

# SENATE BILL REPORT

## SB 6193

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As of January 27, 2020

**Title:** An act relating to encouraging cost-efficiency and environmental protection by state employees using motor vehicles on official business.

**Brief Description:** Encouraging cost-efficiency and environmental protection by state employees using motor vehicles on official business.

**Sponsors:** Senators Braun, Rolfes and Short.

**Brief History:**

**Committee Activity:** State Government, Tribal Relations & Elections: 1/24/20.

**Brief Summary of Bill**

- Sets reimbursement rates for use of a privately-owned motor vehicle during state travel to the average cost per mile of operation of state-owned motor vehicles.

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### SENATE COMMITTEE ON STATE GOVERNMENT, TRIBAL RELATIONS & ELECTIONS

**Staff:** Melissa Van Gorkom (786-7491)

**Background:** The Office of Financial Management (OFM) establishes travel expense, including mileage reimbursement, for state employees, officials, and members of boards, commissions, or committees.

Employees traveling on official business may use a state car, public transportation, or, when it is more advantageous or economical for the state, a private vehicle. The mileage reimbursement rate is set by the director of OFM and must not exceed any rate set by the United States Treasury Department. The privately-owned motor vehicle rate set by OFM as of January 1, 2019 is \$0.58 per mile, based on the business mileage rate set by Internal Revenue Service Notice 2019-02.

**Summary of Bill:** When an official or employee is approved by the agency head or authorized designee to use a privately-owned motor vehicle for official business, the mileage

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rate established by the director of OFM shall not exceed the average cost per mile of operation of state-owned motor vehicles, as determined by the Department of Enterprise Services.

**Appropriation:** None.

**Fiscal Note:** Available

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This is a bill to make the use of state motor pool and use of private vehicles for official business more even and efficient. This grew out of a request from Department of Enterprise Services for more money for the motor pool and realized that people are not using it as they should be now. In 2018, the state spent \$46 million for the state motor pool and about \$18 million for reimbursement to state employees for use of a personal vehicle. This puts into perspective how much the state is using the official motor pool. It varies significantly between agencies. The advantage of state-owned motor vehicles are that they are small, generally hybrid, and efficient to run for state employees. For most people there is a motor pool within a reasonable distance. If not, they could still use their own vehicles, but it makes it economically neutral to the state. There is a lot of money put into having the motor pool to provide a good way to get around.

**Persons Testifying:** PRO: Senator John Braun, Prime Sponsor

**Persons Signed In To Testify But Not Testifying:** No one.