

THE HOUSE OF REPRESENTATIVES  
Thursday, February 26, 2009

Committee Substitute for  
**House Bill No. 1952**

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1952 - By: BENGE, JACKSON, TREBILCOCK AND SHERRER of the House and BINGMAN of the Senate.

An Act relating to energy; amending 74 O.S. 2001, Section 78, as last amended by Section 1, Chapter 169, O.S.L. 2007 (74 O.S. Supp. 2008, Section 78), which relates to the Fleet Management Division; modifying certain fleet services; authorizing the Director of Central Services to construct and operate alternative fueling infrastructure; authorizing agreements with political subdivisions for fleet services; allowing the Department of Central Services to offer public access to alternative fueling infrastructure; requiring public access to cease under certain circumstances; providing definition of certain term; amending 74 O.S. 2001, Section 78c, as amended by Section 5, Chapter 372, O.S.L. 2003 (74 O.S. Supp. 2008, Section 78c), which relates to the State Fleet Management Fund; expanding uses of the fund; requiring deposit of certain lease payment in the fund; authorizing the Department to enter into lease agreements with political subdivisions for alternative fueling infrastructure; providing for transfer of title upon final payment; limiting expenditure for infrastructure; requiring lease payments to be deposited in the State Fleet Management Fund; amending 74 O.S. 2001, Sections 130.2, as amended by Section 2, Chapter 287, O.S.L. 2005 and 130.4, as amended by Section 1, Chapter 38, O.S.L. 2002 (74 O.S. Supp. 2008, Sections 130.2 and 130.4), which relate to the Oklahoma Alternative Fuels Conversion Act; modifying definitions; increasing maximum expenditure amount for installation of a fill or charge station; amending 74 O.S. 2001, Section 130.13, which relates to the Alternative Fuels Technician Certification Act; modifying definitions; repealing 74 O.S. 2001, Section 130.8A, which relates to exhaust emission standards for certain conversion kits; providing for codification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1 SECTION 1. AMENDATORY 74 O.S. 2001, Section 78, as last amended by  
2 Section 1, Chapter 169, O.S.L. 2007 (74 O.S. Supp. 2008, Section 78), is amended to read  
3 as follows:

4 Section 78. A. There is hereby created and established within the Department of  
5 Central Services, the Fleet Management Division. The Division shall provide oversight  
6 of and advice to state agencies that own, operate and utilize motor vehicles, except for  
7 the Department of Public Safety, the Department of Transportation, the Oklahoma State  
8 Bureau of Investigation, and The Oklahoma State System of Higher Education.

9 B. The Director of Central Services shall:

10 1. Appoint and fix duties and compensation for a Fleet Manager who shall serve as  
11 the administrative head of the division;

12 2. Hire personnel as necessary to provide fleet ~~management~~ services to state  
13 agencies;

14 3. Acquire facilities to maintain vehicles;

15 4. Construct, install, acquire, operate and provide alternative fueling infrastructure  
16 for use by state agencies and political subdivisions of the state or for leasing and  
17 transferring to political subdivisions;

18 5. Promulgate rules for efficient and economical operations to provide fleet  
19 ~~management~~ services to state agencies; and

20 ~~5.~~ 6. Report to the Governor, Speaker of the House of Representatives, and  
21 President Pro Tempore of the Senate those agencies that fail to comply with the

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1 provisions of law and the rules of the Fleet Management Division regarding submission  
2 of reports, vehicle use, and vehicle maintenance.

