

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

HOUSE COMMITTEE ON AGENCY REORGANIZATION AND REFORM

April 2, 1991Hearing Room D 3:30 p.m.Tapes 49 - 50

MEMBERS PRESENT:Rep. Clarno, Chair Rep. Hugo, Vice-Chair Rep. Katz
Rep. Derfler Rep. Jones Rep. Brian

MEMBER EXCUSED: Rep. Clark

STAFF PRESENT: Susan Browning, Committee Administrator Scott
Kaden, Committee Assistant

MEASURES CONSIDERED:HB 2892 - Study of State Motor Pool, PH

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TAPE 49, SIDE A

007 CHAIRPERSON CLARNO: Calls the meeting to order at 3:40 p.m..
Before we begin this hearing, the Committee Administrator will cover some amendments on HB 2890.

013 SUSAN BROWNING, COMMITTEE ADMINISTRATOR: Explains the amendments, offered by General Services, to HB 2890. These are proposals with regard to the amendments that we made at an earlier public hearing. If you have any ideas or suggestions please let me know and I will forward those to Legislative Counsel.

022 REP. KATZ: Do we have a hand engrossed bill on the publications bill? If not, could you do that for us so we can tell exactly what these amendments are about? I would like to see the hand engrossed bill.

026 CHAIRPERSON CLARNO: Susan, we have to be sure that Rep. Clark and Rep. Brian get a copy of General Service's amendments.

033 BROWNING: The problem with the agency providing the printing cost, as General Services has pointed out, is simply that the agency doesn't know the actual cost of printing. They suggested they could put a label on the document after it has been printed, but that is very labor-intensive.

(Tape 49, Side A) HB 2892 - STUDY OF STATE MOTOR POOL, PUBLIC HEARING
Witnesses: Cameron Birnie, Department of General Services Robert Cameron,
Department of General Services Dan Simmons, Department of General
Services George Hutmacher, Hut Airport Limousine George Richardson, NW
Natural Gas Company Virgil Markus, NW Natural Gas Company Ginny Long, US
West Communications

038 CHAIRPERSON CLARNO: Introduces HB 2892, and supplies the committee
with some background on the bill.

057 BROWNING: Explains the bill packet - Attachment A and Attachment B
(EXHIBIT C AND EXHIBIT D). - Attachment A addresses the State of Oregon
motor pool operations. - Attachment B compares motor pool operations in
Oregon, the City of Portland, Connecticut, and New Jersey.

072 REP. JONES: Do we have the cars listed by location, specifically
the geographical area, served by the motor pools?

075 BROWNING: I don't have that information available, but I would be
happy to get that for you. We have two gentlemen here from the
Department of General Services that might be able to tell us more about
the geographic locations of these motor pools. - Continues with
discussion on Attachment A and Attachment B. - Explains "garaging
procedures," and exemptions to that procedure.

101 REP. KATZ: Does that mean that they can in fact take their vehicles
home, on the weekend, and use them on their personal time (especially if
they are unmarked cars)?

105 CHAIRPERSON CLARNO: The Committee Administrator might want to defer
that question to the gentlemen from General Services. Have you noted
Rep. Katz's question (addressing those from General Services)?
(Answered affirmatively with a nod.)

109 BROWNING: Rep. Katz, some employees are on 24 hour call and so they
do have cars at their residences. For example, Fish and Wildlife have
erratic work hours, and they are on 24 hour call.

112 REP. KATZ: So they are on 24 hour call, and that is why they have a
car parked in front of their house seven days a week.

114 CHAIRPERSON CLARNO: For example, the Fire Marshal.

115 BROWNING: They may need to respond outside of normal hours.

116 REP. KATZ: 205 cars for the Department of Agriculture?

117 BROWNING: Those are assigned to inspectors who work out of their
homes. This "garaging exemption" chart covers all fleets, not just
fleets under management of General Services. - Continues explanation of
Attachment A and Attachment B.

135 REP. KATZ: Did anybody answer the question as to why Higher
Education needs 24 cellular phones?

138 CHAIRPERSON CLARNO: That was my very first question when I reviewed
this with Susan this morning and I am hoping that we will get this
answered at some point.

