

1999 HOUSE TRANSPORTATION

HB 1128

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1128

House Transportation Committee

Conference Committee

Hearing Date January 7, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-19.3
1	x		39.5-55.4
1		x	0-4.2
1(2/5/99)		x	25.9-37
Committee Clerk Signature <i>Laura Ken</i>			

Minutes:

CHAIRMAN KEISER opened the hearing on HB 1128; A BILL RELATING TO THE CENTRAL VEHICLE MANAGEMENT SYSTEM.

PAUL R. FEYEREISEN, Director, State Fleet Services Division of the North Dakota Department of Transportation introduced the bill. (See attached testimony).

REP. WEISZ: Please define related equipment. Would it take the flexibility away from a research center in purchasing equipment?

PAUL replied that the research center could still buy their trailers. He emphasized that they did not want to get involved in the trailer business, rather that they wanted to stay in the licensed motor vehicle area. He said that they did not want to get into the wholesale trailer business.

REP. MICKELSON asked Paul what their proposed rate was. Paul replied that they would have to discuss what they believe the state employee's costs are. He said that they could foresee the

value to them being \$0.15 more per mile or \$0.25 more per mile depending on the number of miles the state employee would drive. He said that it would be much more cost effective if costs were justified and if acceptable by both parties involved, and that there is no set limit.

Negotiations with the employees would be done.

REP. BELTER asked Paul if "other related equipment" was defined in the code. Paul replied no, that they simply used that language to best describe what they thought was included.

REP. BELTER further questioned Paul for clarification of the language since it could be misinterpreted in the future under new administration. He suggested a better definition to solve any problems that may arise from that. Paul replied that they had no interest in the business of anything but licensed motor vehicles.

CHAIRMAN KEISER clarified Rep. Belter's comments by questioning the actual definition of "other related equipment." He mentioned the broadness of this definition and stating that it was actually a legal question that could raise problems later on.

REP. KEMPENICH asked Paul if he could better specify licensed trailers since that was more of the issue. He said that it wasn't a piece of farm equipment since it was so often used on public roads. Paul replied that they could go ahead and use licensed trailers for the language since that was the only thing they were after. He recognized their concerns with the language and offered to reconsider.

REP. THORPE followed up Rep. Kempenich's comments by questioning the area of licensed trailers. He thought that with the use of tailgate lifts this may already be possible.

Paul responded that they do buy tailgate lifts as a required licensed motor vehicle to do particular work. He said that they also buy different attachments for trucks, but thought that trailers were not in their power to buy.

REP. THORPE then questioned the fiscal note, giving reference to the significant savings proposed. Paul described the hypothetical that he described in his fiscal note about six state vehicles for six different employees, saying that it could yield savings depending upon the varying equipment.

REP. THORPE questioned the equipment that is already in the system. Paul replied that they do in fact have several vehicles that are equipped for persons with disabilities that haul and carry people to different locations by the institutions throughout the state. He said that they have a few vehicles equipped for persons with disabilities that are employed by the state and that it cannot be used by others due to its equipment, so does sit and wait for use.

REP. THORPE asked if they could be moved around the state if so needed. Paul replied that they could.

REP. KEMPENICH asked what was done with the old trucks. Paul said that they are sold and not replaced if not necessary.

REP. SCHMIDT asked if the department had a budget for these vehicles.

CHAIRMAN KEISER noted that the committee could refer back to any bill, but that it would always reference back to this session because the reimbursement of motor vehicles is defined here. He further followed up on Rep. Mickelson's question, inquiring as to if they should look further into the negotiating power of the director. If the code is not limited, unreasonable

negotiations are possible. He emphasized looking at a limit so as not to create the opportunity for a precedent that is not appropriate.

PAUL replied that if the committee agreed, that it would be fine with them. He said that they had looked at many hypothetical situations and realized that there would be a limit.

REP. KEMPENICH questioned the ceiling that would be imposed. He agreed that the department needed to be given flexibility.

REP. PRICE asked Paul if the research facilities hauled enough bails to justify purchasing this equipment.

PAUL answered yes. He added that the trailer would be used to haul hogs, hay, tractors, and water tanks.

