The second Trump Administration has brought a flood of obstacles to the national effort to transition away from petroleum-powered vehicles to electric vehicles (EVs). These challenges have come in many forms across multiple levels of government; they are in most cases completely unprecedented, and in many cases legally dubious (to put it mildly).

The push to electrify in the US was on precarious but improving footing before Trump took office. The recent legislative, regulatory, and litigation steps are destabilizing that push in all aspects. Fifteen months (and one illegal, maybe paused, oil shock-generating war) in, these actions are sufficiently numerous and interrelated that it can be hard to keep track of their origins and impacts.

The benefits of the transition (improved air quality and public health, reduced climate-warming emissions, lower long-term costs for drivers, independence from fossil fuels) and barriers to realizing it (upfront costs, charging limitations, battery supply constraints and mining justice concerns, domestic manufacturer hesitance, oil industry opposition) are well known and only bear repeating to illustrate the full scope of the Administration's actions.

In the most simplified form, the Administration (and Congress) have done three primary things: 1) eliminate financial incentives for consumers to buy or lease an EV; 2) repeal federal standards requiring automakers to reduce vehicle emissions and sell more EVs; and 3) attack California's special authority to separately require the same. *(This list focuses on automobiles and does not highlight all the parallel measures taken to attack clean truck regulation, which is hugely important for air quality in underserved communities in particular; nor does it include the significant impacts of tariffs, proposed legislation to block new emissions regulations, or related attacks on clean energy development.)*

1. Eliminating Incentives

In July 2025, Congress passed and President Trump signed a massive tax and spending bill that largely eliminated the electric vehicle (EV) incentive programs created by the 2022 Inflation Reduction Act (IRA). The IRA programs that were terminated include:

- An up to $7,500 tax credit for new EV purchases
- An up to $4,000 credit for used EV purchases
- An up to $40,000 credit for commercial heavy-duty EV purchases that

enabled incentives for leased automobiles as well
- A credit for up to 30% of the cost for EV charger installations at eligible properties

The impacts of these actions are still unclear–EV sales enjoyed a bump last fall before the expiration date, followed by an expected sharp drop–but a significant sales slowdown is probably inevitable. Pulling billions of dollars out of the market is very likely to have the intended effect of cutting the appeal of EVs for drivers, which domestic manufacturers have anticipated by eliminating multiple existing and planned models.

2. Repealing Federal Standards

- Endangerment finding rescission: In February, EPA formally rescinded the greenhouse gas (GHG) endangerment finding, which is the agency's formal determination that GHGs emissions endanger human health and welfare and merit regulation under the Clean Air Act. Dozens of states and environmental groups have challenged the action, which stands on slim legal footing. If the courts allow the rescission to proceed, EPA would effectively (due to its own actions) be unable to regulate vehicle GHGs, in turn unwinding the basis for much federal zero-emission vehicle (and EV) regulation. More traditional regulatory authority addressing the criteria pollutant emissions of combustion engines (which you can thank for your catalytic converter) would not be affected unless EPA followed up with some fairly esoteric legal maneuvers. Many legal experts argue that rescinding the endangerment finding would, in fact, free states to enact their own GHG standards without federal preemption, since the federal government will no longer have standards in place. But EPA will likely claim that the Clean Air Act universally preempts state standards even for pollutants it (allegedly) does not cover.
- Emissions standards rollback: In the same action, EPA also formally rescinded a host of federal GHG emissions standards for trucks and automobiles, claiming that the withdrawal of the endangerment finding eliminated the legal basis for those standards. Most prominently, those standards would have led to EVs constituting approximately 68% of new automobile sales nationwide by 2032. Legal challenges to the rescission are underway. If it is upheld, it will mean that there are no federal requirements to reduce auto and truck GHG emissions. While older standards governing the criteria pollutant emissions of combustion

engines would remain in place, they would provide a very limited regulatory incentive for further manufacturer investments in EVs.

- Fuel economy standards enforcement zero-out: In addition to repealing the IRA incentives for EVs, the 2025 tax and spending bill eliminated the penalties manufacturers have to pay for violations of the Corporate Average Fuel Economy requirements. (In the context of reducing vehicle GHG emissions, which cannot be scrubbed or filtered by engine modifications, fuel efficiency and emissions control are largely synonymous.) Setting noncompliance penalties to zero is effectively the same as repealing the standards, as Dan argued recently. This action has the same basic effect as the GHG emissions standards rollback, essentially eliminating federal regulatory drivers for manufacturers to produce EVs instead of fossil fuel vehicles.

3. Attacking California Authority:

- Clean Air Act waiver nullification: In three related actions in mid-2025, Congress passed and President Trump signed resolutions under the Congressional Review Act that (purportedly) nullified waivers previously issued to allow California to enforce its own state-level vehicle emissions standards (for automobiles, embodied in the GHG emissions requirements and zero-emission vehicle sales requirements of the Advanced Clean Cars II program). The Clean Air Act bars states from regulating vehicle emissions, except when California proposes standards that meet specific requirements and the Environmental Protection Agency grants a preemption waiver. The Congressional Review Act allows Congress and the President to overturn certain agency regulations issued at the end of a prior administration and bars agencies from issuing substantially similar rules in the future. (It should not apply at all to administrative approvals like waiver actions, an issue which is currently being litigated.) If these actions survive judicial review, then California would not be able to enforce its landmark targets of 100% zero-emission automobile sales by 2035 and truck sales by 2045, and arguably could be prevented from proposing similar targets under a more favorable future administration.
- California standards preemption challenge: In March, the Administration sued California to block enforcement of the state's Advanced Clean Cars I standards, a set of GHG emissions and ZEV sales requirements that preceded ACC II. After Congress (purportedly) nullified the waiver for ACC

> II, CARB issued an emergency regulation reinstating ACC I on the basis that the waiver issued by EPA in 2013 was still in effect. The Administration argues that the ACC I standards are preempted because the federal Energy Policy and Conservation Act prevents states from enacting their own fuel economy standards for vehicles, and the GHG emissions standards and ZEV sales requirements are “related to fuel economy standards” because they have the effect of reducing average fuel consumption statewide. If the litigation succeeds, California could be barred from enforcing even its last set of clean vehicle regulations, which combined with the federal standards rollback would largely pause existing US regulatory efforts seeking to advance the EV transition.

With so many legally dubious moves in litigation, it is impossible to ascertain the net effect on the EV transition at this point. A successful repeal of the GHG endangerment finding could open up the playing field to state-level vehicle regulations like ACC II. A convoluted set of federal court rulings could approve of the Administration’s exit from the regulatory field while still finding that the federal emissions and fuel economy laws preempt state action. A new administration in 2029 could reverse the rules and withdraw the lawsuits, but even resetting to the 2024-era status quo could take years.

In the meantime, the additional pollution from gasoline and diesel will continue to cause thousands of avoidable cases of asthma and cancer, increase the severity of climate catastrophe, and expose us to the risks of the international oil markets. And those of us who would like to avert these unnecessary harms are increasingly left to look for alternative pathways.