personal use of these vehicles annually for IRS W2 reporting purposes. The Department states it relies on self-reporting from the agencies and individual employees and it uses the IRS commuting rule (each one-way commute between the home and office times \$1.50) to calculate a value to be reported as income. The Department states this current methodology does not provide an estimate of miles traveled, however it does provide an estimate of the total number of vehicles being used for personal commuting (211 vehicles). As part of its effort to comply with Chapter 134, Laws of 2009, which mandates that all permanently assigned vehicles must be reported to the Governor and Executive Council, the Department preliminarily estimated the average number of miles (52 miles) traveled during each round-trip commute (i.e. an average number of personal miles traveled in a state-owned vehicle). The Department states should more permanently assigned vehicles be reported, this estimate could change. The Department also estimated that each vehicle would be used for commuting 5 days a week for 50 weeks, for a total annual estimate of round-trip commutes of 250 per vehicle. Using these assumptions, the Department calculated estimated annual personal miles traveled of 2,743,000. The Department assumed a reimbursement rate equal to the current IRS mileage rate of \$0.55 per mile, which would generate estimated total revenue of \$1,508,650 per fiscal year, to be deposited in the general fund due to the absence of provisions to the contrary. The Department also assumed an effective date on the proposed bill of July 1, 2010, so the additional revenue would begin in FY 2011 and continue each year thereafter, as the Department projected the number of vehicles with personal use, the driving patterns, and the reimbursement rate would remain relatively consistent.

CHAPTER 72
HB 1240-FN - FINAL VERSION

03Mar2010... 0551h

2010 SESSION

10-2511
05/03

HOUSE BILL **1240-FN**

AN ACT relative to the use of state-owned vehicles.

SPONSORS: Rep. McGuire, Merr 8; Rep. K. Gould, Rock 5; Rep. Irwin, Hills 3

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill authorizes the director of plant and property management to transfer or sell state-owned vehicles to ensure that the state fleet is used efficiently. The bill also expands reporting requirements for use of state-owned light duty trucks and the personal use of state vehicles.

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CHAPTER 72
HB 1240-FN – FINAL VERSION

03Mar2010... 0551h

10-2511
05/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Ten

AN ACT relative to the use of state-owned vehicles.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 72:1 Section Heading. Amend the section heading of RSA 21-I:19-g to read as follows:

2 21-I:19-g Use of State-Owned [~~Passenger Automobiles~~] **Vehicles**.

3 72:2 Department of Administrative Services; Use of State-Owned Vehicles. Amend RSA 21-I:19-
4 g, III to read as follows:

5 III. If state-owned passenger vehicles are assigned to a state agency and such vehicles [~~on~~
6 ~~average~~] are not used for travel at or above the break-even mileage requirement during such year,
7 the director of plant and property management shall [~~transfer a vehicle or vehicles and~~] declare
8 them surplus [~~until the agency's re-computed average passenger vehicle mileage is at or above the~~
9 ~~break-even mileage~~] **and transfer or otherwise dispose of such vehicle or vehicles**. [~~Average~~
10 ~~vehicle mileage shall be calculated by the total miles driven by an agency's passenger vehicles~~
11 ~~divided by the total number of passenger vehicles.~~] An agency may within [~~60~~] **90** days after the end
12 of the fiscal year apply to the fiscal committee of the general court to retain such vehicle or vehicles.
13 If such agency presents a clear and convincing case for the continued assignment of a vehicle or
14 vehicles to the agency, the fiscal committee may permit the agency to retain a vehicle or vehicles. ***In***
15 ***granting an agency the authority to retain such vehicle or vehicles, favorable***
16 ***consideration shall be given to the most fuel efficient use of the existing fleet***. The director of
17 plant and property management shall either sell [~~or transfer the vehicle or vehicles declared to be~~
18 ~~surplus pursuant~~] ***the vehicle or vehicles declared to be surplus, transfer them*** to a centralized
19 state vehicle pool, or [~~to this section~~] ***transfer them*** to any state agency having employees who
20 travel more than the break-even mileage requirement as set by the department of administrative
21 services and who are being reimbursed for travel in privately-owned vehicles. The term "agency" as
22 used in this section includes a department, institution, board, division, and commission. ***The***
23 ***director of plant and property management may develop measures to determine or improve***
24 ***fleet efficiency in addition to those set forth in this section. Such measures may be shared***
25 ***with the fiscal committee for their information and consideration.***

26 72:3 New Paragraphs; Use of State-Owned Vehicles; Light Duty Trucks. Amend RSA 21-I:19-g
27 by inserting after paragraph III the following new paragraphs:

28 III-a. In this section:

29 (a) "Light duty truck" shall mean any of the following which have a gross vehicle weight

CHAPTER 72
HB 1240-FN – FINAL VERSION
- Page 2 -

1 rating of up to 10,000 pounds: a passenger van seating up to 8 people, a pick-up truck, a sport utility
2 vehicle, or a cargo van.

