Environmental advocates argue that the rules rollback weakens accountability and slows momentum toward clean transportation, with the director of the Center for Biological Diversity's Safe Climate Transport Campaign, Dan Becker, characterizing the rollback as a "get out of jail free card" for automakers.

"The Trump administration is reaching back in time to give an obscene gift to pollution law violators GM and Stellantis at the expense of the American taxpayer," Becker states.

GM Won't Need To Pay Fuel Economy Penalties For The Last Three Years

By Jonathan Lopez
17 July 2025

GM and other major automakers will not face federal fuel economy penalties for the 2022 through 2024 model years following a policy rollback signed into law by President Donald Trump this month.

According to a report from *Reuters*, the legislation is part of a broader tax and budget bill and cancels enforcement of fines levied under the Corporate Average Fuel Economy (CAFE) program. The National Highway Traffic Safety Administration (NHTSA) has also told automakers that it is working towards revising broader fuel economy rules, backing a continuing effort by lawmakers to favor internal combustion vehicles over electrified alternatives.

Historically, CAFE penalties have amounted to hundreds of millions of dollars for manufacturers. General Motors paid over $128 million in fines between 2016 and 2017, while Stellantis was hit with $190.7 million for failing to meet standards in 2019 and 2020. These penalties have helped push emission and efficiency compliance across the industry and enabled EV-focused companies like Tesla to generate significant revenue by selling emissions credits. According to *Reuters*, Tesla generated $2.8 billion in revenue selling regulatory credits to other automakers just last year.

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Meanwhile, the Alliance for Automotive Innovation, a lobbying group representing the majority of major automakers, welcomed the rollback, citing concerns that the previous rules did not align with "current market conditions."

In 2024, the NHTSA finalized revised CAFE rules that eased standards previously proposed in 2023, reducing the industry-wide fine estimate from $14 billion to no more than $1.83 billion between the 2027 and 2031 model years. GM alone had been facing a projected $6.5 billion fine before the rule adjustment.

https://gmauthority.com/blog/2025/07/gm-wont-need-to-pay-fuel-economy-penalties-for-the-last-three-years/