

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

2  
3  
4  
5  
6  
7  
8 SYNOPSIS: This bill would allow for the Department of  
9 Transportation Office of Fleet Management to review  
10 drafts of state department and agency green fleets  
11 plans, would develop a statewide fleet management  
12 program, and would repeal Chapter 17, Title 41 of  
13 the Code of Alabama 1975.

14  
15 A BILL  
16 TO BE ENTITLED  
17 AN ACT  
18

19 To amend Sections 23-1-50.1 and 41-17A-6 of the Code  
20 of Alabama 1975, to allow the Department of Transportation  
21 Office of Fleet Management to review state department and  
22 agency green fleets plans; to develop a statewide fleet  
23 management program; and to repeal Chapter 17, Title 41 of the  
24 Code of Alabama 1975, relating to the purchase, lease,  
25 operation, and maintenance of state motor vehicles.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. Sections 23-1-50.1 and 41-17A-6 of the  
2 Code of Alabama 1975, are amended to read as follows:

3           "§23-1-50.1.

4           "(a) It is the intent of the Legislature to give the  
5 State Department of Transportation authority to accumulate  
6 depreciation, equipment replacement allowances, and salvage  
7 value on road machinery and equipment sufficient to upgrade,  
8 replace, or make extraordinary repairs to the road machinery  
9 and equipment of the State Department of Transportation, as  
10 determined by a road machinery and equipment management  
11 program to be developed by the department.

12           "(b) Unless the context clearly indicates otherwise,  
13 the following words and phrases will have the following  
14 meanings:

15           "(1) STATE DEPARTMENT OF TRANSPORTATION DIVISIONS.  
16 Those divisions of the Department of Transportation  
17 responsible for road construction and maintenance over a  
18 specified geographic area of the state.

19           "(2) DEPRECIATION. That process of allocating the  
20 original cost per fixed asset over the productive life of the  
21 asset using some generally accepted method of depreciation.

22           "(3) EQUIPMENT MANAGEMENT SURPLUS RESERVE ACCOUNT. A  
23 special revolving account or fund to be established in the  
24 Public Road and Bridge Fund of the State Department of  
25 Transportation to accumulate depreciation, equipment  
26 replacement allowances, and salvage value to be used to

1 upgrade, replace, or make extraordinary repairs to road  
2 machinery and equipment.

3 "(4) EQUIPMENT REPLACEMENT ALLOWANCE. An amount,  
4 when added to the depreciation and salvage value of a unit of  
5 road machinery and equipment and accumulated in a special  
6 account, that will provide the funds to upgrade, replace, or  
7 make extraordinary repairs to that unit of road machinery and  
8 equipment.

9 "(5) EXTRAORDINARY REPAIRS. Repairs made to extend  
10 an asset's useful life beyond that which was originally  
11 estimated.

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

15 "(7) ROAD MACHINERY AND EQUIPMENT. Self-propelled  
16 equipment or other equipment commonly referred to in the State  
17 Department of Transportation as rental equipment, including  
18 aircraft.

19 "(8) SALVAGE VALUE. That portion of a unit of road  
20 machinery and equipment's cost that is recovered at the end of  
21 its productive life.

22 "(c) There is created in the Public Road and Bridge  
23 Fund of the State Department of Transportation an Equipment  
24 Management Surplus Reserve Account. The director of the  
25 department is directed to establish a road machinery and  
26 equipment management program which shall determine the type,  
27 number, and distribution between the general office and

1 department divisions of the road machinery and equipment  
2 necessary to carry out the mission of the State Department of  
3 Transportation in an efficient manner. This system shall also  
4 determine the productive life of all of the road machinery and  
5 equipment and establish depreciation rates, equipment  
6 replacement allowance, and salvage value which, when  
7 accumulated in the Equipment Management Surplus Reserve  
8 Account, will provide the necessary funds to upgrade, replace,  
9 or make extraordinary repairs to road machinery and equipment.

10 "(d) The Equipment Management Surplus Reserve  
11 Account shall be subdivided into subaccounts as follows: One  
12 for the general office and one each for each of the department  
13 divisions. Depreciation, equipment replacement allowance, and  
14 salvage value shall be credited to the account of the general  
15 office or department division to which the unit of road  
16 machinery and equipment is assigned and shall not be  
17 commingled or transferred between the department division and  
18 the general office. The funds in each of these subaccounts of  
19 the general office and department divisions shall be available  
20 to the appropriate office or division to upgrade, replace, or  
21 to make extraordinary repairs to road machinery and equipment.

22 "(e) There is appropriated all of the funds created  
23 to the Equipment Management Surplus Reserve Accounts, due to  
24 the depreciation, equipment replacement allowance, and salvage  
25 value of road machinery and equipment, for upgrading,  
26 replacement, or extraordinary repairs to road machinery and  
27 equipment. These funds shall not revert at the end of each

1 fiscal year, but shall carry over to each succeeding year. It  
2 is the intent of the Legislature that funds appropriated from  
3 the Equipment Management Surplus Reserve Account be used only  
4 to upgrade, replace, or make extraordinary repairs to road  
5 machinery and equipment, and that they not be used to increase  
6 the number of units of equipment of the State Department of  
7 Transportation. It is the further intent of the Legislature to  
8 use these funds to maintain the present level of road  
9 maintenance, as opposed to using the funds to place the state  
10 in a competitive position with private enterprise. Specific  
11 funds shall be appropriated by the Legislature to increase the  
12 number of units of road machinery and equipment. It is  
13 specifically provided that the aircraft, pickup truck, and  
14 three automobiles transferred from the Department of Finance  
15 to the State Department of Transportation, pursuant to  
16 Executive Order No. 12, dated December 21, 1993, shall be  
17 added to and become a part of the Department of Transportation  
18 road machinery and equipment management program and Equipment  
19 Management Surplus Reserve Account.