3 (b) "Passenger vehicle" shall mean a passenger sedan or station wagon.

4 III-b. The department of administrative services shall annually report to the fiscal
5 committee of the general court all light duty trucks whose mileage is at or below the break-even
6 mileage requirement during such year.

7 72:4 New Paragraph; Use of State-Owned Vehicles; Annual Report. Amend RSA 21-I:19-g by
8 inserting after paragraph V the following new paragraph:

9 V-a. State employees shall accurately report to their agency payroll personnel all personal
10 use of any state-owned motor vehicle of any type, including but not limited to any commuting miles.
11 The agency shall annually report all personal use of state-owned vehicles in that agency, as well as
12 such other information regarding vehicles and vehicle usage, to the department of administrative
13 services as directed by the department.

14 72:5 Effective Date. This act shall take effect 60 days after its passage.

15

16 Approved: May 19, 2010

17 Effective Date: July 18, 2010

Committee Minutes

SENATE CALENDAR NOTICE

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

Senator Jacalyn Cilley Chairman ✓
Senator Martha Fuller Clark V Chairman
Senator Betsi DeVries
Senator Michael Downing ✓
Senator Sharon Carson ✓

For Use by Senate Clerk's Office ONLY		
<input type="checkbox"/>	Bill Status	
<input type="checkbox"/>	Docket	
<input type="checkbox"/>	Calendar	
Proof:	<input type="checkbox"/> Calendar	<input type="checkbox"/> Bill Status

Start 2:05 pm
end 2:30 pm

Date: March 19, 2010

HEARINGS

Tuesday

3/23/2010

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

LOB 101

2:00 PM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

Comments: *** THE PURPOSE OF THE AMENDED NOTICE IS TO REMOVE HB 1220 AND HB 1416 AND TO ADD HB 1569-FN AND HB 1610-FN ***

- 2:00 PM HB1240-FN relative to the use of state-owned vehicles.
- 2:15 PM HB1278-FN relative to milk producer-distributors.
- 2:30 PM HB1166 relative to procurement procedures of the director of plant and property management, and relative to approval of design build projects.
- 2:45 PM HB1569-FN (New Title) relative to the salaries of certain unclassified positions.
- 3:00 PM HB1610-FN (New Title) establishing a New Hampshire commission on Native American affairs and recognizing Native American residents of the state as a minority population in New Hampshire.

Sponsors:

HB1240-FN Rep. Carol McGuire	Rep. Kenneth Gould	Rep. Anne-Marie Irwin	
HB1278-FN Rep. Warren Groen Sen. Sharon Carson	Rep. Stephen Palmer Rep. Suzanne Smith	Rep. Pamela Tucker Rep. Robert Haefner	Sen. John Gallus
HB1166 Rep. Maurice Pilotte	Rep. Lynne Ober		
HB1569-FN Rep. Ken Hawkins	Rep. Anne-Marie Irwin	Rep. Sandra Keans	Sen. Michael Downing
HB1610-FN Rep. Daniel Carr Rep. Steven Lindsey	Rep. Robert Cushing Sen. Martha Fuller Clark	Rep. David Watters Sen. Molly Kelly	Rep. Gene Charron

Executive Departments & Administration Committee Hearing Report

TO: Members of the Senate

FROM: Patrick Murphy, *Legislative Aide*

RE: Hearing report on HB1240-FN relative to the use of state-owned vehicles.

HEARING DATE: March 23, 2010

MEMBERS OF THE COMMITTEE PRESENT:

Senator Cilley (Dist 6), Senator Downing (Dist 22), Senator Carson (Dist 14)

MEMBERS OF THE COMMITTEE ABSENT:

Senator Fuller Clark (Dist 24), Senator DeVries (Dist 18)

Sponsor(s):

Rep. McGuire, Merr 8; Rep. K. Gould, Rock 5; Rep. Irwin, Hills 3

What the bill does:

This bill authorizes the director of plant and property management to transfer or sell state-owned vehicles to ensure that the state fleet is used efficiently. The bill also expands reporting requirements for use of state-owned light duty trucks and the personal use of state vehicles.

