



Automakers Urge Trump Team To Seek ‘Reasonable’ Emissions Rules

Even so, Center for Biological Diversity’s Daniel Becker in an interview with *Inside EPA’s Climate Extra* downplays the notion that automakers are seeking a reasonable middle ground on the stringency of EPA’s emissions rules.

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Becker says, warning that the sector could seek numerous loopholes that preserve the form but not substance of the auto rules.

Becker argues that the industry faces the fundamental choice of ramping up electrification or being swamped by competitors. **“The [traditional] auto companies will get to decide to a significant degree whether there are going to be electric vehicles between now and 2030 or not. If they are not American, they will be Chinese.”**

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The trade group representing auto manufacturers is urging the incoming Trump administration to back “reasonable” vehicle emissions regulations and a “stable” regulatory environment, language that appears to endorse relaxed EPA multi-pollutant standards but not a full-scale rollback of the program.

The Alliance for Automotive Innovation outlines the pitch in [a broader Nov. 12 letter](#) to President-elect Donald Trump that also objects to the stringency of California’s zero-emission vehicle (ZEV) regulations and seeks preservation of tax incentives that encourage vehicle electrification and battery production.

A source close to the vehicle industry sees the letter as “standard operating procedure,” as the Alliance acknowledges the practical difficulties of entirely repealing EPA’s emissions rules, but also seeking more flexibility from an incoming administration committed to a deregulatory agenda.

The request also appears to underscore a tricky political balancing act by the industry as it seeks to finesse prior Trump attacks on Biden’s electric vehicle (EV) “mandates,” and calls by Hill Republicans to scuttle Inflation Reduction Act (IRA) tax credits for EVs.

“During the campaign, you stressed the importance of the auto industry to the country’s global competitiveness and your belief that American consumers must always be able to choose the vehicle that is right for them and their family,” the letter says. “We agree.”

The letter begins by citing other industry concerns besides emissions rules, citing “unfair competition from heavily subsidized electric vehicles and technologies exported from China” as the first of a series of headwinds the industry faces. The second concern, the letter notes, is an effort to bolster the supply chain for critical minerals and raw materials.

The letter, however, also attacks “federal and state emissions rules (particularly in California and affiliated states) that are out of step with current auto market realities and increase costs for consumers.”

It urges the incoming administration to “promote stability and predictability in auto-related emissions standards,” citing manufacturers’ and suppliers’ “multi-year design and manufacturing cycles and the significant capital expenditures necessary to bring any new vehicle to market.”

The source close to the industry says the letter’s language stopping short of a call for full repeal of EPA’s standards is a logical course for automakers, particularly given the first Trump administration’s effort to implement rollbacks that the industry then suggested were more sweeping than it wanted.

The industry “wants to be seen as the sane person in the room,” the source adds.

‘Treading With Care’

A Nov. 21 *New York Times* story that first reported the Alliance letter describes automakers as “treading with care” out of concern that Trump may “bear a grudge” against companies that agreed to meet California emissions rules more stringent than the Trump-era rollback.

It also cites nearly \$150 billion in EV-related investments from major manufacturers over the past several years, with a concern that such investments could be jeopardized by an unstable regulatory picture.

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The Alliance letter is only partially focused on the emissions rules, raising a variety of concerns over other issues such as autonomous vehicles and vehicle safety, while alluding to significant industry investments to electrify. With respect to the latter, the trade group calls on the Trump administration to preserve tax provisions that “support the development of next generation automotive technologies, including EVs in the U.S.”

That description encompasses an array of EV- and battery-related credits in the IRA, though the letter does not cite those explicitly, instead focusing its pitch on current auto-related “provisions in the tax code,” while specifically citing the 2017 Tax Cuts and Jobs Act that Republicans are vowing to extend in tax legislation next year.

The trade group in a separate October letter to Congress underscored the importance to the sector of provisions in the 2017 law that reduced corporate taxes and allowed expensing of research and development costs.

A source close to the EV sector previously expected traditional automakers to urge preservation of the IRA’s EV-related credits, but said that if Congress scuttles the credits, the industry would use that to bolster its calls for weaker EPA’s regulations. -- *Doug Obey* (dobey@iwpnews.com)