BILL 3

First Regular Session Sixty-ninth General Assembly STATE OF COLORADO

REDRAFT 9.11.12

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LLS NO. 13-0068.01 Nicole Myers x4326

INTERIM COMMITTEE BILL

Transportation Legislation Review Committee

SHORT TITLE: "Report On Alternative Fuel Fleet Vehicles"

	A BILL FOR AN ACT
101	CONCERNING A REQUIREMENT THAT THE EXECUTIVE DIRECTOR OF
102	THE DEPARTMENT OF PERSONNEL SUBMIT A REPORT TO THE
103	GENERAL ASSEMBLY CONCERNING THE PURCHASE OF VEHICLES
104	THAT OPERATE ON <u>ALTERNATIVE FUELS</u> FOR THE STATE MOTOR
105	VEHICLE FLEET SYSTEM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Transportation Legislation Review Committee. Currently, the

Capital letters indicate new material to be added to existing statute. Dashes through the words indicate deletions from existing statute.

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executive director of the department of personnel (director) is required to purchase motor vehicles that operate on compressed natural gas (CNG) for the state's motor vehicle fleet system, subject to their availability and the availability of adequate fuel and fueling infrastructure. There is an exemption if the increased cost of the vehicle is more than 10% over the cost of a comparable nonflexible fuel vehicle. Beginning on July 1, 2013, the bill requires the director to purchase motor vehicles that operate on CNG or other alternative fuels for the state's motor vehicle fleet system if either the increased base cost of such vehicle or the increased life-cycle cost of such vehicle is not more than 10% over the cost of a comparable nonflexible fuel vehicle.

The bill requires the director to submit a report to the transportation committees of the senate and the house of representatives during the 2013 legislative session regarding the purchase of vehicles that operate on CNG and other alternative fuels.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 24-30-1104, amend (2) (c) (II) introductory portion; and add (2) (c) (V) as follows:

24-30-1104. Central services functions of the department - definitions. (2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by January 1, 1993. The provisions of the motor vehicle fleet system created pursuant to this subsection (2) shall apply to the executive branch of the state of Colorado, its departments, its institutions, and its agencies; except that the governing board of each institution of higher education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this subsection (2) and may obtain a motor vehicle fleet system independent of the state motor vehicle fleet system. Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet

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system throughout the state:

(c) (II) By January 1, 2008, the executive director shall adopt a
policy to significantly increase the utilization of alternative fuels and that
establishes increasing utilization objectives for each following year. To
encourage compliance with this policy, the rules promulgated pursuant to
this paragraph (c) may establish progressively more stringent percentage
mileposts and, shall; for fiscal years commencing after July 1, 2004,
require the collection of data concerning the annual percentage of
state-owned bi-fueled vehicles that were fueled exclusively with an
alternative fuel. For the years commencing on January 1, 2008, and
January 1, 2009, the executive director shall purchase flexible fuel
vehicles or hybrid vehicles, subject to availability, unless the increased
cost of such vehicle is more than ten percent over the cost of a
comparable nonflexible fuel vehicle. Beginning on January 1, 2010, the
executive director shall purchase motor vehicles that operate on
compressed natural gas AND BEGINNING ON JULY 1, 2013, THE EXECUTIVE
DIRECTOR SHALL PURCHASE MOTOR VEHICLES THAT OPERATE ON
COMPRESSED NATURAL GAS OR OTHER ALTERNATIVE FUELS, subject to
their availability and the availability of adequate fuel and fueling
infrastructure, $\underline{\text{unless if Either}}$ the increased base cost of such vehicle or
the increased life-cycle cost of such vehicle is $\underline{\mathtt{NOT}}$ more than ten percent
over the cost of a comparable nonflexible fuel vehicle. <u>If the executive</u>
director does not purchase a motor vehicle that operates on compressed
natural gas because of its cost, he or she shall purchase another type of
<u>flexible fuel vehicle or a hybrid vehicle, subject to availability, unless the</u>
increased cost of such vehicle is more than ten percent over the cost of a
comparable nonflexible fuel vehicle. The executive director shall adopt

