U.S. General Services Administration

ELECTRIC VEHICLES FUND

Fiscal Year 2025 Congressional Justification

CONTENTS

Appropriations Language

There is appropriated to the General Services Administration (GSA) $10,000,000, to remain available until expended, for the purchase of zero emission motor vehicles and supporting charging or fueling infrastructure, notwithstanding 42 U.S.C. 13212(c) and in addition to amounts otherwise available for such purposes: Provided, That amounts available under this heading may be transferred to and merged with appropriations at other Federal agencies, at the discretion of the Administrator, for carrying out the purposes under this heading.

Program Description

The Electric Vehicles Fund (EVF) enables the U.S. General Services Administration (GSA) to support the Administration's goal of electrifying the Federal fleet by providing the mechanism for GSA to procure zero emission vehicles (ZEV) and the associated charging infrastructure on behalf of Federal agencies.

Program Financing

The funds appropriated will be transferred and merged with the funds of Federal agencies, such as the Acquisition Services Fund (ASF) and other agency funds, at the discretion of the Administrator. The funds will be used to procure zero emission and electric vehicles and the associated charging infrastructure necessary for agencies to operate those ZEVs and electric vehicles.

Summary of the Request

The President's FY 2025 Budget requests $10 million for the EVF at GSA to procure ZEVs and the associated charging infrastructure to support the Administration's goal of electrifying the Federal fleet. These funds are critical for agencies to achieve the Administration's goals for transitioning the fleet. GSA will also work with agencies to leverage funding within individual agency operating budgets to further electrification of their fleet requirements in FY 2025.

Based on industry and consumer data, the lifecycle cost of maintaining ZEVs is often a savings over conventionally fueled vehicles. However, historically and despite these potential long-term savings, the up-front acquisition cost of ZEVs is higher than that of similar conventionally fueled models, which has made it difficult for the Federal fleet to adopt electric vehicles and the associated infrastructure. This funding will allow the Federal Government to replace portions of its fleet in a manner that would have a meaningful impact on the environment and transform the United States into a leadership position in electric vehicle manufacturing, creating good jobs across the country. GSA will use the provided funding for the additional up-front cost of ZEVs on behalf of Federal leasing agencies, particularly those with relatively small fleets that do not have a large fleet operating budget, as well as fund the procurement and installation of the charging infrastructure that is critical for agencies to operate zero emission and electric vehicles.

GSA will transfer and merge a portion of the funding with the ASF to enable GSA to procure ZEVs to replace fossil-fuel vehicles on an ongoing basis as ZEVs become commercially available. Additionally, GSA may transfer and merge a portion of this appropriation to other

Federal agency funds, including GSA's Federal Buildings Fund, to enable those agencies to procure the charging infrastructure necessary for agencies to operate these ZEVs.

Program Benefits

Managing $10 million centrally in the EVF will enable GSA to provide standardized guidance and direction, encourage consolidations into GSA's leased fleet, create efficiencies in Federal fleet operations, and promote a coordinated and accelerated conversion of fleet vehicles from internal combustion engine (ICE) vehicles to ZEVs. Centralizing this fleet electrification funding at GSA will allow GSA to drive down Government-wide fleet management costs while also fighting the climate crisis through fleet electrification. Agencies that consolidate their agency-owned vehicles with GSA will realize an average of 12 cents per mile immediate savings on ICE vehicles, based on a 5-year average as self-reported by agencies as part of their annual fleet reporting. The agency will receive a new vehicle based on GSA's replacement criteria, resulting in agencies receiving a refreshed and modern asset prior to when they normally would be able to replace the asset as an agency-owned vehicle. Agencies leasing from GSA will also be well positioned to convert to and adopt ZEVs as GSA brings ZEVs into the GSA-leased fleet. In FY 2023, 19 percent of new GSA-leased vehicles orders were ZEVs compared to just 3 percent of agency-owned total purchases. In FY 2023, GSA Fleet surpassed FY 2022 ZEV order quantities, as agencies continued to have strong demand for ZEVs.

Funding provided to GSA to support Federal partners would be used to invest in both ZEVs and the charging infrastructure to support operating those vehicles. It is estimated that this funding could support purchasing approximately 370 ZEVs and 185 charging stations across the Federal Government to cover non-complex installations (not inclusive of electrical upgrades or building retrofits).[1]

Increasing the deployment rate of ZEVs will serve as a catalyst for industry and stimulate job growth in green markets. In 2021, jobs in net-zero emissions aligned areas made up approximately 40 percent of total energy jobs. In particular, electric-vehicle jobs increased by 26.8 percent, or 28,366 from the year prior, and plug-in hybrid vehicle jobs increased 10 percent, adding 6,293 jobs.[2] It is predicted that if EVs are fully embraced it could create 56,000 additional auto manufacturing jobs by 2030, (compared to what it would have if no transition took place) and boost whole new industries like EV-charging infrastructure. This includes 17,000 direct jobs in auto manufacturing, 12,000 indirect jobs in the supply chain, and 27,000 induced jobs that could be created when direct and indirect auto workers spend their earnings in the

