



Information Alert

State-Federal Relations Division

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EPA and NHTSA Finalize SAFE Vehicles Rule

The U.S. Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration (NHTSA) issued new greenhouse gas (GHG) emission and Corporate Average Fuel Economy (CAFE) standards for light-duty motor vehicles. Specifically, the [“Safer Affordable Fuel-Efficient \(SAFE\) Vehicles Rule for Model Years \(MY\) 2021-2026 Passenger Cars and Light Trucks,”](#) will require automakers to increase the fuel efficiency of vehicles by 1.5% a year through 2026, a reduction from the 5% annual increases that had been required under the previous 2012 rule. NHTSA is tasked with promulgating CAFE standards, while EPA is tasked with regulating tailpipe greenhouse gas emissions from vehicles.

As background, in 2012, EPA and NHTSA [finalized](#) a rule outlining both CAFE standards and GHG emission standards for light-duty vehicles for model years (MY) 2017-2025. The rule established targets to increase fuel efficiency for new light-duty vehicles from 35.5 miles-per-gallon in 2016 to 54.5 by MY 2025, while also finalizing GHG emission limits that corresponded to the above standards. Additionally, as part of the 2012 rulemaking, EPA was required to conduct a midterm evaluation (MTE) of the standards for MYs 2022-2025. In Jan. 2017, ahead of the MTE’s April 2018 deadline, the EPA, under the Obama administration, [issued its final midterm determination](#), which maintained the standards set forth in the initial rule.

In August 2017, under the new administration, EPA [formally](#) began the process of reconsidering this final determination. In August 2018, the agency issued a proposed rulemaking requesting comments on [various options to amend the existing standards](#), including a “preferred scenario” that would have frozen fuel economy standards at 2020 levels for vehicle model years 2021-2027 at an average of 37 mpg as well as revoke California’s Clean Air Act (CAA) Section 209 waiver. This waiver allowed the state to impose more stringent GHG emission standards than federal ones – but based on the 2012 final rule, California and federal government had been enforcing the same standards and the state’s standards weren’t more stringent at that time. Prior to the issuance of today’s final rule, EPA formally revoked California’s CAA waiver, in 2019 under the [One National Program rule](#), which immediately sparked litigation that is currently ongoing.

Under the new requirements the administration said 2026 model-year fleet cars, trucks and SUVs will average roughly 40.4 mpg, compared to the 46.7 mpg projected requirements in the 2012 rule. Further, the administration stated that the SAFE Vehicles Rule would result in 3,300 fewer crash fatalities, 397,000 fewer injuries, and more than 1.8 million fewer vehicles damaged in crashes are projected over the lifetimes of vehicles built according to these new standards.

For any further questions surrounding the announcement, please contact NCSL staff [Kristen Hildreth](#) | 202-624-3597 or [Ben Husch](#) | 202-624-7779. For more information, please read the available EPA and NHTSA [fact sheets](#).