141 BROWNING: Continues explanation of Attachment A, pages 1-9 concerns the State of Oregon's entire motor pool, while pages 10 - 12 address the Department of General Services only.

155 REP. JONES: Did our state get bigger between the years 1987 and 1993? I am looking at these projections and wondering how we managed before. Why is our fleet milage practically doubling?

159 CHAIRPERSON CLARNO: When I spoke with Susan this morning, she said that General Services is alarmed at the growth in fleet mileage.

161 BROWNING: Pages 10 - 12 (Attachment A) refers to the biennial fleet mileage for the Department of General Services. It has increased substantially since 1987, and it is projected to increase substantially in the next biennium.

169 CHAIRPERSON CLARNO: On page 12, average fleet size has gone up. But what is the explanation for the fleet cost (per mile) decreasing?

172 BROWNING: Apparently, there are some economies of scale within the operation itself. General Services will comment on this with greater detail. - Highlights information contained in Attachment B (studies in Connecticut and New Jersey).

210 REP. KATZ: Portland is doing a study on take-home cars and the use of city vehicles as opposed to the use of private vehicles.

215 CHAIRPERSON CLARNO: Motor pool is certainly an area that is looked at when states are facing challenges in their economy. - Introduces General Services motor pool staff - Cameron Birnie and Robert Cameron.

225 CAMERON BIRNIE, ADMINISTRATOR OF TRANSPORTATION & DISTRIBUTION, DEPARTMENT OF GENERAL SERVICES: - Introduces Robert Cameron, State Motor Fleet Manager.

220 CHAIRPERSON CLARNO: Before you begin your testimony, could you please answer Rep. Katz's question?

238 REP. KATZ: I was curious about your garaging exemptions. Could you talk about the need for exemptions and how you rationalize these garage exemptions?

244 BIRNIE: The rationalization for the policy should be discussed first. This policy was put together to benefit the state. Exemptions are granted to those whose residences serve as their office, and in other circumstances where it makes sense. General Services has refined this policy. Agency directors provide this exemption to their employees - we do not grant these exemptions. We are frequently called upon by the agencies to help with fine-tuning the enforcement of this policy. Recently, we have done so with Building Codes Agency.

265 REP. DERFLER: In looking at your projections, there is quite a bit of difference in the number of miles you have driven as compared to those you expect to drive. Also, it appears that your demand for vehicles has risen. Yet, we don't have more state employees. Could you give us a rationale for the increase in demand for vehicles?

270 BIRNIE: Those projections are a result of a Booz, Allen and Hamilton study. That study recommended that we consolidate our fleets. General Services has been taking over several agency fleets (Adult and

Family Services, Department of Revenue, etc.). That is the big reason for the increased projections, plus an increase in business from our present customers.

287 REP. DERFLER: How was that handled before? Have we included all the other fleets under General Services, or are there still fleets out there by themselves, like CSD?

290 BIRNIE: The graph in Attachment A, page two indicates the fleets that are in existence. You will notice that General Services has grown the most and that is primarily a result of the consolidation activities. You will see other agency fleets which have powerful statutory authority for maintaining separate fleets.

308 REP. DERFLER: So Higher Education is not in the General Services fleet at this point?

309 BIRNIE: That is correct.

310 REP. DERFLER: So you have had a reduction in Human Resources and Fish and Wildlife and others. But have we had an overall increase in the mileage and demand for vehicles? What is the bottom line - are we increasing the number of miles driven?

318 BIRNIE: Overall, through all state agencies, we have more vehicles and more miles travelled. Certainly that is evident in General Services because of the absorption of the other agency fleets.