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- 2 During the second regular session of the sixty-seventh general assembly
- 3 in 2010 first regular session of the sixty-ninth general assembly
- 4 IN 2013, the executive director OR THE DIRECTOR'S DESIGNEE shall SUBMIT
- 5 A report simultaneously to the transportation committee COMMITTEES of
- 6 the senate and the transportation and energy committee of the house of
- 7 representatives, or any successor committees, detailing the key financial
- 8 decision points and analysis that led to the executive director's
- 9 determination to purchase or decline to purchase motor vehicles that
- operate on natural gas as required by this subparagraph (II) ITEMS
- 11 SPECIFIED IN SUBPARAGRAPH (V) OF THIS PARAGRAPH (c). As used in this
- 12 subparagraph (II):
- 13 (V) ON OR BEFORE MARCH 1, 2013, THE EXECUTIVE DIRECTOR OR
- 14 THE DIRECTOR'S DESIGNEE SHALL SUBMIT A REPORT TO THE GENERAL
- 15 ASSEMBLY AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c).
- The report must include, but need not be limited to, the
- 17 FOLLOWING:
- 18 (A) THE NUMBER OF VEHICLES THAT THE EXECUTIVE DIRECTOR OR
- THE DIRECTOR'S DESIGNEE PURCHASED SINCE JANUARY 1, 2008, FOR THE
- 20 MOTOR VEHICLE FLEET SYSTEM THAT OPERATE ON COMPRESSED NATURAL
- 21 GAS AND OTHER ALTERNATIVE FUELS;
- 22 (B) AN ESTIMATE OF THE NUMBER OF NONFLEXIBLE FUEL VEHICLES
- 23 THAT THE EXECUTIVE DIRECTOR OR THE DIRECTOR'S DESIGNEE PURCHASED
- FOR THE MOTOR VEHICLE FLEET SYSTEM SINCE JANUARY 1, 2008, INSTEAD
- OF A VEHICLE THAT OPERATES ON COMPRESSED NATURAL GAS OR OTHER
- 26 <u>ALTERNATIVE FUEL</u> BECAUSE THE BASE COST OR LIFE-CYCLE COST OF THE
- 27 COMPRESSED NATURAL GAS VEHICLE OR OTHER ALTERNATIVE FUEL

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1	VEHICLE	WAS	MORE	THAN	TEN	PERCENT	OVER	THE	COST	OF	A
2	COMPARA	ABLE N	ONFLEX	KIBLE FU	JEL VI	EHICLE;					

- (C) AN EXPLANATION OF THE AVAILABILITY OF ADEQUATE FUEL AND FUELING INFRASTRUCTURE IN THE STATE FOR COMPRESSED NATURAL GAS VEHICLES AND OTHER ALTERNATIVE FUEL VEHICLES AND WHETHER LIMITED AVAILABILITY OF FUEL OR FUELING INFRASTRUCTURE CONTRIBUTES TO THE PURCHASE OF NONFLEXIBLE FUEL VEHICLES FOR THE MOTOR VEHICLE FLEET SYSTEM INSTEAD OF VEHICLES THAT OPERATE ON COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE FUELS;
 - (D) A SUMMARY OF THE POLICY THAT ALLOWS THE EXECUTIVE DIRECTOR TO EXEMPT SOME VEHICLES FROM THE REQUIREMENT TO PURCHASE VEHICLES THAT OPERATE ON COMPRESSED NATURAL GAS AND THE PERCENTAGE OF NONFLEXIBLE FUEL VEHICLES THAT THE DIRECTOR PURCHASED PURSUANT TO THIS EXEMPTION;
 - (E) A SUMMARY OF THE ADMINISTRATIVE PROCEDURES OR POLICIES IN PLACE WITHIN THE DEPARTMENT, IF ANY, THAT ARE INTENDED TO FACILITATE THE PURCHASE OF VEHICLES THAT OPERATE ON COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE FUELS;
 - (F) The executive director's suggested changes to the requirements and limitations of subparagraph (II) of this paragraph (c) or other state law that would facilitate the gradual conversion of the motor vehicle fleet system to vehicles that operate on compressed natural gas and other alternative fuels, allow the state to account for the benefit of reduced emissions from vehicles that operate on compressed natural gas and other alternative fuels in its analysis regarding the purchase of such vehicles, and enable the

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- 2 VEHICLE FLEET SYSTEM WHILE PURCHASING VEHICLES THAT OPERATE ON
- 3 COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE FUELS; AND

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4 (G) A PLAN FOR PUTTING IN PLACE THE INFRASTRUCTURE
5 NECESSARY TO SUPPORT VEHICLES IN THE STATE'S MOTOR VEHICLE FLEET
6 SYSTEM THAT OPERATE ON COMPRESSED NATURAL GAS AND OTHER
7 ALTERNATIVE FUELS.

section 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor. <{If the committee chooses to keep the reporting requirement for the 2013 legislative session, I recommend a safety clause due to timing issues.}>

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