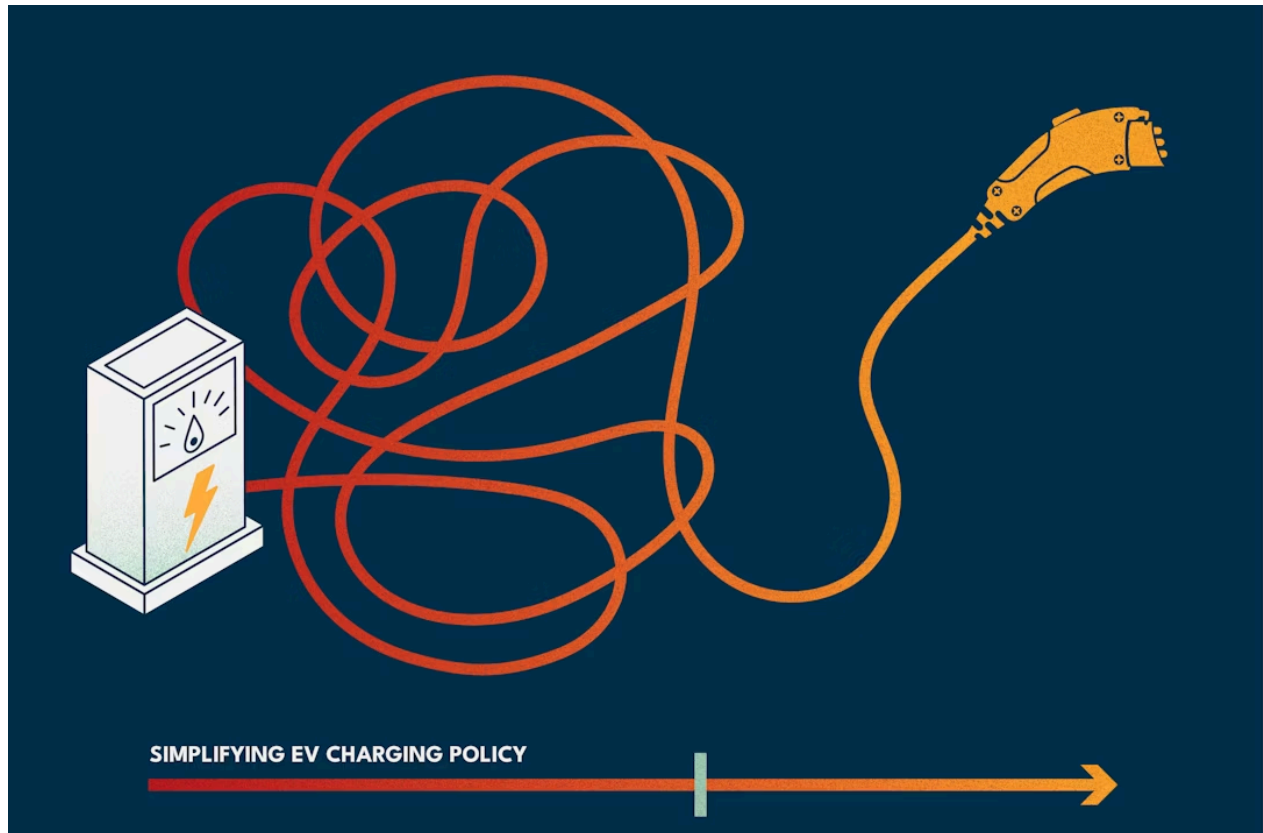


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Fix It, Don't Nix It: NEVI is Worth Getting Right



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Takeaways

- The Trump Administration has announced it's freezing the National Electric Vehicle Infrastructure (NEVI) Program pending new guidance—a move that has caused widespread confusion for states and the companies they're working with and puts hundreds of announced charging stations in jeopardy.
- Transportation Secretary Sean Duffy has told Congress the freeze and guidance update is meant to make the program work better, even though President Trump is targeting the program for rescission in his budget request. If this is truly a good-faith effort to make NEVI work, the Administration can improve the program by making the guidance more flexible for states, helping states navigate federal and local regulatory issues, and using the authority Congress gave it to push states to build more quickly.
- While the freeze is unnecessary and harmful, we strongly encourage all stakeholders to engage in the guidance update process to ensure the Administration takes advantage of this opportunity to improve the NEVI program and accelerate the buildout of public charging stations.

NEVI Should Be Unfrozen—and Improved

The Trump Administration announced in February it was halting the National Electric Vehicle Infrastructure (NEVI) formula program, including rescinding approval of all previously-approved state deployment plans, until the Federal Highway Administration released new guidance for the program later this spring. NEVI supports the build out of fast-charging stations along major highway corridors across the country to speed and facilitate the US transition to electric vehicles. Created through the Bipartisan Infrastructure Law, the program has gone from bipartisan priority to a controversial and widely critiqued effort, struggling to fulfill its mission quickly and efficiently.

We've long been clear-eyed about NEVI's problems, including the role the previous Administration played by overcomplicating the program with prescriptive requirements that went far beyond what Congress directed and declining to use its authority to push states to spend the money more quickly. But dismantling the program does nothing to solve the real and complex problem of expanding EV charger buildout nationwide.