323 REP. DERFLER: This absorption is gradual, bringing various agencies in over a period of time?

327 ROBERT CAMERON, MOTOR FLEET MANAGER FOR THE TRANSPORTATION & DISTRIBUTION DIVISION, DEPARTMENT OF GENERAL SERVICES: Mental Health is still in the Department of Human Resources motor pool. They will be absorbed in April of next year. One item you must consider is if the cars are bought with federal monies. If they are bought with federal monies, the federal government wants money back for the cars if they are valued at \$1,000 or more. Thus, we have to do an analysis of the cars. When we absorbed AFS, we had to pay back the federal government approximately \$.25 million. Mental Health Division has older cars, which really need to be replaced. Oregon State Hospital's best car has 120,000 miles on it. Obviously, there will be no federal pay back on this fleet, but there will be a big expenditure to replace their older cars - approximately \$1.2 million.

353 REP. DERFLER: What is the benefit for the state of bringing these agency fleets into General Services?

356 CAMERON: The biggest advantage is the operating cost per mile. There has been substantial cost savings.

375 REP. KATZ: Rep. Jones wanted to know where these folks are based so that we can tell whether the garage exemption is due to remote locations. How do you explain page 5 of attachment A, with regards to DEQ, Health Division, and the Highway Department? These are agencies that are regulatory in nature, and yet they do not have any garage exemptions. Have you reviewed this information? How do you explain this? Have you ever audited the use of those cars to determine whether in fact there was justification for the exemptions? I am not saying that there isn't justification. I am just wondering if there has been

any abuse of this privilege.

404 BIRNIE: Yes, there have been abuses. The most evident one involved the Building Codes Division, which was audited by the Secretary of State's Office. It was noted that vehicles were used for personal use. I found out after the fact, and that has been tightened up drastically. As far as DEQ not having many garaging exemptions, I think that is primarily because of the lack of "call-outs" during after hours. After hour work is the primary motivator to garaging exemptions.

430 REP. KATZ: I am not sure after hour "call-outs" are the real reason. Look at Building Codes and the University of Oregon. I am not sure that on-call duty (for after hour duty) is the factor that drives a lot of these cases.

449 BIRNIE: I'll stick to my guns for most of the agencies in question. For Agriculture, the inspectors' homes are their offices. I have been told that they have no other choice than to grant these exemptions. Their homes are their offices, and this is probably the case for several other agencies.

459 REP. KATZ: Let us assume their homes are their offices. How many of those are located in areas where they could retrieve a car at a central location?

468 BIRNIE: I don't know the answer to that.

469 REP. KATZ: I guess if you need to jump in your car and get to a location immediately because you are on call, that is one issue. On the other hand, if it is just convenient for you to have the car sitting in the garage that is something completely different. I think there are questions that need to be asked. Perhaps an audit should be done on a random sample to insure that there are no abuses, especially if it is up to the discretion of the agency heads.

496 REP. JONES: I know that the federal government is really interested in looking into the use of federal cars for personal use. Are you looking into that issue?

TAPE 50, SIDE A

035 BIRNIE: We are looking into that now. There is a statute on the books which says that state- owned vehicles shall not be used for private purposes. We just testified before a Senate Committee in hopes of elaborating that language so that private purpose can better be defined. We are pursuing rule-making authority with regard to personal versus official use. That is Senate Bill 31, which is in front of the Senate at this time.

044 CHAIRPERSON CLARNO: I think we should hear that bill if they will let us borrow it.

046 REP. JONES: Is that a budget bill or is that a substantive bill?

047 BIRNIE: It is a substantive bill. It was initially submitted relating to federal and state surplus property programs. This was attached to it, so it is actually a two-part bill.

049 REP. JONES: Could I get a clarification on the chart on page 10, Attachment A? What does the dotted line represent?

055 BIRNIE: This is the anticipated mileage, as per the projection of the Booz, Allen and Hamilton consultants. They anticipated that our growth would come primarily from consolidation. What they didn't anticipate was additional business from our existing customers who have been hungry for vehicles for some time. So when we consolidated, we were able to provide vehicles for those new agencies that we took in, as well as the backed-up requests from present clients.

066 REP. JONES: So the consultants' anticipation was considerably less than your own anticipation? Is that correct?

068 BIRNIE: That is correct.

069 REP. JONES: Is that pent-up demand?

070 BIRNIE: Perhaps it was pent-up demand. There were people on our waiting lists and also people who saw additional cars and decided to try to get another vehicle rather than continue private car mileage.

