

BILL ANALYSIS

Senate Research Center
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S.B. 1527
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Government Organization
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to the Legislative Budget Board's *Texas State Government Effectiveness and Efficiency Report to the 80th Legislature*, the state spends an average of \$157.8 million per year on fleet operating and maintenance activities. State agencies, excluding higher education institutions, spend about 76 percent of the total, which is \$120.4 million annually.

It is in the state's best interest to increase efficiencies and minimize costs by consolidating fleet management and oversight operations. The office of vehicle fleet management (office) was created by the 76th Legislature, 1999, and is currently housed within the Texas Building and Procurement Commission. The office oversees a database with each state agency reporting fleet information. In many cases, fleet management is handled on a part-time basis and in some cases these employees have responsibilities in other areas of the agency. This part-time management removes employees from other critical agency duties. Further fleet consolidation would allow a few staff to concentrate on fleet management at key locations, freeing other staff to perform their primary duties at their agencies.

As proposed, S.B. 1527 consolidates state fleet operations into six vehicle management hubs within certain state agencies. This consolidation would allow the legislature to address vehicle replacement needs and related fiscal matters and a higher level, and reviewing only six requests for capitol fleet appropriations would enhance the legislature's ability to implement a more efficient and consistent resource policy.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Transportation, the Department of Public Safety, the Texas Department of Criminal Justice, the Texas Parks and Wildlife Department, the Health and Human Services Commission, and the Texas Building and Procurement Commission in SECTION 3 (Section 2171.1045, Government Code) of this bill.

Rulemaking authority is expressly granted to the Health and Human Services Commission and the Texas Building and Procurement Commission in SECTION 4 (Section 2171.106, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2171.101(a), Government Code, as follows:

- (a) Requires the office of vehicle fleet management (office) to establish a vehicle reporting system to assist each state agency that manages a vehicle fleet in the management thereof. Requires a state agency to submit the reports within a certain timeframe.

SECTION 2. Amends Sections 2171.104(b) and (c), Government Code, as follows:

- (a) Requires certain entities, including the Health and Human Services Commission (HHSC), rather than the Department of Mental Health and Mental Retardation, to assist the office in preparing the management plan for the state's vehicle fleet.
- (c) Requires the management plan to address certain items, including the operation and management of the consolidated vehicle fleets managed by the Texas Building and

Procurement Commission (TBPC) and HHSC. Deletes existing text relating to opportunities for consolidation and privatizing the operation and management of vehicle fleets in certain areas. Makes a conforming change.

SECTION 3. Amends Section 2171.1045, Government Code, to require each state agency to adopt rules relating to the assignment and use of state, rather than agency, vehicles. Makes conforming changes.

SECTION 4. Amends Subchapter C, Chapter 2171, Government Code, by adding Section 2171.106, as follows:

Sec. 2171.106. CONSOLIDATED FLEET OPERATIONS. (a) Provides that this section does not apply to an institution of higher education as defined by Section 61.003 (Definitions), Education Code.

(b) Authorizes only certain state agencies to manage a vehicle fleet.

(c) Requires HHSC to make vehicles available for use by health and human services agencies. Requires TBPC to make vehicles available for use by each state agency except a health and human services agency or an agency listed in Subsections (b).

(d) Requires HHSC and TBPC to charge other state agencies a per-mile fee for the use of a vehicle under Subsection (c) to recover the direct and indirect costs of owning and operating the vehicle, including the cost of fuel, maintenance, and fleet administration.

(e) Requires HHSC and TBPC to each adopt rules necessary to manage the agency's vehicle fleet and make vehicles available to other agencies as provided by this section.

SECTION 5. (a) Requires HHSC, before December 1, 2007, to establish a transition plan with certain agencies for the transfer of vehicles owned by the agency to HHSC.

(b) Requires a state agency, on the date established by the plan in Subsection (a), to transfer ownership, possession, and its control of its vehicles to HHSC.

SECTION 6. (a) Requires TBPC, before December 1, 2007, to establish a transition plan with certain agencies for the transfer of vehicles owned by each agency to TBPC.

(b) Requires a state agency, on the date established by the plan in Subsection (a), to transfer ownership, possession, and its control of its vehicles to TBPC.

SECTION 7. Effective date: September 1, 2007.