

HOUSE TRANSPORTATION COMMITTEE

January 29, 2021; 9:30 AM 327E

North Dakota Department of Transportation

Mike Gerhart, Director, State Fleet Services Division

HB 1462

Good morning, Mr. Chairman and members of the House Transportation Committee, I am Mike Gerhart, State Fleet Services Division Director of the North Dakota Department of Transportation. I am here today in a neutral capacity to provide information regarding HB 1462 and the State Fleet auction process.

State Fleet provides vehicles for state agencies across North Dakota. When vehicles are scheduled for replacement, State Fleet works with the Office of Management and Budget and secures contracts for replacement vehicles. When state vehicles are ready to be sold, State Fleet contracts them through an auctioneer service based in North Dakota. State Fleet auctions are held approximately five times per year.

Below is an overview of 2020 State Fleet auctions:

4 auction sales

286 vehicles sold

\$3,758,425 total sales

Averaged 281 potential bidders

50 vehicles sold out of state (17% of vehicles sold)

It is unknown if HB 1462 will have an adverse impact on state fleet auctions. State Fleet's goal is to provide efficient and safe transportation services; meeting state agency's needs. One aspect of efficiency is having successful auctions since sales proceeds offset fleet's operational costs and agency vehicle utilization rates.

Mr. Chairman, this concludes my testimony and I would be happy to answer any questions the committee may have.