

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2854 - B

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal Office

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### Measure Description:

Requires Oregon Department of Administrative Services, in cooperation with other state agencies and public agencies, to establish policies, methods and means by which department, other state agencies and public agencies can acquire, share, maintain, use, repair and dispose of motor pool resources cost-effectively and efficiently.

### Government Unit(s) Affected:

Department of Administrative Services (DAS)

### Expenditure Impact:

Indeterminate, see analysis

### Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

### Analysis:

The measure amends statutes related to fleet services provided by the Department of Administrative Services (DAS). The changes require DAS to establish motor pool policies and programs for working with other public agencies that are focused on managing motor pool resources cost-effectively and efficiently. The bill also requires DAS and public agencies to evaluate different alternatives and their effectiveness before adopting a particular policy, method, or means. DAS is directed to report each biennium to the Legislative Assembly on its actions taken under the bill and their costs, benefits, and effectiveness.

Current law already requires establishment of a motor pool for common use; right now DAS provides vehicles services for 31 local governments and other public agencies through intergovernmental agreements. Most of these are with cities and counties for sedans and public safety vehicles. The public agency customers are billed to cover the cost of services.

The bill expands the Department's current service provider role to include responsibility for taking the lead on finding more cost-effective ways for public agencies to share motor pool services. Specific areas identified for review include vehicle usage, vehicle storage, maintenance services, and ridesharing opportunities.

DAS identified a minimal fiscal impact associated with engaging public agencies, updating policies, and revising intergovernmental agreements. The agency is also concerned that policies developed under the bill could lead to higher costs for DAS in the future if, for example, these policies were to drive an increase in the size of the DAS fleet. However, the extent to which policy changes might increase DAS costs is unknown and indeterminate. If and when those costs are quantified, they would be subject to further legislative review and budget approval.

The -A6 amendments clarify that DAS cannot unilaterally modify intergovernmental agreements; the Department must consult and coordinate with the affected public agency when developing changes to those agreements. These amendments do not change the bill's fiscal impact.