REP. GRUMBO asked Paul if it was a flatbed trailer.

PAUL replied yes. It is a fifth wheel tandem axle trailer that is a flatbed that will be used for multiple purposes.

CHAIRMAN KEISER closed the hearing on HB 1128.

GENERAL DISCUSSION TOOK PLACE. Chairman Keiser, Representatives Kempenich, Belter, Lemieux, Weisz, Mahoney, Price, Meyer, Sveen, and Mickelson participated.

COMMITTEE WORK

CHAIRMAN KEISER appointed Representatives Weisz and Kempenich to a subcommittee to negotiate an ammendment.

REP. MICKELSON added that the bill should be revisited in two years if it is passed.

Page 5
House Transportation Committee
Bill/Resolution Number Hb 1128
Hearing Date January 7, 1999
January 14, 1999

CHAIRMAN KEISER reopened the hearing on HB 1128. REP. KEMPENICH proposed an amendment to the committee. (See attached amendment). The committee voted unanimously to accept the amendment. Further questions were asked by REP. MICKELSON referring to the cost per mile adjustment. He volunteered to find information and bring it back to the committee on January 15, 1999.

February 5, 1999

COMMITTEE ACTION

REP. MICKELSON introduced a second amendment to HB 1128. (See attached amendment). The committee voted unanimously to accept the amendment. Further discussion took place.

REP. LEMIEUX moved a DO PASS AS AMENDED. REP. MEYER seconded the motion. The motion carried.

ROLL CALL - 15 YEA, 0 NAE, 0 ABSENT AND NOT VOTING

FLOOR ASSIGNMENT - REP. MICKELSON

FISCAL NOTE

(Return original and 10 copies)

Resolution No.: _____ Amendment to: HB 1128

Requested by Legislative Council _____ Date of Request: 02-10-1999

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

If six state employees require special equipped vehicles for their disability for state business, the cost averages about \$9,000 per motor vehicle or a total of \$54,000.

The rate under the amendment would be the amount under Section 54-06-09 of .25¢ per mile plus \$1.13 for the special equipment or \$1.38 per mile total or the break even point, the formula limits a maximum of .37¢ per mile. If their mileage average 1,000 miles per year at .37¢ per mile or \$370 per year per vehicle, an initial savings of \$51,800 would be realized.

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$51,800		
Expenditures						

3. What, if any, is the effect of this measure on the budget for your agency or department:

a. For rest of 1997-99 biennium: None

b. For the 1999-2001 biennium: None

c. For the 2001-03 biennium: None

4. County, city, and school district fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: *Paul R. Feyereisen*
 Typed Name: Paul R. Feyereisen
 Department: of Transportation State Fleet Services
 Phone Number: 701-328-2543
 Date Prepared: 02-11-1999

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1128 Amendment to: _____

Requested by Legislative Council Date of Request: 12-29-98

- 1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

If six state employees require special equipped vehicles for their disability for state business, the cost averages about \$9,000 per motor vehicle or a total of \$54,000. If their mileage averages 1,000 miles per year at .25¢ per mile or \$250 per year, an initial savings of \$52,500 would be realized.

- 2. State fiscal effect in dollar amounts:

Table with 6 columns: 1997-99 Biennium (General Fund, Special Funds), 1999-2001 Biennium (General Fund, Special Funds), 2001-03 Biennium (General Fund, Special Funds)

Revenues:

Expenditures: \$52,500

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:
a. For rest of 1997-99 biennium: None
b. For the 1999-2001 biennium: None
c. For the 2001-03 biennium: None

- 4. County, City, and School District fiscal effect in dollar amounts:

Table with 9 columns: 1997-99 Biennium (Counties, Cities, School Districts), 1999-2001 Biennium (Counties, Cities, School Districts), 2001-03 Biennium (Counties, Cities, School Districts)

If additional space is needed, attach a supplemental sheet.

Signed Paul R. Feyereisen
Typed Name Paul R. Feyereisen

Date Prepared: 01-05-1999

Department of Transportation State Fleet Services

Phone Number 701-328-2543

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1128

Page 1, line 11, after the period insert "Upon the request of a state agency and an agreement between the agency and director for the use of the motor vehicle related equipment, the director may purchase or lease motor vehicle related equipment and include that equipment within the system."