The Administration's funding freeze is ill-conceived, inefficient, and comes at exactly the wrong time. The freeze has created confusion for state DOTs who don't know if or when they'll be reimbursed for stations they've already awarded, uncertainty for charger manufacturers and operators with active projects, and concern among contractors and workers who don't know if the jobs they're expecting will materialize. It will make getting these charging stations built out take longer and cost more—exactly the opposite of what we should be doing.

With over 900 awarded stations across 35 states plus DC and Puerto Rico already in various stages of development and construction, now is not the time to slam on the brakes. **USDOT should allow states to spend their funds for fiscal years 2022 through 2024 using the current guidance, and instead focus on improving the program going forward for 2025 and 2026.**

Transportation Secretary Sean Duffy told Congress his intention is to “make the guidance work,” saying that “whether I agree with [NEVI] or not, you told me to do it so let's do it well.” But in the meantime, President Trump's budget request for Fiscal Year 2026 would rescind all unobligated NEVI funds.¹

We hope Secretary Duffy will be true to his word and that the Administration will move forward with issuing new guidance and reopening NEVI. If and when that happens, we want to make sure they get it right.

Why NEVI is Worth Keeping

Despite long-standing partisan divisions around EVs, sales continue to increase and more Americans than ever need to charge up on the road. While the private sector is working quickly to meet charger demand, without the NEVI program this buildout will be inconsistent across the country, particularly in areas where charging is not currently economic, and states will have to fill in the gaps on their own, creating a patchwork system and placing a tremendous burden on state and local governments. Protecting and reforming NEVI through updated guidance gives the Trump Administration an opportunity to fix some of the previous administration's missteps and make the remaining years of the program more successful.

But NEVI is not purely for the benefit of car owners—it also has serious benefits for US manufacturing and job creation. NEVI has boosted demand for US-made EV chargers, bringing new investment and jobs into states like North Carolina and Texas—investments that would otherwise be made in Europe or China, which outpace us in EV charger manufacturing due to higher EV sales. As the world moves more quickly to EVs, the global market for chargers could be worth as much as \$10 trillion cumulatively through 2050, a significant export opportunity for countries that invest in manufacturing now.² We want the US to capture as much of that market as possible.

By enabling increased EV sales, NEVI works hand-in-hand with tax incentives for domestic EV production to boost demand for American-made EVs and everything that goes into them, creating well-paying jobs in states like Georgia, Michigan, Ohio, and Kentucky. These policies are working together to grow the burgeoning EV supply chain in the United States, establishing a new and cutting edge industry in America's manufacturing heartland, and helping us compete in a global market worth tens of trillions of dollars.

But Americans can't reap the benefits of federal programs if they don't work well—and while NEVI has huge potential with hundreds of awarded chargers waiting in the wings, as currently constructed it simply doesn't work. Updating the program guidance, while poorly timed, is an opportunity to fix some of those mistakes.

Three Recommendations for Getting NEVI Right

Add flexibility, cut red tape.

If there's one thing red and blue states agree on, it's that they know better than federal bureaucrats what their constituents want. Flexibility has long been a hallmark of the federal-aid highway program, but the Biden Administration's implementation of NEVI was decidedly rigid. There are several ways the Trump Administration could loosen up some of the program requirements while still ensuring the program meets its intended purpose:

- **Remove the port specification.** The Biden Administration required NEVI-funded chargers to have Combined Charging System (CCS) ports, and then declined to remove this requirement for months even after the entire EV industry made it clear it was adopting a different standard (I3400, previously known as the North American Charging Standard, NACS, first developed by Tesla). The market has clearly moved away from CCS connectors, and continuing to require them is unnecessarily prescriptive and could lead to stranded assets.
- **Remove the requirement that charging stations be located within one mile of a highway exit, or make it easier to qualify for a waiver.** In many communities, the best place for a charging station—such as where there's more for drivers to do while waiting for their car to charge, or where there's already sufficient electricity infrastructure—is further than one mile from the exit. This requirement has forced some communities to miss out on economic development opportunities, or to build out expensive and time-consuming infrastructure just to serve a charging station further from the downtown area.

- **Consider loosening the workforce requirement**, particularly for locations where it's harder to find qualifying electricians. The Biden Administration required NEVI chargers be installed by electricians who have gone through either the EV Infrastructure Training Program (EVITP) or a registered apprenticeship program. This has led to some NEVI projects, including one in eastern Oregon, to be put on hold for lack of EVITP-certified electricians in the area. Given the well-documented electrician shortage, the Trump Administration should enable states having difficulty finding workers who have gone through these specific programs to use electricians with similar, transferable skills.

Help states overcome regulatory hurdles.