Supporters of the bill:

Representative McGuire, Merr 8; Representative Hawkins, Hills 18; Kevin Connor, Administrative Services

Those in opposition to the bill:

None

Speaking to the bill/Neutral:

None

Summary of testimony received:

Representative McGuire, Merr 8

- HB 1240-FN was amended significantly amended in the House. SB 68 from last year had some unintended consequences relative to how we manage the fleet, HB 1240 tries to correct those problems. HB 1240 clearly specifies that SUVs and light duty trucks need to be reported and evaluated for management purposes. We hope to learn if we are driving them enough, do we have the right mix of vehicles, and are they assigned correctly.
- HB 1240 also requires state employees to report personal use of vehicles to their management. This was a result of the performance audit of the vehicle fleet. There are some people who are paying \$1.50 each way for their commute, regardless of distance, which is an excellent deal for them and not such a good deal for the State. So, we need to know how often this is happening. On this point, the Department of Safety came to the House and said; they assign some department mechanics a truck to commute in so when there is an emergency, they will have their equipment and won't have to come to Concord to get the tools they need. These employees are on call and respond to emergencies on a regular basis. This illustrates a circumstance when a commute is not due to personal use; it's directed for the convenience of the employer.
- The goal is to gather this information so we can return next year and make an informed policy decision.
- In response to questions from the Committee, Representative McGuire responded that the Committee did discuss the fact that some state vehicles receive federal funding.

Kevin Connor, Administrative Services

- Explained that the language in the bill that addresses federally funded vehicles is located on page 2, line 9. The language "and transfer or otherwise dispose of such vehicle or vehicles" allows us to address the federally funded or the other non-generally funded vehicles.
- There are basically five elements to this legislation.
 - The largest element is correcting some unintended consequences of 2009 SB 68. This new practice allows us to have overview of about 350 vehicles. We used the agency average to compare against the break even.
 - This allows the Director of Plant and Property to develop additional measures to improve fleet efficiency and to report those recommendations to the Fiscal Committee for their consideration.
 - This restores an annual reporting requirement to the Fiscal Committee for light duty trucks. The consequence of the bill as was introduced in the House prior to the amendment was that approximately 900 light duty trucks would not have been reported. Now we are going to use the break even mileage. This accounts for about 25% of the total fleet.
 - This reinforces the obligation for state employees to accurately report personal mileage. The Commissioner has asked the new Comptroller to look at what's been referred to as the car pay rule. New procedures will address if the current way reporting is being done is the best way to be reporting on personal use.
 - This gives us a little flexibility to look at how an agency is using a fleet. This isn't a black or white issue due to emergency response vehicles.
 - We don't believe there is a fiscal impact to this legislation
- We are now in a better position because we will have better data relative to the fleet. If you can't count it you can't manage it.

Funding:**FISCAL IMPACT:**

The Department of Administrative Services states this bill, **as amended by the House (Amendment #2010-0551h)**, will have no fiscal impact on state, county and local revenue or expenditures.

METHODOLOGY:

The Department of Administrative Services states the proposed bill as amended deletes the current requirement to calculate the agency's average passenger fleet miles against the state passenger fleet's average, restores annual reporting to the fiscal committee of under-utilized light duty trucks, and provides notice and obligation for state employees to accurately report to their agency all personal use of their state-owned vehicles and for the agencies to report this information to the Department as part of their annual state vehicle use reporting. The Department estimates these requirements will have no fiscal impact.

Action:

Senator Carson made a motion of ought to pass and was seconded by Senator Downing. The vote was 3-0; Senator Carson will report this bill to the floor.

Date: March 23, 2010
Time: 2:05 p.m.
Room: LOB 101

The Senate Committee on Executive Departments and Administration held a hearing on the following:

HB 1240-FN relative to the use of state-owned vehicles.

Members of Committee present: Senator Cilley
Senator Downing
Senator Carson

The Chair, Senator Jacalyn L. Cilley, opened the hearing on HB 1240-FN and invited the prime sponsor, Representative Carol McGuire, to introduce the legislation.

