



## The Facts about H.R. 1506, H.R. 2927, and H.R. 3059

### *Industry misrepresents Markey-Platts, Hill-Terry, and Barton proposals*

For the first time in over 30 years, a majority of the House of Representatives is on record supporting higher mileage standards. But the differences between the three main fuel economy bills are vast. In 2020, H.R. 1506 (Markey-Platts) is projected to save 1.6 million barrels of oil per day, more than we currently import from Saudi Arabia, while H.R. 2927 (Hill-Terry) and H.R. 3059 (Barton) save less than a third that much. The auto industry continues to misrepresent the details and impacts of these proposals, but its scare tactics do not hold up to scrutiny.

### Automaker claims

- H.R. 1506's 35 mpg standard is unattainable given the current makeup of the U.S. auto fleet.
- H.R. 1506 requires pickups, SUVs and other light trucks to achieve the same mileage standard as smaller cars.
- H.R. 2927 and H.R. 3059 targets are a stretch for the auto industry, and would yield significant results.
- H.R. 2927 would not threaten state global warming programs.

### Facts

- In 2002, the National Academy of Sciences reported that, within 10-15 years, midsize cars could average 41.3 mpg, minivans could average 36.6 mpg, and large pickups could average 29.5 mpg while maintaining current safety and performance characteristics. ***With today's sales mix, the fleet analyzed by the NAS would average around 37 mpg, exceeding the targets in H.R. 1506.***<sup>1</sup>
- H.R. 1506 authorizes NHTSA to set standards based on vehicle attributes like size, ***a reform endorsed by GM, Ford, and the Alliance of Automobile Manufacturers.*** Under size-based standards, a fleet-wide target of 35 mpg would require large pickups to average only 28 mpg — a level the National Academy of Sciences said could be achieved without sacrificing size or power.<sup>2</sup>
- The Hill-Terry and Barton bills raise fleet-wide mileage less than 1.8% annually between 2012 and 2022. Not only is that less than half of the 4% yearly improvement President Bush called for in his 2007 State of the Union address, it's also weaker than the Administration's mileage rules covering model year 2005-2011 light trucks. ***These status quo targets are only projected to save 11 days worth of oil in 2020,*** letting the auto industry claim to support higher standards while actually working to roll back the bipartisan fuel economy agreement reached in the Senate.<sup>3</sup>
- The Hill-Terry bill gives the Department of Transportation authority over global warming pollution, casting into doubt the Environmental Protection Agency's (EPA) ability to regulate vehicle greenhouse gas emissions. This undermines the recent *Massachusetts v. EPA* Supreme Court decision and could disrupt the greenhouse gas standards already on the books in 12 states.

## Automaker claims

- H.R. 1506 will hurt farmers and others who rely on large pickups for work.
- H.R. 1506 will cost thousands of U.S. jobs, within and beyond the auto industry.

## Facts

- Rep. Markey has proposed adding a "work truck" exemption to H.R. 1506, similar to a provision in the Senate energy bill, covering large pickups and passenger vans used in agriculture, construction and commerce. ***Pickup owners also strongly support congressional action; 83% called for higher mileage standards in a recent national survey.***<sup>4</sup>

- Today, one of the biggest threats to autoworker jobs is the dwindling market share of the Detroit 3. Since May 2005, Ford, GM and Chrysler have cut or proposed cutting 132,000 jobs, as high gas prices shifted the market towards more efficient vehicles.

***A new study by a former GM market analyst found that H.R. 1506 could actually boost Big Three profits by \$14.4 billion between 2008 and 2017, more than twice the increase expected under H.R. 2927.***<sup>5</sup> And H.R. 1506 also has an "anti-backsliding" provision intended specifically to protect UAW jobs. Finally, the Union of Concerned Scientists estimates that — by shifting spending on gasoline to more productive sectors of the economy — H.R. 1506 would create 241,000 new jobs economy-wide by 2020, while saving consumers more than \$37 billion.<sup>6</sup>

- H.R. 1506's 35 mpg standard is extreme.

- ***President Bush, the National Petroleum Council, a bipartisan majority of the U.S. Senate, and the Securing America's Future Energy coalition of business executives and military officials have all called for fuel economy increases consistent with or stronger than those required under H.R. 1506.***

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<sup>1</sup> "Effectiveness and Impact of Corporate Average Fuel Economy (CAFE) Standards," National Academy of Sciences report to Congress, 2002.

<sup>2</sup> *Ibid.*

<sup>3</sup> "Hill-Terry and Barton-Blunt-Hastert Bills Propose Feeble Targets, Ignore American Can-Do Spirit," Union of Concerned Scientists, July 2007.

<sup>4</sup> Survey of 1,000 pick-up owners conducted for National Environmental Trust by the Mellman Group, April 28 to May 1, 2007.

<sup>5</sup> "The Impact of Attribute-Based Corporate Average Fuel Economy (CAFE) Standards: Preliminary Findings," Walter McManus, University of Michigan Transportation Research Institute, July 2007.

<sup>6</sup> "Creating Jobs, Saving Energy and Protecting the Environment," Union of Concerned Scientists, 2007.