Page 1, line 12, after "vehicles" insert "and motor vehicle related equipment"

Renumber accordingly

Date: 1/14/99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1128

House Transportation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number 98242.0102

Action Taken approve amm.

Motion Made By Rep. Kempenich Seconded By Rep. Lemieux

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	X		Representative Thorpe		
Representative Mickelson, V. Ch.	X				
Representative Belter	X				
Representative Jensen	X				
Representative Kelsch	X				
Representative Kempenich	X				
Representative Price	X				
Representative Sveen	X				
Representative Weisz					
Representative Grumbo	X				
Representative Lemieux	X				
Representative Mahoney	X				
Representative Meyer	X				
Representative Schmidt	X				

Total (Yes) 13 No 0

Absent 2

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 1/14/99
 Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1128

House Transportation Committee

- Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS as amended

Motion Made By Rep Kempenich Seconded By Rep Mickelson

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe		
Representative Mickelson, V. Ch.					
Representative Belter					
Representative Jensen					
Representative Kelsch					
Representative Kempenich					
Representative Price					
Representative Sveen					
Representative Weisz					
Representative Grumbo					
Representative Lemieux					
Representative Mahoney					
Representative Meyer					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

check books

~~0104~~
98242.0103

Title. ~~0200~~

Prepared by the Legislative Council staff for
Representative Mickelson
January 28, 1999

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1128

Page 1, line 21, after the period insert "The rate must be based on the rate provided in section 54-06-09, increased by the actual cost per mile caused by the special equipment, and may not exceed the cost associated with the special equipment expressed as the new value plus the depreciated fair market value in eight years divided by two, divided by forty thousand miles."

Renumber accordingly

VR
2/8/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1128 HTRN 2/8/99

Page 1, line 11, after the period insert "Upon the request of a state agency and an agreement between the agency and director for the use of the motor vehicle related equipment, the director may purchase or lease motor vehicle related equipment and include that equipment within the system."

Page 1, line 12, after "vehicles" insert "and motor vehicle related equipment"

Page 1, line 21, after the underscored period insert "The rate must be based on the rate provided in section 54-06-09, increased by the actual cost per mile caused by the special equipment, and may not exceed the cost associated with the special equipment expressed as the new value plus the depreciated fair market value in eight years divided by two, divided by forty thousand miles."

Renumber accordingly

Date: 2/5
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1128

House Transportation Committee

- Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number 98 242.0103

Action Taken adopt am.

Motion Made By Rep. Lemieux Seconded By Rep. Meyer

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe		
Representative Mickelson, V. Ch.					
Representative Belter					
Representative Jensen					
Representative Kelsch					
Representative Kempenich					
Representative Price					
Representative Sveen					
Representative Weisz					
Representative Grumbo					
Representative Lemieux					
Representative Mahoney					
Representative Meyer					
Representative Schmidt					

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep.

If the vote is on an amendment, briefly indicate intent:

25.9-37

Date: 2/5
Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1128

House Transportation Committee

- Subcommittee on _____
- or
- Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as amended

Motion Made By Rep Lemieux Seconded By Rep Meyer

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	✓		Representative Thorpe	✓	
Representative Mickelson, V. Ch.	✓				
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch	✓				
Representative Kempenich	✓				
Representative Price	✓				
Representative Sveen	✓				
Representative Weisz	✓				
Representative Grumbo	✓				
Representative Lemieux	✓				
Representative Mahoney	✓				
Representative Meyer	✓				
Representative Schmidt	✓				

Total (Yes) 15 No 0

Absent Rep Mickelson

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1128: Transportation Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1128 was placed on the Sixth order on the calendar.

Page 1, line 11, after the period insert "Upon the request of a state agency and an agreement between the agency and director for the use of the motor vehicle related equipment, the director may purchase or lease motor vehicle related equipment and include that equipment within the system."

