

# Legislative Analysis

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## USE OF STATE VEHICLES

**House Bill 5005 (Substitute H-2)**  
**Sponsor: Rep. Terry Brown**

**House Bill 5006 (Substitute H-2)**  
**Sponsor: Rep. Marc Corriveau**  
**Committee: Government Operations**

**Complete to 10-24-07**

## A SUMMARY OF HOUSE BILLS 5005 & 5006 AS REPORTED FROM COMMITTEE

House Bill 5005 would amend the Revised Judicature Act of 1961 (MCL 600.208, et al.) to specify that the salary, expense allowances, and employment benefits and perquisites of judges do not include the assignment of a state-owned or leased vehicle to the judge. The bill would apply to a Michigan Supreme Court justice, a judge of the Court of Appeals, a Circuit Court judge, a Probate Court judge, and a District Court judge.

The bill would also amend several provisions that currently say that judges "shall" be reimbursed for certain expenses to say instead that judges "may" be reimbursed subject to appropriations by the Legislature. (For example, expenses of justices attending judicial meetings called by the court administrator; actual and necessary expenses of appeals court judges; circuit court judges holding court in counties other than their home counties, etc.) Also, several current provisions in the act describe when increases in judges' salaries take effect.

House Bill 5006 would amend the Management and Budget Act (MCL 18.1115 et al.) to allow the Department of Management and Budget (DMB) to issue directives on the purchase, lease, maintenance, operation, assignment, and use of state-owned vehicles for official business for state agencies, including for the legislative and judicial branches. (However, a separate section, described later, applies to the Departments of Transportation and Natural Resources.)

The DMB can also issue directives establishing conditions of privately-owned vehicles on official business. However, the bill specifies that the Legislature could establish conditions for the use of privately-owned motor vehicles for official legislative business, and the Judiciary could establish conditions for the use of privately-owned vehicles for official business of the judicial branch.

Currently, the DMB can issue directives on the assignment of motor vehicles to state agencies and institutions of higher education. Under the bill, a motor vehicle could not be assigned on the basis of the public office held, job classification, job title, as a management perquisite, or as an employment benefit. The bill also says the director of a principal department or state agency could be assigned a motor vehicle for official business use only.

A state-owned or leased vehicle could not be used for personal use by an employee of the legislative or judicial branch of government. An employee or officer of the legislative or judicial branch would be subject to the same vehicle assignment provisions as an employee, or officer of a state agency or an institution of higher education.

DOT and DNR Vehicles. A separate section of the act deals with vehicles owned by either the Department of Transportation or the Department of Natural Resources. These vehicles could be assigned to a director of a principal department or a state agency but for official business use only (a new restriction). With that exception, a motor vehicle could not be assigned on the basis of the public office held, job classification, job title, as a management perquisite, or as an employee benefit. For these two departments, vehicles could be assigned to employees for use between an individual's residence and official work station if certain existing conditions are satisfied: (1) adequate or safe work station parking is nonexistent; technical equipment on or in the vehicle requires a secure parking area not available at the work station; or it is in the best interest of the state to occasionally begin or end the assignment of a vehicle at the employee's residence; and (2) the residence-to-official work station utilization is approved by the director of the employee's principal department. (Currently, an "authorized representative" of the director can also approve this use, but the bill would strike this provision.)

The two bills are tie-barred to one another, meaning neither would take effect unless both were enacted.

#### **FISCAL IMPACT:**

To the extent that the provisions of the bill conform to the current DMB policy, House Bill 5006 would have no fiscal impact.

House Bill 5005 has minimal fiscal impact on the Judiciary in the sense that it establishes in statute the current policy of the Judiciary. In May of 2007, the Judiciary eliminated the use of state-owned or leased vehicles by justices and judges and prohibited the use of state vehicles for personal use. By placing the Judiciary's voluntary policy change into statute, the bill will continue the savings that were realized when the Judiciary adopted the current policy. The savings generated through a new program of reimbursing for work-related miles instead of providing state vehicles are estimated to be approximately \$259,100 annually based upon FY 2006-07 program costs.

#### **POSITIONS:**

The Department of Management and Budget supports the bill. (10-23-07)

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