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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Government Operations and Spending Limitations...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Assembly

Record of Committee Proceedings

Committee on Government Operations and Spending Limitations

Senate Bill 155

Relating to: use of hybrid-electric vehicles by state officers and employees and residents of this state.

By Senators Cowles, Schultz, Panzer, Risser, A. Lasee, Harsdorf, M. Meyer, Hansen, Ellis, Lassa, Carpenter, Brown, Roessler, Darling, Moore and Robson; cosponsored by Representatives Weber, Van Roy, Richards, Gunderson, Albers, J. Lehman, Plouff, Owens, Miller and Black.

November 20, 2003 Referred to Committee on Government Operations and Spending Limitations.

February 11, 2004 **PUBLIC HEARING HELD**

Present: (6) Representatives F. Lasee, Loeffelholz, Musser, Weber, Zepnick and Wasserman.

Absent: (0) None.

Appearances For

- Jeff Knight, Department of Administration
- Rep. Becky Weber, 5th Assembly District
- Roger Frings, Sen. Rob Cowles, 2nd Senate District

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- None.

Registrations Against

- None.

February 25, 2004 **EXECUTIVE SESSION HELD**

Present: (6) Representatives F. Lasee, Loeffelholz, Musser, Weber, Zepnick and Wasserman.

Absent: (0) None.

Moved by Representative Musser, seconded by Representative Loeffelholz that **Senate Bill 155** be recommended for concurrence.

Ayes: (5) Representatives F. Lasee, Loeffelholz,
Musser, Weber and Wasserman.

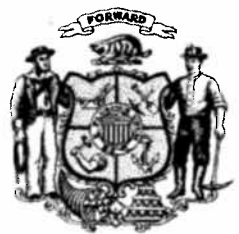
Noes: (1) Representative Zepnick.

CONCURRENCE RECOMMENDED, Ayes 5, Noes 1

Lance Burri
Committee Clerk



WISCONSIN STATE LEGISLATURE



ROBERT L. COWLES
Wisconsin State Senator • 2nd Senate District

Testimony on Senate Bill 155 2-11-04
Submitted by Roger Frings, Staff to State Senator Cowles
Assembly Committee on Government Operations and Spending Limitations

Good morning. Thank you Mr. Chairman and members of the committee. I appreciate the opportunity to speak before you today. My name is Roger Frings. I am appearing on behalf of Senator Cowles and testifying in favor of Senate Bill 155.

Senator Cowles authored SB 155 to promote the use of hybrid vehicles in the state fleet. This bill can help create jobs and preserve our natural resources. It also helps break our dependence on foreign oil.

The bill is actually very simple – all it does is add hybrid-electric vehicles to the state's defined list of alternative fuel vehicles. Under federal guidelines, the state fleet must purchase 75% of new replacement vehicles from a list of alternative fuel vehicles. Hybrids are not currently defined under EPA Act as an alternative fuel vehicle, and therefore cannot count towards 75% of new vehicles purchased requirement. Again, this bill adds hybrids to that definition.

The bill will **NOT** add to the cost of state government, as the hybrid-electric purchases would be made from the existing budget for the state fleet.

Energy efficiency is the bridge between a cleaner environment and a stronger economy. We can create jobs and preserve our natural resources.

Some groups have estimated energy efficiency initiatives will create thousands of jobs nationally, and purchasing hybrids is included in that figure.

Senate Bill 155 can help establish Wisconsin as a national leader in hybrid vehicles. Wisconsin is in the top 12 nationally in total number of alternative fuel vehicles in the state fleet. If compared to other states by the size of population, Wisconsin is second for alternative fuels in the state fleet. This bill could make us number one.

Energy efficiency is also a matter of national security. The federal government is investing more funds in fuel cell technology in order to break our dependence on foreign oil. John Deere and Oshkosh Truck have recently secured federal funds to develop and deploy fuel cell technology and vehicles.

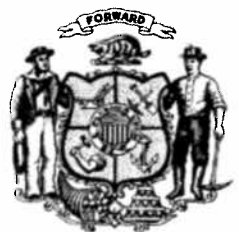
Finally, Senator Cowles owns a hybrid-electric car, a 2001 Toyota Prius. He's put over 70,000 miles on his hybrid, and it runs great. In the coming years, you will see many more of these on the road.

Senate Bill 155 passed the Senate in November with a unanimous vote – 32-0.

That concludes my written testimony, I would be happy to respond to any questions at this time. Thank you.