Senator Jacalyn L. Cilley, D. 6: I'd like to open up the hearing on House Bill 1240-FN and recognize the sponsor, Representative McGuire. Welcome to the Senate ED&A Committee.

Representative Carol McGuire: Thank you, Senator. My name is Carol McGuire, representing Merrimack 8 and also the House ED&A Committee. I'm the sponsor of House Bill 1240, and it was significantly modified by the House such that the fiscal note is totally irrelevant.

At the moment, it should be a savings, but I'm not prepared to state how much. What it does now, is it changes the monitoring requirements for break even mileage. Last year, we passed a bill that changed the calculation of break even mileage.

Senator Jacalyn L. Cilley, D. 6: My bill. As a matter of fact, I was going to ask you that.

Representative McGuire: Yes, you did it and that was in order to address some of the EPA considerations. However, it had some unintended consequences on how we manage the fleet, and so this bill addresses some of those. For one thing, it clearly specifies that SUVs and light duty trucks need to be reported and evaluated for management purposes. Are we driving

them enough, do we have the right mix of vehicles, are they assigned correctly? There's someone from Administrative Services here who will give you some more of the details on how that bill had unintended consequences.

The other main thing that this bill does is that it requires state employees to report personal use of vehicles to their management. That was a result from the performance audit of the vehicle fleet, that there was personal usage. And we need to know how much in order to see whether we manage it, how we can manage it. There are some people who are paying \$1.50 each way for their commute, regardless of distance, which is an excellent deal for them and not such a good deal for the State. And so, we need to know what it is. But since what's personal depends on for what reason they are assigned the car. The Department of Safety came to the House and said, well, there's some mechanics we have. We assign them a truck and we tell them you will commute in it, and therefore when there's an emergency you'll be able to go from your home to the location you're needed with your equipment and not have to drive back to Concord to pick it up. Because they're on call and have emergencies on a regular basis. So therefore, clearly that commute is not personal use, it's directed for the convenience of the employer.

But until we get our rules straight on what the purpose of a vehicle is assigned and what the rules are for personal usage, we can't really ask people to pay for personal use. That'll be next year, I expect.

Senator Jacalyn L. Cilley, D. 6: Okay.

Representative Carol McGuire: If you have any questions, I'll try to answer them.

Senator Jacalyn L. Cilley, D. 6: Questions for Representative McGuire? I actually have a couple of questions, Representative McGuire. The other reason that I prime sponsored that bill and I believe that last year, that I did so on behalf of the Department of Environmental Services. The issue was raised that many of these vehicles, most especially those for the Department of Environmental Services, are federally funded. And so we could end up with issues of, you know, putting those into, you know, sort of turning those over to Surplus when they've federally funded vehicles. Did your committee take up that matter?

Representative Carol McGuire: I believe that we mentioned that funding is to be an issue.

Senator Jacalyn L. Cilley, D. 6: I didn't see it, I read the bill last week, and I don't recall seeing it, so I'm just wondering.

Representative Carol McGuire: Yeah, I believe that is also in rules rather than in the statute. Mike Connor from DAS can answer that more, better than I can.

Senator Jacalyn L. Cilley, D. 6: Okay. And this is still, I think the other thing I wanted to check on, is that this is still across the fleet, but you're still, you're looking at individual vehicles as well. And then the other issue is, I read an audit report that I thought was pretty specific about who was using vehicles for personal use. But you're saying they only talked about that in the aggregate?

Representative Carol McGuire: Yes.

Senator Jacalyn L. Cilley, D. 6: Oh. I think they had that underlying information someplace, though. Interesting. Okay.

Representative Carol McGuire: Not as well as we would like, I guess is the answer to that.

Senator Jacalyn L. Cilley, D. 6: Okay. Alright. Any further questions? Thank you very much for your testimony.

Representative Carol McGuire: Thank you.

Senator Jacalyn L. Cilley, D. 6: On the sign up sheet, I only see Representative Hawkins as signing in, in support and not asking to speak. But you indicated somebody else is here who wants to speak. And your name is?

Mr. Kevin Connor: Kevin Connor. I apologize for the

Senator Jacalyn L. Cilley, D. 6: Kevin. I know that we've seen you here before. And you're with the DES, right, DAS?

Mr. Connor: DAS, correct.

Senator Jacalyn L. Cilley, D. 6: And you are here to support the bill?

