



Senators Feinstein, Snowe, Durbin, Chafee, Inouye, Cantwell Lead Bipartisan Coalition to Call for Raising Average Fuel Economy Standards for All Vehicles to 35 mpg by Model Year 2017

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Reduce carbon dioxide emissions by 420 million metric tons*

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**Washington, DC** – U.S. Senators Dianne Feinstein (D-Calif.), Olympia Snowe (R-Maine), Richard Durbin (D-Ill.), Lincoln Chafee (R-R.I.), Daniel Inouye (D-Hawaii), and Maria Cantwell (D-Wash.) today led a bipartisan coalition to introduce legislation that would raise the average fuel economy standards for all vehicles, including SUVs and sedans, from 25 miles per gallon (mpg) to 35 mpg by model year 2017.

If passed, the bill would save:

- **2.5 million barrels of oil per day by 2025**, the same amount of oil we currently import from the Persian Gulf; and
- **420 million metric tons of carbon dioxide emissions by 2025**, the equivalent of taking 90 million cars (or 75 million cars and light trucks) off the road in one year.

The bill is also cosponsored by Senators Bill Nelson (D-Fla.), Barbara Boxer (D-Calif.), Frank Lautenberg (D-N.J.), Robert Menendez (D-N.J.) and Joseph Lieberman (D-Conn.).

**“The price we’re paying for our daily driving habits is simply too high. The time has come to reduce the cost of gas, decrease our dependence on foreign oil, and protect our climate,”** Senator Feinstein said. **“The single most important step we could take would be to close the SUV loophole and increase fuel economy standards for all vehicles to 35 miles per gallon. This bill will ensure that the standards are there to prompt the auto industry to build a cleaner fleet. Clearly, the time to change the outdated CAFE standards is now.”**

**“When it comes to the fuel economy of America’s cars and trucks, we simply must do better – and this bill puts us on that path. Improving fuel economy by requiring a fleet average increase of 10 mpg over 10 years for each manufacturer is well within our reach without compromising automobile safety and affordability,”** said Senator Snowe. **“The real effects of increasing the fuel economy of our automobile fleets will be to lessen our dependence on foreign oil, bring down the price of gasoline, and clean up our air emissions.**

**The Senate must lead in ensuring consumers have a choice of vehicles that offer higher fuel economy and a lesser impact on our environment.”**

Senator Durbin, who proposed setting a new fuel efficiency standard for cars and light trucks on three occasions in the past four years, said: **“Congress can no longer ignore the real solution to ending our dependence on foreign oil and reversing the growing and harmful effects of global warming. The road to energy security, a healthier environment and consumer relief begins with increasing the fuel economy for all cars and trucks.”**

**“I am proud to join in introducing this much needed legislation which will improve the fuel economy standards of all vehicles,”** said Senator Chafee. **“Raising CAFE standards will reduce our dependence on foreign oil, save us money at the pump, and improve our air quality. Congress must take action to address this worsening problem, and begin the process of curing our nation of its addiction to foreign oil.”**

**“We know from experience that our nation’s insatiable demand for oil is one of our greatest economic vulnerabilities, but we have the capacity to do something about it. New CAFE standards are one of the most immediate and effective steps we can take to remedy our dependence on oil,”** said Senator Inouye, Co-Chairman of the Senate Commerce, Science, and Transportation Committee. **“Our Commerce Committee helped establish the first CAFE standards in 1975, which were largely credited with decreasing the nation’s oil demand in the 1980s. It is time that we update them, and I look forward to helping lead the effort.”**

**“Every time Americans empty their wallets to fill up their gas tanks, they wonder why they’re paying so much and getting so little,”** said Cantwell, a member of the Senate Energy and Commerce Committee. **“We know the technology already exists to allow American families to drive any car they want and still save hundreds of dollars a month just by getting better gas mileage. It’s time we ask for more from our cars and the companies that make them. This bill sets a reasonable goal of improving fuel economy by ten miles per gallon over the next ten years. If we’re going to reduce our dependence on foreign oil and keep gas costs affordable, we need this commonsense approach to improve the efficiency of the cars and trucks on our roads.”**

The bill would also:

- **Require vehicle fuel economy labels to reflect actual driving conditions.** The bill would require the EPA to update the test that sets the estimated fuel economy for city and highway driving.
- **Establish mandatory on-board fuel economy displays** that show real-time fuel consumption to encourage more fuel efficient driving.
- **Improve safety rulemaking standards:** The bill would require the Department of Transportation to set standards for the industry that will protect Americans in whatever car they choose to drive—whether the Ford Excursion or the Toyota Prius.
- **Create a program to identify vehicles that meet or surpass mandatory fuel economy standards – the green label and the gold star label.**

- The green label would be for vehicles that meet or exceed the applicable fuel economy standard or have the lowest greenhouse gas emissions.
- The gold star label would be for vehicles that achieve a fuel economy at least 50 mpg, and for light trucks with 37 mpg or higher.

## **Background**

The United States consumes 25% of the world's oil but only has 3% of the world's reserves. Demand for oil is growing internationally.

China's recent surge in oil imports has vaulted them into second place among the world's biggest oil consumers, behind only the U.S. In the past 5 years, China's oil imports have doubled, and show no signs of slowing down. China's auto fleet is predicted to increase from 25 million currently to 125 million within 25 years, which is why Chinese demand for oil is expected to double again by 2025, while its imports will quadruple to 60 percent of its total oil consumption.

India is a relatively small player in the global oil market so far and currently accounts for 3 percent of the world's oil consumption, but this is expected to grow rapidly in the coming years. India is heavily dependent on oil imports. Over 70 percent of India's oil is imported, and it is expected that more than 80 percent of India's energy will be imported by 2020.

Further, oil-producing countries are making it more difficult for oil companies to invest and increase production. Countries like Bolivia, Russia and Venezuela have taken over the oil fields in their countries; while Nigeria and Kazakhstan have given preferential treatment to state companies. Coupled with increased demand, this will lead to perpetual higher costs at the pump.

The International Energy Agency Director Claude Mandil recently said that he expected oil prices to remain high for at least two to three years because of high international demand and tight supply.

In fact, at \$3 per gallon, Americans driving 15,000 miles per year are, on average, using 600 gallons of gasoline and spending as much as \$1,800 per year on gas. By raising CAFE standards to 35 miles per gallon, consumers would only use 429 gallons of gas per year, costing \$1,287 per year for gas. That's a savings of \$513 per year at the pump. Assuming the consumer keeps the vehicle for at least five years, that's a savings of more than \$2500—more than enough to recoup the cost of more efficient vehicles.

Raising fuel economy standards would also help reduce carbon dioxide emissions. Transportation accounts for one-third of all U.S. greenhouse gas emissions. Every gallon of gasoline burned emits 20 pounds of harmful CO<sub>2</sub> into the atmosphere. That means that each car is responsible for about 12,000 pounds of greenhouse gas emissions every year.

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