3 C. The rules shall include provisions to:

4 1. Establish uniform written vehicle acquisition, leasing, maintenance, repairs, and  
5 disposal standards for use by all state agencies to justify actual need for vehicles;

6 2. Establish standards for routine vehicle inspection and maintenance;

7 3. Provide standards and forms for recordkeeping of fleet operation, maintenance,  
8 and repair costs for mandatory use by all state agencies to report the data to the Fleet  
9 Management Division on a monthly basis;

10 4. Provide standards and utilize methods for disposal of vehicles pursuant to the  
11 Oklahoma Surplus Property Act and any other applicable state laws;

12 5. Establish mandatory maintenance contracts throughout the state for all agencies  
13 to access for vehicle repairs and service at discounted rates and parts;

14 6. Require all agencies with in-house repair and service facilities to assign a value  
15 to the preventive maintenance services, track those services with a dollar value, and  
16 report costs to the Fleet Manager for the prior month no later than the twentieth day  
17 following the close of each month;

18 7. Promulgate rules requiring all state-owned motor vehicles to be marked in a  
19 uniform, highly visible manner, except for certain vehicles driven by law enforcement  
20 agencies or other agencies requiring confidentiality;

1           8. Require agencies to produce and maintain written justification for any vehicle  
2 that travels fewer than twelve thousand (12,000) miles annually and report to the Fleet  
3 Manager such information by October 1 of each year; and

4           9. Address any other matter or practice which relates to the responsibilities of the  
5 Director of Central Services.

6           D. The Fleet Manager shall:

7           1. Develop specifications for contracts for vehicle maintenance for state vehicles not  
8 serviced or maintained by state agencies;

9           2. Conduct on-site inspections to verify state agency or supplier compliance with  
10 Division standards for inspections, maintenance and recordkeeping;

11           3. Assess state agency needs for vehicles and types of vehicles;

12           4. Assign, transfer or lease vehicles to a state agency to meet the needs of the state  
13 agency;

14           5. Unless otherwise provided by law, determine whether a state agency may use or  
15 operate a vehicle without state identifying markings, bearing a license plate used by a  
16 privately owned vehicle to perform the duties of the state agency without hindrance;

17           6. Report to the Director of Central Services occurrences of agencies failing to  
18 comply with the provisions of law and the rules of the Fleet Management Division  
19 regarding submission of reports, vehicle use, and vehicle maintenance;

20           7. Offer guidelines to agencies to assist in determining the most cost-effective and  
21 reasonable modes of travel for single trips from the following options: state vehicle,  
22 private rental, or mileage reimbursement; and

1 8. Provide, upon the request of the Governor, the President Pro Tempore of the  
2 Senate or the Speaker of the House of Representatives, reports from data the Fleet  
3 Manager collects.

4 E. The Director of Central Services may enter into agreements with any political  
5 subdivision of this state for the purpose of providing fleet services established by the  
6 Fleet Management Division pursuant to this section and rules promulgated pursuant to  
7 this section.

8 F. The Department may offer public access to alternative fueling infrastructure  
9 owned and operated by the Department in areas of the state in which access to an  
10 alternative fueling infrastructure is not readily available to the public. The Department  
11 shall cease allowing public access to an alternative fueling infrastructure operated by the  
12 Department if a privately owned alternative fueling infrastructure locates within a five-  
13 mile radius of the infrastructure operated by the Department.

14 G. When used in relation to the Fleet Management Division:

15 1. "Alternative fueling infrastructure" shall mean a fill station or charge station  
16 used to deliver or provide alternative fuels as defined in Section 130.2 of this title; and

17 2. "Alternative fuel vehicle" shall mean a motor vehicle originally designed by the  
18 manufacturer to operate lawfully and principally on streets and highways which is  
19 propelled by an alternative fuel as defined in Section 130.2 of this title.

20 SECTION 2. AMENDATORY 74 O.S. 2001, Section 78c, as amended by Section  
21 5, Chapter 372, O.S.L. 2003 (74 O.S. Supp. 2008, Section 78c), is amended to read as  
22 follows:

1 Section 78c. A. There is hereby created a special fund to be designated the "State  
2 Fleet Management Fund". The fund may be appropriated for and used for the  
3 acquisition, leasing, operation, storage, maintenance, repair and replacement of motor  
4 vehicles under the control of the Fleet Management Division, the payment of insurance  
5 premiums, ~~and~~ the payment of the administrative expenses of the Division in connection  
6 with the operation of the motor pool ~~and~~ expenses the Department of Central Services  
7 incurs to support Division operations, and for expenses associated with constructing,  
8 installing, acquiring, and operating alternative fueling infrastructure and acquiring  
9 alternative fuel vehicles for use by state agencies or for leasing and transferring to  
10 political subdivisions of the state as authorized pursuant to Section 3 of this act.

