



May 8, 2020

SUMMARY OF BILL: Prohibits a state, county, or municipal governmental entity in this state from purchasing a vehicle with a gross weight of 19,501 pounds or more unless the vehicle was manufactured in the United States (U.S.). Defines “manufactured in the U.S.” as a vehicle manufactured by an original equipment manufacturer, whose headquarters is located in the U.S. and is not a subsidiary of, owned, or otherwise controlled by a foreign company, corporation, partnership, or other foreign entity.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The proposed legislation will prevent the majority of vehicle purchasing in this weight category by a governmental entity. State and local entities may experience an increase in expenditures when purchasing new vehicles or for contracting for use of vehicles if purchase is prohibited under the proposed legislation.

Assumptions:

- The proposed legislation will prohibit a governmental entity from purchasing a vehicle with a gross weight of over 19,501 pounds unless the vehicle was manufactured in the U.S.
- State and local government purchases of vehicles greater than 19,501 pounds include, but are not limited to: utility vehicles for road and highway maintenance; electrical district trucks; garbage trucks; fire trucks; school buses; and transit buses.
- The original manufacturer of any purchased vehicle cannot be partially owned or controlled by any foreign company or other foreign entity.
- Vehicle purchase costs will increase substantially for any vehicle purchased from a manufacturer that adheres to the provisions of the legislation, due to an assumed decrease of competitive bidders.
- Any vehicle required for use by a governmental entity that is not available for purchase from a manufacturer that adheres to the provisions of this legislation will have to be contracted for service by a third party.
- Due to multiple unknown factors such as increased purchase prices, additional maintenance service contracts and delayed completion time of projects requiring use of these vehicles cannot be estimated with any reasonable certainty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

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