NHTSA Deputy Administrator King to Congress: SAFE Vehicles Rule Will Put More Americans In Newer, Safer Cars and Trucks

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"Consumers are more likely to upgrade to newer, cleaner, safer cars if costly regulations don't raise the price beyond consumers' means."

Infeasible fuel economy standards raise the price of new vehicles and prevent families from purchasing newer, safer cars and trucks, National Highway Traffic Safety Administration Deputy Administrator Heidi King told Congress on Thursday.

"We know that newer cars are safer and cleaner than older cars. We also know that consumers can choose whether to keep their older car or to purchase a newer, safer, cleaner car. This is relevant since there are already more cars than adults in our country. Standards that increase the price of a new car can hinder safety by discouraging people from replacing their older cars with cleaner, safer, newer cars," she told members of the House Energy & Commerce Committee during a joint subcommittee hearing.

A copy of Deputy Administrator King's testimony as prepared for delivery is available here.

Last year, NHTSA and the U.S. Environmental Protection Agency together proposed the Safer Affordable Fuel Efficient (SAFE) Vehicles Rule to establish new fuel economy and greenhouse gas standards for model year 2021-2026 passenger cars and light trucks. The rulemaking comes as American consumers are finding new vehicles less affordable.

"Today, we are facing an affordability crisis in the new car market. The average price of a new vehicle exceeds \$37,000, and new vehicle prices have risen 29% in the past decade, while median family income grew only 6% during that period," she said.

The proposed rule also comes as the automotive industry is struggling to meet current fuel economy targets.

"Today, automakers are struggling to meet the existing standards. EPA's latest 'Trends Report' showed that despite record fuel economy gains, all but three of the thirteen major automakers failed to meet their performance targets for the 2017 model year," King said.

Moreover, consumers face diminishing returns as fuel economy standards rise.

"As fuel economy improves, the incremental gains to consumers diminish," Deputy Administrator King said. "That means that each additional fuel economy improvement becomes much more expensive as the low-cost technological improvement options are already deployed."

The SAFE Vehicles Rule encourages innovation and allows automakers the flexibility to respond to consumers' needs.

"I assure you, the SAFE Vehicles Rule will establish maximum feasible standards that would not prevent any auto manufacturer from designing and building next-generation highly fuel-efficient vehicles, including hydrogen fuel cell vehicles, battery electric vehicles, hybrids, and plug-in hybrids in response to market demands," King said. "In fact, I am excited – we are all excited – to witness the expansion of the diverse designs and power trains, providing more consumer choice."

As the final rule is crafted, regulators are considering hundreds of thousands of public comments, as well as available data.

"NHTSA and EPA are working together to ensure that this important rule will rely on the best possible engineering and economic information, data and science, and that we review the comments thoroughly in order to assure a final rule that is reasonable, appropriate, transparent, and consistent with the law given current facts and conditions," Deputy Administrator King said.

For more on the SAFE Vehicles Rule, click here.

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