[1] Assumes $20,000 incremental cost (difference in acquisition cost of ZEV vs. its gasoline equivalent) on each zero-emission vehicle and $14,000 for a dual-port charger, installed to support vehicles with a dedicated port for each vehicle. Costs for charging station installation and the necessary building modifications to support the infrastructure vary dramatically between projects, depending on the site. Many federal buildings tend to be historic and have outdated or maxed out electrical capacity. GSA recognizes this effort may require extensive electrical upgrades to much of the federal-building portfolio.

[2] The 2023 U.S. Energy and Employment Report. Accessed January 12, 2024. https://www.energy.gov/policy/us-energy-employment-jobs-report-useer

wider economy. The majority of these new jobs would stem from increased battery manufacturing.[3]

ZEVs are more efficient than traditional fueled vehicles, converting over 77 percent of the electrical energy from the grid to power the wheels. ICE vehicles on the other hand can only convert about 12 percent to 30 percent of the energy stored in gasoline to power the wheels.[4] Fuel and maintenance savings and efficiencies vary by region but on average, according to a 2023 University of Michigan study, switching to an all-electric vehicle provides an average fuel savings of 55 percent for consumers nationwide with 71 percent of households seeing over a 50 percent reduction in fuel costs.[5]

Significantly, ZEVs also reduce tailpipe emissions that lead to harmful ozone depletion and pollution. Climate emissions from the manufacturing of ZEVs are slightly higher than those from manufacturing fossil-fuel vehicles. However, a ZEV sedan reduces total lifetime emissions by 52 percent compared to the average gasoline sedan (32 MPG), and a ZEV pickup truck reduces lifetime emissions 57 percent compared with the average gasoline pickup. Accounting for upstream electricity generation, such as emissions that result from raw material extraction, transportation, and burning those fuels to generate energy, over 90 percent of people in the United States live where driving the average ZEV produces fewer global warming emissions than the most efficient gasoline vehicle (59 mpg).[6]

The $10 million in funding would allow GSA to add 370 ZEVs to the fleet through the EVF, which would mitigate 1,663 Metric Tons of Carbon Dioxide (CO_2) and 187,093 gallons of gasoline annually.[7]

[3] EVs Could Create Thousands of Jobs in Michigan and Revitalize Its Auto Industry. Accessed July 28, 2023. https://www.wri.org/insights/michigan-electric-vehicle-job-creation

[4] "All-Electric Vehicles." *U.S. EPA's Fueleconomy.gov site*. https://www.fueleconomy.gov/feg/evtech.shtml. Accessed February 21, 2023.

[5] Mapping electric vehicle impacts: greenhouse gas emissions, fuel costs, and energy justice in the United States. https://css.umich.edu/publications/research-publications/mapping-electric-vehicle-impacts-greenhouse-gas-emissions-fuel-0. Accessed July 28, 2023.

[6] Reichmuth, David. "What Are the Benefits of Switching from Gasoline-Powered Cars and Trucks to Electric?" *Union of Concerned Scientists*. February 21, 2022. https://blog.ucsusa.org/dave-reichmuth/what-are-the-benefits-of-switching-from-gasoline-powered-cars-and-trucks-to-electric/. Accessed July 27, 2022.

[7] "Greenhouse Gas Equivalencies Calculator." *U. S. Environmental Protection Agency*. March 2022. https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator. Accessed July 28, 2023.

Amounts Available for Transfer
(Dollars in Thousands)

	FY 2023 Enacted	FY 2024 Full Year CR	FY 2025 Request
Resources:			
Available from Prior Year			$ -
Annual EVF Appropriation	$ -	$ -	$ 10,000
Total Resources Available	$ -	$ -	$ 10,000
Transfer Out for Electric Vehicles and Infrastructure	$ -	$ -	$ (10,000)
Fund Balance	$ -	$ -	$ -

Explanation of Changes, Appropriated Dollars
(Dollars in Thousands)

	FY 2023		FY 2024		FY 2025	
	FTE	Enacted	FTE	Full Year CR	FTE	Request
	0	$ -	0	$ -	0	$ 10,000
Program Changes:						
Electric Vehicles and Infrastructure						$ 10,000
Subtotal, Program Changes					0	$ 10,000
Total Adjustments	0	$ -	0	$ -	0	$ 10,000

Obligations by Object Classification
(Dollars in Thousands)

	FY 2023 Actual	FY 2024 Full Year CR	FY 2025 Request
94.0 Financial Transfers	$ -	$ -	$ 10,000
99.0 Obligations, Appropriated	**$ -**	**$ -**	**$ 10,000**

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