Page 1, line 12, after "vehicles" insert "and motor vehicle related equipment"

Page 1, line 21, after the underscored period insert "The rate must be based on the rate provided in section 54-06-09, increased by the actual cost per mile caused by the special equipment, and may not exceed the cost associated with the special equipment expressed as the new value plus the depreciated fair market value in eight years divided by two, divided by forty thousand miles."

Renumber accordingly

1999 SENATE TRANSPORTATION

HB 1128

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1128

Senate Transportation Committee

Conference Committee

Hearing Date March 4, 1999

Tape Number	Side A	Side B	Meter #
1	x		1-1727
March 5, 1999 - Tape 1	x		2,078-2475
Committee Clerk Signature <i>Bob A. Schobinger</i>			

Minutes:

SENATOR B. STENEHJEM opened the hearing on HB1128. Committee members present included: Sens. Bob Stenehjem, R. Schobinger, D. Mutch, D. Cook, D. O'Connell, V. Thompson, and D. Bercier.

Paul Feyereisen testified in support of HB 1128 (see testimony).

SENATOR THOMPSON This bill is actually two different things.

PAUL FEYEREISEN Yes.

SENATOR THOMPSON Was it originally to take care of the problem of buying a 24 foot trailer?

PAUL FEYEREISEN Initially we introduced this bill for the purpose of reimbursing the employee with a disability. In January, this research center truck situation came up and we believed we could not do it the way this bill was written. We offered an amendment to the

House but they didn't like and rewrote it. It would allow us to buy equipment other than a motor vehicle that would save us a substantial amount of money.

SENATOR THOMPSON If enacted into law, do you still have to bid for it?

PAUL FEYEREISEN Yes.

SENATOR B. STENEHJEM Are you not able to do the amendment in Section 1 now?

PAUL FEYEREISEN No. We could not purchase a trailer because the language in 24-02-03.3 indicates strictly motor vehicles. We are really only allowed to buy a licensed motor vehicle. We checked with the state auditor's office and we were not allowed to get into the trailer business.

SENATOR B. STENEHJEM How do Bismarck districts buy their trailers?

PAUL FEYEREISEN That is a separate budget; it is strictly a DOT budget. DOT owns the trailers, state fleet does not.

SENATOR B. STENEHJEM Why do we need to have it in our managed pool system?

PAUL FEYEREISEN In this case, they did not have the money to buy a trailer. The trailer would have been the solution.

SENATOR B. STENEHJEM Will they pay rental to the state motor fleet for the trailer? Can it be in any other district?

PAUL FEYEREISEN Yes. We would own it; it could be used for a multitude of things by many agencies and institutions.

SENATOR B. STENEHJEM Is that formula equivalent to what we're facing as far as car rentals on a personal vehicle? It is 25 cents a mile based on cost of fuel, car, depreciation. Are the same numbers being used to calculate the value of the equipment?

PAUL FEYEREISEN Yes.

SENATOR B. STENEHJEM Divided by 40,000 miles, I can get more miles out of my car than 40,000.

PAUL FEYEREISEN (He gave an example of the formula.) This would substantially save the state money over the long haul. The formula is difficult. Originally, we had nothing there.

House Transportation wanted a cap. I think the formula will work.

SENATOR B. STENEHJEM What happens in the formula if it is calculated to 20 cents a mile?

I have a hard time believing a \$15,000 car will cost the state 20 cents a mile but with fancy equipment it's worth 65 cents a mile. I have no problem with adjusting the rate, I do think it may be a little high.

PAUL FEYEREISEN The Dodge Stratus we have in our fleet is rented out at 19 cents a mile.

The national reports says it costs you and I about 34 cents. A van in the neighborhood of \$25,000 and you put \$10,000 worth of special equipment in it, I really believe the actual out-of-the-pocket cost for that vehicle is well over 45 cents. Nationally, a one ton pickup is well over 45 to 48 cents a mile. Our fee in the state for a one ton pickup is 40 cents. This cost to this employee in some instances may be 65 cents.

SENATOR B. STENEHJEM You're reimbursing 20 cents a mile to any other state employee?

PAUL FEYEREISEN Yes. It is considerably low.

