## Electrification Coalition (Skye Golann)

Please see the Electrification Coalition's attached comments.



The Electrification Coalition is a national nonprofit that drives electrification of the U.S. transportation sector to protect economic and national security and American jobs.

We commend Governor Ferguson and the Department of Ecology for launching the zEVergreen effort. Washington State has been a leader in electric vehicle (EV) adoption, as 21.8% of new vehicles sold in the state in the third quarter of 2025 were electric, according to data from Atlas Public Policy. These comments will highlight the policies the state can implement to sustain its momentum towards transportation electrification, including generating revenue through usage fees and allowing for the direct sale of zero-emission vehicles.

## Freedom to Buy

The Electrification Coalition strongly supports providing Washington residents with the <u>freedom to buy</u> the zeroemission vehicle of their choice directly from a manufacturer. EVs create American jobs and boost our nation's economy; 84% of Washingtonians support the freedom to choose where and how to purchase a clean vehicle. Current law forces consumers to travel out of state to buy or service their EVs. Legislation enabling direct sales will generate new tax revenue for the state and create jobs throughout the auto supply chain.

Some express concern that direct-to-consumer sales will harm the viability of franchise dealerships. While it is true that a healthy dealership sector is important, we don't have to choose between the two.

Laws restricting the freedom to buy directly from a vehicle manufacturer were first enacted in the 1930s and 1940s to protect dealerships when three large domestic vehicle manufacturers dominated the U.S. market. But over the past 80 years, things have changed. A wide variety of manufacturers now compete in the market, and many car dealerships have been transformed from neighborhood mom-and-pop shops into multi-billion-dollar companies that no longer require the same protections to remain successful.

According to data from the National Automobile Dealers Association, franchise dealers have performed better in states that have freedom-to-buy laws. In these states, franchise dealerships experienced a nearly 80% increase in sales revenue between 2012 and 2021. During the same period, dealerships in states that do not allow direct sales experienced a 61% increase in sales revenue.

This comment opportunity specifically requests information on policies that will accelerate EV adoption without requiring financial incentives. Freedom to buy legislation is a unique opportunity for the state to advance its electric goals without spending any additional taxpayer dollars, and we strongly encourage the state to adopt this in 2026.

## **Retail Delivery and Ride Hailing Fees**

Washington should also consider adopting targeted fees that can generate revenue to support EV adoption. Colorado has enacted a \$0.28 fee on qualifying retail deliveries as well as a fee on ride-hailing trips (\$0.18 for a ride in an EV or a shared ride, \$0.34 for all other rides). Since taking effect in 2022, these two fees have generated more than \$300 million in total revenue. This revenue is used to provide grants that help fleets transition to EVs, as well as to fund road projects, transit, and air quality mitigation efforts. A delivery fee could also encourage customers to combine separate purchases into a single transaction that can be delivered with a single trip, thereby reducing congestion, wear and tear on roads, and local air pollution.



To mitigate the impact of delivery fees on the cost of living and on small businesses, the state should follow Minnesota's lead in exempting small businesses and essential household products. At a time when new revenue sources are in particularly high demand, the state should consider following Colorado's lead in developing dedicated revenue streams to advance transportation electrification.

## **Timely Implementation**

In addition to considering these important policy changes, the state must also prioritize the timely implementation of existing programs, such as the National Electric Vehicle Infrastructure (NEVI) program. Through NEVI, Washington will receive more than \$70 million to build charging stations along major highways. We are glad that WSDOT has issued an RFP and expects to make awards this fall, but we are concerned that the state has fallen behind. Thirty-eight states have already issued awards, and sixteen states have opened NEVI-funded stations. We encourage WSDOT and Governor Ferguson's administration to work collaboratively to expedite NEVI awards and ensure that stations are built and opened as quickly as possible. By alleviating range anxiety for current and prospective EV drivers, these stations will play a critical role in supporting Washington's electrification goals.