U.S. Tightens Car Mileage Rules, Part of Strategy to Fight Climate Change

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The new measure requires automakers to achieve an average of 65 miles per gallon for all the car models they sell by 2031.

By Coral Davenport
June 7, 2024
The Biden administration on Friday tightened vehicle fuel mileage standards, part of its strategy to transform the American auto market into one that is dominated by electric vehicles that do not emit the pollution that is heating the planet.

The new mileage standards announced by the Transportation Department are among several regulations the administration is using to prod carmakers to produce more electric vehicles. In April, the Environmental Protection Agency issued strict new limits on tailpipe pollution that are designed to ensure that the majority of new passenger cars and light trucks sold in the United States are all-electric or hybrids by 2032, up from 7.6 percent last year.

In addition to the regulations, the 2022 Inflation Reduction Act, championed by Mr. Biden, provides tax credits for buyers of new and used electric vehicles, along with incentives for charging stations and grants and loans for manufacturers.

The push for more E.V.s comes as the world’s leading climate experts say that retiring the internal combustion engine is critical to staving off the most deadly effects of global warming.

But Mr. Biden’s efforts have become a meaty target for former President Donald J. Trump and other Republicans who frame them as the federal government taking away consumer choice. The oil and gas industry is spending millions on advertising that falsely calls Mr. Biden’s policies a ban on conventional cars.

Mr. Trump has made attacks on electric vehicles a mainstay of his campaign to retake the White House, falsely saying they do not work, cannot travel far and will “kill” the American automobile industry. Mr. Trump has promised that if he is elected to a second term he will undo Mr. Biden’s climate policies, including federal support for electric vehicles.
But at a rally in Arizona on Thursday, Mr. Trump struck an uncharacteristically supportive note on electric vehicles as he heaped praise on Elon Musk, the chief executive of Tesla. “We want to get rid of the electric mandate for the cars,” he began, calling it the “green new scam.” Then he added: “By the way, I’m a big fan of electric cars, I’m a fan of Elon. I like Elon but, you know, I like him. I think a lot of people are going to want to buy electric cars. But if you want to buy a different kind of car, you’re going to, you have to have a choice. Some people need to go far. Some people don’t want their car built in China.”

China has heavily subsidized its auto industry, which has enabled its top automaker to produce electric cars priced as low as $17,000. Very few Chinese-made automobiles are sold in the United States, where President Biden has imposed a 100 percent tariff on Chinese auto imports to try to prevent them from undercutting domestic manufacturers.

The new standards require American automakers to increase fuel economy so that, across their product lines, their passenger cars would average 65 miles per gallon by 2031, up from 48.7 miles today. The average mileage for light trucks, including pickup trucks and sport utility vehicles, would have to reach 45 miles per gallon, up from 35.1 miles per gallon.

The standards will also require heavy-duty pickup trucks, such as the Chevrolet Silverado 2500 HD, and large vans, such as Amazon delivery vans, to reach 35 miles per gallon by 2035, up from 18.8 miles per gallon today.

The final rules are weaker than draft rules published by the Transportation Department last year, which would have required automakers to achieve a standard of 66.4 miles per gallon by 2032 for passenger cars, and 54.4 miles per gallon by the same year for light trucks. That proposal was loosened after lobbying from automakers, who also succeeded in weakening the E.P.A. rule from an initial, more ambitious proposal.

But administration officials say that, to meet the new standards, automakers would still have to both increase the number of all-electric and hybrid vehicles they sell while also increasing the fuel efficiency of their conventional cars.

“No only will these new standards save Americans money at the pump every time they fill up, they will also decrease harmful pollution and make America less reliant on foreign oil,” Transportation Secretary Pete Buttigieg said in a statement. “These standards will save car owners more than $600 in gasoline costs over the lifetime of their vehicle.”

The E.P.A.’s emissions rule and the Transportation Department’s mileage standard were designed to achieve similar results through different means. The E.P.A. rule lowers the amount of carbon dioxide that can be emitted from a vehicle’s tailpipe. The Transportation Department rule lowers the amount of gasoline, the fuel that produces the carbon dioxide pollution, that a vehicle can burn in order to move.

“Today’s final rule is another important step toward reducing carbon pollution and curbing climate change,” said Harold Wimmer, president of the American Lung Association. “This final rule will work in tandem with the U.S. Environmental Protection Agency’s strong, recently finalized rules to ensure new vehicles are less polluting.”
Legal experts say the overlap of the two measures could help protect the administration’s climate policies against an expected wave of legal challenges. If the courts strike down one, the other might remain standing.

In terms of the effects on the climate, the E.P.A.’s tailpipe regulations are over ten times more powerful than the Transportation Department’s new mileage standards. According to the government, the E.P.A. rule would prevent seven billion tons of carbon dioxide emissions by 2054, while the Transportation Department rule on its own would eliminate 710 million tons of carbon dioxide emissions by 2050.

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Consumer Reports, the consumer advocacy organization, said that while the new rule would not deliver any new emissions reduction benefits beyond those already required in the E.P.A. rule, it would “check the box on the legal requirement” for enacting the standards.

Automakers said Friday that they were generally satisfied with the new mileage rule.

“For today, the administration appears to have landed on a corporate average fuel economy rule that works with the other recent federal tailpipe rules,” said John Bozzella, president of the Alliance for Automotive Innovation, which represents 42 car companies that produce nearly all the new vehicles sold in the United States.

The mileage standards could be more legally durable than the E.P.A. tailpipe rule.

Republican attorneys general from 25 states have already filed a lawsuit challenging the E.P.A. tailpipe regulation, arguing that the agency exceeded its legal authority. They are expected to file litigation against the Transportation Department rule, as well.

“The Biden Administration is willing to sacrifice the American auto industry and its workers in service of its radical green agenda,” Russell Coleman, the Kentucky attorney general, who is leading the lawsuit against the E.P.A., said in a statement. “We just aren’t buying it. Demand for E.V.s continues to fall, and even those who want to buy one can’t afford it amid historic inflation.”

While demand for E.V.s has slowed, it is still growing. A record 1.2 million Americans bought electric vehicles last year, making up 7.6 percent of new car sales. Analysts project that demand will climb to 10 percent this year. That’s in part because prices of electric vehicles are falling, making them competitive with conventional vehicles. Carmakers including Tesla, Ford, General Motors and Stellantis, the owner of Jeep, have announced plans for electric vehicles that would sell new for as little as $25,000.

Globally, roughly one in five cars sold in 2023 was electric, with much of that growth taking place in China. Electric cars accounted for around 18 percent of all cars sold worldwide in 2023, up from only 2 percent in 2018, according to the International Energy Agency.