National Consumer Law Center
Fighting Together for Economic Justice

Drive Cleaner, Pay Less: EVs and Affordability

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Transportation is a major expense for families

Transportation expenses are the second largest household expense for most families, even before the recent jump in gasoline prices. Rural families pay even more. Families are searching for more affordable transportation options. For some, electric vehicles (EVs) can help save money on transportation over the long term. Electric vehicles can also help protect from price shocks, as seen in the recent increases in gasoline costs related to the wars in Iran and Ukraine.

Can families save money on fuel with transportation electrification?

Driving an EV is usually less expensive than driving a gasoline-fueled car. Electricity as a transportation fuel is cheaper than gasoline for drivers who charge their vehicles at home, and it is almost always cheaper for drivers who use public EV charging stations. Even though electricity prices in many parts of the country have increased, electricity prices tend to be more stable and predictable than gasoline prices.

How can more families afford EVs and electric transportation?

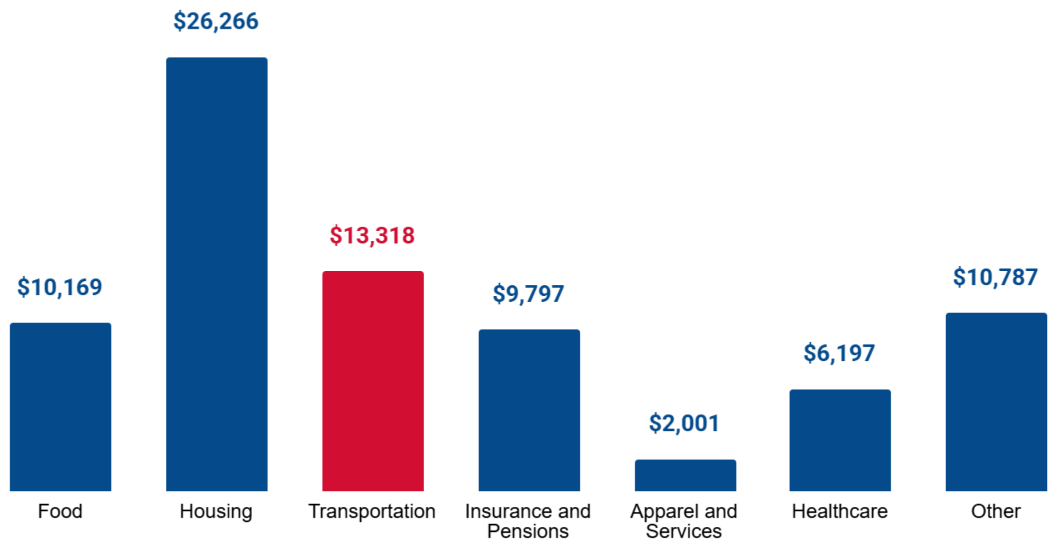
State and local governments can:

- Improve EV incentive programs so that families with low or moderate incomes can afford to buy used EVs, and make sure that the incentives are available at the time of purchase.
- Improve consumer protections against abusive auto sales and finance practices for all cars, including EVs. In the current used car market, financing costs may be well above the competitive rates a consumer should receive based on their credit risk profile, and are generally a bigger expense for low-income borrowers and drivers than the current increase in the price of gasoline.
- Create programs to provide loans on fair terms to low-income people buying more efficient cars, including EVs.
- Keep electricity and home energy affordable by creating and strengthening utility bill affordability programs.
- Support low-income car ownership programs.
- Support more electrification of public transit and school buses.
- Support affordable broadband for consumers, and programs such as Lifeline, so the digital divide doesn't block families from benefiting from electric vehicles. Broadband access helps EV drivers to install software updates, to find charging stations, to determine the real time availability of those stations, and to pay for charging with a mobile wallet.

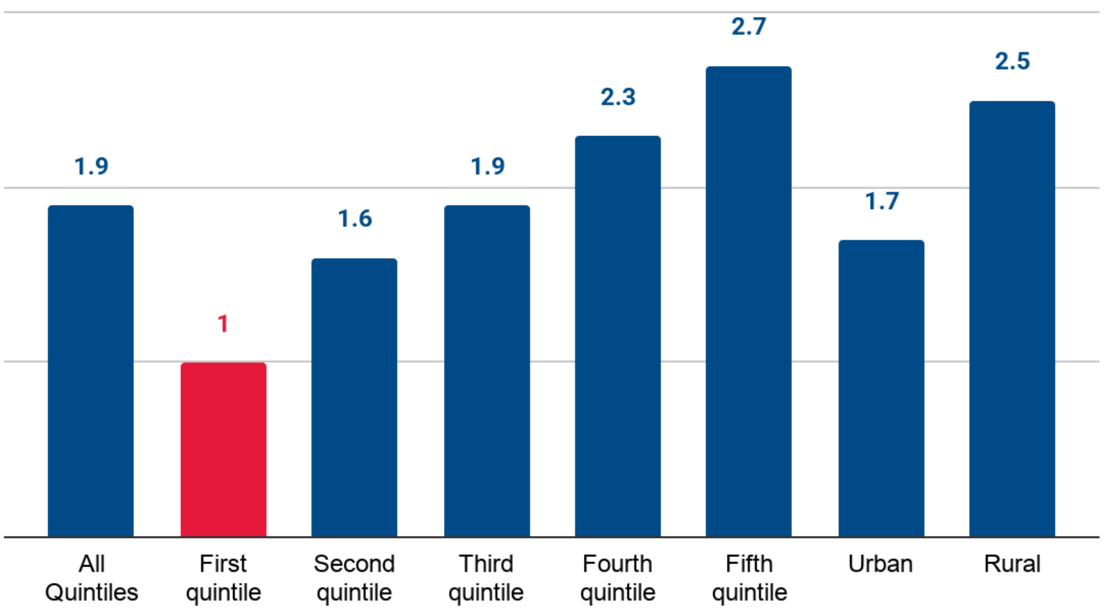
For more information about Transportation and EV equity, see these resources:

