

Department of Planning and Budget

2021 Fiscal Impact Statement

1. Bill Number: HB1965

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Bagby

3. Committee: Passed both houses

4. Title: State Air Pollution Control Board; low-emissions and zero-emissions vehicle program.

5. Summary: Directs the State Air Pollution Control Board (the Board) to implement a low-emissions and zero-emissions vehicle program for motor vehicles with a model year of 2025 and later. Regulations adopted by the Board to implement the program are exempt from the Administrative Process Act and shall not become effective prior to January 1, 2024. The State Corporation Commission may exclude energy jurisdictional retail sales related to zero-emission vehicles and hybrid electric vehicles from energy jurisdictional retail sales calculated pursuant to § 56-596.2 of the Code of Virginia. The regulations required to be adopted by the Board is required to allow any motor vehicle manufacturer to establish a Virginia-specific zero-emission vehicle (ZEV) credit account and to make a one-time deposit of credits into its account under certain parameters. The Board may adjust, if necessary, restrictions on the use of the proportional credits remaining in manufacturers' Virginia accounts in order to ensure that the percentage of ZEVs required to be delivered for sale under Virginia's ZEV program is approximately equivalent to, but does not exceed, the percentage required under California's ZEV program.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See item 8.

8. Fiscal Implications: It is anticipated that any fiscal impact on the Department of Environmental Quality as a result of this bill can be absorbed within existing resources. This bill may have an indeterminate fiscal impact on state agencies that purchase vehicles upon adoption of regulations by the State Air Pollution Control Board. The State Corporation Commission anticipates no fiscal impact as a result of this bill.

9. Specific Agency or Political Subdivisions Affected: Department of Environmental Quality; State Air Pollution Control Board; State Corporation Commission

10. Technical Amendment Necessary: No.

11. Other Comments: None.