11 B. At the end of each month the Division shall render a statement, on such  
12 reasonable basis of mileage or rental as shall be established by the Division, to all state  
13 agencies to which transportation has been furnished, and all amounts collected shall be  
14 deposited to the credit of the "State Fleet Management Fund".

15 C. Proceeds from the disposition of motor vehicles or other property owned by the  
16 Division shall be deposited to the credit of the fund.

17 D. Payments received by the Department for the lease of alternative fueling  
18 infrastructure and vehicles as provided for in Section 3 of this act shall be deposited to  
19 the credit of the fund.

20 E. The Fleet Management Division is authorized to maintain a petty cash fund in  
21 such amount not exceeding Two Thousand Dollars (\$2,000.00) to make immediate cash  
22 payments as are required or necessary in the opinion of the Fleet Management Director.

1 Any such cash disbursement shall be made only by the persons so designated by the  
2 Fleet Management Director, and only in the payment of claims authorized by law. Such  
3 proofs and receipts shall be presented by the person making a claim as is required by the  
4 Fleet Management Director.

5 SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma  
6 Statutes as Section 78e of Title 74, unless there is created a duplication in numbering,  
7 reads as follows:

8 A. The Department of Central Services through the Fleet Management Division  
9 may enter into agreements with political subdivisions of the state to lease alternative  
10 fuel vehicles and alternative fueling infrastructure constructed, installed or acquired by  
11 the Department and to transfer title to the vehicles and infrastructure and any  
12 associated real property to the political subdivision upon final payment of the obligations  
13 contained in the agreement.

14 B. The maximum amount the Department may expend for the construction,  
15 installation or acquisition of an alternative fueling infrastructure to be leased to a  
16 political subdivision of the state shall be the actual cost of the infrastructure or Five  
17 Hundred Thousand Dollars (\$500,000.00), whichever is less.

18 C. Payments received by the Department for the leasing of alternative fuel vehicles  
19 and alternative fueling infrastructure as provided for in this section shall be deposited in  
20 the State Fleet Management Fund created in Section 78c of Title 74 of the Oklahoma  
21 Statutes.

1 SECTION 4. AMENDATORY 74 O.S. 2001, Section 130.2, as amended by  
2 Section 2, Chapter 287, O.S.L. 2005 (74 O.S. Supp. 2008, Section 130.2), is amended to  
3 read as follows:

4 Section 130.2 As used in the Oklahoma Alternative Fuels Conversion Act:

5 1. "Alternative fuels" means ~~fuels which result in comparably lower emissions of~~  
6 ~~oxides of nitrogen, volatile organic compounds, carbon monoxide, or particulates or any~~  
7 ~~combination thereof and includes compressed natural gas and liquid fuels produced from~~  
8 natural gas, liquefied petroleum gas, ~~liquefied natural gas~~, ethanol, methanol, "M-85"  
9 ~~which is a mixture of methanol and gasoline containing at least eighty-five percent (85%)~~  
10 ~~methanol, electricity, biodiesel, and "B2O" which is a mixture of biodiesel and diesel fuel~~  
11 ~~containing at least twenty percent (20%) biodiesel~~ coal-derived liquid fuels, hydrogen and  
12 fuels derived from biological materials;

13 2. "Charge station" means the physical device that provides a connection from a  
14 power source to an electric vehicle ~~as defined by the Electric Vehicle Association of~~  
15 ~~America, the Electric Power Research Institute, and the Society of Automotive~~  
16 ~~Engineers. All charge stations shall comply with the National Electric Code. Inductive~~  
17 ~~connectors and conductive connectors shall comply with the guidelines of the Society of~~  
18 ~~Automotive Engineers;~~

