Use of State Vehicles by Executive Agencies
Administrative Bulletin #10

POLICY UPDATE

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Purpose and Scope

Effective January 1, 2010, the following new policies, aimed at ensuring the efficient, cost-effective and environmentally responsible acquisition, use and deployment of state vehicles and acceptable reasons for domicile usage will take effect. Any exceptions to these policies must be requested in writing by the affected agency head and submitted to the State Purchasing Agent for review and approval, with the exception of Domicile requests, which must be submitted to the OVM Fleet Administrator for review and then sent to the Executive Office for Administration and Finance (EOAF) for final approval.

Use of State Vehicles

1. State employees will only have access to a state vehicle under the following circumstances:
   a. If it is anticipated that state employee(s) will have need to regularly drive a vehicle on state business more than 10,000 non-commuting miles per year, and
   b. If the scope of the employees duties requires him or her to use a special purpose state vehicle.
   Examples of special purpose state vehicles would include specially equipped vans such as those used by DMR, special law enforcement equipped vehicles used by DOC or the state police, pick-up trucks, etc.

2. Access to a state furnished vehicle as authorized above shall be through either a departmental motor pool, or through the statewide contract for vehicle rentals (see www.mass.gov/osd for information on this statewide contract). Agencies opting to use the statewide contract for rental vehicles must request and use an energy efficient hybrid, or vehicle of comparable efficiency, unless such vehicle is not available. In limited circumstances, an employee may be assigned a vehicle with domicile assignments (see “B” below).

3. Agencies are required to review their existing use of state vehicles, and to identify those vehicles that are not needed, pursuant to the above guidelines. General-purpose vehicles that are driven less than 10,000 miles per year must be reviewed by the agency’s fleet manager on an annual basis and, if appropriate, request a waiver through the Office of Vehicle Management (OVM) using the OVM-W form.

4. Use of state vehicles, domicile or otherwise, is restricted to state business only. Individuals found to be using a state vehicle for personal or non-authorized use could be subject to removal of domicile assignment, and disciplinary action determined appropriate.
Domicile Assignments

1. In certain limited circumstances, state employees may be authorized to take a state vehicle home at the end of business hours. In order for a state employee to obtain domicile assignments, such employee and their agency head must demonstrate to their secretariat that there are both:

   a. Significant, emergency related incidents that require a state vehicle. These might include MEMA, CME, DFS, first line responders from the Department of Correction and Department of Public Safety, and staff where responding to after hours and weekend emergencies are a requirement and expectation of their position. Domicile approval should not be requested for any other state employee; and,
   b. Significant efficiency in taking a vehicle home rather than pickup/drop off of such a state vehicle as needed at a designated location.

The secretariat must then certify to OVM and the Secretary for Administration and Finance that both of the above stated conditions have been met. EOAF reserves the right to deny domicile assignments if the secretariat fails to establish a reasonable need for such assignments.

The availability of a domiciled state vehicle as a component of an employee’s compensation package is not under any circumstances an acceptable reason for domicile assignments.

2. Factors to be considered in determining regular, significant state business need for a domiciled state vehicle (as opposed to reimbursed use of a personal vehicle) are either:

   a. Total miles traveled yearly on state business are in excess of 10,000 miles, or
   b. The state employee’s duties require a specialized state vehicle.

3. Factors to be considered in determining whether domicile travel is more efficient than drop-off/pickup are:

   a. If the state employee does not report to a designated office in connection with their regular duties requiring use of a state vehicle, or
   b. In the case of a special purpose state vehicle only, whether he/she will be using his/her special purpose vehicle to respond to off-duty emergencies.

For purposes of authorizing domiciled travel, the possibility of a state employee being called out after hours for state business will no longer be a factor unless a special purpose vehicle is required, i.e., state police cruiser, haz-mat vehicle, etc.

4. The process for annual domicile approval is as follows:

   a. Employees and their agency must demonstrate to their secretariat the need for domicile assignments according to the factors referenced in section 2 and 3 of this section.
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b. Secretariats must send a letter to the Office of Vehicle Management’s (OVM) Fleet Administrator requesting and certifying the need for domicile approval by November 30 of each calendar year.

c. In addition to justification letters for any new domicile assignments, the agency’s Secretariat must review, approve and confirm in writing to OVM’s Fleet Administrator that domicile assignments that have been previously approved, continue to require domicile assignments in the calendar year. The letter must consist of:
   • Specific justifications for domicile travel, including any need for a special-purpose vehicle and the number of miles expected to be driven annually;
   • The driver’s position, title, name and license number;
   • The number of vehicle(s) requested;
   • The state plate number(s) of each vehicle;
   • The year, make and model of each vehicle to be used for domicile
   • The number of “after hour” emergencies responded to in the previous calendar year
   • The nature of each emergency responded to, the location and its resolution

5. Prior to sending detailed information to OVM, each department must have written approval from their Cabinet Secretary.

   a. Once the OVM Fleet Administrator has reviewed the domicile-approval requests, a summary of the requests will be forwarded to EOAF for final review and approval. EOAF reserves the right to deny domicile assignments if the secretariat fails to establish a reasonable need for such assignments.
   b. Domicile assignments will be approved on a calendar year basis by the Executive Office for Administration and Finance and reviewed on a bi-annual basis by the Office of Vehicle Management.
   c. Employees with domicile assignments must certify in writing annually that they understand the domicile policies and will adhere to them. Employees who have had domicile assignments removed for any reason will receive a written notification from their Fleet Manager informing them that they no longer have a domicile assignment.