- NCLC, Time to Stop Racing Cars
- NCLC, Principles for Fair Investment in Electric Vehicles and Transportation Electrification
- Lawrence Berkeley National Labs with NCLC, The Future of Transportation Electrification: Utility, Industry and Consumer Perspectives
- NCLC, Compendium of State Lemon and Warranty Laws for Used Cars

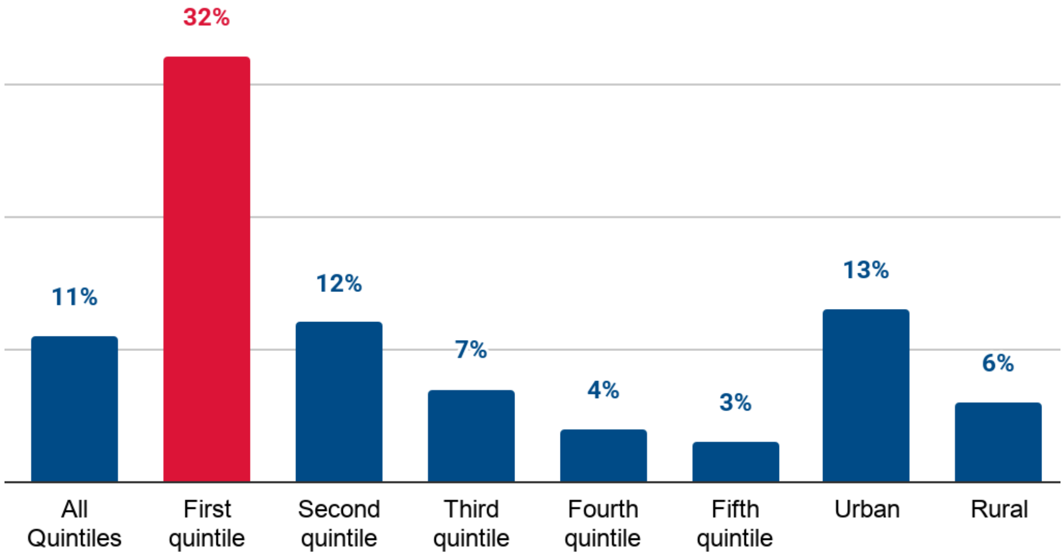
2024 Average Household Expenditures



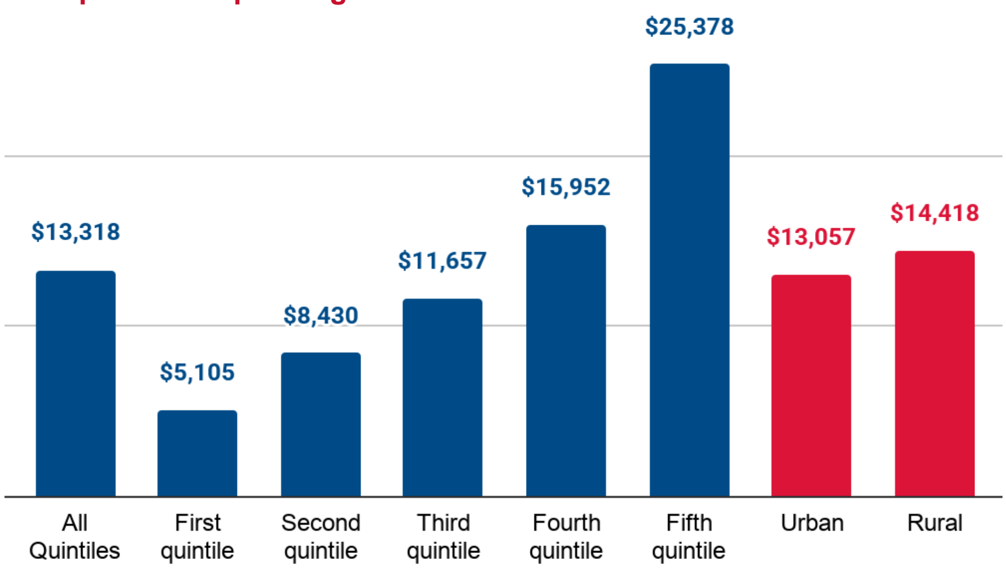
Vehicles Per Household by Income Quintile-Average



Percentage of People with No Vehicles



Transportation Spending



Sources

U.S. Bureau of Labor Statistics, *Consumer Expenditure Surveys*, Tables (Last Modified Date: May 14, 2026), available at https://www.bls.gov/cex/tables.htm.

U.S. Bureau of Transportation, *Transportation Cost Burden, Overview of Household Spending on Transportation by Income Quintile*, 2024 Year in Review, available at https://data.bts.gov/stories/s/Transportation-Cost-Burden/u3wt-eyhe.

Glossary

Charts: The charts included are based on data from the Bureau of Labor Statistics' Consumer Expenditure Surveys.

Income: All income data is pre-tax, post-tax data was not available for 2024. Also note that data is from 2024, when the average gas price was $3.52 per gallon, while as of June 1, 2026, the national average was $4.32 per gallon.

Quintiles: Pre-tax Income is based on data from the Bureau of Labor Statistics, which the Bureau divides into quintiles (20% of the population) and into urban and rural populations. In 2024, each quintile included about 27 million consumer units. The income bounds for each quintile were: $0-$29,931 for the first quintile; $29,932-$57,451 for the second quintile; $57,452-$94,510 for the third quintile; $94,111-$155,924 for the fourth quintile; and $155,925+ for the final quintile.

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