

Consumer Federation of America



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NATION'S LARGEST CONSUMER GROUPS SUPPORT 54.5 MPG STANDARD

Consumer experts testify in support of standards due to consumer fuel savings, consumer demand for higher mileage cars

Washington, D.C. – As hearings on fuel economy standards are held today in Philadelphia and next week in San Francisco, the nation's largest consumer groups — the <u>Consumer Federation of America (CFA)</u> and <u>Consumers Union (CU)</u>, the policy and advocacy division of <u>Consumer Reports</u> -- are speaking out in support of proposed rules to increase passenger vehicle fuel economy standards to 54.5 mpg by the year 2025.

"By far the single largest benefit of '54.5 by 2025' is the reduction of consumer expenditures on gasoline," said Mark Cooper, CFA's Director of Research. "The consumer pocketbook savings for the typical consumer with a 5 year auto loan will be immediate and substantial."

New analysis from CFA reveals that the proposed fuel economy standards will:

- lower the cost of driving for consumers in the very first month after their new car purchase (the reduction in gasoline expenditures is greater than the increase in the monthly payment to cover the cost of fuel saving technology),
- save the consumer an average of nearly \$800 by the end of the auto loan and \$3000 by the 10th year of ownership.

"Consumers are hungry for more fuel-efficient vehicles," said Shannon Baker-Branstetter, Policy Counsel for Consumers Union. "Consumers today are in a very vulnerable position when gas prices spike, and the overall trend is upward. Over the last decade, when you adjust for inflation, gas prices have almost doubled. We strongly support the 54.5 mpg standard, both because of the consumer savings and because it will benefit America's economy overall."

A recent consumer survey by Consumers Union found that:

- 93 percent of those surveyed want to see stricter fuel-economy standards and
- more than half (56 percent) of consumers polled are considering a hybrid or alternative fuel vehicle for their next vehicle purchase.

To read CFA's statement before the Joint NHTSA-EPA Hearings on Fuel Economy Standards for 2017-2025, go to:

To read more about CFA's new pocketbook analysis, go to: <u>http://consumerfed.org/news/440</u>

To read more about the recent Consumer's Union survey go to: http://www.consumersunion.org/energy/categories/fuel_economy

The Consumer Federation of America is an association of nearly 300 nonprofit consumer organizations that was established in 1968 to advance the consumer interest through research, advocacy, and education.

Consumers Union (CU) is an expert, independent, nonprofit organization whose mission is to work for a fair, just, and safe marketplace for all consumers and to empower consumers to protect themselves.