

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 3618/3

INTRODUCTION # SB-0392

Admin. Rule #

Subject
 State Fleet Management and Consideration of Vehicle's Fuel and Safety Ratings

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Multiple appropriations in several agencies

Assumptions Used in Arriving at Fiscal Estimate:

This bill replaces the current fuel economy standard with a combination fuel economy/safety rating as the basis for vehicle acquisitions. The department annually develops bids for vehicle acquisitions for all fleet-owning agencies. Bids are evaluated according to life-cycle analysis which includes weighting for fuel efficiency. Safety is not explicitly included in the evaluation though agencies may request specific safety or comfort features on a case-by-case basis. There are two approaches to increased safety in state vehicles: 1) larger vehicles, and/or 2) optional safety features.

- Based on the 1999-2000 bids, upgrading the fleet from sub-compact to compact vehicles would cost approximately \$2,400 per vehicle. Based on a 5 mpg difference in average fuel economy and 18,000 miles per year usage, the larger vehicles would incur an additional \$185 in annual fuel cost (\$1.50 pump price less federal excise tax). Based on 200 subcompact vehicles purchased per year, this option would increase annual acquisition costs by \$480,000. Once the larger vehicles were fully phased in, fuel cost would increase \$150,000 annually.
- There are a number of optional safety features that could be purchased including: anti-lock brakes (\$400-600), side airbags (\$350 - 400), adjustable pedals (\$120 - 150), and power door locks (\$275 - 400). The prices listed are retail. Assuming an average cost of \$700 per vehicle applied to 500 new vehicles annually, this option would increase acquisition costs by \$350,000.

The above figures are based on annual cash outlays. Some costs may be partially recoverable at resale.

Long-Range Fiscal Implications:

Unknown

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