

NHTSA and EPA propose roll back of Obama-era car rules

August 2, 2018

The [National Highway Traffic Safety Administration \(NHTSA\)](#) and the [U.S. Environmental Protection Agency \(EPA\)](#) issued a [joint notice of proposed rulemaking](#) today, called the “Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule,” that would establish new carbon dioxide (CO₂) emissions and corporate average fuel economy (CAFE) standards for model years (MY) 2021 through 2026 passenger cars and light trucks. The new standards propose to roll back the Obama-era clean car rules by maintaining the MY 2020 CAFE standards through MY 2026.

The [Obama-era rules](#) would have required more stringent emissions standards for MY 2017 through 2025, which at the time were estimated to save approximately four billion barrels of oil and reduce greenhouse gas (GHG) emissions by the equivalent of about two billion metric tons over the lifetimes of those MY light duty vehicles. In contrast, under the current administration, NHTSA and EPA are now proposing to maintain the MY 2020 CO₂ and CAFE standards through MY 2025 and 2026, respectively. The proposal indicates that retaining the MY 2020 standards will save over 500 billion dollars in societal costs and reduce highway fatalities by 12,700 lives over the lifetimes of vehicles through MY 2029. Conversely, impacts to fuel consumption, and therefore the global climate, are anticipated to be minimal under the SAFE Vehicle Rule – potentially increased by about half a million barrels per day.

NHTSA and EPA also propose to rescind California’s Clean Air Act (CAA) waiver for GHG emissions, in part on the basis that the Energy Policy and Conservation Act of 1975 (EPCA) preempts California from regulating these emissions. [Previous court decisions](#) have upheld California’s GHG program and CAA waiver, suggesting it is not preempted by the EPCA. The SAFE Vehicles Rule is likely to face legal obstacles if it rescinds California’s CAA waiver. Potential litigation could result in uncertainty for manufacturers with respect to vehicle sales in California and other states that adopt California’s rules, as permitted by Section 177 of the CAA. California Governor, Jerry Brown, along with California Air Resources Board (CARB) Chair, Mary D. Nichols, and California Attorney General, Xavier Becerra, released a [joint statement](#) condemning the proposed rule and indicating that “California will fight this [rule] in every conceivable way possible.” In May, California and seventeen other states [sued EPA](#) for reversing the Obama administration’s GHG emission standards [Mid-term Evaluation](#). And today, [twenty state attorneys general](#) announced their intent to sue the administration over the SAFE Vehicles Rule.

Department of Transportation Secretary, Elaine L. Chao, praised the proposed rule, stating, “More realistic standards will promote a healthy economy by bringing newer, safer, cleaner and more fuel-efficient vehicles to U.S. roads and we look forward to receiving input from the public.” EPA Acting Administrator, Andrew Wheeler, also touted the proposed rule, stating, “Our proposal aims to strike the right regulatory balance based on the most recent information and create a 50-state solution that will enable more Americans to afford newer, safer vehicles that

pollute less. More realistic standards can save lives while continuing to improve the environment.”

The public will have sixty days to comment on the proposed rule once it is published in the Federal Register.

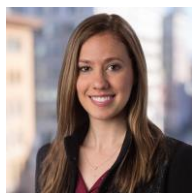
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