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SENATE BILL NO. 457

Offered January 10, 2024

Prefiled January 9, 2024

A *BILL to amend the Code of Virginia by adding in Chapter 17 of Title 45.2 an article numbered 10, consisting of sections numbered 45.2-1735, 45.2-1736, and 45.2-1737, relating to Driving Decarbonization Program and Fund created.*

Patrons—Marsden and Aird

Referred to Committee on Agriculture, Conservation and Natural Resources

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 17 of Title 45.2 an article numbered 10, consisting of sections numbered 45.2-1735, 45.2-1736, and 45.2-1737, as follows:

*Article 10.**Driving Decarbonization Program.***§ 45.2-1735. Definitions.**

As used in this article, unless the context requires a different meaning:

"Fund" means the Driving Decarbonization Program Fund established pursuant to § 45.2-1737.

"Historically economically disadvantaged community" has the same meaning as provided in § 56-576.

"Non-utility costs" means all costs related to electrical service equipment not owned and operated by a utility, including distribution sections of the main electrical switchgear, electrical feeders, breakers, conduits, secondary cables, electric vehicle service equipment, equipment foundations, and any associated civil construction such as driveways, sidewalks, surface markings, ramps, and vehicular barriers.

"Program" means the Driving Decarbonization Program established pursuant to § 45.2-1736.

"Rural community" means a city with a population density of less than 1,470 people per square mile or a county with a population density of less than 160 people per square mile that:

1. From July 1, 2024, until July 1, 2026, has (i) an annual unemployment rate that was greater than the final statewide average unemployment rate for that calendar year and (ii) an annual poverty rate that exceeded the statewide average poverty rate for that year; and

2. From and after July 1, 2026, has (i) an annual unemployment rate for the most recent calendar year for which such data is available that is greater than the final statewide average unemployment rate for that calendar year and (ii) a poverty rate for the most recent calendar year for which such data is available that exceeds the statewide average poverty rate for that year.

"Utility costs" means all costs related to utility-owned and utility-operated electrical equipment between the main overhead or underground power lines and the customer electrical revenue meter.

§ 45.2-1736. Driving Decarbonization Program established.

A. There is hereby established the Driving Decarbonization Program to assist private developers with non-utility costs associated with the installation of electric vehicle charging stations in any historically economically disadvantaged community or rural community in the Commonwealth. The Program shall be administered by the Department, and the Department shall establish guidelines for the administration of the Program, including guidelines related to the application for and award of grants pursuant to this article.

B. Subject to availability of funds in the Fund, a private developer shall be eligible to apply for grants equal to:

1. 70 percent of the private developer's non-utility costs for the installation of such electric vehicle charging stations installed in a historically economically disadvantaged community or a rural community in the Commonwealth; and

2. 50 percent of the developer's non-utility costs for electric vehicle charging stations installed in any other area of the Commonwealth.

C. The total aggregate amount of grants awarded pursuant to subsection B shall not exceed \$20 million in any fiscal year. Out of such amount, \$5 million shall be reserved for grants awarded pursuant to subdivision B 1.

§ 45.2-1737. Driving Decarbonization Program Fund.

There is hereby created in the state treasury a special nonreverting fund to be known as the Driving Decarbonization Program Fund that shall be administered by the Department. The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury

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59 *and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be*
60 *credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal*
61 *year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be*
62 *used solely for the purpose of providing grants through the Program established pursuant to*
63 *§ 45.2-1736. Expenditures and disbursements from the Fund shall be made by the State Treasurer on*
64 *warrants issued by the Comptroller upon written request signed by the Director.*