The success of NEVI hinges on the ability of EV charging companies to sell electricity directly to consumers—but many states have laws prohibiting non-utilities from doing this. Several states including Florida, Louisiana, Nebraska and Wisconsin have passed laws allowing charging companies to sell electrons to EV drivers, but this remains a hurdle that many of the so-called 'regulated market states' will need to overcome. ³

As part of the new guidance, the Administration should require states to explain in their deployment plans how they will ensure EV charging providers will be able to charge users for electrons; states won't be able to deploy their NEVI chargers otherwise. The Administration should also provide technical assistance and model legislation to states working to change their laws to allow for this. ⁴

Another barrier to the charger buildout is permitting—not at the federal level, but rather the myriad local-level policies that states and EV charging operators need to navigate. The Administration can help speed things along by providing model siting and permitting policies that state DOTs and the companies building NEVI stations can bring to local governments to ensure charging stations can be sited and constructed quickly. The Administration could also work with states to enact state-level policies to act as a backstop for when local government moves too slowly, similar to the law passed by Colorado in May 2024. ⁵

Be willing to move quickly if states won't.

Some states, like Ohio and Pennsylvania, have moved quickly to make use of their NEVI funds. But there's no question that many are not implementing their charging programs as quickly as they could: four years in, nine states have yet to put out their first Request for Proposals for their Fiscal Year 2022 funds. ⁶ Congress authorized the Administration to claw back NEVI funds from states moving too slowly and instead offer those dollars directly to municipalities in that state on a competitive basis. Unfortunately, the Biden Administration never made use of that authority. ⁷

Going forward, the Trump Administration should set concrete deadlines for when states need to show sufficient progress on spending their funds, establishing milestones and clear criteria for states to

demonstrate they continue moving their NEVI programs forward. At the very least, states should have announced their first round of awards by now. For states that are unable or decline to do this, the Administration should make use of its Congressional authority and offer this money to local governments instead.

Conclusion

We all have a stake in seeing a successful NEVI program.

Maybe you're a state DOT who wants more flexibility to spend your NEVI funds in a way that makes sense for your residents. Or maybe you're a charging provider or manufacturer who recognizes the business opportunity of a successful program. Or you might be a state or local economic development agency who gets how charging stations can help bring new development and economic activity into your communities.

Whatever your reason for wanting the Trump Administration to continue implementing NEVI, these recommendations will help improve the program and speed things along.

Many are rightfully concerned about the Administration's decision to freeze NEVI. It is unlawful, inefficient, and has caused confusion and chaos for the industry. But if the Administration wants to make a good-faith effort to improve the program, then we want to make sure the Administration hears from those who want to fix NEVI, not just nix it and spend the money elsewhere.

This also goes beyond NEVI: the success or failure of this program will reflect on the government's ability to implement infrastructure programs going forward. We cannot expect the American people to trust policymakers to deliver new infrastructure if they can't even get something as small as an EV charging station done. Thus, our ability to justify further investment into clean energy and transportation infrastructure hinges on getting this right.

We strongly encourage stakeholders across the EV charging ecosystem to participate in the process, including by talking to the Administration about how NEVI can be improved and responding to any opportunities for public comment.

ENDNOTES

1. The Federal Highway Administration's budget request for Fiscal Year 2026 calls for canceling all unobligated balances from the NEVI Program, including any unobligated funds from Fiscal Years 2022 through 2025 and all funds that would be made available for 2026. See: "Budget Estimates: Fiscal Year 2026." Federal Highway Administration, 30 May 2025, Page III-2, https://www.transportation.gov/sites/dot.gov/files/2025-05/FHWA_FY_2026_Budget_Estimates.pdf. Accessed 2 June 2025.
2. "Potential for US Competitiveness in Emerging Clean Technologies." Boston Consulting Group, 15 Sep. 2022. Page 67 <https://thirdway.imgix.net/Potential-for-US-Competitiveness-in-Emerging-Clean-Technologies-Appendix.pdf>. Accessed 24 Apr. 2025.
3. Ferris, David. "Sean Duffy's EV charging dilemma." Politico Pro, 15 Jan. 2025. <https://subscriber.politicopro.com/article/eenews/2025/01/15/sean-duffys-ev-charging-dilemma-00197543>. Accessed 20 Feb. 2025.
4. Another idea that has been proposed is to change the NEVI requirements to allow charging companies to charge for time spent at the charger, rather than for the electrons. We see this as an imperfect solution, as it creates a perverse incentive for companies to keep drivers at the charging station for a longer period of time.
5. State of Colorado, House. Concerning streamlining the process for permitting electric motor vehicle charging stations. *Billtrack50.com*, <https://www.billtrack50.com/billdetail/1693165>. Accessed 20 Feb. 2025.
6. "EV States Clearinghouse." National Association of State Energy Officials. <https://evstates.org/awards-dashboard/>. Accessed 20 Feb. 2025.

7. The US Department of Transportation informed states it would begin the process of revoking funds from states who did not show sufficient progress building out their NEVI stations in program guidance published on June 11, 2024; DOT has since revoked that guidance and it is no longer available on their website. See: “Suspending Approval of State Electric Vehicle Infrastructure Deployment Plans.” Federal Highway Administration, 6 Feb. 2025. <https://www.fhwa.dot.gov/environment/nevi/resources/state-plan-approval-suspension.pdf> Accessed 20 Feb. 2025.