

# CAFE Talking Points

## Dealers Support a Federal Fuel Economy Standard

**A single, national fuel economy standard is the best approach to reduce fuel consumption and CO2 emissions.**

- Just last December, Congress increased the CAFE standard by 40 percent, to at least 35 mpg by 2020. This new standard should decrease greenhouse gas tailpipe emissions by 30 percent by 2020.
- The new standard boosts fuel economy, while preserving consumer choice, safety, jobs and the economy.

**Individual state efforts to regulate tailpipe emissions undermine the national consensus on fuel economy.**

- California and more than a dozen other states sought permission from the federal government to regulate greenhouse gas tailpipe emissions by further increasing fuel economy.
- The California mandate (up to 43 mpg by 2016 for cars and small light trucks) is so draconian that it would result in a “jalopy effect”: older vehicles remaining on the road longer because consumers are unable to find or afford new vehicles that meet their needs.
- Moreover:
  - California’s law fails to take into account consumer demand, the impact on dealers, the industry, or the national economy, and could result in the rationing of certain vehicles, such as SUVs, in some states.
  - California’s law encourages the downsizing and down-weighting of vehicles, which compromises safety.
  - Manufacturers would be forced to calculate a fuel economy average for each state following California, resulting in more than a dozen different fuel economy and emissions requirements. This in turn would require the auto industry to attempt to manipulate auto and truck sales to meet each state’s individual mandates, resulting in market disruption and increased compliance costs.
  - States that adopt the California law would face the “cross border sales loophole”: consumers will import cars from non-“California” states that meet their needs, negating any fuel economy increases or emissions reductions.

**EPA rejected the state-by-state approach to fuel economy, and so should Congress.**

- In February, the administrator of the Environmental Protection Agency, Stephen Johnson, denied California and other states’ request to set their own fuel economy/greenhouse gas emissions rules.
- EPA’s denial of a state-based system preserves the benefits of the national fuel economy program passed by Congress last year.
- **Congress should resist a multi-state approach to fuel economy by opposing legislation (H.R. 5560, S. 2555 and S. 2806) to overturn Administrator Johnson’s decision.**