19 3. "CNG" ~~means compressed natural gas;~~

20 4. "CNG conversion Conversion kit" means the equipment installed to modify a  
21 motor vehicle which is propelled by gasoline or diesel fuel so that the vehicle may be  
22 propelled by ~~compressed natural gas~~ an alternative fuel;



1           5. 4. "Diesel fuel" means diesel engine fuel, and all other liquids suitable for the  
2 generation of power for the propulsion of motor vehicles except gasoline;

3           6. 5. "Fill station" means the equipment and conveyance property ~~which is directly~~  
4 ~~related to~~ that provides the delivery and, if required, compression of ~~compressed natural~~  
5 ~~gas, liquefied natural gas, liquefied petroleum gas, methanol, "M-85" which is a mixture~~  
6 ~~of methanol and gasoline containing at least eighty-five percent (85%) methanol,~~  
7 ~~biodiesel, or "B20" which is a mixture of biodiesel and diesel fuel containing at least~~  
8 ~~twenty percent (20%) biodiesel into the fuel tank of a motor vehicle propelled by such fuel~~  
9 ~~including the compression equipment and storage vessels for such fuel at the point where~~  
10 ~~such fuel is delivered~~ an alternative fuel other than electricity;

11           7. 6. "Gallon" means the quantity of fluid or liquid at a temperature of sixty degrees  
12 (60°) Fahrenheit necessary to completely fill a United States standard gallon liquid  
13 measure;

14           8. 7. "Gasoline" means the same as motor fuel and means every liquid petroleum  
15 product, or any combination thereof, other than solvents as herein defined, having an  
16 A.P.I. gravity of forty-six degrees (46°) or above at a temperature of sixty degrees (60°)  
17 Fahrenheit and at atmospheric pressure, and includes drip, casinghead or natural  
18 gasoline. The term gasoline also includes any liquid of less than forty-six degrees (46°)  
19 A.P.I. gravity at a temperature of sixty degrees (60°) Fahrenheit compounded, blended,  
20 manufactured or otherwise produced by mixing or blending gasoline or solvents with any  
21 blending materials, as hereinafter defined, when the blended product can be used for  
22 generating power in internal combustion engines, regardless of how such liquid is made,

1 compounded, manufactured or recovered and regardless of the name by which such liquid  
2 may be known or sold;

3 ~~9.~~ 8. "Government vehicle" means all motor vehicles, including, but not limited to,  
4 transit vehicles operated by any entity pursuant to Section 4031 et seq. of Title 69 of the  
5 Oklahoma Statutes or designated as public transit by the ~~Oklahoma~~ Department of  
6 Transportation, buses, trucks, law enforcement vehicles and emergency vehicles, owned  
7 and operated by the State of Oklahoma, any public trust authority, county, municipality,  
8 town or city within this state;

9 ~~10.~~ 9. "Sale" means sales, barter, exchanges, and every other manner, method, and  
10 form of transferring the ownership of personal property from one person to another, and  
11 also includes the use or consumption in this state in the first instance of gasoline  
12 received from without the state or of any other gasoline upon which the surcharge has  
13 not been paid;

14 ~~11.~~ 10. "School vehicle" means all buses and multi-passenger motor vehicles owned  
15 and approved to operate by the State Department of Education or any school district  
16 within this state; and

17 ~~12.~~ 11. "Solvents" means especially prepared commercial and industrial solvents,  
18 cleaners' and painters' naphthas, and raw petroleum materials or petrochemical  
19 intermediates when used as or sold for use in production or manufacture of plastics,  
20 detergents, synthetic rubber, herbicides, insecticides and other chemicals or products  
21 which are not prepared, advertised, offered for sale, or sold for use or suitable for use as  
22 fuel for generating power in internal combustion engines.

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1 SECTION 5. AMENDATORY 74 O.S. 2001, Section 130.4, as amended by  
2 Section 1, Chapter 38, O.S.L. 2002 (74 O.S. Supp. 2008, Section 130.4), is amended to  
3 read as follows:

4 Section 130.4 A. There is hereby created in the State Treasury a revolving fund for  
5 the Department of Central Services to be designated as the "Oklahoma Alternative Fuels  
6 Conversion Fund". The fund shall be a continuing fund, not subject to fiscal year  
7 limitations, and shall consist of all monies received by the Department of Central  
8 Services pursuant to Section 130.5 of this title.

