Environmentalist Dan Becker, director of the Center for Biological Diversity’s Safe Climate Transport Campaign, told Forbes the new proposal “doesn’t knock our socks off.”

“It should be much stronger to meet the National Highway Traffic Safety Administration’s duty to set the maximum feasible gas-efficiency standards,” he said. “Automakers have so many cheap, efficient technologies sitting on their shelves, from better engines to transmissions and aerodynamics. And the shelf is where they’ll stay unless the government forces efficiency and slashes pollution.”

The Biden Administration Wants To Boost Fuel Efficiency To 58 MPG By 2032

By Alan Ohnsman
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The U.S. Transportation Department on Friday unveiled a proposal that would require the fuel efficiency of the average new passenger vehicle to be at least 58 miles per gallon in less than a decade, building on earlier efforts by President Joe Biden to help the auto industry shift to electric power from fossil fuels.

The National Highway Traffic Safety Administration proposal calls for vehicle manufacturers to start boosting their Corporate Average Fuel Economy, or CAFE, target starting in 2027. It seeks an improvement of 2% per year for cars and 4% per year for light trucks. The goal is to hit a fleetwide average of 58 mpg by 2032. A final rule won’t come until after a 60-day public comment period is concluded.

“The new standards we’re proposing today would advance our energy security, reduce harmful emissions, and save families and business owners money at the pump,” Ann Carlson, NHTSA’s acting administrator, said in an emailed statement. “That’s good news for everyone.”

The new efficiency target will likely draw criticism from automakers likely to view it as aggressive. Still, the growth of electric vehicles and the proliferation of hybrids across the industry provide new options that can help them comply. The proposal also covers heavier commercial vehicles and has the potential to limit carbon dioxide emissions that are driving global temperatures to record highs by 900 million tons.
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Under legislation already enacted by the Biden Administration, consumers are incentivized to switch to battery-electric vehicles with tax credits of up to $7,500 for qualified models. And vehicle and battery makers are receiving generous subsidies for new domestic factories to produce them.

For drivers who aren’t motivated by the environmental benefits of the proposal, NHTSA estimates the financial impact will save consumers $50 billion in cumulative fuel costs.

“Better vehicle fuel efficiency means more money in Americans’ pockets and stronger energy security for the entire nation,” Transportation Secretary Pete Buttigieg said in a statement.

Along with stricter fuel economy requirements for passenger vehicles, NHTSA proposes a 10% annual improvement for commercial pickups and work vans — weighing more than 8,500 pounds and less than 14,001 pounds— starting in model year 2030 and increasing yearly through 2035.