



Consumer Federation of America

1620 I Street, N.W., Suite 200 * Washington, DC 20006

July 9, 2007

Dear Representative:

For the first time in twenty years, one house of Congress has voted to increase the fuel economy standard for cars, pick-ups, SUVs and minivans. Last month, the Senate passed compromise legislation that sets a target to increase fuel economy standards from 25 miles per gallon (mpg) to 35 mpg by 2020. **The undersigned national, state and local consumer organizations urge you to co-sponsor similar fuel economy legislation (H.R. 1506) introduced by Representatives Markey (D-MA) and Platts (R-PA) and to work vigorously to ensure that it is enacted quickly.** The bill would require the fuel efficiency of new cars and trucks to increase by ten miles per gallon (to 35 mpg) over the next ten years and by 4 percent every year thereafter.

Americans are more than ready to reduce their dependence on oil:

- **Consumers are being clobbered by rising gasoline prices.** Research by the Consumer Federation of America (CFA) shows that in the past five years, average household spending has increased by over \$1,000. The burden on rural Americans is even greater – a \$1,300 increase – because they tend to drive older, less fuel efficient vehicles longer distances. The indirect effects on the economy are equally profound, draining the economy of resources – the nation spends \$500,000 a minute on oil imports – and leaving consumers vulnerable to oil price shocks.
- **The United States' increasing dependence on foreign oil makes us more vulnerable to the political and economic instabilities of other nations.** Since 1985, when the Congress first began voting down further increases in fuel economy, our oil imports have tripled. We now import almost two-thirds of the oil and petroleum products we consume. As the U.S. accounts for 25 percent of the world's oil consumption, but possesses only 3 percent of the world's proven reserves, the problem will only get worse if we do not reduce consumption.
- **Global warming has become a major economic, health and environmental threat.** Gasoline consumption is the single largest source of greenhouse gases in the United States.

Polling by CFA and others shows that the public recognizes these concerns:

- 92% are concerned about future oil and gasoline prices;
- 88% are concerned about the reliability of our oil supplies;

- 86% fear that that our imports fund terrorism;
- 86% fear that our imports fund unfriendly governments;
- 64% believe there is enough evidence on global warming to take some action, and
- 82% support mandating increases in motor vehicle fuel economy.

CFA's economic analysis also shows that increasing fuel economy to 35 mpg passes both a consumer pocketbook test and a national cost-benefit test with flying colors (See: http://www.consumerfed.org/pdfs/CFA_Cost-Benefit_Analysis_of_10_in_10_June_07.pdf).

- **For consumers, increased fuel economy standards pay for themselves.** Any increase in the cost of the vehicle is more than offset by the reduction in spending on gasoline from the first month the consumer starts paying off their car loan.
- **Achieving “10 in 10” will save the nation about 100 billion gallons of gasoline, reduce greenhouse gas emission by over 1 billion tons, and lower imports by fifteen percent by 2020.**

After 20 years of inaction, it is long past time to take decisive steps toward improving fuel economy standards. Opponents of meaningful increases in fuel economy standards must not be allowed to put off House debate on this issue. We urge you to cosponsor the Markey-Platts legislation and urge the House leadership to act on it immediately.

Sincerely,

Consumer Action
Consumer Federation of America
Consumers Union

AkPIRG
Arizona Consumers Council
Arizona PIRG
CALPIRG
Chicago Consumers Coalition
Citizens' Utility Board of Oregon
Columbia Consumer Education Council
Consumer Assistance Council of Cape Cod
Consumer Federation of the Southeast
Consumers for Auto Reliability and Safety
CoPIRG
Democratic Processes Center
Empire State Consumer Association
Florida Consumer Action Network
Florida PIRG

Illinois PIRG
Maryland Consumer Rights Coalition
Maryland PIRG
Massachusetts Consumers' Coalition
New Jersey Citizen Action
New Mexico PIRG
North Carolina Consumers Council
NYPIRG
Utility Consumers' Action Network
Victim's Committee for Recall of Defective Vehicles
Virginia Citizens Consumer Council
VPIRG
Wisconsin Consumers League