

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
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August 29, 2019

Elaine Chao, Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Andrew Wheeler, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W
Washington, DC 20460

Mary Nichols, Chair
California Air Resources Board
1001 I Street, Sacramento, CA 95814
P.O. Box 2815, Sacramento, CA 95812

Dear Secretary Chao, Administrator Wheeler, and Chair Nichols:

The U.S. Chamber of Commerce urges you to redouble efforts to identify a workable path forward on light duty vehicle fuel economy and greenhouse gas standards that provides regulatory certainty, continues progress on mileage and emissions reductions, and preserves a unified national program for vehicle sales.

This framework, known as One National Program, or ONP, has allowed for efficient regulatory compliance and a smoothly functioning marketplace under which manufacturers can sell the same vehicles across all 50 states. This significantly reduces vehicle design, supply chain, and distribution costs. As you know, however, ONP is now on the brink of potential dissolution into a patchwork of incompatible state and federal standards.

The attached Chamber report, *Divided Highway: the Importance of Uniform, Achievable Nationwide Automobile Standards*, summarizes the importance of maintaining ONP and the potentially serious disruptions to automobile markets, consumers, and the broader economy that could occur in the event of its dissolution. The ramifications of such a scenario include exacerbation of existing market uncertainties, delayed investment in and realization of safety and emissions improvements, increased consumer costs, and job losses across the auto sector, its extensive supply chain, and associated industries.

There is a growing consensus that the current standards, which require steep annual mileage improvements through model year 2025, are not reasonably achievable and must be significantly revised. It is also clear that the administration's proposal to hold standards flat beginning in

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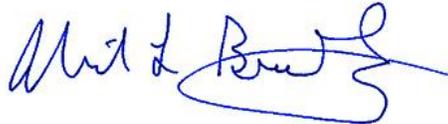
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model year 2020 is insufficient—continued progress on fuel economy and emissions reductions can be achieved without undue harm to the economy, and predictable year-over-year efficiency improvements are key to enabling the U.S. to maintain environmental and manufacturing leadership. The Chamber supports robust efforts to continue such fuel economy gains, recognizing that they must proceed at a more modest pace due to factors in the changing market dynamics that were not envisioned in 2012 when the current rules were put in place.

It is not too late to avoid the potentially dire consequences described in the Chamber's report. A workable compromise that continues to improve fuel economy and reduce emissions while recognizing market realities is not just possible, it is crucial. One National Program must remain in effect. For this to happen, political leaders on both sides must recognize the importance of such a compromise, put politics aside, and deliver a practical and achievable middle ground solution that avoids the impending chaos and uncertainty.

We know this will not be easy, but on behalf of the more than three million businesses represented in our federation of members, state and local chambers, and industry associations, we stand ready to work with you on this issue of crucial importance.

Sincerely,



Neil Bradley