076 REP. JONES: Do we have a comparison with regard to how we have done on private car mileage in relationship to these graphs?

077 BIRNIE: We have a graph on page 3, Attachment A.

078 REP. JONES: Is that just for your Department?

080 BIRNIE: That is private car usage of all agencies.

084 REP. JONES: You commented on the federal government's view on consolidation. You said the feds wanted a return on their investment if the vehicle was worth more than \$1,000. What would the federal government have done if we hadn't taken these cars over?

091 CAMERON: Prior to coming to the Department of General Services, I was the Assistant Business Manager for AFS. I am familiar with the funding split at this agency. When we were asked to take over the fleets, we went back to the agency and personally evaluated each car. We came up with an assessed value for the car. If the value of the car was over \$1,000, we made a note of that. Then we sat down with the federal government and came to an agreement as to what we owed them.

108 REP. JONES: That's not my question. I understand how you got to the present state. If we hadn't decided to take these cars over and have them in the General Services Fleet, what would have been the process when they needed to be replaced? What would be the federal government's participation in those replacement costs?

112 CAMERON: AFS would have asked for capitol outlay funds to replace those vehicles.

114 REP. JONES: From whom, the federal government or the State? By asking the federal government to participate when the vehicle needs to be replaced?

117 CAMERON: Yes. Any expenditure goes through a cost allocation plan and is funded by a 50-50 split with the federal government. The federal government would automatically participate.

122 REP. JONES: Are you participating with the federal government for

that replacement also?

123 CAMERON: No.

124 REP. JONES: Then tell me how we are winning?

125 CAMERON: Our funds come from the other agencies that we bill. We accumulate the money and go out and buy the cars.

128 REP. JONES: You accumulate the money from what source? You accumulate the money from the departments that are going to use the cars, correct?

130 CAMERON: Absolutely. We buy the cars. We replace the cars on a five year, 65,000 mile basis.

131 REP. JONES: Are you missing my point or am I missing your answer? Are we losing federal dollars because we are doing this through the General Services motor pool?

137 DAN SIMMONS, DIRECTOR OF DEPARTMENT OF GENERAL SERVICES: I think it is a push. The federal government wants its money back that it has spent on cars. This State has a similar law which says the same thing. When we rent the cars back, the same dollars that Rob was talking about are federally matched.

144 REP. JONES: That is what I was trying to find out. Are we losing?

145 SIMMONS: It is a push. In terms of taking over the cars, you are winning the battle. You are not only saving the federal government money, but you are saving the State of Oregon money by better utilization of the fleet, improved management, and reduced operating costs. I think the buy-out transaction that you are referring to is a push.

151 REP. JONES: It is a push only if we get money from the federal government when we charge the various departments.

152 SIMMONS: That is correct. The fund split involves the federal government.

155 REP. JONES: So you think that is a push.

156 SIMMONS: I think it is a push.

157 REP. JONES: And you should be able to prove that financially?

158 SIMMONS: I think we can, and overall it is a "win" for the State as well as the federal government.

161 REP. BRIAN: Do we have information on the percent of satisfaction on requests for vehicles out of motor pool?

164 SIMMONS: Yes, we have information on our "fill-rates," how often is a customer turned away because of our capacity. Right now our fill rate is around 98 or 99%.

172 REP. BRIAN: That might be a concern to me, because I don't think our goal should be 100% satisfaction. I think we are loading up inventory for peak demand. In the private sector, it is only about 85%.

Perhaps we are pursuing the wrong goal. Perhaps our goal should be 85% and then the Departments would police their ranks, to make sure that cars are used properly.

182 SIMMONS: You raise a good point, and we have done some consulting around the country on this issue. The private sector goal is actually higher than 85%. The feedback we got from the private sector was closer to 98%. Our consultants say anything over 98% would be pushing efficiency. This is an issue we are looking at. - If the product is not there, they will seek alternatives which are possibly more expensive.

