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Even in Trump’s America, California could decide how cleanly your car runs

By [Steven Overly](#) February 23

President Trump has called [environmental regulations](#) “out of control.” Many automakers might welcome relief from them. But the state of California will likely have the final word.

The nation’s most populous state has long been a bastion of liberal policymaking, and recent actions, such the legalization of marijuana, suggest it’s [moving even farther left](#). In January, California [lawmakers retained former U.S. attorney general Eric H. Holder Jr.](#) as a legal adviser with the expectation they will oppose some of the Trump administration decisions.

With cars, California’s influence extends far beyond state lines. The largest car-buying market in the United States, California has historically set air quality standards that surpass the Environmental Protection Agency’s. The state’s regulations also have a magnifying power, since more than a dozen states have adopted California’s rules as their own. Those rules are poised to remain in place regardless of any policy changes in Washington.

“All of this pushing and pulling at the federal level is in many ways irrelevant if California is not at the table and willing to ease these car regulations that they’ve implemented,” said Rebecca Lindland, senior director at Kelley Blue Book.

When he met with automakers last month, Trump offered to curtail regulations that executives say burden their businesses or make U.S. manufacturing more expensive. In those

meetings, Ford chief executive Mark Fields told Trump that fuel efficiency rules put 1 million jobs at risk, [Bloomberg reported](#).

Then this week, two auto industry trade groups sent letters to the EPA [asking newly installed Administrator Scott Pruitt to overturn the agency's recent decision](#) to uphold existing fuel economy standards, saying the EPA's review was rushed and failed to consider all pertinent information.

The Clean Air Act requires that California [obtain a waiver from the EPA to adopt its own vehicle emissions standards](#) and, if approved, other states may choose to adopt the California regulations as their own. The last waiver was approved by the EPA in 2012, the same year the agency instituted standards that require the nation's fleet of cars and light trucks to [average 54.5 miles per gallon by 2025](#).

“For the past 50 years, California has led the country and the world when it comes to clean cars,” said Margo Oge, who directed EPA's Office of Transportation and Air Quality from 1994 to 2012.

Mary Nichols, chair of the California Air Resources Board, said in an interview that she hoped the EPA would maintain the standards it had already set for the 2022 to 2025 model years. But if not, California would impose its “own, more stringent standard” under the current federal waiver.

Among California's most aggressive policies is a zero-emission vehicle mandate requiring that a certain number of electric cars and trucks be sold each year, starting in 2018.

The industry's resistance to the EPA regulations stems in part from the fact that the fleet's average fuel economy is based on the number of cars they sell, not the cars they make. Electric and hybrid vehicles were expected to help automakers meet the rising standards, but in 2016 they made up only 2.9 percent of all new-car sales. Meanwhile, sales of less efficient SUVs and trucks is at an all-time high.

“We know that consumers value fuel economy, and we've done a lot of opinion research on it. We know sometimes consumers don't want to pay more for that fuel economy, especially when gas prices are as low as they are today,” said Gloria Bergquist, vice president at the Alliance of Automobile Manufacturers, which lobbies on behalf of many top automakers.

Whether the EPA will ease its own fuel efficiency standards and challenge the California regulations will be watched closely by industry leaders and environmentalists. Pruitt has been a sharp critic of the EPA but an advocate for states making their own rules. During his Senate confirmation hearing, Pruitt indicated that he would “review” the EPA standards and California's power to set its own.

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California isn’t the only regulatory hurdle. Much of the auto industry’s growth potential exists outside of the United States, and automakers prefer to reduce costs by producing vehicles that can be sold in multiple countries. Major car-buying markets such as Europe, China, India, Japan and South Korea already maintain stricter emissions standards than the United States, according to the International Council on Clean Transportation.

Automakers have already spent billions of dollars developing electric and hybrid vehicle technology that allows battery-powered automobiles to travel farther on a single charge. What’s more, the auto industry is typically several years ahead in the design of its vehicles, Lindland said, meaning most companies will have already started to design their future fleets with the existing regulations in mind.

“The emissions regulations, in many ways they’re already training for that marathon,” Lindland said. “It’s hard, and they would certainly be happy with a half marathon, but the bigger threat to their business from a financial standpoint is the tariffs.”

Those tariffs have not come to pass, but they could if Trump delivers on threats he made on the campaign trail and since being elected. In an effort to spur manufacturing in the United States, Trump has suggested that companies that manufacture cars in other countries and import them here should pay a hefty border tax. For the automobile industry, whose parts may travel across the Mexican or Canadian borders multiple times as cars are made, that could prove costly.

Nevertheless, the automakers want to see the regulations eased. On a recent call with investors, Ford’s Fields said that “it’s really important to get a balanced outcome, balance between making sure that we reconcile interest in reducing carbon into the atmosphere, which we’re all for, but also good jobs and also affordability for customers. So, we may see some actions on that which could be positive for our business.”

Juliet Eilperin contributed to this report.

https://www.washingtonpost.com/news/innovations/wp/2017/02/23/even-in-trumps-america-california-could-decide-how-clean-your-car-runs/?utm_term=.a8099828d64e