

**Statement of Chairman Frank Pallone, Jr.
House Energy and Commerce Committee
Joint Subcommittee Hearing on “Driving in Reverse:
The Administration’s Rollback of Fuel Economy and Clean
Car Standards”**

June 20, 2019

It’s fitting that the Committee’s first joint hearing of this Congress is being held by the Subcommittees on Consumer Protection and Commerce and Environment and Climate Change, since we’re here to examine one of this Administration’s most egregious assaults on American consumers, the U.S. economy, and the climate.

The unified fuel economy and tailpipe emissions standards adopted during the Obama Administration were the result of unprecedented collaboration between EPA, NHTSA, and the state of California. The clean car standards included ambitious

increases in fuel efficiency and ambitious reductions in greenhouse gas emissions for cars and light trucks. This was an across the board win – benefitting consumers, manufacturing, and the environment. They were our single most important action taken to combat climate change, and a key part of our commitment to the Paris Agreement. So, naturally, the Trump Administration is trying to gut those standards as part of its reckless anti-climate agenda.

This harmful proposal comes from the same Administration that insists the government should not be in the business of picking winners and losers. But that is exactly what this rollback does. It picks one winner – the oil industry – while everyone else loses. That’s why yesterday, my Committee launched an investigation into a secret social media campaign run by the oil industry that misled the American people about

this rollback. We intend to uncover whether the oil industry coordinated with the Administration on this deceptive campaign.

After all, while the oil industry will win, American consumers will lose, in the form of less-efficient vehicles.

Ultimately the proposal would increase drivers' spending at the pump because cars would no longer be required to go further on a gallon of gasoline. As fuel economy standards go down, costs to consumers go up.

American manufacturing will also lose – especially automakers, parts suppliers, and workers – as the Trump Administration cedes America's competitive edge to other countries that will develop and build the technologies of the future. That's why just two weeks ago, 17 automakers called on the Trump Administration to abandon its deeply flawed

proposed rule and return to the negotiating table. According to the Administration's own analysis, rolling back these standards would directly eliminate at least 60,000 jobs. And that's just a fraction of the half-million jobs that could be lost throughout the automotive supply chain.

Public health and the environment will also lose. The Administration readily admits the rule will lead to increased particle pollution and smog-forming sulfur dioxide. The proposal would revoke California's longstanding ability to set more protective vehicle standards, as well as other states' and territories' ability to adopt those standards. My home state of New Jersey is one of 13 states, plus the District of Columbia, that follow California's lead to improve air quality, meet clean air standards, and improve the health of our communities. The

Trump Administration, if it gets its way, would undermine those public health protections.

The driving public will also lose. Independent experts and career professionals within the EPA have found that the clean car rollback will actually make our roads less safe, causing more deaths.

And at the end of the day, we all lose, because this rule would increase carbon pollution by more than *7 billion* metric tons. If my Republican colleagues are as serious about addressing climate change as they now say, they should oppose this disastrous proposal.

The existing clean car standards were a victory for consumers, manufacturers, and the environment. They created a

single, national program for getting more fuel-efficient cars on the road, provided the American auto industry with regulatory certainty, and spurred innovation.

The Trump Administration rollback would abandon that historic agreement in favor of unmitigated chaos for the American automotive sector. It achieves nothing but destabilization of the industry and stifling of innovation. And it poses an existential threat to our climate and to the health and well-being of all Americans. All to benefit the bottom line of the oil industry.

Before I yield, I'd like to take a moment to welcome Mary Nichols, Chair of the California Air Resources Board (CARB). Her leadership has been instrumental in the fight against climate change and reducing air pollution across the

country. Thank you for traveling from California to testify today. We look forward to hearing your perspective.

I believe Ms. Nichols should be at the table alongside Ms. King and Mr. Wehrum, to give us the full picture of the proposed rule and have a robust discussion in front of this Committee. But the Trump Administration refused to appear today if EPA, NHTSA, and CARB testified on the same panel. Think about that. This Administration literally refused to sit at the same table as California.

Unfortunately, throughout this entire process, EPA and NHTSA have made it clear that collaboration and transparency are not priorities. As Administrator Wheeler testified before this Committee in April, the only offer the Trump Administration made to California was its proposed rule as-is, which would gut

the existing standards. And the Administration still walked away from the table. That is more of a hold-up than a negotiation. The Administration should come back to the negotiating table and work on establishing a meaningful unified clean car program.

Thank you, I yield back.