

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 13-0068.01 Nicole Myers

SENATE BILL 13-070

SENATE SPONSORSHIP

Schwartz, Jones

HOUSE SPONSORSHIP

Scott and Tyler, Fischer, Hamner, Young

Senate Committees

Transportation

House Committees

Transportation & Energy

A BILL FOR AN ACT

101 **CONCERNING THE PURCHASE OF VEHICLES THAT OPERATE ON**
102 **ALTERNATIVE FUELS FOR THE STATE MOTOR VEHICLE FLEET**
103 **SYSTEM.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily 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 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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
March 20, 2013

SENATE
3rd Reading Unamended
February 13, 2013

SENATE
Amended 2nd Reading
February 12, 2013

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. The bill requires the director to purchase motor vehicles that operate on CNG or other alternative fuels, as currently defined by law, 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 dedicated petroleum 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.

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

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

5 **24-30-1104. Central services functions of the department -**
6 **definitions.** (2) In addition to the county-specific functions set forth in
7 subsection (1) of this section, the department of personnel shall take such
8 steps as are necessary to fully implement a central state motor vehicle
9 fleet system by January 1, 1993. The provisions of the motor vehicle fleet
10 system created pursuant to this subsection (2) shall apply to the executive
11 branch of the state of Colorado, its departments, its institutions, and its
12 agencies; except that the governing board of each institution of higher
13 education, by formal action of the board, and the Colorado commission
14 on higher education, by formal action of the commission, may elect to be
15 exempt from the provisions of this subsection (2) and may obtain a motor
16 vehicle fleet system independent of the state motor vehicle fleet system.
17 Under the direction of the executive director, the department of personnel
18 shall perform the following functions pertaining to the motor vehicle fleet
19 system throughout the state:

1 (c) (II) By January 1, 2008, the executive director shall adopt a
2 policy to significantly increase the utilization of alternative fuels and that
3 establishes increasing utilization objectives for each following year. To
4 encourage compliance with this policy, the rules promulgated pursuant to
5 this paragraph (c) may establish progressively more stringent percentage
6 mileposts and, ~~shall~~, for fiscal years commencing after July 1, 2004,
7 require the collection of data concerning the annual percentage of
8 state-owned bi-fueled vehicles that were fueled exclusively with an
9 alternative fuel. For the years commencing on January 1, 2008, and
10 January 1, 2009, the executive director shall purchase flexible fuel
11 vehicles or hybrid vehicles, subject to availability, unless the increased
12 cost of such vehicle is more than ten percent over the cost of a
13 comparable ~~nonflexible~~ DEDICATED PETROLEUM fuel vehicle. Beginning
14 on January 1, 2010, the executive director shall purchase motor vehicles
15 that operate on compressed natural gas, PLUG-IN HYBRID ELECTRIC
16 VEHICLES, OR VEHICLES THAT OPERATE ON OTHER ALTERNATIVE FUELS,
17 subject to their availability and the availability of adequate fuel and
18 fueling infrastructure, ~~unless~~ IF EITHER the increased base cost of such
19 vehicle or the increased life-cycle cost of such vehicle is NOT more than
20 ten percent over the cost of a comparable ~~nonflexible~~ DEDICATED
21 PETROLEUM fuel vehicle. ~~If the executive director does not purchase a~~
22 ~~motor vehicle that operates on compressed natural gas because of its cost,~~
23 ~~he or she shall purchase another type of flexible fuel vehicle or a hybrid~~
24 ~~vehicle, subject to availability, unless the increased cost of such vehicle~~
25 ~~is more than ten percent over the cost of a comparable nonflexible fuel~~
26 ~~vehicle.~~ The executive director shall adopt a policy to allow some
27 vehicles to be exempted from this requirement. During the second regular

1 ~~session of the sixty-seventh general assembly in 2010.~~ The executive
2 director OR THE DIRECTOR'S DESIGNEE shall SUBMIT AN ANNUAL report
3 ~~simultaneously~~ to the transportation ~~committee~~ COMMITTEES of the senate
4 and the ~~transportation and energy committee~~ of the house of
5 representatives, or any successor committees, AND THE JOINT BUDGET
6 COMMITTEE OF THE GENERAL ASSEMBLY, detailing the ~~key financial~~
7 ~~decision points and analysis that led to the executive director's~~
8 ~~determination to purchase or decline to purchase motor vehicles that~~
9 ~~operate on natural gas as required by this subparagraph~~ (H) ITEMS
10 SPECIFIED IN SUBPARAGRAPH (V) OF THIS PARAGRAPH (c). As used in this
11 subparagraph (II):

12 (III) For purposes of this paragraph (c):

13 (D) "LIFE-CYCLE COST" MEANS THE PURCHASE COST OF A VEHICLE
14 MINUS THE RESALE VALUE AT THE END OF THE VEHICLE'S EXPECTED
15 USEFUL LIFE, IN ADDITION TO THE FUEL, OPERATING, AND MAINTENANCE
16 COSTS INCURRED DURING THE VEHICLE'S EXPECTED USEFUL LIFE. FUEL
17 COSTS PER MILE TRAVELED SHALL BE CALCULATED BASED ON THE
18 REFERENCE CASE PROJECTIONS PUBLISHED BY THE UNITED STATES
19 ENERGY INFORMATION ADMINISTRATION FOR THE EXPECTED USEFUL LIFE
20 OF THE VEHICLE. THE EXPECTED USEFUL LIFE OF A VEHICLE SHALL BE THE
21 STANDARD THAT IS SET BY THE STATE FLEET MANAGEMENT PROGRAM FOR
22 ANALYSIS AND LIFE-CYCLE COSTING PURPOSES.

