



STATE OF GEORGIA  
OFFICE OF THE GOVERNOR

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## **FACT SHEET**

### **Commission for a New Georgia Recommends Improved Management of State Vehicles**

Currently in Georgia, individual state departments are responsible for their own purchasing, maintenance contracts, service, repair, disposal, and record keeping of state vehicles. As a result, there is no accurate statewide data for making strategic management decisions on replacing high-maintenance vehicles or leveraging the best deals on purchasing, leasing, fuel, and maintenance.

According to the findings of the Commission for a New Georgia:

- State agencies and departments own an estimated 20,979 vehicles, including 5,235 passenger cars/vans; 4,505 are assigned to individuals.
- 870 individuals reported 2.6 million commuting miles in 2003.
- The average age of fleet is 8.5 years. 60 percent of Georgia's fleet is over 6 years.
- In FY05, the state appropriated \$8.5 million to 14 of the state's 35 agencies for purchasing motor vehicles (not counting separate appropriations for the Board of Regents and Department of Technical and Adult Education).
- The number of vehicles could be reduced by 10 percent across the board with minimal effect on utilization of the remaining inventory. 3,887 state vehicles were identified by task force as "under-utilized."
- A 10 percent reduction would remove 2,142 vehicles from the fleet. The potential one-time revenue generated from sale of the vehicles could range from \$6 to \$7 million, based on a \$1,200 value per car, plus the annual savings on maintenance, repair, insurance, etc.

The two fleet management task forces of the Commission and the implementation team recommended placing the widely dispersed fleet under a central management system, a practice commonly employed in other states to improve cost-efficiency. They also recommended measures to tighten state policy on assigning vehicles to individuals, including agency heads, and to reduce commuting mileage by 25%.

The cost savings from more economical management and proceeds from the sale of an estimated 2,000 surplus vehicles are approximately \$10 million in the first year. By reducing the fleet 10 percent, the state will also dodge an estimated \$20 million in "costs avoided" on maintenance of aging but under-utilized vehicles over the next three years.