20 "(f) Any other provision of law to the contrary  
21 notwithstanding, at the end of the productive life of a unit  
22 of road machinery or equipment covered by the equipment  
23 management surplus reserve account established as provided for  
24 in this section, the unit of road machinery or equipment shall  
25 be sold at the discretion of the director, either at public  
26 auction, as provided for by the laws of the State of Alabama,  
27 or by a negotiated sale between the State Department of

1 Transportation and any other state department or agency, and  
2 the proceeds from any sale, whether at public auction or by  
3 such negotiation, shall be paid into the equipment management  
4 surplus reserve account and credited to the subaccount to  
5 which the unit of road machinery or equipment is credited.

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

9 "§41-17A-6.

10 "(a) In order to ensure compliance with the goals  
11 outlined in Section 41-17A-4, as well as to monitor the  
12 actions outlined in Section 41-17A-5, a Green Fleets Review  
13 Committee is created. The Permanent Joint Legislative  
14 Committee on Energy will appoint the members of the Green  
15 Fleets Review Committee. The membership of the committee shall  
16 reflect the racial, gender, geographic, urban/rural and  
17 economic diversity of the state. The Chair of the Green Fleets  
18 Review Committee may create advisory subcommittees and appoint  
19 members thereto, which may include members of the Green Fleets  
20 Review Committee, representatives from governmental agencies,  
21 and members of the public with interest and expertise in the  
22 objectives of the committee. The Green Fleets Review Committee  
23 shall create no more than two active advisory subcommittees at  
24 any given time unless the committee votes unanimously for  
25 additional subcommittees.

26 "(b) The committee shall thereafter meet at the call  
27 of the chair or any majority of the members thereof; provided,

1 that the committee shall meet at least once each four months.  
2 The committee shall have a continuing existence and may meet,  
3 act, and conduct its business at any place within this state  
4 during the sessions of the Legislature or any recess thereof,  
5 and in the interim period between sessions.

6 "(c) Each legislative member of the committee or any  
7 subcommittee, if created, shall be entitled to his or her  
8 regular legislative compensation, his or her per diem, and  
9 travel expenses for each day he or she attends a meeting of  
10 the committee. Upon requisitions signed by the chair of the  
11 committee or subcommittees, these payments shall be paid out  
12 of any funds appropriated to the use of the Legislature by  
13 means of warrants drawn by the Comptroller on the State  
14 Treasury. Notwithstanding the foregoing, no member shall  
15 receive additional legislative compensation or per diem when  
16 the Legislature is in session or if a member is being paid any  
17 other payments on the same dates for attendance on other state  
18 business. The total legislative expenditures of the committee  
19 shall not exceed five thousand dollars (\$5,000) per fiscal  
20 year.

21 "(d) On an annual basis, all state department and  
22 agency fleet managers shall submit a draft of their green  
23 fleets plan to the ~~State Equipment Management Coordinator, or~~  
24 ~~the Department of Finance designee for this position~~  
25 Department of Transportation Office of Fleet Management, and  
26 the Green Fleets Review Committee detailing how vehicle  
27 procurement, fleet operations, and employee travel activity



1 are intended to conform to the green fleet policies and  
2 strategies outlined in Section 41-17A-5. Each green fleets  
3 plan submitted shall also include, as an appendix or addendum,  
4 an updated fleet vehicle inventory list in the same format as  
5 the fleet vehicle inventory required by Section 41-17A-3.

6 "(e) Each green fleets plan shall be reviewed by the  
7 ~~State Equipment Management Coordinator, or the Department of~~  
8 ~~Finance designee for this position~~ Department of  
9 Transportation Office of Fleet Management, and the committee  
10 for overall conformity with the policies and for completeness  
11 in addressing the green fleets strategies. Inadequate plans  
12 shall be returned to the submitting department or agency for  
13 revision and discussion with the committee.

14 "(f) Any appeal of the committee's decisions must be  
15 made in writing to the committee accompanied by appropriate  
16 documentation. Valid reasons for an appeal include  
17 unavailability of appropriate fleet vehicles, incremental  
18 costs in excess of the full life-cycle savings that would  
19 accrue from the acquisition of a given vehicle, and the  
20 primacy of a given vehicle's mission to public safety or a  
21 similar area judged to be applicable by the committee.

22 "(g) Approval of vehicle procurement requests for  
23 each department or agency is contingent upon a satisfactory  
24 recommendation from the State Fleet Manager as to the merit of  
25 the department's or agency's green fleets plan.

26 "(h) The most innovative green fleets plan  
27 implemented shall receive recognition in an annual award to

1 the department or agency submitting the most innovative plan.  
2 The committee shall determine the recipient of the award  
3 during the annual green fleets review meeting."

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

6 Section 3. This act shall become effective  
7 immediately following its passage and approval by the  
8 Governor, or its otherwise becoming law.