

OneFAB

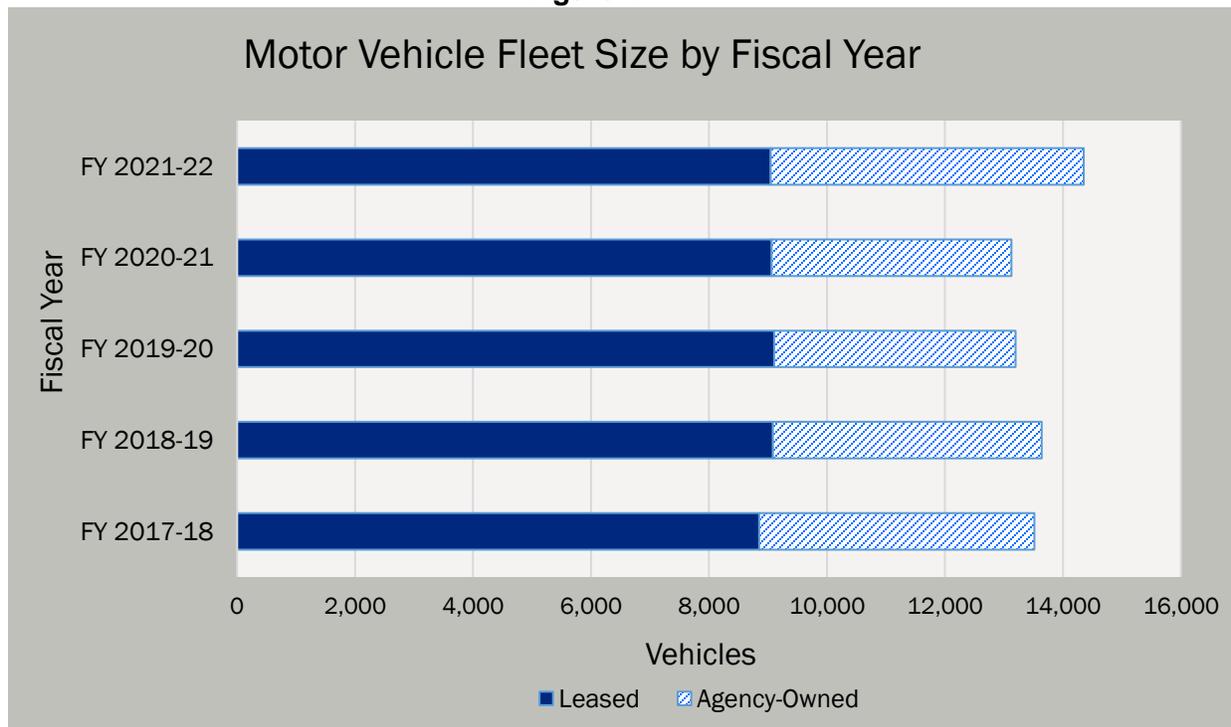
Information Delivered on One Page, Front And Back

Introduction

The Department of Technology, Management, and Budget (DTMB) has authority over most of Michigan's State-owned or -leased motor vehicles under Section 213 of the Management and Budget Act.¹ This authority includes the purchase, lease, use, maintenance, and disposal of vehicles in the State fleet, as well as the development of related policies and procedures. The DTMB also sets the rates to be charged to State departments for the use of the fleet, subject to restrictions. Revenue from these charges is deposited into the Motor Transport Revolving Fund and is used to pay for most costs for the operations and maintenance of the fleet. The DTMB has motor vehicle pool sites throughout the State to facilitate employee use, but only some are staffed; Lansing offices serve as a resource for unstaffed sites. Motor vehicle services and management for leased vehicles are housed in the DTMB's Office of Support Services under the Vehicle and Travel Services unit.

Fleet Size and Characteristics

Figure 1



¹ The exception is vehicles under the purview of the Michigan Department of Transportation.

Figure 1 above shows the size of the motor vehicle fleet over the last five fiscal years. Boilerplate language included in each fiscal year's appropriations bill for the DTMB requires the Department to publish these data in an annual report on the State fleet, known as the Fleet Plan. The DTMB reported that the fleet numbered 14,354 vehicles in fiscal year (FY) 2021-22. Of these, 5,310 vehicles are State-owned and 9,044 are leased. In addition to cars, trucks, and SUVs, the fleet includes forklifts, all-terrain vehicles, snowmobiles, buses, and other machines, including heavy equipment. The majority of the fleet consists of on-road vehicles.

Vehicle Allocation by Department

The Department of Natural Resources, the Department of State Police, and the Department of Transportation are allocated the greatest number of vehicles among State agencies. The 10 departments with the highest total number of vehicles assigned are displayed in Figure 2 below. The Department of Civil Rights and the Executive Office have the fewest motor vehicles from the fleet, with two and three, respectively. All figures reflect those reported in the 2023 State of Michigan Fleet Plan.

Figure 2

Motor Vehicle Inventory, FY 2021-22			
Department	Leased	Agency-Owned	Total
Natural Resources	1,135	3,236	4,371
State Police	2,305	109	2,414
Transportation	626	1,165	1,791
Health & Human Services	1,552	118	1,670
Corrections	956	359	1,315
Technology, Management & Budget	502	75	577
Licensing and Regulatory Affairs	440	0	440
Military Affairs	153	189	342
Labor and Economic Opportunity	336	0	336
Agriculture and Rural Development	271	15	286

Motor Transport Revolving Fund and Fleet Appropriations

Revenue from charges to the executive departments for use of the motor vehicle fleet under the DTMB's purview is deposited into the Motor Transport Revolving Fund. Annual appropriations are made to the DTMB through the Motor Vehicle Fleet line item, funded via interdepartmental grants (IDGs). Revenue that exceeds the annual appropriation remains in the Fund as restricted revenue and is carried over to the next fiscal year. Boilerplate language included with appropriations to the DTMB a the State Budget Director to adjust the IDG spending authorization to ensure that it equals expenditures. This requires notification to the Senate and House Appropriations Committees.

A total of \$87.1 million was appropriated to the Motor Vehicle Fleet in FY 2023-24. It is important to note that this does not reflect the cost of already-owned State vehicles; also, in some cases, departments may pay for fuel via separate means. However, most vehicles in the fleet are leased and managed via this line. Also, \$8,500 was allocated from the revolving fund to the Legislature budget.

Proposed Appropriations for Electric Vehicle Transition

The FY 2022-23 and FY 2023-24 Executive Recommendations each included \$10.0 million General Fund/General Purpose (GF/GP) to the DTMB to begin planning and initial activities for the transition of the State fleet to electric vehicles. This amount was not included in the final appropriations bill for either year; however, \$1.0 million GF/GP was included for this purpose in FY 2023-24 appropriations bill, Public Act 119 of 2023.