195 REP. BRIAN: About the garaging exemptions. Is this for full-time access to a car? What is the definition of an exempted vehicle?

204 BIRNIE: Some agencies have blanket exemptions, which we tend to discourage. More often, we see requests for single sorties or missions.

211 REP. BRIAN: I don't understand.

212 BIRNIE: We see some agencies grant employees the freedom to use the vehicles as much as necessary so long as it allows the agency to conduct its business better at less cost to the agency. We also see agencies providing cars for individual requests, for a particular trip.

219 REP. BRIAN: You are saying that no garaging exemptions were approved for the Department of Education, Higher Education, or the Highway Department?

223 BIRNIE: We asked the questions and that is what they provided us.

224 REP. BRIAN: No department heads have cars as part of their compensation package?

228 SIMMONS: By law, you cannot use a car for any private purpose. The law is unequivocal and does not provide for exemptions. The notion that you can use this as a "perk" is outlawed.

245 REP. BRIAN: I guess I am concerned about the accuracy of this list because of personal knowledge that I have about some practices. Has any state looked at leasing versus owning the fleet and on contracting out the motor pool? Bids of this size must be of great interest to suppliers such as Hertz or Avis.

268 BIRNIE: Other states are asking themselves the same questions about private operation. One option would be for outside organizations to either own the vehicles or maintain vehicles owned by the state agencies. Michigan is the only state which has looked at outside organizations. They own the cars, and they have an outside unit maintain the cars. Los Angeles County has gone to privatization as well.

293 REP. BRIAN: Not only leasing, but also not owning in the first place. That is a huge capital investment and the effects of depreciation on that stock is incredible. I am wondering how that "pencils."

298 SIMMONS: So far it hasn't "pencilled" out yet. As soon as it does, we will do it. Our rates are still preferable. It is not even close. You have to remember we do not pay federal tax on the gasoline used by the state. I suspect that's about 20 cents, which is a hard thing for them to overcome.

319 REP. BRIAN: If we cannot get an exemption for them.

320 CHAIRPERSON CLARNO: In the essence of time, I think we should go ahead with the questions and comments, but have your written testimony submitted for the record.

336 BIRNIE: We do continuous "pencilling" in various areas in addition to the motor pool. Office systems repair, for one example. We are always looking for better ways to provide our services.

347 SIMMONS: As the impact of Measure 5 continues to escalate, we need to work on ways of sharing resources with other actors. The statutes in this area are a little constrictive, but we need to follow up this area. We would like broader authority so we can enhance the cooperative agreements which could occur between agencies and levels of governments.

369 REP. DERFLER: How do you charge the agency? Does what you charge cover the entire costs involved? Do costs vary from agency to agency, according to the vehicles involved?

375 CAMERON: There are several ways you can rent a car from me. You can rent a car by the day, hour, or month. You can also rent on the basis of a permanent assignment. This would be treated as a monthly flat fee, plus mileage.

388 REP. DERFLER: Do your agency collections cover your entire costs of operation?

390 CAMERON: Yes, that is correct.

391 REP. DERFLER: Does one agency's costs vary from another?

393 CAMERON: Since I operate my own fleet, we charge each agency the same rate.

397 REP. KATZ: Is the garage exemption ever included in a compensation package?

405 SIMMONS: I would have to say no. There may be some in Higher Education where a private outside foundation is buying cars.

407 REP. KATZ: Not for private use, just a garage exemption so he or she has the car available at the door.

410 SIMMONS: It has to be to the advantage of the State. You can't use the car for personal use. I have to answer no. Cars could be bought by a foundation. But if not, they are abridging the laws and they will have to pay for it.

435 REP. JONES: Do you have a program available for state employees where they use their private cars and are reimbursed for that usage?

441 SIMMONS: Right now the reimbursement rate is 22 cents per mile. I have heard rumors that this rate will soon be 26 cents. It clearly costs employees more than 22 cents per mile to operate their vehicles.

451 REP. JONES: Is a certain amount of money per month provided so that employees can purchase and use their own automobile?