Mr. Connor: Support the bill, correct. For the record, my name is Kevin Connor from Administrative Services. I'm speaking for Mike, who I believe is tied up upstairs, who otherwise ...

Senator Jacalyn L. Cilley, D. 6: He was on one of my other bills.

Mr. Connor: ... would have been here, correct. To answer your question, Senator, about the federally funded vehicles. In the amendment, we added the language to transfer or otherwise dispose of such vehicles. Because we have the federally funded, we can't just give them to a General Funded agency. So in fact you could potentially have to Surplus the vehicle and use the proceeds, then to reinstate the federal money. So that is what we added in there.

Senator Jacalyn L. Cilley, D. 6: So where is that on the bill? We've got the bill as amended.

Mr. Connor: If you, yup, paragraph 3, after the second, it's the first add in, and to transfer or otherwise dispose of such vehicles.

Senator Jacalyn L. Cilley, D. 6: Oh, line 9 of page 2? I do, apparently, oh, oh, oh.

Mr. Connor: It's the first add in.

Senator Jacalyn L. Cilley, D. 6: And transfer and otherwise dispose. I'm not seeing the reference, however, to federally funded.

Mr. Connor: There's not a reference.

Senator Jacalyn L. Cilley, D. 6: Oh, alright, well then that's why I missed it, I didn't understand.

Mr. Connor: By adding that line, that's how we addressed it. I'm sorry.

Senator Jacalyn L. Cilley, D. 6: Okay. So is that what Representative McGuire meant about this would be specified in rules?

Mr. Connor: I believe so. But by adding this language, it was our feeling that we could address the federally funded or the other non-generally funded vehicles. Because that has been a challenge.

Senator Jacalyn L. Cilley, D. 6: Okay. Because I was right about that, that the federally funded ones, you just put them into Surplus and you're going to have to pay the money back, which becomes a problem.

Mr. Connor: Right.

Senator Jacalyn L. Cilley, D. 6: Okay, good. Thank you.

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Mr. Connor: Thanks. There's basically five elements to this amendment, as written, that we support. And as Representative McGuire said, the largest one was just to correct some unintended consequences of the original Senate Bill 68. And the new practice then would allow us to have overview of about 350 vehicles, as opposed to the 17. So we used the agency average to compare against the break even. We were down a very *de minimus* amount of vehicles, which is about 17. And we realized that that was just an unintended consequence of the original bill. The amendment as written also allows the Director of Plant and Property to develop additional measures to improve fleet efficiency and to report those recommendations to Fiscal Committee for their consideration.

It also, as the Representative indicated, restores an annual reporting to the Fiscal Committee for light duty trucks. And the consequence of that is approximately 900 light duty trucks in the original bill would not have been reported. So now we're going to use the break even mileage. We don't have the ability to then surplus or whatever, but we will report to Fiscal those vehicles, which is probably 25 percent of the total fleet.

It also reinforces the obligation for state employees to accurately report personal mileage. The Commissioner has asked the new Comptroller to look at what's been referred to as the car pay rule. And the way the State has been doing it for years is, annually they go out to the payroll folks and say whoever has been using a car for commuting needs to report that on something that's called a commuting rule, which is an IRS way of reporting non-wage compensation. We're looking at whether that's the most appropriate way to report. So that will be coming out in new procedure from Admin Services.

And also, we added some language in here granting, to be able to give us a little bit of flexibility to look at how an agency is using a fleet. If they have break even mileage cars that are below that, but they really do need them. I think, as the Representative said, you may have something like an emergency response vehicle or whatever. Just so we weren't so black and white on this, we needed a little flexibility.

Again, we don't believe there is a fiscal impact. If we did, were able to re-allocate some cars, we could potentially save money because that's where we're constantly balancing is utilization. If we allow you to take your vehicle home, we may be paying someone else \$.50 a mile when we know that our costs are about \$.33 a mile.

Senator Jacalyn L. Cilley, D. 6: Are there questions for Mr. Connor? I have a couple, Mr. Connor. We got rid of, and I think, did you say my bill was Senate Bill 68?

Mr. Connor: I think that was the original, yes.