9 B. All monies accruing to the credit of the revolving fund shall be expended by the  
10 Department of Central Services to reimburse expenses relative to the conversion of  
11 government vehicles and school vehicles to have the capability of being fueled or charged  
12 by alternative fuels and/or the expenses relative to the installation of a fill station or  
13 charge station. The maximum amount expended per vehicle shall be the actual cost of  
14 vehicle conversion or Ten Thousand Dollars (\$10,000.00), whichever is less. The  
15 maximum amount expended per fill station or charge station shall be the actual cost of  
16 the installation or ~~One Hundred Fifty Thousand Dollars (\$150,000.00)~~ Three Hundred  
17 Thousand Dollars (\$300,000.00), whichever is less. The balance on deposit in the fund  
18 shall never exceed the sum of Five Million Dollars (\$5,000,000.00).

19 C. Expenditures from the revolving fund shall be made upon warrants issued by  
20 the State Treasurer against claims filed as prescribed by law with the Director of State  
21 Finance for approval and payment.

1 SECTION 6. AMENDATORY 74 O.S. 2001, Section 130.13, is amended to read  
2 as follows:

3 Section 130.13 As used in the Alternative Fuels Technician Certification Act:

4 1. "Alternative fuels" means ~~fuels which result in comparably lower emissions of~~  
5 ~~oxides of nitrogen, volatile organic compounds, carbon monoxide, or particulates or any~~  
6 ~~combination thereof and includes compressed natural gas, liquefied petroleum gas,~~  
7 ~~liquefied natural gas and liquid fuels produced from natural gas, methanol, "M-85" which~~  
8 ~~is a mixture of methanol and gasoline containing at least eighty-five percent (85%)~~  
9 ~~methanol, ethanol, reformulated gasoline and electricity, coal-derived liquid fuels,~~  
10 hydrogen, biodiesel and fuels derived from biological materials;

11 2. "Alternative fuels equipment technician" means any person who installs,  
12 modifies, repairs or renovates equipment used in the conversion of any engines to  
13 engines fueled by alternative fuels. This includes originally equipped manufactured  
14 engines dedicated to operate on an alternative fuel;

15 3. "Alternative fuels compression technician" means any person who installs,  
16 services, modifies, repairs or renovates fill stations;

17 4. "Board" means the Alternative Fuels Technician Hearing Board;

18 5. "Committee" means the Committee of Alternative Fuels Technician Examiners;

19 6. "Electric vehicle technician" means any person who installs, modifies, repairs,  
20 performs maintenance on, or renovates onboard charging systems, motors, controllers,  
21 power sources, or the drive systems of vehicles powered by electricity that is greater than

1 eighty (80) volts. This includes vehicles originally equipped as electric vehicles, vehicles  
2 converted from gliders, and vehicles converted from internal combustion engine vehicles;

3 7. "Fill station" means the equipment and conveyance property ~~which is directly~~  
4 ~~related to~~ that provides the delivery and, if required, compression of ~~compressed natural~~  
5 ~~gas or liquefied natural gas into the fuel tank of a motor vehicle propelled by such fuel~~  
6 ~~including the compression equipment and storage vessels for such fuel at the point where~~  
7 ~~the~~ an alternative fuel is delivered other than electricity; and

8 8. "Glider" means a vehicle built without an engine or fuel system for the purpose  
9 of converting it to an electric vehicle.

10 SECTION 7. REPEALER 74 O.S. 2001, Section 130.8A, is hereby repealed.

11 SECTION 8. It being immediately necessary for the preservation of the public  
12 peace, health and safety, an emergency is hereby declared to exist, by reason whereof  
13 this act shall take effect and be in full force from and after its passage and approval.

14 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND UTILITY  
15 REGULATION, dated 02-25-09 - DO PASS, As Amended and Coauthored.