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Senate Bill 8 (Substitute S-1 as reported)  
Sponsor: Senator Tonya Schuitmaker  
Committee: Elections and Government Reform

### **CONTENT**

The bill would amend the Management and Budget Act to require the Department of Technology, Management, and Budget (DTMB) to conduct a 12-month pilot program using global positioning satellite (GPS) technology on passenger vehicles managed by the Department. The pilot program would have to begin by October 1, 2015. The bill states that the objective of the pilot program would be to determine whether the use of technology can result in improved asset management, elimination of manual mileage logs, and improved efficiency in the operation of the passenger vehicle fleet managed by the DTMB.

Within 60 days of the end of the 2015-16 fiscal year, the Department would have to report the results of the pilot program to the Senate and House Appropriations general government subcommittees. If the results demonstrated significant and improved efficiency in the operation of the passenger vehicle fleet, the ability to eliminate manual mileage logs, and asset management improvements, the Department would have to use GPS technology on all passenger vehicles added after January 1, 2017, to the fleet managed by the DTMB.

MCL 18.1213

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

According to the Department, the pilot program would be funded with current appropriations. If the DTMB decided to use the program for vehicles added after January 1, 2017, the bill would result in an estimated annual cost to the State ranging from \$500,000 to \$1.2 million, based on available DTMB data. The range in the estimate is based on the variance in the costs to install a GPS tracking device as well as the monthly subscription costs for use of the monitoring system. Installation costs range from \$200 to \$600 per vehicle while subscription costs range from \$25 to \$50 per month, per vehicle.

The DTMB estimates that approximately 1,000 vehicles per year would meet the criteria in the bill that would require the installation of a GPS tracking device (unless a vehicle were manufactured with such a device). If the lower figures for installation and monthly subscription costs are used (\$200 installation and \$25 monthly subscription per vehicle), the cost to the State would be an estimated \$500,000 for the 1,000 vehicles estimated to be affected by the bill each year. If the higher figures are used (\$600 installation and \$50 monthly subscription per vehicle), the total estimated cost per year would be \$1.2 million. These estimates are based on costs determined by various manufacturers. The price the State ultimately would pay would likely depend on a decision made after the submission of bids.

The bill would have no fiscal impact on local government.

Date Completed: 4-20-15

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.