SENATOR COOK The allowable IRS deduction is 32.5 cents. Are there allowable IRS deductions that follow this process if I had to have a specialized vehicle?

PAUL FEYEREISEN I don't know.

SENATOR MUTCH What type of employment do these people do and how many miles do they drive a year?

PAUL FEYEREISEN In one instance at NDSU there is a young gentleman who uses a passenger van that we specially equip. He does travel the state although he doesn't travel a lot of miles, maybe 1500 to 2000 miles a year. We don't believe we want to equip a state vehicle for that because it will just sit for him waiting to be driven.

SENATOR COOK If we had a state legislator from Fargo who had a specially handicapped vehicle and he gets paid mileage to come to the capitol. Would his mileage go up?

PAUL FEYEREISEN He would only get 25 cents a mile.

SENATOR B. STENEHJEM We will close the hearing on HB 1128.

SENATOR THOMPSON I motion a Do Pass.

SENATOR B. STENEHJEM It would allow them to pay a little higher rate for a state employee's personally owned vehicle for special needs.

SENATOR BERCIER I second it.

SENATOR THOMPSON It saves the state some money when there's a vehicle that only gets 1500 miles a year.

A roll call vote was taken (4 Yeas, 3 Nays, and 0 Absent and Not Voting).

Senator Thompson will carry HB 1128.

Date: March 5, 1999

Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1128

Senate Transportation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass

Motion Made By Sen Thompson Seconded By Sen. Bercier

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenehjem-Chairman	X				
Sen. R. Schobinger-V. Chair		X			
Sen. Duane Mutch		X			
Sen. Dwight Cook	X				
Sen. David O'Connell		X			
Sen. Vern Thompson	X				
Sen. Dennis Bercier	X				

Total (Yes) 4 No 3

Absent 0

Floor Assignment Senator Thompson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 5, 1999 1:22 p.m.

Module No: SR-40-4146
Carrier: Thompson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1128, as engrossed: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1128 was rereferred to the **Appropriations Committee**.

1999 SENATE APPROPRIATIONS

HB 1128

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. ENGROSSED HB 1128

Senate Appropriations Committee

Conference Committee

Hearing Date 3/17/99

Tape Number	Side A	Side B	Meter #
1	X		1207-2460
Committee Clerk Signature <i>Kathleen C. Kottelrock</i>			

Minutes:

SENATOR NETHING: Opened the hearing on HB 1128; a BILL for an Act to amend and reenact section 24-02-03.3 of the North Dakota Century Code, relating to the central vehicle management system.

PAUL RR. FEYEREISEN: Director, State Fleet Services Division, to answer questions you may have regarding engrossed HB 1128. When we introduced the bill, it went to House Transportation; it did not go to House Appropriations. I was surprised to see it come to the Senate Appropriations. (testimony attached #1) (tape 1, A, 1285-1694)

SENATOR NETHING: It has \$51,800 in a fiscal note which I believe is over the \$50,000 impact. Tell us about the fiscal note.

FEYEREISEN: I see the fiscal note as a savings to the state, not an expenditure. I took 6 hypothetical state employees that had a physical disability that wanted us to provide for their transportation, I believe it would cost about \$9,000/state vehicle to equip it, depending on their disability; consequently, \$9,000 x 6 = \$54,000. We would have to pay them some personal car miles, 20-40 cents. So, using a factor of 1,000 miles for 1 employee for a year, and computing that out that is your \$51,800.

SENATOR NETHING: What about the second part of the bill. Is there any fiscal impact to that?

FEYEREISEN: It has no fiscal impact, other than again, I truly believe that would also save money because we simply could use many more trailer applications in state fleets than we presently have. Consequently, I believe, it will eliminate many trucks at research centers, some other heavy duty ¾ ton pickups and other types of units that they and we both want the trailer applications.

SENATOR ST. AUBYN: In relationship to the special rates for the disability equipment; first, if an employee with ADA rules, do they have a choice of using their own vehicle or force the state to put the special equipment on?

FEYEREISEN: If a state employee with a disability requests a state vehicle to drive because of the nature of their work with the state, we would have to provide them a vehicle. That is ADA requirements.

