

MEMORANDUM

July 10, 2023

TO: Members of the Subcommittee on Environment, Manufacturing, and Critical Materials

FROM: Committee Majority Staff

RE: Subcommittee on Environment, Manufacturing, and Critical Materials Markup

I. INTRODUCTION

On Wednesday, July 12, 2023, at 1:00 p.m. (ET), the Subcommittee on Environment, Manufacturing, and Critical Materials will meet in open markup session in 2123 Rayburn House Office Building to consider the following:

- H.R. 1435, Preserving Choice in Vehicle Purchases Act (Rep. John Joyce)
- H.R. 4468, Choice in Automobile Retail Sales Act of 2023 (Rep. Walberg)
- H.R. 4469, No Fuel Credits for Batteries Act of 2023 (Rep. Pence)

In keeping with Chair Rodgers' announced policy, Members must submit any amendments they may have two hours before they are offered during this markup. Members may submit amendments by email to EandCdocs@mail.house.gov. Any information with respect to an amendment's parliamentary standing (e.g., its germaneness) should be submitted at this time.

II. BACKGROUND**A. America and the Car**

The automobile was a key force for change in twentieth-century America, becoming one of the backbones of a consumer goods-oriented society,¹ providing upward mobility and personal freedom, spawning the growth of suburbs, and ending rural isolation from medical care and schools.² A total of 278,063,737 personal and commercial vehicles were registered to drivers in the U.S. in 2021; and 91.7 percent of households had at least one vehicle that same year.³

Yet, despite the reliance on the car to commute to work or school, handle personal or other employment obligations, and travel long distances; Americans have not settled for accepting just any model or type of vehicle. Having a choice of affordable and reliable automobiles is a hallmark demand of Americans to help them meet their transportation needs. This demand dates to the first modern motor cars when the central problem of automotive technology was reconciling the advanced design of the 1901 Mercedes with the moderate price and low operating expenses of the Olds.⁴

Even as recently as 2021, data for light-duty vehicle registrations in the United States demonstrates that Americans chose a diversity of engine types and car classes to meet their needs. Specifically, 93.8 percent of these registrations were for cars powered by gasoline or ethanol/flex fuel, 0.33 percent operated on diesel or biodiesel, 0.02 percent were hybrid vehicles, and 0.008 percent were plug-in hybrid or battery electric vehicles.⁵

B. Statutory Authority for the Environmental Protection Agency under the Clean Air Act (CAA), Regulatory Matters Implicating EPA’s CAA Authority, Pre-emption, and Other Items.

Regarding vehicles and fuels, information on statutory authority for the Environmental Protection Agency (EPA) under the Clean Air Act (CAA), regulatory matters implicating EPA authority under the CAA, pre-emption, and other items may be found [here](#).

III. EXPLANATION OF LEGISLATION

A. H.R. 1435, Preserving Choice in Vehicle Purchases Act

H.R. 1435 would amend CAA section 209(b) -- the conditions under which the EPA can grant a waiver to a State (i.e., California) for a motor vehicle emissions standard. Specifically, H.R. 1435 would add an additional requirement that must be satisfied for the EPA to provide a State a waiver for its vehicle emissions standards: the State directive cannot “directly or indirectly” limit the sale or use of new motor vehicles with an internal combustion engine. H.R. 1435 would also prevent the EPA from considering State standards amended after the date of enactment of this bill as having qualified under an existing waiver. Finally, H.R. 1435 would revoke any CAA section 209(b) waivers California received between January 1, 2022, and the date H.R. 1534 becomes law if the California motor vehicle standard receiving a waiver “directly or indirectly” limited the sale or use of new motor vehicles with an internal combustion engine (ICE).

B. H.R. 4468, Choice in Automobile Retail Sales (CARS) Act

H.R. 4468 has two parts. First, it would prohibit the EPA from finalizing, implementing, or enforcing its proposed rule titled “Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles” that was published in the Federal Register on May 5, 2023. Second, it would amend CAA section 202(a)(2) to prevent any regulations previously issued with this authority from mandating the use of any specific technology or resulting in the limited availability of new motor vehicles based on that vehicle’s engine type. It would also give the EPA two years to update those regulations that mandate the use of a specific technology or result in the limited availability of new vehicles based upon that vehicle’s engine.

C. H.R. 4469, No Fuels Credits for Batteries Act

H.R. 4469 would clarify that the EPA is not authorized to use credits for electricity generated from renewable fuel to satisfy the volume of renewable fuel that needs to be contained

in transportation fuel for purposes of the RFS. H.R. 4469 would also prohibit the use or transfer of any eRINs credits generated before the date of enactment (to address any gap with EPA's December 1, 2022, proposal). Finally, it would define "renewable fuel" and "transportation fuel" using their RFS definitions.

IV. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Jerry Couri, Sarah Alexander, or Mary Martin of the Committee staff at (202) 225-3641.