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“The only beneficiaries will be oil executives and China’s auto industry, which will be happy to sell EVs worldwide with little U.S. competition,” Becker added.

Trump’s DOT Chief Moves to Reverse Fuel Efficiency Standards

By Mary Sidiqi
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Trump’s DOT Chief Moves to Reverse Fuel Efficiency Standards \ Newslooks \ Washington DC \ Mary Sidiqi \ Evening Edition \ Newly sworn-in U.S. Secretary of Transportation Sean Duffy has ordered the National Highway Traffic Safety Administration (NHTSA) to reverse federal fuel economy standards as part of President Donald Trump’s energy agenda. The rollback would loosen regulations that have been in place since the 1970s, potentially increasing vehicle emissions and fuel costs. Critics argue this move benefits oil companies at the expense of consumers and the environment, while supporters claim it protects American car buyers’ choices.

Fuel Economy Rollback: Quick Looks

- **Duffy's Order:** The Transportation Secretary directed NHTSA to repeal or revise fuel economy rules to align with Trump's pro-oil policies.
- **Historic Regulations at Risk:** Fuel efficiency standards date back to the 1970s energy crisis and aim to conserve fuel and lower gas costs.
- **Climate & Consumer Concerns:** Critics warn that looser standards will increase pollution, raise fuel costs, and hurt U.S. automakers.
- **Trump's Energy Agenda:** The move aligns with Trump's goal to end what he calls an "electric vehicle mandate."
- **Auto Industry Reactions:** Some automakers welcome flexibility, but others worry about regulatory uncertainty and loss of global competitiveness.
- **Potential Legal Battles:** The rollback must be coordinated with EPA emissions rules, which could spark lawsuits and regulatory conflicts.

Trump's Fuel Economy Rollback: A Deep Look

Just hours after being [sworn](#) in as the new U.S. Secretary of Transportation, Sean Duffy wasted no time taking aim at one of the federal government's primary tools for reducing air pollution and addressing climate change—vehicle fuel efficiency standards.

In a Tuesday night memorandum, Duffy ordered the National Highway Traffic Safety Administration (NHTSA) to rescind or replace current fuel economy standards to better align with Trump's "America First" energy policies, which [prioritize](#) oil production and biofuels.

"The existing CAFE standards promulgated by NHTSA are contrary to Administration policy," Duffy stated.

This order sets the stage for a major reversal of fuel economy regulations that have been in place since the 1970s energy crisis, potentially reshaping the U.S. auto industry and increasing reliance on fossil fuels.

What Does Duffy's Order Mean?

Duffy's directive targets the Corporate Average Fuel Economy (CAFE) standards, which require automakers to meet minimum miles-per-gallon (MPG) targets across their fleets. These standards were significantly tightened during the Obama and Biden administrations to reduce carbon emissions and oil consumption.

Under Biden's 2023 regulations, automakers would have had to increase fuel economy by 2% per year for passenger cars from 2027 to 2031, with SUVs and light trucks following suit starting in 2029. The goal was to raise the fleetwide average to about 38 MPG by 2031, saving nearly 70 billion gallons of gasoline by 2050.

Now, with Trump back in office, Duffy's order threatens to reverse those gains, potentially reducing required fuel efficiency increases to as little as 1.5% per year, as was done in Trump's first administration.

"These fuel economy standards are set at such aggressive levels that automakers cannot, as a practical matter, satisfy the standards without rapidly shifting production away from internal-combustion-engine vehicles to alternative electric technologies," Duffy argued.

This echoes Trump's long-standing opposition to EV incentives and his pledge to end what he calls an "electric vehicle mandate."

Impact on Consumers & the Climate

Duffy insists that eliminating strict fuel economy rules will increase vehicle affordability and consumer choice, allowing Americans to purchase the full range of gasoline-powered vehicles without being pushed toward hybrid or electric alternatives.

However, environmental and consumer advocates strongly disagree, warning that the rollback will:

- Increase fuel costs for consumers due to less efficient vehicles.

- Raise pollution levels by allowing higher tailpipe emissions.
- Hurt U.S. automakers as global competitors focus on clean technology.

“This will raise consumers’ costs at the pump, increase tailpipe pollution, and jeopardize U.S. automakers’ future,” said Dan Becker, director of the Center for Biological Diversity’s Safe Climate [Transport](#) Campaign.

The transportation sector was the largest contributor to U.S. greenhouse gas emissions in 2022, according to the Environmental Protection Agency (EPA). Weaker fuel economy standards would increase carbon dioxide emissions, worsening climate change.

Critics also warn that relaxing standards will benefit foreign automakers, especially China, which is aggressively expanding its electric vehicle production and exports.

“The only beneficiaries will be oil executives and China’s auto industry, which will be happy to sell EVs worldwide with little U.S. competition,” Becker added.

Why Is Trump Repealing Fuel Efficiency Rules?

The rollback is part of Trump’s broader push to expand U.S. oil production and energy independence. Since returning to office, Trump has declared an energy emergency, vowed to ramp up domestic drilling, and rejected climate regulations that could limit fossil fuel use.

Duffy justified the move by pointing to America’s “vast oil reserves, biofuel feedstocks, and refining capacity”, arguing that higher fuel economy targets artificially force automakers to phase out gasoline cars in favor of EVs.

“Creating this regulatory uncertainty puts a tremendous number of automaker jobs and investments at risk,” said Roland Hwang, policy director at the University of California, Davis Institute of Transportation Studies.

Hwang warned that weakening standards would ultimately harm American industry, as global demand shifts toward fuel-efficient and electric vehicles.

Despite Trump's claims, there is no federal requirement that automakers produce electric vehicles—fuel economy standards merely encourage efficiency improvements in all types of vehicles.

What's Next? Legal Battles & Regulatory Hurdles

The rollback will not happen overnight. Duffy's order requires a formal rule-making process, which could take years to complete and face multiple legal challenges.

The biggest obstacle? The EPA's vehicle emissions limits, which work alongside CAFE standards to reduce pollution. Since vehicle fuel economy and emissions are closely linked, Trump's Transportation Department must coordinate with the EPA and the Department of Energy—a process that could trigger regulatory conflicts and court battles.

Automakers are also divided. While some welcome the flexibility, others worry about:

- Regulatory instability, which makes long-term planning difficult.
- Falling behind foreign competitors, particularly in EV and hybrid technology.
- Potential state-level pushback, as California and other states may maintain stricter rules.

“U.S. tailpipes are overseen by three federal agencies and multiple rules, so any changes to CAFE standards must be aligned with EPA emissions regulations,” said John Bozzella, CEO of the Alliance for Automotive Innovation.

Conclusion: What to Expect Moving Forward

With Duffy's directive, the Trump administration is pushing to unravel decades of progress in vehicle fuel efficiency. While supporters see this as a win for consumer

choice and oil production, opponents argue it jeopardizes climate action, raises fuel costs, and weakens U.S. [auto](#) competitiveness.

As Trump moves forward with his energy and transportation agenda, expect legal battles, regulatory conflicts, and strong resistance from environmental advocates and industry leaders.

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