SENATOR ST. AUBYN: Secondly, does an agency have to pay the rates for the state ADA equipped vehicle, or is it spread among all users?

FEYEREISEN: The state agency will have to pay the state employee the first 25 cents per mile which is the present rate all state employees get for personal car miles. The state fleet services will pay the difference. For example, total 45 cents: state fleet services will pay the difference of 25 cents and 40 cents or 20 cents. We will place that expense into the expense for that rental group. Typically that is a 15-passenger van, or a 12-passenger van. That is where that 20 cents will go to.

SENATOR SOLBERG: You're proposing to buy that 5th wheel trailer and put it on a lease program like you do now? Secondly, if so, how will you determine the year's usage, lifetime of it, and finally why don't you go buy a used one? There are a ton of them around.

FEYEREISEN: The particular instance here that we're talking about with Mandan Research Center is exactly what we did. We found a used trailer that was \$2,400. It was an excellent way to go. We would look for buying used trailers. We would look at putting that trailer into the rental group of vehicles that would be towing that trailer. In other words, it would go into $\frac{3}{4}$ ton group, the 1 ton, or diesel pick up pulling group. That's where it would be costed out.

SENATOR SOLBERG: What would the life of that trailer be then?

FEYEREISEN: I believe what we would do is to simply take the charge for the biennium or the 2-year period and cost it all out during that particular time period. Thereafter, we would not be depreciating it. We simply couldn't depreciate it for 10 years, 12, or 8 years. I think the dollar amount would be insignificant.

SENATOR SOLBERG: When you cost it out in that short period of time, will you cost it back to the research center on that same period of time? How will that affect their bottom line, also?

FEYEREISEN: I would guess with the large group of vehicles we have, for example, this is the $\frac{3}{4}$ type that would be pulling this type trailer, we have 135 vehicles in that rental group. That \$2400 would probably fractionally affect the rate to all of the users, perhaps by .0001%. It would be insignificant.

SENATOR SOLBERG: You would charge back to all of the users, not just the Dickinson Center?

FEYEREISEN: Yes, it will go to everyone. That is exactly what we do now, and that is the fleet philosophy. A motor burns out in a vehicle, it doesn't go back to the agency. Everybody pays for it.

SENATOR NETHING: Closed the hearing on HB 1128, and called for the motion for engrossed HB 1128.

SENATOR GRINDBERG: Moved do pass engrossed HB 1128.

SENATOR HOLMBERG: Seconded the motion.

ROLL CALL: 13 yeas; 0 nays; 1 absent & not voting

MOTION CARRIED TO DO PASS ENGROSSED HB 1128.

Yeas: Nething, Naaden, Solberg, Lindaas, Tomac, Robinson, Krauter, St. Aubyn, Grindberg, Holmberg, Kringstad, Bowman, Andrist
Absent & Not Voting: Tallackson

CARRIER: Senator Thompson

SENATOR NETHING: Closed the hearing on engrossed HB 1128.

Date: 3-17-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1128

Senate APPROPRIATIONS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS ENGRAVING

Motion Made By SENATOR GRINDBERG Seconded By SENATOR HOLMBERG

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman	✓				
Senator Naaden, Vice Chairman	✓				
Senator Solberg	✓				
Senator Lindaas	✓				
Senator Tallackson					
Senator Tomac	✓				
Senator Robinson	✓				
Senator Krauter	✓				
Senator St. Aubyn	✓				
Senator Grindberg	✓				
Senator Holmberg	✓				
Senator Kringstad	✓				
Senator Bowman	✓				
Senator Andrist	✓				

Total (Yes) 13 No 0

Absent 1

Floor Assignment BACK TO REFERRAL - SENATOR THOMPSON

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 17, 1999 3:53 p.m.

Module No: SR-48-5029
Carrier: Thompson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1128, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1128 was placed on the Fourteenth order on the calendar.

1999 TESTIMONY

HB 1128

HOUSE TRANSPORTATION COMMITTEE

January 7, 1999

North Dakota Department of Transportation
Paul R. Feyereisen, Director, State Fleet Services Division

HB 1128

NDDOT requested this bill to allow state employees with physical disabilities to drive their personal vehicle on state business and receive an amount closer to actual operating costs than the state allowable rate of 25¢ per mile.

