

SENATE BILL NO. 575

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology

on _____)

(Patron Prior to Substitute--Senator Mason)

A BILL to amend the Code of Virginia by adding a section numbered 2.2-1176.2, relating to Department of General Services; fleet managers to use total cost of ownership calculations; report.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 2.2-1176.2 as follows:

§ 2.2-1176.2. Declaration of policy supporting cost effective vehicle purchase and lease; total cost of ownership calculator; report.

A. It is the policy of the Commonwealth to encourage and promote the use of cost-effective vehicles by considering the total cost of ownership by agencies of the Commonwealth.

B. By October 1, 2022, the Department shall identify a publicly available total cost of ownership calculator that will be used to assess and compare the total cost to purchase, own, lease, and operate internal combustion-engine vehicles (ICEVs) versus comparable electric vehicles (EVs). Beginning on January 1, 2023, the Department and all agencies of the Commonwealth shall utilize the calculator prior to purchasing or leasing any motor vehicles, and shall purchase or lease an EV unless the calculator clearly indicates that purchasing or leasing an ICEV has a lower cost of ownership.

1. The calculator shall, at a minimum, account for the vehicle's make, model, and age; the average miles traveled per year for similarly used vehicles; the expected life expectancy of the vehicle and average annual depreciation; the upfront and annual costs of purchasing such vehicle and all other costs of vehicle ownership or lease; and all costs the agency must incur to add chargers or other fueling facilities to support such vehicles. The calculator shall be updated at least annually to account for updates in information, including information on the latest light-duty, medium-duty, and heavy-duty vehicle models available.

26 2. The Department shall make the calculator available to all state and local public bodies and transit
27 agencies. The Department shall also provide technical assistance to such public bodies utilizing the
28 calculator upon request.

29 C. Beginning January 1, 2026, and every three years thereafter, the Department shall submit to the
30 Governor and the General Assembly a report summarizing the Department's vehicle procurements and the
31 vehicle procurements of other agencies of the Commonwealth. The report shall, at a minimum, include a
32 compilation of types of vehicles by size, fuel sources, and the total estimated cost savings and avoided
33 emissions attributable to purchasing or leasing of EVs instead of ICEVs.

34 D. Emergency vehicles, as defined in § 46.2-920, and any vehicles used by an agency of the
35 Commonwealth in law-enforcement activities shall be exempt from the requirements of this section. The
36 Department may authorize other exemptions from the requirements of this section upon finding that an
37 EV is not a practicable alternative to an ICEV for a particular use, or for some other compelling reason.

38 E. The Department shall develop guidance documents regarding the procedure for requesting
39 exemptions from the requirements of this section and the criteria for evaluating such exemption requests.
40 Before adopting or revising such guidance documents, the Department shall publish the document on its
41 website and provide a 30-day period for public review and comment.

42 F. The Department shall be responsible for ensuring that all agencies of the Commonwealth adhere
43 to the requirements of this section. The Department may issue any directives or guidance documents or
44 promulgate any regulations as may be necessary to implement the requirements of this section.

45 **2. That the initial report required pursuant to subsection C of § 2.2-1176.2 of the Code of Virginia,**
46 **as created by this act, shall be due January 1, 2026.**

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