Trump announces challenge to Obama-era fuel standards

By Jill Colvin | AP March 15

YPSILANTI, Mich. — President Donald Trump announced Wednesday that the administration will re-examine federal requirements governing the fuel efficiency of cars and trucks, moving forcefully against Obama-era environmental regulations that Trump says are stifling economic growth.

Trump revealed his plans during a speech at an automotive testing center near Detroit, where he also met with auto company executives and workers.

“This is going to be a new era for American jobs and job creation,” Trump said at a round-table meeting at the American Center for Mobility.

The EPA under Obama had promulgated a rule for cars and trucks requiring a fleet-wide average of 36 mpg in real-world driving by 2025.

Trump’s decision, while having no immediate effect, requires the Environmental Protection Agency to determine no later than April 2018 whether the 2022-2025 standards established are appropriate. If the EPA determines they are not appropriate, the agency will submit a new proposal next year.

“My administration will work tirelessly to eliminate the industry-killing regulations, to lower the job-crushing taxes and to ensure a level playing field for all American companies and workers,” Trump said at the center, which produced B-24 bombers during World War II and is being converted into an automotive testing and product development facility.

Trump’s announcement is expected to set the stage for weaker fuel efficiency standards as well as drawn-out legal battles with environmental groups and states such as California that adopted their own tough tailpipe standards for drivers.
“These standards are costly for automakers and the American people,” said EPA Administrator Scott Pruitt. He promised a “thorough review” that will “help ensure this national program is good for consumers and good for the environment.

California Gov. Jerry Brown accused Trump and Pruitt of trying to weaken auto-emission standards in what he called “an unconscionable gift to polluters.”

Brown and New York Attorney General Eric Schneiderman announced their states are intervening in a lawsuit challenging the EPA rule. New York is among more than a dozen, mostly Northeastern states that have adopted California standards.

The Alliance of Automobile Manufacturers — which represents a dozen major car manufacturers including General Motors, Ford, Fiat Chrysler and Toyota — praised Trump’s action. It said he was creating an opportunity for federal and state officials to “reach a thoughtful and coordinated outcome predicated on the best and most current data.”

Environmental groups said Trump and his team appeared intent on easing gas-mileage requirements set by Obama.

“If they succeed we’ll pay more at the pump, depend more on oil from bad countries, drive up the trade deficit and pollute our kids’ atmosphere,” said Dan Becker, director of the Safe Climate Campaign.

As a practical matter, Trump’s announcement will target the Obama administration’s January decision to lock in strict gas mileage requirements for cars and light trucks, ending a review process before the Democrat left office.

Back in 2012, the Obama administration set fuel-economy regulations for model years 2017-2025 and agreed to complete a midterm evaluation by 2018. But seven days before Obama left office, the EPA decided to keep the stringent requirements it had set in place for model years 2022 to 2025. The industry balked at the decision, insisting it was rushed through to beat the change in administrations.

Trump said he’s putting that midterm review back on track, so officials can spend another year studying the issue before setting new standards in 2018.

Trump delivered a campaign-style speech in which he railed against big trade agreements, specifically NAFTA and the recent Trans-Pacific Partnership, laying out in stark terms his view of how the pacts had hurt the U.S. auto industry and its workers.

Trump said he had kept his promise to withdraw the U.S. from the TPP, an agreement that former President Barack Obama pursued with 11 other Pacific Rim nations. Trump also wants to renegotiate NAFTA, which includes Canada and Mexico, but he did not mention those plans in Wednesday’s remarks.

“The assault on the American auto industry is over,” he declared.
While the administration has not said explicitly it wants to weaken the standards, a senior White House official said the Obama-era EPA had ignored reams of data cited by the automotive industry. The official spoke on condition of anonymity at a White House briefing in order to outline the action, despite the president’s criticism of the use of unnamed sources.

The auto alliance last month urged Pruitt to relax the standards, saying they will drive up car costs, price customers out of the market and depress the industry. Obama’s EPA had argued the costs to consumers were mitigated by gas savings and that the rules would decrease greenhouse gas emissions that contribute to global warming.

Trump told the auto executives that while he’s attuned to concerns about the environment, he doesn’t want to stifle jobs.

“We want you to make great cars. And if it takes an extra thimble full of fuel, we don’t want that to stop making it,” he said. “Sometimes it’s a tiny amount of fuel. It’s a very small thing we’re talking about.”

Trump campaigned on eliminating “job killing” regulations, and the administration is expected to take additional steps in the coming days to roll back environmental regulations.

Rhea Suh, president of the Natural Resources Defense Council, said the change “makes no sense.”

“Mileage standards save consumers money at the gas pump, make Americans less dependent on oil, reduce carbon pollution and advance innovation,” she said.

After the speech, Trump flew to Nashville, Tennessee, where he laid a wreath at Andrew Jackson’s tomb to mark the 250th anniversary of the former president’s birth. Trump was holding a campaign rally in the city afterward.

Trump also toured the Hermitage, Jackson’s home. The seventh U.S. president has enjoyed something of a resurgence thanks to Trump.

During the campaign, some of Trump’s aides began comparing him to the former president — a fellow populist outsider who took on a member of the Washington establishment and ran a campaign railing against corrupt elites.

In brief remarks outside the Hermitage, Trump drew comparisons between himself and Jackson. He said Jackson opposed the “arrogant elite” and asked the audience: “Does that sound familiar to you?”

Associated Press writers Tom Krisher in Detroit and Matthew Daly and Darlene Superville in Washington contributed to this report.