

American Energy Alliance
1155 15th Street NW, Suite 900
Washington, DC 20005

April 6, 2020

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

We write you to express our support for the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule. This joint Department of Transportation (DOT) and Environmental Protection Agency (EPA) rulemaking will reform the federal fuel mandates known as the Corporate Average Fuel Economy (CAFE) program.

The problems with the program are numerous and have only been compounded over its 40-year history. The fuel economy mandate has imposed a needless cost on car buyers of around \$4,000 per vehicle and the previous administration's plan would have cost car buyers [more than \\$7,000 by 2025](#).

To meet the mandate, automakers often have sold smaller, less desirable cars at a discount, while increasing prices on larger, more popular cars, crossovers, SUVs, and trucks. Today, the average transaction price for light vehicles [in the United States is approaching \\$39,000](#).

Absent this tough but fair rule, the previous administration's CAFE mandate would have made this problem even worse, shifting burdens onto families with needs or preferences for larger vehicles. Such families not only include those with children, but also those with individuals having mobility challenges. Those families and individuals who prefer or need trucks, SUVs, and crossovers pay more to subsidize those who buy smaller vehicles or electric vehicles under the existing mandate. This significant, needless, and unjust cost is a very real regressive tax on American families that has made our country worse off.

The existing unworkable mandate has also pushed people toward cars that are less safe. The cost increases on new vehicles inflicted by CAFE keep families in older, less safe, less reliable vehicles longer. While we would have preferred an even greater reduction or even the elimination of the mandate altogether, the right-sizing of this mandate to a 1.5-percent annual increase in fuel economy from an onerous 5 percent will improve the vehicle market on all fronts

and restore the decision about the types of cars people can buy to consumers and the auto industry.

The new rule is projected to save Americans \$1,400 over the life of a new vehicle. More importantly, it will reduce collision fatalities by more than 3,300 annually and it will reduce hospitalizations by tens of thousands. This rule gives consumers a chance to have newer, safer, and more affordable vehicles.

It should also be noted that the reform is a floor, not a cap. Automakers are free to manufacture and consumers are free to buy vehicles with greater fuel efficiency if so desired.

The fundamental question on the CAFE mandate is clear: who should decide which cars and trucks are on the road, families or bureaucrats in Sacramento and Washington? This plan empowers consumers and car buyers.

Sincerely,

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American Energy Alliance

Bethany Marcum
Alaska Policy Forum

Lisa B. Nelson
American Legislative Exchange Council

Michael Bowman
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Phil Kerpen
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