6. Required Fringe Benefit for Tax Reporting of Domicile Assignments

   Federal and State Law require employers, including the Commonwealth, to include “Fringe Benefit Income” on annual W-2 forms submitted to the Internal Revenue Service (IRS) and Department of Revenue (DOR) for each employee. Such fringe benefit income includes an employee’s use of an employer-provided vehicle for business purposes which is also used for personal commuting. The primary provisions are found in Federal Payroll Tax Laws and Regulations, United States Code, Title 26 Internal Revenue Code, Code 61 Reg. 1.61-21(f)(3).

   Each year OVM will issue specific guidance to fleet managers and payroll directors on this subject. ANF recognizes that the IRS rules on this subject are complex and that this bulletin can only offer general guidance. Failure to submit the Certification of Employee Motor Vehicle Use form may result in loss of domicile assignments.
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Purchase of New Light-Duty Vehicles; Fuel Efficiency; Emissions

The goals of the Administration are: (1) to reduce the overall size of the state motor vehicle fleet, (2) to improve the overall fuel-efficiency of the state motor vehicle fleet, (3) to decrease the pollution emissions of the state Fleet by increasing fuel efficiency and embracing cleaner technologies, and (4) to purchase vehicles which provide the best value on a total cost of ownership basis.

To increase the fuel efficiency and decrease emissions of the state fleet, all agencies must consider fuel efficient, alternative fuel and lower emission vehicle alternatives when purchasing new vehicles. Furthermore, agencies shall limit the purchase of 4-wheel drive vehicles to those absolutely necessary for emergency or off-road response, and shall consider smaller, lower powered vehicles and light duty pick-up trucks in lieu of SUVs, large passenger vehicles and large trucks.

To further such goals:

1. All new acquisitions (including purchases and leases) of any light-duty vehicle (sedan, van, SUV, crossover or truck) by any Executive Agency will be subject to approval by OVM and the State Purchasing Agent as to the operational needs of the vehicle and the agency. It will be expected that each new vehicle will replace at least one existing vehicle in the agency’s fleet.

2. All agencies will be required to purchase the most economical, fuel efficient and low-emission vehicles appropriate to their mission. Unless a need is clearly demonstrated otherwise, the goal will be to have all new vehicles achieve a minimum of 20 mpg (estimated city) and to be Ultra Low Emission Vehicles (ULEV) or better. OVM, in collaboration with the Department of Energy Resources, will set new minimum standards for miles per gallon in a soon to be released policy (which will result in an update of this Bulletin) consistent with the requirements of Section 1 of Chapter 169 of the Acts of 2008, with the goal being to either meet or exceed Federal guidelines.

3. Agencies may only request SUV’s and/or 4 X 4 trucks if said vehicles are critical to meet the required mission of the agency. For example, in order for an agency to receive approval to purchase an SUV or 4 x 4 trucks, the need to have either off-road capacity or all-weather emergency response must be demonstrated. Specifically, the desire for non-emergency personnel to drive in inclement weather will no longer be justification for the purchase of a 4 x 4 vehicle.

4. Each agency will coordinate with OVM the actual sourcing of the vehicle, its financing, delivery, and maintenance. EOAF’s capital group will work with OVM to maximize the most appropriate capital source if capital funds are needed for vehicle purchases, with agencies being expected to reimburse OVM through agency charge-backs for the carrying cost of all vehicle purchases that are made through OVM. OVM will work with agencies to acquire vehicles that provide the best value for the Commonwealth on a total cost of ownership basis.
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5. Availability of alternative funds for vehicle purchases (such as federal grants or trust funds) does not determine purchase approval. Federal or trust funding will be one factor in the purchase decision, but vehicles funded in whole or in part by federal or trust funds must still be determined to be necessary and appropriate within the above guidelines, and all such new vehicles will generally still be expected to replace existing state vehicles that are due for retirement or redeployment.

Forms and Links

To assist agencies in this process, ANF provides the following standard forms; found at the following link:

http://www.mass.gov/Eoaf/docs/anf/anf10_ackform.doc

A&F Secretary Approval and Effective Date

This Administrative Bulletin published by the Executive Office for Administration and Finance shall be effective as of the date specified below:

Jay Gonzalez, Secretary

December 21, 2009