Senator Jacalyn L. Cilley, D. 6: Okay. I get brain dump at the end of the year, can't remember what the number of the bill was. But one of the things that we took out of there was that 12,000 mile, you know, base line because part of the problem, from the Department of Environmental Services standpoint, was we were not encouraging efficiency. So, you know, if we, that they wanted the ability to utilize their vehicles, the most efficient vehicle for the purpose. So I've noticed when they come over here for hearing testimony, oftentimes four of them pile into a little Prius. They might think twice about that, given the safety record these days. But, you know, and then come over in that vehicle. Whereas, if they're going out to check wetlands or something and they need to carry any equipment, whatever, they might put equipment in a light truck or what have you.

So it seemed to me, when I read this, that that was giving some optimum flexibility. Am I correct in that, that that's part of the purpose of this?

Mr. Connor: Correct. And again, the issue for us is we still wanted some accountability and visibility ...

Senator Jacalyn L. Cilley, D. 6: Absolutely.

Mr. Connor: ... on the cars that we would normally have reported. Light duty trucks would have been reported under the Fiscal 12,000.

Senator Jacalyn L. Cilley, D. 6: Okay. The other question that I have is, knowing how territorial people can be and not thinking about any agency in particular, everybody can make a case for why their vehicle ought to be in use, personal or otherwise. Are you going to have some criteria that really imposes the highest efficiency standards across the entire fleet?

For example, I will take Safety for just a moment. I've heard an argument, you know, people have said everybody in Safety has a vehicle. And so, you know, I talked with either the Deputy Commissioner or somebody over there about this, because I found that a bit troublesome. And I don't know that everybody does this, but that was the case that was made. And he said, you know, a lot of times they have to have those vehicles there in order to respond to an emergency situation. I think they were talking primarily officers that were attached to a desk for the most part, except in cases of an emergency.

So are you, what is the, I don't know quite how to phrase this. What's the surety that the fleet as a whole will be managed to the highest standards of efficiency?

Mr. Connor: I believe that the advantage we have versus a year ago, when you brought the original bill, is that DES and OEP have done yeoman's work, trying to true up the data.

Senator Jacalyn L. Cilley, D. 6: Great.

Mr. Connor: And get data into good reliable format. We now have a full time position, starting this week, that is going to be doing the data analysis. If you can't measure it, you can't manage it. I think we've come a long way towards being able to measure it, to assist the manager. There's a lot of work to do, as the Representative said. I think this goes quite a ways to do it. We'll be back with more information and more recommendations.

Senator Jacalyn L. Cilley, D. 6: Great, okay. Any questions? Alright, thank you very much.

Mr. Connor: Thank you.

Senator Jacalyn L. Cilley, D. 6: Are there any others that wanted to testify on House Bill 1240? Okay, seeing none, we'll close the hearing on this bill.

Hearing concluded at 2:20 p.m.

Respectfully submitted,



Catherine S. Mullen
Senate Secretary
3/24/10

Speakers

Senate Executive Departments and Administration Committee: Sign-In Sheet

Date: March 23, 2010

Time: 2:00 pm

Public Hearing on HB 1240-FN

HB 1240-FN relative to the use of state-owned vehicles.

Name PLEASE PRINT Representing

Rep	Name	Representing	Support	Oppose	Speaking?	Yes	No
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<input checked="" type="checkbox"/>	Ken	Hawkins	Hills 18 + ED + A	<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Speaking? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<input checked="" type="checkbox"/>	Kevia	Conner	DAS	<input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Speaking? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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Testimony

State of New Hampshire

HOUSE RECORD

Second Year of the 161st General Court
Calendar and Journal of the 2010 Session

Vol. 32 Concord, N.H. Friday, February 26, 2010 No. 17
Contains: Reports and Amendments for March 3, Governor's Veto Message on HB 276-FN,
House Bills Amended by the Senate, Hearings, Meetings and Notices

HOUSE CALENDAR

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

HB 1240-FN, relative to the use of state-owned vehicles. OUGHT TO PASS WITH AMENDMENT.

Rep. Carol M McGuire for Executive Departments and Administration: This bill, as amended, amends RSA 21-I:19 to improve the management of state-owned vehicles. It clarifies the use of the break-even mileage as a management measure, encourages fuel-efficient use of the existing fleet, and includes light trucks (vans, pickups, and SUVs) in the fleet management process. Finally, the bill establishes that all employees who use state owned vehicles are responsible to report any personal usage to their agency. Since the proper definition of "personal" depends on the reason the employee is using the vehicle, and these categories of usage are being redefined, charging for personal usage, as the original bill required, is not appropriate at this time. Vote 17-1.

