

Chairman Walden—Opening Statement
“Update on the Corporate Average Fuel Economy Program and Greenhouse
Gas Emissions Standards for Motor Vehicles”
Subcommittees on Digital Commerce and Consumer Protection
and the Environment

December 12, 2017

Good morning. Today’s hearing touches on a prominent point of frustration for many Americans: duplicative government programs that increase costs and decrease choices for consumers. Specifically, we’re talking about the differing fuel economy standards under programs administered by the National Highway Traffic Safety Administration and the Environmental Protection Agency.

While NHTSA has been charged with implementing fuel economy standards for motor vehicles since 1978, the Obama-era EPA developed its own standards under the Clean Air Act in 2009.

In order to coordinate these different requirements, the Obama Administration created the National Program. Unfortunately, the program has failed in its attempt to develop a single national standard, causing uncertainty around the multiple policies and creating barriers to innovation and growth.

Under the current scheme it is possible that auto makers will find themselves in full compliance with one federal regulatory standard, but running afoul of another. This is true even though the previous Administration explicitly told this Committee during a hearing last Congress that they would work together to avoid this very result.

Since then, we’ve seen activity that completely undermines the National Program and works against the Obama Administration’s promise of coordinated regulatory efforts. Under the Midterm Evaluation schedule, NHTSA and EPA were to jointly issue their respective determinations on the model year 2022-2025 standards. This was supposed to happen in April of 2018.

However, EPA abandoned this commitment and rushed through its final determination – without coordinating with NHTSA – just seven days before President Trump was sworn into office.

I look forward to receiving an update from our witnesses today on how they are dealing with the different requirements. We want to know how these different regulatory schemes impact consumers, and learn more about better ways to ensure the federal fuel economy standards are met, without creating unnecessary paperwork or administrative burdens that serve only to drive up costs for American families.

As currently constructed, it has been estimated that these programs will raise the average price of a new vehicle by almost \$3,000 – that is no small amount and one that will undoubtedly price many Americans out of the new car market. Although the goals of these varying programs are important, we must never forget that what we do in Washington has a real impact on consumers across the country.

Government works best when it identifies clear problems and offers clear instructions for how to solve them. Federal programs that overlap or conflict do nothing to help protect the American people. It is our job to ensure that our laws and the implementation of them advance public policy goals, and if they need correction or clarification, we do so.

I thank our witnesses for appearing before us today to address this important topic. The American people deserve a government that removes barriers to innovation and growth, and avoids unnecessarily driving up costs for consumers.

I look forward to our witnesses testimony and I yield back the balance of my time.