

## 1. POLICY POSITION

### MANDATED CORPORATE AVERAGE FUEL ECONOMY STANDARDS

#### BACKGROUND

Efforts have been made recently in Congress to impose drastic increases in the Corporate Average Fuel Economy (CAFE) standards on the automotive industry for cars and light trucks, calling for a forty percent (40 %) increase to be achieved by 2001.

A major increase in the CAFE standards would sharply limit consumers' choice of vehicles, limiting them to choose from minicompact and compact cars. Unrealistic standards would seriously reduce the availability of full-size and mid-size vans and pick-up trucks, the workhorse of many small businesses and farms.

It has been estimated that significantly higher CAFE standards could cost as many as three hundred thousand (300,000) U. S. jobs in the next decade.

Higher CAFE standards would do little to enhance U. S. energy security - reducing oil imports by only one to two percent (1% - 2%) by the year 2005. Meanwhile, the automotive industry continues to make steady, continuous improvements in the fuel economy of the fleet it offers for sale to the public.

Many national safety experts have opined that a drastic increase in the CAFE standards would increase the risk of fatalities and injuries because of smaller and lighter automobiles creating a vast difference in vehicle sizes operating on the roads and highways.

#### RECOMMENDATION

The Southern Legislative Conference hereby urges the U. S. Congress to reject any effort to impose unrealistic Corporate Average Fuel Economy (CAFE) standards on the automobile industry, thus preserving the freedom of the public to exercise its choice of vehicle to meet its needs, and that an appropriate copy of this resolution be sent to every member of the Southern Legislative Conference Congressional Delegation.

Adopted by the Southern Legislative Conference, July 23, 1991.

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