

## Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office

H.B. 642

134<sup>th</sup> General Assembly

# **Bill Analysis**

Version: As Introduced

Primary Sponsors: Reps. K. Smith and Weinstein

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### SUMMARY

- Requires the Department of Administrative Services (DAS) to ensure that 100% of new motor vehicles acquired by the state for use by state agencies are powered exclusively by electricity beginning on January 1, 2030.
- Establishes a phase-in period for the bill's electric vehicle requirement during which specified percentages of motor vehicles capable of using petroleum-based alternative fuels may be purchased for use by state agencies.
- Eliminates a corresponding requirement in current law that requires DAS to ensure that 100% of new motor vehicles acquired by the state for use by state agencies are capable of being powered by specified alternative fuels, including petroleum-based alternative fuels, hydrogen, and compressed air.
- Applies existing exceptions that authorize DAS to deviate from the motor vehicle purchasing requirements established by the bill under certain circumstances.

## **DETAILED ANALYSIS**

#### State-acquired electric vehicles

The bill requires the Department of Administrative Services (DAS) to ensure that 100% of new motor vehicles acquired by the state for use by state agencies are powered exclusively by electricity beginning on January 1, 2030. The bill phases in this requirement beginning on its effective date. During the phase-in period, any vehicle purchased for use by a state agency that is not electric must be capable of being powered by a petroleum-based alternative fuel. Petroleum-based alternative fuel includes E85 blend fuel (85% ethanol fuel), blended biodiesel

(biodiesel plus petroleum-based diesel), natural gas, and liquefied petroleum gas.<sup>1</sup> The following table illustrates the phase-in process established by the bill:

Date	Powered exclusively by electricity	Capable of using petroleum-based alternative fuel
Bill's effective date to December 31, 2024	At least 25%	Up to 75%
January 1, 2025, to December 31, 2029	At least 50%	Up to 50%
On and after January 1, 2030	100%	0%

Under current law, DAS must ensure that all new motor vehicles acquired by the state for use by state agencies are capable of using "alternative fuels." Alternative fuels include E85 blend fuel, blended biodiesel, natural gas, and liquefied petroleum gas, as well as the following:

- 1. Hydrogen;
- 2. Compressed air;
- 3. Any power source, including electricity; and
- 4. Any other fuel not described above that the U.S. Department of Energy determines is substantially not petroleum and that would yield substantial energy security and environmental benefits.

The bill eliminates the fuels listed in 1 through 4 above as potential alternative fuels that may be used in state vehicles purchased after the bill's effective date. Further, E85 blend fuel, blended biodiesel, natural gas, and liquefied petroleum (petroleum-based alternative fuels) are authorized only for use in vehicles purchased through December 31, 2029, as shown in the table above. Because of the elimination of these fuels for potential use in state vehicles, the bill eliminates a provision of current law that requires state agencies to use these fuels if they are reasonably available at a reasonable price.<sup>2</sup>

#### Exceptions

Under both current law and the bill, DAS may deviate from the motor vehicle purchasing requirements set forth above if certain circumstances exist. Under the bill, those circumstances include either of the following:

1. DAS or another state agency is unable to acquire the motor vehicles within cost limitations that DAS must establish by rule; or

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<sup>&</sup>lt;sup>1</sup> R.C. 125.831 and 125.834.

<sup>&</sup>lt;sup>2</sup> R.C. 125.834(A) to (C).

2. An emergency exists or exigent circumstances exist, as determined by the Director of DAS.

Current law includes an additional circumstance that is eliminated by the bill. Under that circumstance, DAS may deviate from the alternative fuel requirement if the use of alternative fuels would not meet the energy and exhaust emissions criteria described in rules adopted by DAS.<sup>3</sup>

#### **Reporting requirements**

The bill updates existing state agency reporting requirements regarding the purchase of new vehicles to reflect the bill's new electric and petroleum-based alternative fueled motor vehicle requirements.<sup>4</sup>

## HISTORY

Action	Date
Introduced	05-05-22

ANHB0642IN-134/ts

<sup>&</sup>lt;sup>3</sup> R.C. 125.834(B) and (C).

<sup>&</sup>lt;sup>4</sup> R.C. 125.834(A).