453 SIMMONS: Not to my knowledge.

456 CHAIRPERSON CLARNO: Reference made to the New Jersey study. - Thank you for your testimony. - Introduction of George Hutmacher of Hut Airport Limousine.

TAPE 49, SIDE B

029 GEORGE HUTMACHER, HUT AIRPORT LIMOUSINE: I am here to save you money. Submits and summarizes written testimony (EXHIBIT B).

070 REP. KATZ: Do we use motor pool cars to go to the airport to go on a trip?

073 HUTMACHER: I drive through the Portland Airport parking lot every once in a while and see a lot of state cars. Whether they come from Salem or Portland, I cannot answer. With an "E" on the license plate, it is obviously a state car.

077 REP. JONES: It is not necessarily a state car.

078 CHAIRPERSON CLARNO: We probably should ask General Services to respond to that question because it really would be important to know.

079 REP. DERFLER: When they rent or lease a car from motor pool, I don't think motor pool knows where they are going to drive so it would depend on the agencies.

084 HUTMACHER: Returns to his testimony, Exhibit B.

092 CHAIRPERSON CLARNO: Have you ever had any contact from any of the governmental agencies about the business you operate?

096 HUTMACHER: We get calls from quite a few state agencies for our schedules.

100 CHAIRPERSON CLARNO: The Committee Administrator will get the answer to Rep. Katz's first question from General Services.

105 CHAIRPERSON CLARNO: We appreciate your time and testimony. - Introduction of Virgil Markus and George Richardson.

114 GEORGE RICHARDSON, NW NATURAL GAS COMPANY: Introduces Virgil Markus, Superintendent of NW Natural Gas Transportation Section. - Asks for questions with regard to private fleet operation.

125 REP. JONES: What have you learned, and would like to pass on to the State of Oregon, in terms of efficiency and cost associated with the motor pool?

130 VIRGIL MARKUS, NW NATURAL GAS COMPANY, TRANSPORTATION SUPERINTENDENT: I would like to start by saying that you need to be burning natural gas. In all honesty, that is an item being considered by the State. We are looking at many things. I would begin by saying that you have to look at basic control, although you are dealing with good operators (the state motor pool). - We have looked at leasing, etc. and have found that is not currently feasible. It is more profitable for us to buy, use, and sell our cars. We buy our cars at the same price as Hertz or Avis. You (State of Oregon) have a further savings, so you must consider that. - Selling our cars through an auction process is

better than other means. We have tried different methods. We buy cars from dealers who make no profit on the sales. - We do our own maintenance, except in remote areas of the state.

271 REP. JONES: Is the determination of whether a vehicle goes out or not done by the department, or do you have controlling factors within your own organization?

278 MARKUS: We have all the controlling factors. We determine the new vehicles to be bought. We work with the departments to make sure we are providing the type of vehicles that they need, especially in regard to the specialty vehicles. We also determine when the vehicles are due for retirement.

285 REP. JONES: Let me see if I can clarify my question. I think George Richardson understands my question - would you like to respond?

286 RICHARDSON: Whether an individual is authorized to drive a car is decided by the department. There is a policy established by the executive staff that deals with the various drive-home privileges. We are a bit more lenient with regard to personal use than the State.

309 REP. JONES: So the policy is established by the departments or at the executive level.

312 RICHARDSON: That is correct.

314 REP. BRIAN: How many of your 856 vehicles are passenger vehicles?

316 MARKUS: I think 113 would fit under the passenger vehicle criteria.

321 REP. BRIAN: What is your percent of satisfaction on the requests of your motor pool? Do you have any knowledge as to industry standards for motor pools?

330 MARKUS: We control the numbers within the motor pool. We have a "D" pool of those cars assigned to motor pool only. Then we have a "C" pool with cars driven in the evening by managers and other people. (When they drive, they pay personal mileage at the rate required by the I.R.S..) These cars are available during the day as well. We still run out of cars on occasion, especially pick-ups and vans because we clearly do not have enough. We often ask departments for the use of their vehicles for a day or two.

