

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

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SENATE BILL 312

Short Title: Motor Fleet Telematics Pilot Project. (Public)

Sponsors: Senators Bingham (Primary Sponsor); J. Davis, Hise, B. Jackson, and Sanderson.

Referred to: Rules and Operations of the Senate.

March 18, 2015

A BILL TO BE ENTITLED
AN ACT TO REQUIRE THE DIVISION OF MOTOR FLEET MANAGEMENT OF THE
DEPARTMENT OF ADMINISTRATION TO CONTRACT FOR THE DEVELOPMENT
AND IMPLEMENTATION OF A PILOT PROJECT TO TEST THE EFFECTIVENESS
AND EFFICIENCY OF USING TELEMATICS IN STATE-OWNED MOTOR
VEHICLES.

The General Assembly of North Carolina enacts:

SECTION 1. Definition. – For purposes of this act, the term "telematics" means the integrated use of telecommunications and information technology in motor vehicles to allow monitoring of motor vehicles within a motor fleet.

SECTION 2. Telematics Pilot Project. – No later than October 1, 2015, the Division of Motor Fleet Management of the Department of Administration, in consultation with the University of North Carolina School of Government and in collaboration with any State agency the Division deems necessary, shall contract with a third party to develop and implement a pilot project to test the effectiveness and efficiency of telematics. The pilot project shall be subject to the following requirements:

- (1) The pilot project shall provide for installation of telematics packages in a sample that meets the following criteria:
 - a. The sample consists of no fewer than 450 motor vehicles.
 - b. The sample consists of only motor vehicles that are assigned to State agencies under the supervision of the Division of Motor Fleet Management.
 - c. The sample consists of only motor vehicles that have been assigned to and used by a State agency for at least one year.
 - d. Vehicles included in the pilot program shall be selected using a stratified random sampling technique such that the number of vehicles in the sample from each agency is proportional to each agency's share of the total number of vehicles assigned to all State agencies by the Division of Motor Fleet Management.
 - e. The sample consists of vehicles selected randomly from among those that meet the requirements of this subdivision.
- (2) The pilot project shall include both basic telematics packages and comprehensive telematics packages, which include safety alerts and remote diagnostic reporting, so the Division may assess the costs of both against the potential savings.



- 1 (3) The pilot project shall last for a period of two years.
- 2 (4) Telematics packages on vehicles that are selected for inclusion in the pilot
3 program shall be activated within 14 days of installation.
- 4 (5) The Department of Administration shall inform all State agencies with
5 vehicles included in the pilot program of the general requirements and goals
6 of the pilot project. The Department shall instruct each affected agency to
7 inform any drivers of vehicles assigned to the agency of the existence of the
8 pilot program, of the fact that the vehicle they are driving is participating in
9 the pilot program, if applicable, and of the general goals and purposes of the
10 pilot program.

11 **SECTION 3.** Report. – The Division of Motor Fleet Management shall submit an
12 interim report on the status of the pilot project to the Joint Legislative Committee on
13 Governmental Operations and to the Program Evaluation Division of the General Assembly no
14 later than December 1, 2016, and shall submit to those entities a final report on the project no
15 later than December 1, 2017. The reports shall include all of the following:

- 16 (1) A summary description of the contract entered into pursuant to this act.
- 17 (2) A summary description of the sample of motor vehicles selected for
18 inclusion in the pilot program.
- 19 (3) An update on progress to date on the pilot project.
- 20 (4) An explanation of the types of data being generated as part of the pilot
21 project.
- 22 (5) Motor vehicle use policy modifications explaining how telematics
23 information will be used by the Division.
- 24 (6) An analysis of how telematics monitoring can be integrated with the fleet
25 information system of the Division.
- 26 (7) Any recommendations regarding which telematics service package (basic or
27 comprehensive) should be implemented.
- 28 (8) An estimate of the cost and a time line for installing telematics in all motor
29 vehicles under the control of the Division.
- 30 (9) The annual cost for using telematics in all motor vehicles under the control
31 of the Division.
- 32 (10) An estimate of cost savings resulting from the use of telematics.
- 33 (11) An analysis of changes in driver behavior that occurred after the installation
34 of telematics packages. This analysis shall include, but not be limited to,
35 data related to any change in miles traveled, daily usage, hard breaking, idle
36 time, and driving in excess of the speed limit.
- 37 (12) Any other information the Division deems necessary.

38 **SECTION 4.** Notification to and Cooperation by State Agencies. – Upon selection
39 of a vehicle for inclusion in the pilot program, the Department of Administration shall notify
40 the agency to which the vehicle is assigned that the vehicle will be participating in the pilot
41 program. State agencies shall cooperate with the Division of Motor Fleet Management in
42 implementing the pilot program, shall abide by any policies developed as part of the pilot
43 program, and shall not tamper or interfere with the pilot program in any way.

44 **SECTION 5.** Provision of Data to Program Evaluation Division. – The Division of
45 Motor Fleet Management shall provide all data generated under the pilot program required by
46 this act to the Program Evaluation Division of the General Assembly. The Program Evaluation
47 Division shall conduct a return on investment analysis of the pilot program and shall present
48 the results of this analysis and any recommendations related to the implementation of
49 telematics to the Joint Legislative Program Evaluation Oversight Committee no later than
50 December 1, 2017.

1 **SECTION 6.** Funding. – Of the funds appropriated to the Motor Fleet Management
2 Fund (Fund Code 74100-7211) for the 2015-2016 fiscal year, the sum of sixty-eight thousand
3 dollars (\$68,000) shall be used to enter into the contract required by Section 2 of this act.
4 **SECTION 7.** Effective Date. – This act becomes effective July 1, 2015.