A few state employees with disabilities have requested specially equipped state vehicles to perform their job duties. Because of the high cost of their vehicle and any special equipment or modifications it might contain, they have been reluctant to drive—and depreciate—their own vehicle for 25¢ per mile, so we have provided them with a modified state vehicle.

The cost to specially equip a state vehicle is about \$9,000, depending on the person's disability. We believe a better solution would be for drivers with specially equipped vehicles to drive them and be reimbursed an amount greater than the state allowable rate of 25¢ per mile, and closer to the actual cost of operating the vehicle. This would eliminate the need for the state to spend thousands of dollars to equip a vehicle that may see low annual use.

Proposed amendment to HB 1128

At the Dickinson Research Center, Manning branch, there's a 1975 grain truck converted to a large round bale hauler. This past week, the truck was diagnosed with a scoured piston and low compression. It needs a major engine overhaul, new clutch, brakes, tires, power steering pump, etc. The approximate repair will cost more than \$5,000, which exceeds the value of the truck.

We reviewed the research center's use of this truck, the repairs performed in the past, and its practical application. NDDOT and the research center agreed that a fifth-wheel trailer should replace this truck. We suggested that they purchase a fifth-wheel 24-foot trailer and use their pickup to haul bales, but they did not have money for equipment. Neither repairing the grain truck nor replacing it with a newer used truck would be cost-effective.

On page 1, line 10, after "vehicles," we propose inserting "or other related equipment" and then renumbering accordingly. This amendment would allow us to purchase or participate in the purchase of a trailer, saving the state many thousands of dollars.

PROPOSED AMENDMENT TO HOUSE BILL NO. 1128

Page 1, line 10, after "vehicles" insert "or other related equipment"

Renumber accordingly

SENATE TRANSPORTATION COMMITTEE

March 4, 1999

North Dakota Department of Transportation
Paul R. Feyereisen, Director, State Fleet Services Division

HB 1128

NDDOT requested this bill to allow state employees with physical disabilities to drive their personal vehicle on state business and receive an amount closer to actual operating costs than the state allowable rate of 25¢ per mile.

A few state employees with disabilities have requested specially equipped state vehicles to perform their job duties. Because of the high cost of their vehicle and any special equipment or modifications it might contain, they have been reluctant to drive—and depreciate—their own vehicle for 25¢ per mile, so we have provided them with a modified state vehicle.

The cost to specially equip a state vehicle is about \$9,000, depending on the person's disability. We believe a better solution would be for drivers with specially equipped vehicles to drive them and be reimbursed an amount greater than the state allowable rate of 25¢ per mile, and closer to the actual cost of operating the vehicle. This would eliminate the need for the state to spend thousands of dollars to equip a vehicle that may see low annual use.

On page 1, line 22, the House Transportation Committee added language to cap the rate an employee can receive for driving their specially equipped personal vehicle. The legislative council employee who wrote the formula indicated that reimbursement of an additional 20¢ to 40¢ per mile could be possible, depending on the cost of the equipment. We believe this would be an adequate incentive for a state employee with a disability to use his or her own vehicle. In addition, the state will save money by not having to specially equip state vehicles.

At the Dickinson Research Center, Manning branch, there is a 1975 grain truck converted to a large round bale hauler. The truck was diagnosed with a scoured piston and low compression. It needs a major engine overhaul, new clutch, brakes, tires, power steering, pump, etc. The approximate repair will cost more than \$5,000, which exceeds the value of the truck.

We reviewed the research center's use of this truck, the repairs performed in the past, and its practical application. NDDOT and the research center agreed that a fifth-wheel trailer should replace this truck. We suggested that they purchase a fifth-wheel, 24-foot trailer and use their pickup to haul bales but they did not have money for the trailer. Neither repairing the grain truck nor replacing it with a newer used truck would be cost-effective.

On page 1, line 11, this amendment will allow a willing agency director and the NDDOT director to purchase motor vehicle related equipment in lieu of expensive vehicle repairs.