348 REP. BRIAN: When do you replace your passenger vehicles?

352 MARKUS: We have a program of review at 5 years, with no mileage requirement. During the "lean" years, we make sure our cars have at least 80,000 miles, and many vehicles have well over 100,000 miles. All vehicles are in service for approximately six years. Some of our executive vehicles are on a four year program.

361 REP. HUGO: Do your comptrollers ever tell you when it is fiscally best to retire the cars?

365 MARKUS: I would say yes. A study done a number of years ago set the basic criteria. We have since that time stayed very close to the program of six years or 80,000 miles. But we do recognize that might move high mileage cars earlier.

381 REP. HUGO: One of your cost factors is depreciation and that is a factor that we really don't deal with here because we don't worry about profits.

385 MARKUS: We depreciate the cars at six years. If they run beyond that point, that car is virtually running for that department at no cost to them.

396 CHAIRPERSON CLARNO: Are there any other questions from the committee? If not, we appreciate your time and testimony. Before we adjourn, Mr. Cameron, would you like to address the question of state cars parked at the airport?

409 CAMERON: When the employee comes to the motor pool, we ask for a destination. Normally, it is a city destination and not a precise destination. So, we don't know exactly where they are going. The testimony was that there were a number of "E" plated cars. By statute, our cars must have more marking than just "E" plates. All of our cars have "Official Business Only - Department of General Services."

422 CHAIRPERSON CLARNO: What does "E" mean? Please explain these markings a bit more.

425 CAMERON: The "E" plated car identifies a publicly owned vehicle. Our statute asks for the additional markings that I just mentioned. These markings are on the cars' bumpers. Those "E" plated cars could have belonged to a city, a county, or others.

442 CHAIRPERSON CLARNO: Would you know if they were going out of town?

444 CAMERON: No, a lot of people have luggage and we just don't know for sure.

450 REP. HUGO: Mr. Markus, do all of your sedans have "PF" plates?

452 MARKUS: Yes, all of them except for the executive staff.

453 HUGO: That stands for permanent fleet.

456 CHAIRPERSON CLARNO: Thank you, Mr. Cameron. We also have Ginny Long.

462 GINNY LONG, US WEST COMMUNICATIONS: Many of the comments made by Mr. Markus are very similar to our operations. We will help you if you get an interim study going and need expertise from the private sector. - We have approximately 1,600 vehicles (60% heavy duty trucks, 40% passenger cars). - Our fill rate is fairly high for our trucks and service vehicles. That is not the case with our passenger cars. I have had to wait for a car, but I do not know specific numbers. It is not close to a 98% fill rate, I can assure you. - Combinations of administration tends to work the best. We maintain the passenger fleet for casual or intermittent travel. We also have some private car plans for our sales people. Because it is not efficient for them to use a fleet car, we find it more effective and cost efficient to have a private car vehicle plan with mileage reimbursement. The last area are those cars which are assigned. Managers and supervisory people have assigned cars so they can respond to emergencies. There are some assigned cars that have regular state plates rather than a "PF" plate. - We have our own personnel for standard mechanical repair with a major garage in Portland and in Eugene. We also have lots around the state

with gas, oil and other minor supplies. We try to make sure our people use the facilities most efficiently. - Our check-out system includes a purpose statement.

TAPE 50, SIDE B

082 CHAIRPERSON CLARNO: Thank you for your testimony and your offer for future help.

084 REP. DERFLER: If we asked for a purpose, then we would know how many cars are going to the airport.

086 CHAIRPERSON CLARNO: I think that is a very valid point.

087 REP. BRIAN: With regard to the legislation in our packets, were we aware of these reports when this bill was filed?

092 CHAIRPERSON CLARNO: Yes. I feel General Services is making attempts to do some of the items in this report. - Feel free to borrow these reports from our Committee. - This meeting is adjourned (5:11 p.m.).

EXHIBIT LOG

Exhibit A - Robert Cameron - 3 pages Exhibit B - George Hutmacher - 2 pages Exhibit C - Susan Browning - 12 pages Exhibit D - Susan Browning - 3 pages

Submitted by:

Reviewed by:

Scott Kaden

Susan M. Browning