WISCONSIN STATE LEGISLATURE



Integration of Hybrid Electric Vehicles (HEVs) into the State Fleet

Jeffery Knight
Director
Bureau of General Services
February 11, 2004



Alternative Fuel Benefits and Use

- Alternative fuels improve air quality when compared to gasoline/diesel fuel
- Chapter 16 Statute - agencies must utilize alternative fuel for the operation of all state owned/leased motor vehicles, when feasible
- State defines an alternative fuel as:
 - **biodiesel, methanol, ethanol, natural gas, propane, hydrogen, coal derived liquid, electricity, solar energy, or fuel derived from biological material**

State AFV Requirements

- State must satisfy Federal and State Alternative Fuels Mandates
 - Energy Policy Act of 1992 (EPAAct)
 - Clean Air Act Amendments of 1990
 - Wisconsin Act 351
 - WI Admin. Code NR487

State AFV Requirements

- Energy Policy Act of 1992 (EPAAct):
 - US-Department of Energy set alternative fuel goals for US
 - Defined alternative fuels and set federal, state & fuel provider fleet AFV requirements
 - Goal of 10% alternative fuel motor vehicle consumption by 2000 & 30% by 2010
 - Mandates that 70% of new light-duty purchases must be alternative fuel

State AFV Requirements

- Annual EPA Act report submitted DOE (Dec)
 - In 2003, no passenger vehicles purchased to satisfy EPA Act
 - Previous years' requirement of 75% of new vehicle purchases as AFVs lead to current bank of 1277 credits
 - State using credits for 2003 purchase mandate
 - Researching revenue source for selling & trading credits

State AFV Requirements

- Clean Air Act Amendments of 1990 (CAAA) regulate air emissions from area, stationary and mobile sources
- Only the ozone non-attainment counties of SE-WI (Milwaukee, Waukesha, Racine, Kenosha, Ozaukee and Washington) qualify
- Mandates that 75% of new light duty purchases must be alternative fuel and credits earned by purchasing more clean fuel vehicles than required

State AFV Requirements

- WI Admin. Code NR487 - Requires a Clean Fuel Fleets Program in six severe ozone non-attainment areas of SE-WI
 - Allows for the use of EPA defined low emission vehicles
- Wisconsin Act 351 - Requires state employees to use alternative fuels for all vehicles leased or owned by the state

HEV Basics

- Consists of batteries, generator, electric motor & gas engine
- Engine and motor work together for performance & efficiency
- At low speeds, electric motor provides power
- During acceleration and highway speeds, gas & electric engines work together
- When vehicle is idle/coasting gas engine shuts off

HEV Obstacles

- Not currently defined under state statute as an Alternative Fuel Vehicle (AFV) option
- Not defined under EPA Act as an AFV therefore cannot count towards 75% of new purchase requirement

HEV Options

- OEMs expanding development of hybrids
 - More domestic options will be available
 - Pricing becomes more competitive
 - HEVs will successfully compete for portion of annual buy

HEV Options

- Currently Available
 - Honda Civic & Insight, Toyota Prius
- Late 2004, 2005-2007
 - GM: Silverado, Equinox, Malibu & Sierra, Saturn VUE
 - Daimler Chrysler: Dodge Ram & Mercedes S Class
 - Ford Escape
 - Lexus RX Hybrid SUV
 - Toyota Highlander

Current Federal and State HEV Support

- Current federal tax breaks, for private citizens, up to \$1,500 (2004), \$1,000 (2005) & \$500 (2006)
- Examples of other states (i.e. AZ, CO, FL, GA, HI, LA, MA, MD) support:
 - Tax Breaks, Grants, Rebates, Incremental Cost Incentives, HOV lane use, exempt of parking and registration fees

Pending Federal and State Support

- Pending Federal Legislation (EPA Act of 2003) define HEVs as AFVs
 - States can count HEVs towards AFV requirement of 75% of new purchases
 - Tax credits will be redefined as an incentive to consumers
- Pending State legislation makes purchasing HEVs easier and shows support of federal legislation

HEV Benefits for WI

- A feasible and environmentally friendly addition to the state fleet
- With more options purchasing and selling becomes more economically feasible (2003 procurement status below)

	<u>City/Hwy</u>	<u>MSRP</u>	<u>Life Cycle Cost</u>
Prius	52/45	\$19,995	\$15,121
Dodge	25/32	\$12,935	\$8,435

- No effort by the driver to utilize an alternative fuel
- With increased MPG, reduces the amount of unleaded gallons used in state fleet

Questions?
