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The EPA’s rollback on the Endangerment Finding is imminent, environmental groups say, adding they are presenting their views to the EPA on all of these proposals and are preparing for legal fights to oppose the rollback, if that goes through.

On the fuel standards, there is a public hearing period until the end of next month. “We plan to share our view with the administration and then, with colleagues, sue them [if the proposal goes through],” said Center for Biological Diversity’s Becker.

But the new standards could move US car makers in a direction divergent from global markets, which are moving towards higher fuel efficiency and electric cars. While the proposed standards could serve to make SUVs and other petrol guzzlers more attractive in the US, they could make competing in global markets harder.

China is now the world’s largest car manufacturer and exporter, known especially for its electric vehicles. “GM and Ford will want to be players in the world. If they don’t make EVs, they will get shut out by Chinese carmakers,” says the Center for Biological Diversity’s Becker.

‘Highly speculative’ that Trump’s new fuel rules will help drivers: Experts

Proposed changes weaken climate rules and waste years of investments by car makers in EVs.

By Saumya Roy
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San Francisco, United States – Earlier this month, United States President Donald Trump [announced plans](#) to lower fuel efficiency standards for cars, a move that, he said, would make cars more affordable for Americans, and give them freedom to choose large cars.

But the proposed change in policy has also laid to waste the years and billions in investments in cleaner cars, including electric vehicles (EVs), even while the idea that it would save US drivers money is “highly speculative”, experts say.

The proposed new standards will allow cars to run at 34.5 miles per gallon (14.7km per litre) compared with the 50.4 miles per gallon (19km per litre) set under the previous administration of President Joe Biden.

Trump has called it the “Freedom Means Affordable Cars” proposal, saying the lower fuel efficiency norm could make each new car up to \$1,000 cheaper and support US manufacturing.

But Severin Borenstein, faculty director at the University of California at Berkeley’s Haas School of Business, says US carmakers “have already made investments to meet old norms. The idea that this will save consumers a lot of money is highly speculative.”

These fuel efficiency measures, along with the US consumers’ continued preference for SUVs and other petrol guzzlers, have led Ford Motors to announce a \$19.5bn hit as it cut back plans to produce EVs. General Motors also announced a \$1.6bn impact related to its EV pullback in quarterly results declared in October

and warned there could be more hits. It also announced 3,400 layoffs across its EV sites.

Federal cutbacks will hinder an already slow transition to EVs in the US, where they form less than 10 percent of the market, well below the global EV sales, which made up 25 percent of all cars sold this year.

“The government can assist markets in this transition,” says Andrew Hoffman, Holcim professor of sustainable enterprise at the University of Michigan’s Ross School of Business.

The US is a “unique market”, Hoffman says, in liking SUVs and pick-up trucks because of the long distances that can cause range anxiety for electric car drivers. It underscores the need for a charging station network, another area where the Trump administration has made cuts that impact business plans. On Tuesday, 16 states sued the Trump administration for withholding billions in grants for EV charging station infrastructure.

Tesla, the US’s largest EV manufacturer, is expected to be hit the most by these changes. In November, its US sales dropped 23 percent from a year before, as the \$7,500 tax credit ended.

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While Google parent Alphabet-backed electric-powered autonomous vehicle Waymo has expanded its operations to a range of US cities this year, it has a fleet of just a few thousand cars and overall experts see the EV share of the market to drop further.

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“Buying gas-guzzling cars will cost consumers more money,” says Dan Becker, director of the Safe Transport Campaign at the Center for Biological Diversity.

Given that the proposed new standards are only for new cars, they may not matter much for fuel consumption in the next year or two, but “if the rules hold, they will significantly impact fuel consumption in the 2030s,” says Mathew Tarduno, assistant professor of economics at the University of Illinois at Chicago.

Polluting climate, endangering human health

The new standards are the latest in a slew of measures announced this year that could make US cars less fuel-efficient.

In July, when the tax and spending bill was passed, the penalties for cars not meeting fuel efficiency standards were brought down to zero. Rules for tailpipe emissions were also relaxed, tax credits for EVs ended in September, and the Environmental Protection Agency (EPA) announced a proposal to overrule the Endangerment Finding, EPA’s longstanding, science-based finding that greenhouse gases endanger human health and welfare and roll back standards to limit greenhouse gas emissions from new cars and trucks.

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“One area on which future lawsuits might focus is how the Department of Transportation treats EVs in setting new standards. The department is required to set fuel economy standards at the maximum feasible level,” says Nikki Reisch, director of the climate and energy programme at the Center for International Environmental Law (CIEL).

“Gas-powered cars can’t compete with EVs and hybrids in terms of fuel efficiency. These cleaner, more efficient technologies exist and cannot simply be ignored,” she added.

Vehicular emissions contribute to toxins in ambient air known as carcinogens and can also cause respiratory and cardiovascular illnesses, according to the EPA. The transportation sector is, in fact, the leading cause of air pollution in the US, as per the American Lung Association.

The easing of fuel standards “turns back the clock on public health standards”, says William Barrett, assistant vice president of nationwide policy at the American Lung Association.

The impact of increased air pollution from possibly increased vehicle emissions could have a particularly acute impact on children, Barrett says.

“Children are more vulnerable because their lungs are still developing. Increased pollution could have an immediate and lasting effect on them, such as keeping them on the sidelines of a soccer game or increasing ER visits.”

The Lung Association also plans to give its comments during the public hearing process with a view to holding off the new standards.

Freedom of choice

But Karl Brauer, an auto analyst and writer for iSeecars.com, says car emissions have been reducing since the Clean Air Act was passed in 1970 and also because of subsequent regulations that were brought in to lower emissions.

“Cars got cleaner a long time ago,” Brauer says. “Continuing with such regulation will have diminishing returns.”

The proposed new fuel standards will lead to “lower costs and higher profit margins for auto companies and lower prices for consumers,” and they will lead to “more freedom of choice”, Brauer says, because with tax credits for EVs gone, petrol and electric vehicles will now compete for consumer preferences on equal footing.

Major carmakers will save more than \$35bn in technology costs through 2031, the Trump administration said in the fuel standards rollback December 3 announcement.

But at the same time, fuel costs for drivers are expected to soar, and US drivers are expected to pay up to \$185bn more through 2050, the National Highway Traffic Safety Administration (NHTSA) reported.

Chief executives of Ford and General Motors flanked Trump during his announcement at the White House.

GM CEO Mary Barra said the announcement would allow carmakers to offer a range of petrol and electric vehicles while keeping prices down and meeting consumer preferences. “Regulatory requirements do not get ahead of the consumer,” she said at a New York Times Deal Book summit.

With petrol prices having fallen in the last few weeks, Brauer says a fuel-based car would be less expensive than an EV. Besides, the lack of sufficient charging stations can make them unattractive.

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“One question is whether US automakers will be forced to comply with different types of regulations in different places,” says Tarduno of the University of Illinois at Chicago.

But Brauer has a different take.

“Internal combustion cars,” he says, are a competitive advantage for US car makers, given that China has spent years building its lead on electric vehicles. The US, he says, should build on it.

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