- 1 HB551
- 2 151313-2
- 3 By Representative Wren
- 4 RFD: Ways and Means General Fund
- 5 First Read: 04-APR-13

1	<u>ENGROSSED</u>
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4	A BILL
5	TO BE ENTITLED
6	AN ACT
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8	To amend Sections 23-1-50.1 and 41-17A-6 of the Code
9	of Alabama 1975, to allow the Department of Transportation
10	Office of Fleet Management to review state department and
11	agency green fleets plans; to develop a statewide fleet
12	management program; and to repeal Chapter 17, Title 41 of the
13	Code of Alabama 1975, relating to the purchase, lease,
14	operation, and maintenance of state motor vehicles.
15	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
16	Section 1. Sections 23-1-50.1 and 41-17A-6 of the
17	Code of Alabama 1975, are amended to read as follows:
18	" §23-1-50.1.
19	"(a) It is the intent of the Legislature to give the
20	State Department of Transportation authority to accumulate
21	depreciation, equipment replacement allowances, and salvage
22	value on road machinery and equipment sufficient to upgrade,
23	replace, or make extraordinary repairs to the road machinery
24	and equipment of the State Department of Transportation, as
25	determined by a road machinery and equipment management
26	program to be developed by the department.

- "(b) Unless the context clearly indicates otherwise,
 the following words and phrases will have the following
 meanings:
- "(1) STATE DEPARTMENT OF TRANSPORTATION DIVISIONS.

 Those divisions of the Department of Transportation

 responsible for road construction and maintenance over a

 specified geographic area of the state.

- "(2) DEPRECIATION. That process of allocating the original cost per fixed asset over the productive life of the asset using some generally accepted method of depreciation.
- "(3) EQUIPMENT MANAGEMENT SURPLUS RESERVE ACCOUNT. A special revolving account or fund to be established in the Public Road and Bridge Fund of the State Department of Transportation to accumulate depreciation, equipment replacement allowances, and salvage value to be used to upgrade, replace, or make extraordinary repairs to road machinery and equipment.
- "(4) EQUIPMENT REPLACEMENT ALLOWANCE. An amount, when added to the depreciation and salvage value of a unit of road machinery and equipment and accumulated in a special account, that will provide the funds to upgrade, replace, or make extraordinary repairs to that unit of road machinery and equipment.
- "(5) EXTRAORDINARY REPAIRS. Repairs made to extend an asset's useful life beyond that which was originally estimated.

"(6) GENERAL OFFICE. Those general and administrative offices of the State Department of Transportation located in Montgomery, Alabama.

- "(7) ROAD MACHINERY AND EQUIPMENT. Self-propelled equipment or other equipment commonly referred to in the State Department of Transportation as rental equipment, including aircraft.
 - "(8) SALVAGE VALUE. That portion of a unit of road machinery and equipment's cost that is recovered at the end of its productive life.
 - "(c) There is created in the Public Road and Bridge
 Fund of the State Department of Transportation an Equipment
 Management Surplus Reserve Account. The director of the
 department is directed to establish a road machinery and
 equipment management program which shall determine the type,
 number, and distribution between the general office and
 department divisions of the road machinery and equipment
 necessary to carry out the mission of the State Department of
 Transportation in an efficient manner. This system shall also
 determine the productive life of all of the road machinery and
 equipment and establish depreciation rates, equipment
 replacement allowance, and salvage value which, when
 accumulated in the Equipment Management Surplus Reserve
 Account, will provide the necessary funds to upgrade, replace,
 or make extraordinary repairs to road machinery and equipment.
 - "(d) The Equipment Management Surplus Reserve
 Account shall be subdivided into subaccounts as follows: One

for the general office and one each for each of the department divisions. Depreciation, equipment replacement allowance, and salvage value shall be credited to the account of the general office or department division to which the unit of road machinery and equipment is assigned and shall not be commingled or transferred between the department division and the general office. The funds in each of these subaccounts of the general office and department divisions shall be available to the appropriate office or division to upgrade, replace, or to make extraordinary repairs to road machinery and equipment.

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"(e) There is appropriated all of the funds created to the Equipment Management Surplus Reserve Accounts, due to the depreciation, equipment replacement allowance, and salvage value of road machinery and equipment, for upgrading, replacement, or extraordinary repairs to road machinery and equipment. These funds shall not revert at the end of each fiscal year, but shall carry over to each succeeding year. It is the intent of the Legislature that funds appropriated from the Equipment Management Surplus Reserve Account be used only to upgrade, replace, or make extraordinary repairs to road machinery and equipment, and that they not be used to increase the number of units of equipment of the State Department of Transportation. It is the further intent of the Legislature to use these funds to maintain the present level of road maintenance, as opposed to using the funds to place the state in a competitive position with private enterprise. Specific funds shall be appropriated by the Legislature to increase the

number of units of road machinery and equipment. It is specifically provided that the aircraft, pickup truck, and three automobiles transferred from the Department of Finance to the State Department of Transportation, pursuant to Executive Order No. 12, dated December 21, 1993, shall be added to and become a part of the Department of Transportation road machinery and equipment management program and Equipment Management Surplus Reserve Account.

