

**Opening Statement of Republican Leader
Cathy McMorris Rodgers
Subcommittee on Consumer Protection and Commerce
Hearing on “Driving in Reverse: The Administration’s Rollback of Fuel
Economy and Clean Car Standards”
June 20, 2019**

As Prepared for Delivery

Good morning and welcome to today’s joint subcommittee hearing to discuss fuel economy standards.

In 1975, Congress established the Corporate Average Fuel Economy Program, or the CAFE program, to be administered by the National Highway Traffic Safety Administration. The goal of this program was to improve vehicle fuel economy, reduce oil consumption, and secure the nation’s energy independence.

At the time, Congress made clear that fuel economy should be regulated solely at the federal level to achieve uniformity and to avoid a patchwork of different state laws regulating the same issue differently.

Unfortunately, several forces have created the opposite effect: multiple conflicting programs undercutting the goals of the original program. When Congress established the CAFE program, the Environmental Protection Agency began regulating greenhouse gas emissions from new motor vehicles.

On top of the NHTSA and EPA programs, California has set separate tailpipe emissions limits and a zero emission vehicle mandate... both of which impact fuel economy, the auto industry, and consumers.

Nine other states have followed California to include a zero emissions vehicle mandate.

These mandates require auto makers to produce a certain number of these vehicles regardless of consumer demand, new technology, or the free market.

10 years ago-- to address the regulatory overload--the Obama Administration announced a national fuel efficiency policy known as the One National Program.

The One National Program was intended to establish a consistent national standard across NHTSA, EPA, and California.

There were many assumptions made by the federal government, the states, and industry 10 years ago that were set to be revisited during the Midterm Review process.

The assumptions they made haven't held up to the test of time...assumptions like gas prices rising to 3... 4...5 dollars per gallon...people buying more cars than trucks... and that electric vehicles becoming more popular. Well, here's the reality today. Gas prices stabilized. People want larger vehicles. And dealers are still having trouble selling hybrid vehicles.

In my district, 83% of vehicles sold in 2018 were crossovers, SUVs, trucks, and vans.

My constituents are choosing internal combustion engines – 99 percent of registered vehicles in Eastern Washington are gas or diesel powered. This is when they have more hybrid and electric options than ever before!

On top of that, just days before President Trump's inauguration, the Obama EPA issued its final determination for 2022 to 2025—without consulting NHTSA despite that being a requirement under the One National Program.

So here we are, ten years later. There's no uniformity...and rather than invest in R&D and consumer education, the car industry is paying massive fines or paying to avoid them. There must be a new and better path forward.

I am encouraged to see NHTSA and EPA working together for a true national standard that looks at the facts and the decisions people make when they buy a new car.

The uncertainty in this space is hurting the market –threatening jobs and affordable prices for workers and families.

The agencies expect the SAFE Vehicles rule to save up to 1,000 lives annually... create \$2,340 in average savings for people when they buy a new car... and create \$500 billion in cost savings for the U.S. economy.

In Eastern Washington, the average vehicle on the road is over 15 years old – almost 4 years above the national average.

By reducing the average cost of new vehicles, people who currently stay in their older, less safe vehicles, will be able to afford newer vehicles with technological advancements that save lives.

For their sake, I look forward to a productive conversation this morning about the current situation, and what the path forward looks like for safer roadways, newer vehicles, a cleaner environment, and more jobs.

Thank you also to our second panel, particularly the witnesses who travelled to join us today for this important discussion.

Thank you and I yield back.