HB 1240 FISCAL NOTE

AN ACT relative to the use of state-owned vehicles.

FISCAL IMPACT:

The Department of Administrative Services states this bill, **as amended by the House (Amendment #2010-0551h)**, will have no fiscal impact on state, county and local revenue or expenditures.

METHODOLOGY:

The Department of Administrative Services states the proposed bill as amended deletes the current requirement to calculate the agency's average passenger fleet miles against the state passenger fleet's average, restores annual reporting to the fiscal committee of under-utilized light duty trucks, and provides notice and obligation for state employees to accurately report to their agency all personal use of their state-owned vehicles and for the agencies to report this information to the Department as part of their annual state vehicle use reporting. The Department estimates these requirements will have no fiscal impact.

Voting Sheets

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: March 23, 2010

THE COMMITTEE ON Executive Departments and Administration
to which was referred House Bill 1240-FN

AN ACT relative to the use of state-owned vehicles.

Having considered the same, the committee recommends that the Bill:

OUGHT TO PASS

BY A VOTE OF: 3-0

AMENDMENT # s

Senator Sharon M. Carson
For the Committee

Cathy Mullen 271-3067

New Hampshire General Court - Bill Status System

Docket of HB1240

Docket Abbreviations

Bill Title: relative to the use of state-owned vehicles.**Official Docket of HB1240:**

Date	Body	Description
12/10/2009	H	Introduced 1/6/2010 and Referred to Executive Departments and Administration; HJ 6 , PG.233
02/02/2010	H	Public Hearing: 2/11/2010 11:30 AM LOB 306
02/10/2010	H	Executive Session: 2/16/2010 10:30 AM LOB 306
02/17/2010	H	Committee Report: Ought to Pass with Amendment #0551h for Mar 3 CC (Vote 17-1); HC 17 , PG.800
02/17/2010	H	Proposed Committee Amendment #0551h; HC 17 , PG.841-842
03/03/2010	H	Amendment #0551h Adopted, VV; HJ 20 , PG.1137-1138
03/03/2010	H	Ought to Pass with Amendment #0551h: MA VV; HJ 20 , PG.1137-1138
03/10/2010	S	Introduced and Referred to Executive Departments and Administration
03/18/2010	S	Hearing: March 23, 2010, Room 101, LOB, 2:00 p.m.; SC12
03/24/2010	S	Committee Report: Ought to Pass 3/31/10; SC13
03/31/2010	S	Ought to Pass, MA, VV; OT3rdg; SJ 12 , Pg.269
03/31/2010	S	Passed by Third Reading Resolution; SJ 12 , Pg.271
04/07/2010	S	Enrolled; SJ 13 , Pg.285
04/12/2010	H	Enrolled; HJ 32 , PG.1577
05/24/2010	H	Signed by the Governor 05/19/2010; Effective 07/18/2010; Chapter 0072

NH House

NH Senate

Contact Us

New Hampshire General Court Information Systems
 107 North Main Street - State House Room 31, Concord NH 03301

Other Referrals

COMMITTEE REPORT FILE INVENTORY

HB 1240-FN ORIGINAL REFERRAL

_____ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE SECRETARY AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

DOCKET (Submit only the latest docket found in Bill Status)

COMMITTEE REPORT

CALENDAR NOTICE on which you have taken attendance

HEARING REPORT (written summary of hearing testimony)

HEARING TRANSCRIPT (verbatim transcript of hearing)

List attachments (testimony and submissions which are part of the transcript) by number [1 thru 4 or 1, 2, 3, 4] here: _____

SIGN-UP SHEET

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

____ - AMENDMENT # _____ ____ - AMENDMENT # _____
____ - AMENDMENT # _____ ____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED AS AMENDED BY THE HOUSE
 FINAL VERSION _____ AS AMENDED BY THE SENATE

____ PREPARED TESTIMONY AND OTHER SUBMISSIONS (Which are not part of the transcript)

List by letter [a thru g or a, b, c, d] here: _____

EXECUTIVE SESSION REPORT

OTHER (Anything else deemed important but not listed above, such as amended fiscal notes):

Amended Fiscal Note, House Record

IF YOU HAVE A RE-REFERRED BILL, YOU ARE GOING TO MAKE UP A DUPLICATE FILE FOLDER

DATE DELIVERED TO SENATE CLERK

9-14-10

Catherine S. Muth
COMMITTEE SECRETARY