OVERVIEW: Section 31.3 of S.L. 2017-57 makes various changes to the State’s system for allocating costs of motor fleet transportation used by State agencies. This section became effective July 1, 2017.

BILL ANALYSIS: Section 31.3 of S.L. 2017-57:

- Directs the Department of Administration (DOA) to increase the amount allocated and charged to State agencies for motor fleet transportation, and subsidize the increase for calendar year 2018.
- Requires State agencies, beginning January 1, 2019, to pay the full amount allocated and charged for transportation furnished by DOA.
- Directs DOA, on June 30, 2018, to transfer to the motor fleet fund any unexpended and unencumbered funds from the General Fund to help offset deficiencies in the motor fleet fund that resulted from subsidizing the increase to State agencies.
- Directs DOA and the Motor Fleet Management Division to consult with each State agency to achieve maximum cost efficiency.
- Directs DOA to determine the amount required by each agency to cover the cost of the increase in the amount allocated and charged for transportation for fiscal biennium 2019-2021.
- Directs the Office of State Budget and Management to include the increase in the amount allocated and charged for transportation in the base budget for each State agency for fiscal biennium 2019-2021.
- Modifies, effective January 1, 2018, the statutory factors on which the amount allocated and charged by DOA to State agencies for motor fleet transportation is based, to include: vehicle replacement cost, maintenance cost, insurance, use of telematics devices, and DOA’s administration cost.

EFFECTIVE DATE: This act became effective July 1, 2017.