Press Release

Trump Administration Finalizes SAFE Vehicles Rule

ALLISON EDWARDS | APRIL 1, 2020

The Environmental Protection Agency and the Department of Transportation yesterday finalized the Safer, Affordable Fuel-Efficient (SAFE) Vehicles rule. This rule, which modifies an Obama-era rule that would have increased vehicle fuel standards by 5 percent annually, is the largest deregulatory action of the Trump Administration, with estimated savings of nearly $200 billion. The shift in fuel standards will bring significant reductions in technology and vehicle costs, contend AAF's Dan Goldbeck and Dan Bosch in an analysis of the final rule, but also potential reductions in cumulative fuel savings due to a less fuel-efficient fleet.

An excerpt:

> The SAFE Vehicles rule is the largest deregulatory action, by estimated savings, that the Trump Administration has finalized – by a factor of 20. As wild of a ride as this area of rulemaking has been, it is far from over. This rule saw nearly 800,000 comments in its docket. Litigation for and against it has surely already been drafted. While the agencies contend that this is the definitive standard, questions abound regarding the real-world implementation in the face of numerous external factors. These factors include automakers' own longer-term plans toward fuel efficiency, California establishing its own state standards and the preemption issues raised by that fact, and continued uncertainty regarding how the vehicle and fuel markets will actually look 5 to 10 years from now.

Read the analysis.