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INSIGHT

DOE's Vehicle Technologies Office in the 119th Congress

September 26, 2025

The Department of Energy's (DOE's) Vehicle Technologies Office (VTO) executes funding for research and development (R&D) of vehicle technologies (e.g., engines, motors, batteries), alternative fuels, materials, and transportation systems. VTO's R&D efforts aim to reduce tailpipe emissions, reduce fuel consumption, and improve fuel efficiency across the transportation sector (e.g., highway and non-highway). VTO operates under DOE's Office of Energy Efficiency and Renewable Energy (EERE) and collaborates with other DOE programs, national laboratories, and industry, university, and community partners.

The Trump Administration's FY2026 budget request includes $25 million for VTO (a 90% decrease from FY2025 annual appropriations). The request prioritizes activities that "meet Administration goals of energy dominance, growth of U.S. industry and manufacturing, support for national defense, and cost savings to households and business." At issue for Congress is how the level of appropriations provided for FY2026 may affect VTO's support of vehicle technologies and whether Congress supports the Administration's focus for VTO.

Focus Areas

As authorized by Section 136 of the Energy Independence and Security Act of 2007 (P.L. 110-140), VTO supports multiple research areas for highway vehicles and non-highway transportation:

- Electrification Technologies supports activities to advance battery materials and battery recycling, electric vehicle (EV) charging performance, electric grid integration, and heavy-duty vehicle technology. Goals have included achieving EV battery costs below $75 per kilowatt hour by 2030 and EV charging times of less than 15 minutes.
- Materials Technology supports activities to develop innovative materials to improve vehicle fuel economy while maintaining vehicle safety and performance, focusing on lightweight materials and efficient propulsion materials.
- Energy Efficient Mobility Systems (EEMS) supports activities to examine the transportation system to develop innovative transportation tools, resources, and technologies.
- Off-Road, Rail, Marine, and Aviation supports activities to develop innovative drivetrains (e.g., electric, hybrid, alternative fuel) and to optimize emission control systems in non-highway sectors.

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IN12612

- Technology Integration and Deployment (TI&D) supports community implementation of energy-efficient vehicle technologies offering technical assistance, data and information, and analytical tools. Activities include Clean Cities, the Alternative Fuels Data Center, and the Fuel Economy Guide.

Past awards illustrate the scale and scope of activities that could be affected by decreased funding. In FY2024, VTO awarded:

- $52 million to 19 projects for R&D supporting highway and non-highway transportation technologies;
- $68 million through SuperTruck Charge, which supports heavy-duty EV charging infrastructure deployment; and
- $6.9 million, in coordination with EERE's Bioenergy Technologies Office, to 9 projects developing biofuels sourced from community waste streams.

For FY2025, VTO announced a funding opportunity to award up to $88 million for R&D related to highway and non-highway transportation technologies.

Funding Overview

Annual Appropriations

VTO receives funding as part of EERE through the annual Energy and Water Development and Related Agencies (EWD) appropriations bill. The Trump Administration's FY2026 request (submitted May 2025) includes $25 million for VTO, a 90% decrease from the FY2025 amount of $240 million, as shown in **Table 1**. The request shifts support from EVs broadly to focus on battery materials research and hybrid powertrains and priorities statutory requirements for TI&D (including the continued publishing of fuel economy data). The House-passed EWD bill for FY2026 (H.R. 4553) includes $215 million for VTO.

The Full-Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4), provided annual appropriations for FY2025 at the FY2024 level for EERE. FY2025 funding for VTO at $240 million is below the FY2024 level of $450 million, as allocated by DOE. On July 25, 2025, Representative Marcy Kaptur and Senator Patty Murray sent a letter requesting that the Government Accountability Office "issue a legal decision regarding [DOE's] use of funds in fiscal year (FY) 2025."

Table 1. Vehicle Technologies Office Annual Appropriations, FY2024-FY2026

(millions of dollars)

Subprogram	FY2024 Enacted (a)	FY2025 Request (b)	FY2025 Enacted (c)	FY2026 Request (a)	FY2026 House-Passed (d)
Electrification Technologies	225.5	255.5	n/a	15.0	90.0
Off-Road, Rail, Marine, and Aviation Technologies	35.0	35.0	n/a	7.0	n/a
Materials Technology	37.5	37.5	n/a	0.0	n/a
Energy Efficient Mobility Systems	45.0	45.0	n/a	0.0	n/a

Subprogram	FY2024 Enacted (a)	FY2025 Request (b)	FY2025 Enacted (c)	FY2026 Request (a)	FY2026 House-Passed (d)
Technology Integration and Deployment	101.0	122.8	n/a	2.5	85.0[a]
Data, Modeling, and Analysis	6.0	6.0	n/a	0.5	n/a
Total	450.0	501.8	240.0	25.0	215.0

Source: (a) DOE FY2026 Congressional Justification, Volume 4. (b) June 3, 2024, DOE Vehicle Technologies Office Overview (presentation). (c) DOE FY2026 Congressional Justification: Statistical Table. (d) H.Rept. 119-213.

Notes: Subprogram names presented here align with congressional justification documentation. DOE has not published the FY2025 breakdown for VTO's subprograms. H.Rept. 119-213 did not specify all subprogram amounts for FY2026. n/a = not applicable.

a. H.Rept. 119-213 recommends $60 million thereof for the Clean Cities program.

Other Appropriations

The Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58) provided an additional $1,240 million per fiscal year for FY2022 through FY2026 to VTO. Of this amount, $1,200 million per fiscal year is executed in DOE's Office of Manufacturing and Energy Supply Chains. The other $40 million per fiscal year supports the Electric Drive Vehicle Battery Recycling and Second-Life Applications Program ("Battery Recycling Program"). The FY2026 budget request proposes canceling unobligated balances from IIJA funds, including $72 million for the Battery Recycling Program. The House-passed EWD bill (H.R. 4553), Section 313(1), while not acting on the requested rescissions, would direct DOE to transfer unobligated balances totaling $673 million in IIJA funds for several EERE programs, including the Battery Recycling Program, to DOE's nuclear energy programs.

Congressional Considerations

Depending on the outcome of the FY2026 appropriations process, VTO's support for research activities may differ in level and focus compared to earlier fiscal years. In the absence of additional private sector investment, reductions in federal VTO funding could slow development and commercialization of technologies such as advanced batteries and heavy-duty alternative vehicles. Funding changes also may affect VTO's ability to engage in partnerships with other federal agencies, the national laboratories, states, universities, and the private sector.

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