

California EV Mandate: Ambition vs. Reality

Chart of the Week #2025-17

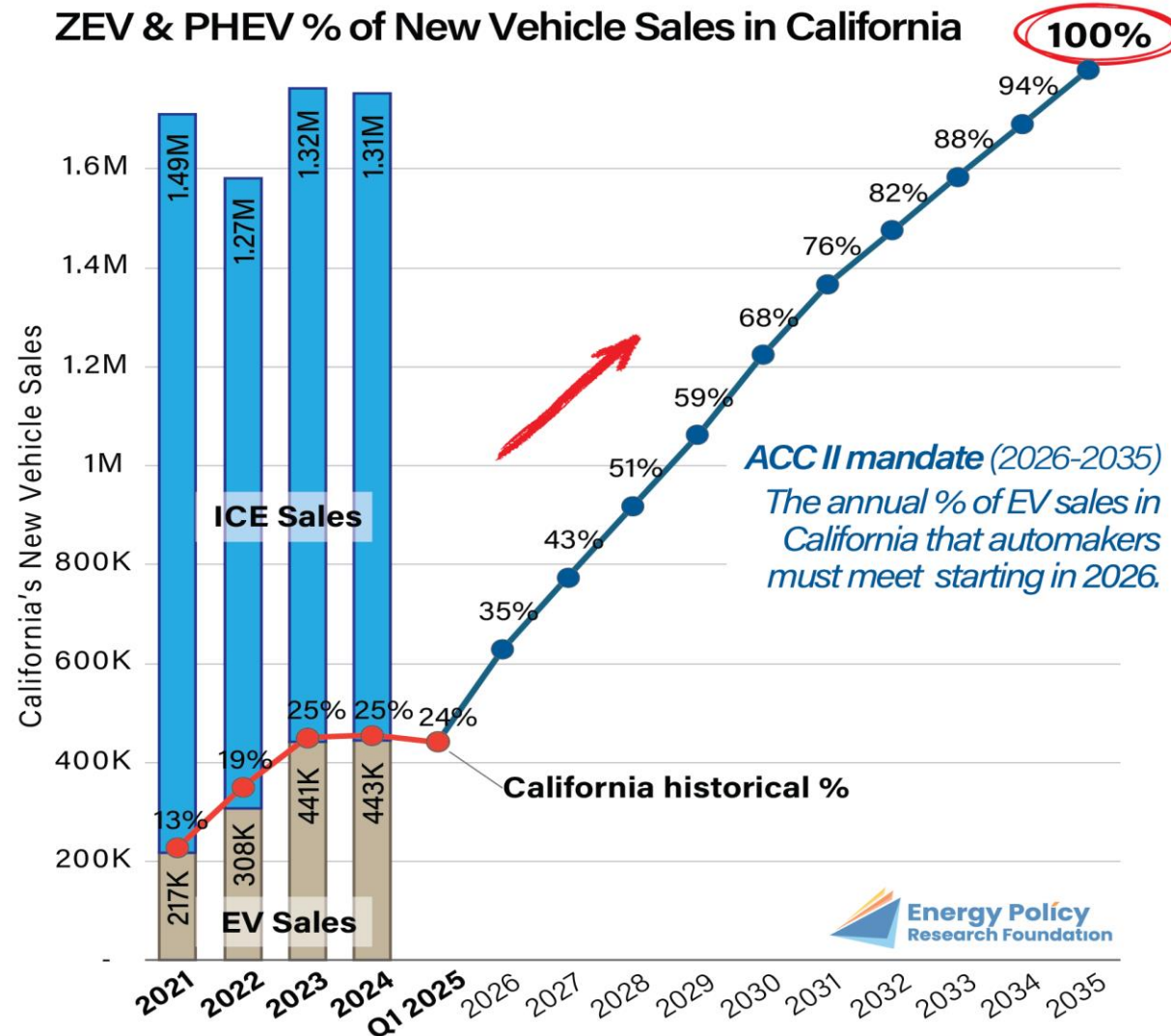
Batt Odgerel

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Washington, DC



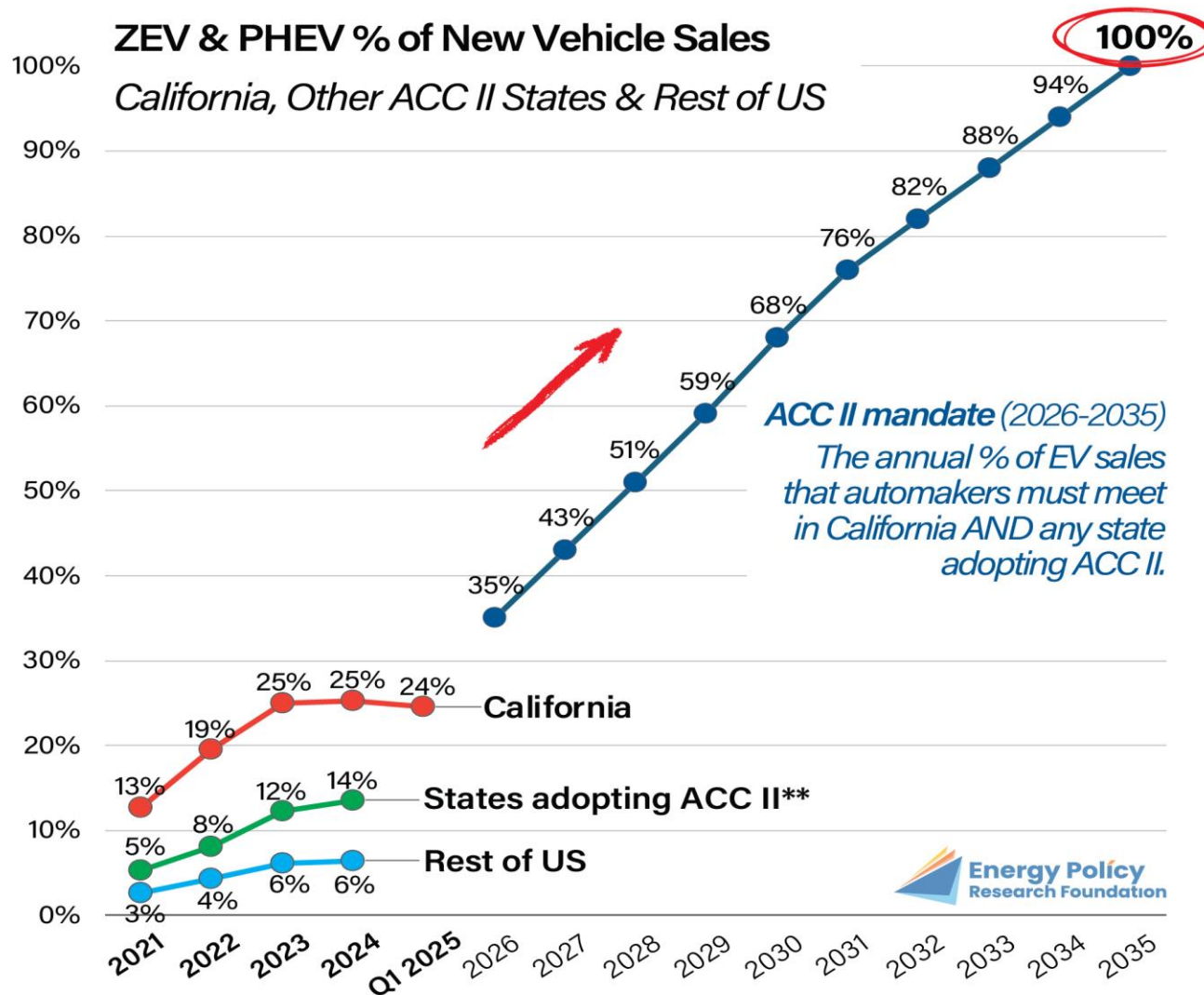
California's Advanced Clean Cars II Regulations



Note: Zero Emission Vehicles include battery EVs (BEVs) and hydrogen fuel cell EVs (FCEVs). Plug-in Hybrid EVs (PHEVs) must meet ACC II's strict electric-only range and emission standards.

Source: Batt Odgerel, **Energy Policy Research Foundation** (May 1, 2025), data from California Energy Commission, California Air Resources Board, California New Car Dealers Association, Alliance for Automotive Innovation, F&I Tools, Argonne National Laboratory.

California's Advanced Clean Cars II Regulations



Notes: Other 11 states +DC that adopted ACC II are CO, DE, MD, MA, NJ, NM, NY, OR, RI, VT, WA, + Distric of Columbia. The 100% mandate applies to light-duty passenger car, pickup truck and SUV.

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- California's **Advanced Clean Cars II** (ACC II) regulations, adopted in 2022, require automakers to meet the state's highly ambitious EV sale requirements, starting at 35% of all new light-duty vehicles (passenger cars, pickup trucks and SUVs) in 2026 and rising to 100% in 2035. The regulation also imposes additional stringent standards on gasoline cars and trucks.
- Despite this ambition, recent data indicates sluggish growth in the state's EV sales. According to the California New Car Dealers Association (CDCNA), EVs accounted for 24.4% of new vehicle sales in the first quarter of this year--slightly lower than 24.6% in the same period last year and only 1 percentage point above the Q1 2023 level. To meet the mandate, automakers would need to increase EV sales by an estimated 38% next year.
- As California receives EPA waivers, ACC II has an oversize impact nationally. Eleven other states and the District of Columbia have adopted ACC II, with plans to implement the mandate starting in either 2026 or 2027. However, the weighted average share of EV sales in these states is less than 14% as of 2024, and more than tripling that percentage within three years (43% by 2027) is extremely unlikely.
- ACC II imposes enormous costs and risks on Californians and the states adopting the mandate, which may far outweigh the program's promised benefits. By forcing automakers to meet these overly prescriptive targets, California risks overlooking market fundamentals, the lack of EV infrastructure, the cost burden on consumers and automakers, and supply chain issues.
- For more information about this analysis, please contact batto@eprinc.org.