"(f) Any other provision of law to the contrary notwithstanding, at the end of the productive life of a unit of road machinery or equipment covered by the equipment management surplus reserve account established as provided for in this section, the unit of road machinery or equipment shall be sold at the discretion of the director, either at public auction, as provided for by the laws of the State of Alabama, or by a negotiated sale between the State Department of Transportation and any other state department or agency, and the proceeds from any sale, whether at public auction or by such negotiation, shall be paid into the equipment management surplus reserve account and credited to the subaccount to which the unit of road machinery or equipment is credited.

"(q) The department may develop a fleet management program for the state which will operate in a similar manner as the department's equipment management program.

"\$41-17A-6.

"(a) In order to ensure compliance with the goals outlined in Section 41-17A-4, as well as to monitor the

actions outlined in Section 41-17A-5, a Green Fleets Review
Committee is created. The Permanent Joint Legislative
Committee on Energy will appoint the members of the Green
Fleets Review Committee. The membership of the committee shall
reflect the racial, gender, geographic, urban/rural and
economic diversity of the state. The Chair of the Green Fleets
Review Committee may create advisory subcommittees and appoint
members thereto, which may include members of the Green Fleets
Review Committee, representatives from governmental agencies,
and members of the public with interest and expertise in the
objectives of the committee. The Green Fleets Review Committee
shall create no more than two active advisory subcommittees at
any given time unless the committee votes unanimously for
additional subcommittees.

"(b) The committee shall thereafter meet at the call of the chair or any majority of the members thereof; provided, that the committee shall meet at least once each four months. The committee shall have a continuing existence and may meet, act, and conduct its business at any place within this state during the sessions of the Legislature or any recess thereof, and in the interim period between sessions.

"(c) Each legislative member of the committee or any subcommittee, if created, shall be entitled to his or her regular legislative compensation, his or her per diem, and travel expenses for each day he or she attends a meeting of the committee. Upon requisitions signed by the chair of the committee or subcommittees, these payments shall be paid out

of any funds appropriated to the use of the Legislature by means of warrants drawn by the Comptroller on the State

Treasury. Notwithstanding the foregoing, no member shall receive additional legislative compensation or per diem when the Legislature is in session or if a member is being paid any other payments on the same dates for attendance on other state business. The total legislative expenditures of the committee shall not exceed five thousand dollars (\$5,000) per fiscal year.

"(d) On an annual basis, all state department and agency fleet managers shall submit a draft of their green fleets plan to the State Equipment Management Coordinator, or the Department of Finance designee for this position

Department of Transportation Office of Fleet Management, and the Green Fleets Review Committee detailing how vehicle procurement, fleet operations, and employee travel activity are intended to conform to the green fleet policies and strategies outlined in Section 41-17A-5. Each green fleets plan submitted shall also include, as an appendix or addendum, an updated fleet vehicle inventory list in the same format as the fleet vehicle inventory required by Section 41-17A-3.

"(e) Each green fleets plan shall be reviewed by the State Equipment Management Coordinator, or the Department of Finance designee for this position Department of Transportation Office of Fleet Management, and the committee for overall conformity with the policies and for completeness in addressing the green fleets strategies. Inadequate plans

shall be returned to the submitting department or agency for revision and discussion with the committee.

- "(f) Any appeal of the committee's decisions must be made in writing to the committee accompanied by appropriate documentation. Valid reasons for an appeal include unavailability of appropriate fleet vehicles, incremental costs in excess of the full life-cycle savings that would accrue from the acquisition of a given vehicle, and the primacy of a given vehicle's mission to public safety or a similar area judged to be applicable by the committee.
- "(g) Approval of vehicle procurement requests for each department or agency is contingent upon a satisfactory recommendation from the State Fleet Manager as to the merit of the department's or agency's green fleets plan.
- "(h) The most innovative green fleets plan implemented shall receive recognition in an annual award to the department or agency submitting the most innovative plan. The committee shall determine the recipient of the award during the annual green fleets review meeting."

Section 2. Chapter 17, Title 41 of the Code of Alabama 1975, is repealed.

Chapter 17, Title 41 of the Code of Alabama 1975,

consisting of Sections 41-17-1 to 41-17-9, inclusive, is

repealed effective October 1, 2014. All personnel, facilities,

property, equipment, and funds assigned, allocated, or

appropriated to the Department of Finance, Division of Service

for the operation of a transportation pool or the maintenance

1	and repair of state-owned or operated automobiles shall
2	transfer to the Alabama Department of Transportation,
3	effective October 1, 2014.
4	Section 3. This act shall become effective
5	immediately following its passage and approval by the
6	Governor, or its otherwise becoming law.

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3	House of Representatives
4 5 6 7	Read for the first time and re- ferred to the House of Representa- tives committee on Ways and Means General Fund
9 10 11	Read for the second time and placed on the calendar 1 amendment
12 13 14	Read for the third time and passed as amended 25-APR-13 Yeas 91, Nays 0, Abstains 0
15 16 17 18	Jeff Woodard Clerk