

Direct-to-Consumer EV Sales

Direct-to-consumer EV sales enable EV-only manufacturers (e.g., Lucid, Rivian, Tesla) to sell their vehicles directly to consumers without participating in the franchise dealership system. Direct sales restrictions or prohibitions decrease consumer access to EVs by limiting the ability of EV-only manufacturers to establish physical retail locations, conduct test drives, hire product specialists to engage with customers on new vehicle technologies, and perform maintenance on their EVs in the state.

Policy Applicability

☒ Passenger Cars ☒ Medium- and Heavy Duty

What jurisdictions permit direct sales by EV-only manufacturers?

Direct sales laws vary in scope. For example, some state have enacted laws to allow EV-only manufacturers to sell directly to consumers without restriction, such as: AK, AZ, CA, CO, DE, FL, HI, ID, IL, MA, MI, MN, MO, NH, OR, RI, TN, UT, VT, WY.

Other states allow some but not unlimited direct sales (e.g., direct sales are limited to Tesla only, EV-only manufacturers are restricted to opening a limited number of retail sales locations, etc.), such as: GA, IN, MD, ME, MS, KY, NC, NJ, NV, NY, OH, PA, VA, WA.

Example policies to consider

Colorado [SB 20-167 \(2020\)](#) permits EV-only manufacturers to own, operate, and control one or more dealerships provided they do not have existing franchised dealers in the state.

Utah [HB 369 \(2018\)](#) permits direct sales for manufacturers selling new cars and trucks weighing 14,000 pounds or less that are exclusively propelled by electricity, hydrogen, or other non-fossil fuel sources.

Other resources

Electrification Coalition's [Freedom to Buy](#) initiative provides resources, case studies, and FAQs on direct sales.

Atlas Public Policy: [Estimating the Impacts of Direct-to-Consumer Electric Vehicle Sales](#)

Electrification Coalition: [Giving Fleets the Freedom to Buy](#)

National Conference of State Legislatures: [State Laws on Direct Sales](#)

U.S. DOJ: [Economic Effects of State Bans on Direct Manufacturer Sales to Car Buyers](#)