23 (V) ON OR BEFORE NOVEMBER 1, 2013, AND EACH NOVEMBER 1
24 THEREAFTER, THE EXECUTIVE DIRECTOR OR THE DIRECTOR'S DESIGNEE
25 SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY AS SPECIFIED IN
26 SUBPARAGRAPH (II) OF THIS PARAGRAPH (c). THE REPORT MUST INCLUDE,
27 BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

1 (A) THE NUMBER OF VEHICLES THAT THE EXECUTIVE DIRECTOR OR
2 THE DIRECTOR'S DESIGNEE PURCHASED SINCE JANUARY 1, 2008, FOR THE
3 MOTOR VEHICLE FLEET SYSTEM THAT OPERATE ON COMPRESSED NATURAL
4 GAS AND OTHER ALTERNATIVE FUELS;

5 (B) AN ESTIMATE OF THE NUMBER OF DEDICATED PETROLEUM
6 FUEL VEHICLES THAT THE EXECUTIVE DIRECTOR OR THE DIRECTOR'S
7 DESIGNEE PURCHASED FOR THE MOTOR VEHICLE FLEET SYSTEM SINCE
8 JANUARY 1, 2008, INSTEAD OF A VEHICLE THAT OPERATES ON
9 COMPRESSED NATURAL GAS OR OTHER ALTERNATIVE FUEL BECAUSE THE
10 BASE COST OR LIFE-CYCLE COST OF THE COMPRESSED NATURAL GAS
11 VEHICLE OR OTHER ALTERNATIVE FUEL VEHICLE WAS MORE THAN TEN
12 PERCENT OVER THE COST OF A COMPARABLE DEDICATED PETROLEUM FUEL
13 VEHICLE;

14 (C) AN EXPLANATION OF THE AVAILABILITY OF ADEQUATE FUEL
15 AND FUELING INFRASTRUCTURE IN THE STATE FOR COMPRESSED NATURAL
16 GAS VEHICLES AND OTHER ALTERNATIVE FUEL VEHICLES AND WHETHER
17 LIMITED AVAILABILITY OF FUEL OR FUELING INFRASTRUCTURE
18 CONTRIBUTES TO THE PURCHASE OF DEDICATED PETROLEUM FUEL
19 VEHICLES FOR THE MOTOR VEHICLE FLEET SYSTEM INSTEAD OF VEHICLES
20 THAT OPERATE ON COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE
21 FUELS;

22 (D) A SUMMARY OF THE POLICY THAT ALLOWS THE EXECUTIVE
23 DIRECTOR TO EXEMPT SOME VEHICLES FROM THE REQUIREMENT TO
24 PURCHASE VEHICLES THAT OPERATE ON COMPRESSED NATURAL GAS AND
25 THE PERCENTAGE OF DEDICATED PETROLEUM FUEL VEHICLES THAT THE
26 DIRECTOR PURCHASED PURSUANT TO THIS EXEMPTION;

27 (E) A SUMMARY OF THE ADMINISTRATIVE PROCEDURES OR

1 POLICIES IN PLACE WITHIN THE DEPARTMENT, IF ANY, THAT ARE INTENDED
2 TO FACILITATE THE PURCHASE OF VEHICLES THAT OPERATE ON
3 COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE FUELS;

4 (F) THE EXECUTIVE DIRECTOR'S SUGGESTED CHANGES TO THE
5 REQUIREMENTS AND LIMITATIONS OF SUBPARAGRAPH (II) OF THIS
6 PARAGRAPH (c) OR OTHER STATE LAW THAT WOULD FACILITATE THE
7 GRADUAL CONVERSION OF THE MOTOR VEHICLE FLEET SYSTEM TO
8 VEHICLES THAT OPERATE ON COMPRESSED NATURAL GAS AND OTHER
9 ALTERNATIVE FUELS, ALLOW THE STATE TO ACCOUNT FOR THE BENEFIT OF
10 REDUCED EMISSIONS FROM VEHICLES THAT OPERATE ON COMPRESSED
11 NATURAL GAS AND OTHER ALTERNATIVE FUELS IN ITS ANALYSIS
12 REGARDING THE PURCHASE OF SUCH VEHICLES, AND ENABLE THE
13 DEPARTMENT TO PROVIDE THE BEST VALUE TO THE STATE IN THE MOTOR
14 VEHICLE FLEET SYSTEM WHILE PURCHASING VEHICLES THAT OPERATE ON
15 COMPRESSED NATURAL GAS AND OTHER ALTERNATIVE FUELS; AND

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

20 **SECTION 2. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.