The Detroit News

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He continued: "This will raise consumers' costs at the pump, increase tailpipe pollution and jeopardize U.S. automakers' future, and no one voted for any of it. The only beneficiaries will be oil executives and China's auto industry, which will be happy to sell electric vehicles around the world with little U.S. competition."

New DOT secretary sworn in, immediately vows rollback of fuel economy rules

Grant Schwab Jan. 29, 2025

Washington — New leadership at the Department of Transportation has begun the process of rolling back climate-minded emission rules put in place by the Biden Administration.

Transportation Secretary Sean Duffy, confirmed by the Senate and sworn in Tuesday, issued a memo shortly thereafter directing the "immediate review and reconsideration of all existing fuel economy standards applicable to all models of motor vehicles produced from model year 2022 forward."

The former Republican lawmaker said in a statement that the memo takes aim at "burdensome and overly restrictive fuel standards that have needlessly driven up the cost of a car in order to push a radical Green New Deal agenda."

The move was not surprising after President Donald Trump vowed repeatedly on the campaign trail to end Biden-era vehicle emissions regulations that he and other Republicans labeled as an unwanted electric vehicle mandate. Still, the immediacy of Duffy's action signals urgency and preparedness from a Trump administration that was slower to act during the president's first term.

Duffy's memo — titled "Fixing the CAFE Program" — kicks off the months or years-long administrative process required to change Corporate Average Fuel Economy standards that hold significant influence over the auto industry, though the timeline could be

shorter if Congress moves separately to repeal the latest standards.

Project 2025, the conservative Heritage Foundation's policy plan that Trump has hewed to early in his new term, recommended that the Transportation Department set 35 miles per gallon as an industry-wide standard "for the near term."

By contrast, the two rounds of CAFE standards finalized under former President Joe Biden set a target of approximately 49 miles per gallon for model year 2026 and 53.5 mpg by model year 2032.

Diana Furchtgoth-Roth, who served in each of the past four Republican presidential administrations and penned the transportation section of Project 2025, offered several justifications for the lower standards. She said the Biden-era rules force the production of EVs

"despite a clear and persistent consumer preference for ICE (internal combustion engine)-powered vehicles."

Furchtgoth-Roth also noted the higher sticker prices of EVs, suggesting that a shift toward electrification has resulted in "fewer affordable new vehicle options for American families." She said the knock-on effects of high prices are fewer auto jobs and poor safety conditions on roads full of older vehicles.

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Beyond the CAFE standards, Trump's administration will need to reverse other major Biden decisions if he and other officials want to end the so-called 'EV mandate' the Democratic president presided over.

No federal Biden-era rules or programs explicitly required automakers to sell more EVs, but his administration did adopt an extensive web of policies promoting electrification

Chief among those policies was a U.S. Environmental Protection Agency tailpipe emissions rule finalized in March 2024. Biden's EPA tacitly acknowledged in the rule that compliance would be practically impossible without a concerted push toward EVs. The rule is meant to work in tandem with the CAFE standards administered by the National Highway Traffic Safety Administration, which is housed within DOT.

Biden's electrification efforts also included an expansion of the \$7,500 tax credit on qualifying new EV purchases via the climate-minded Inflation Reduction Act; \$7.5 billion for EV charger buildout via the Bipartisan Infrastructure Law; IRA-funded manufacturing subsidies to repurpose old industrial centers for EVs; federal loans for battery manufacturing facilities; and a set of

new tariffs that aim to protect U.S. automakers from competition with China, which has emerged as the world leader in EVs.

The Biden EPA also granted a waiver to California to begin enforcing the latest version of its influential vehicle emissions standards, which set explicit requirements for EV sales in the Golden State; 11 other states have chosen to adopt the policy.

Legal, legislative and administrative battles over the waiver will have massive implications for the auto industry.

Duffy, who will preside over part of Trump's deregulatory push, expressed optimism that his agency's actions would help make vehicles more affordable.

"The American people should not be forced to sacrifice choice and affordability when purchasing a new car," he said in a Tuesday statement. "We are already hard at work executing the President's vision to usher in a golden age of transportation by taking immediate action to remove government overreach and lower costs for hardworking Americans."

https://www.detroitnews.com/story/business/autos/2025/01/29/new-dot-secretary-immediately-vows-rollback-of-fuel-economy-rules-duffy-trump/78019438007/