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Obama's Order Is Likely to Tighten Auto Standards

By [JOHN M. BRODER](#) and [PETER BAKER](#)

WASHINGTON — [President Obama](#) will direct federal regulators on Monday to move swiftly on an application by California and 13 other states to set strict automobile emission and [fuel efficiency](#) standards, two administration officials said Sunday.

The directive makes good on an Obama campaign pledge and signifies a sharp reversal of Bush administration policy. Granting California and the other states the right to regulate tailpipe emissions would be one of the most emphatic actions Mr. Obama could take to quickly put his stamp on environmental policy.

Mr. Obama's presidential memorandum will order the [Environmental Protection Agency](#) to reconsider the Bush administration's past rejection of the California application. While it stops short of flatly ordering the Bush decision reversed, the agency's regulators are now widely expected to do so after completing a formal review process.

Once they act, automobile manufacturers will quickly have to retool to begin producing and selling cars and trucks that get higher mileage than the national standard, and on a faster phase-in schedule. The auto companies have lobbied hard against the regulations and challenged them in court.

Mr. Obama will use the announcement to bolster the impression of a sharp break from the Bush era on all fronts, following his decisions last week to close the detention facility at Guantánamo Bay, Cuba; tighten limits on interrogation tactics by [Central Intelligence Agency](#) officers; order plans to withdraw combat forces from Iraq; and reverse President [George W. Bush's](#) financing restrictions on groups that promote or provide abortion overseas, administration officials said.

Beyond acting on the California emissions law, officials said, Mr. Obama will direct the Transportation Department to quickly finalize interim nationwide regulations requiring the automobile industry to increase fuel efficiency standards to comply with a 2007 law, rules that the Bush administration decided at the last minute not to issue.

To avoid losing another year, Mr. Obama will order temporary regulations to be completed by March so automakers have enough time to retool for vehicles sold in 2011. Final standards for later years will be determined by a separate process that under Mr. Obama's order must take into consideration legal, scientific and technological factors.

He will also order federal departments and agencies to find new ways to save energy and be more environmentally friendly. And he will highlight the elements in his \$825 billion economic [stimulus plan](#)

intended to create jobs around renewable energy.

The announcements, to be made in the East Room, will begin a week of efforts to get the stimulus plan through Congress. The White House hopes the Senate will confirm [Timothy F. Geithner](#) as Treasury secretary on Monday, and Mr. Obama plans to travel to Capitol Hill on Tuesday to meet with both Senate and House Republican caucuses and lobby for his stimulus package. Mr. Obama's aides expect the House to vote on its plan on Wednesday.

But the centerpiece of Monday's anticipated announcement is Mr. Obama's directive to the Environmental Protection Agency to begin work immediately on granting California a waiver, under the [Clean Air Act](#), which allows the state, a longtime leader in air quality matters, to set standards for automobile emissions stricter than the national rules.

California has already won numerous waivers for controls on emissions that cause smog, as opposed to [global warming](#).

The Bush administration denied the waiver in late 2007, saying that recently enacted federal mileage rules made the action unnecessary and that allowing California and the 13 other states the right to set their own pollution rules would result in an unenforceable patchwork of environmental law.

The auto companies had advocated a denial, saying a waiver would require them to produce two sets of vehicles, one to meet the strict California standard and another that could be sold in the remaining states.

The Bush administration's environmental agency director, [Stephen L. Johnson](#), echoed the automakers' claims in denying California's application, ignoring the near-unanimous advice of agency lawyers and scientists that the waiver be granted.

Gov. [Arnold Schwarzenegger](#) of California, a Republican, wrote to Mr. Obama last week asking him to swiftly reconsider Mr. Bush's decision. The head of California's Air Resources Board, [Mary D. Nichols](#), also wrote to the new director of the environmental agency, [Lisa P. Jackson](#), asking for a quick reversal of the Bush policy.

Ms. Nichols said Sunday night that she had not been formally notified that Mr. Obama intended to move toward granting the waiver. But she said, "Assuming that it is favorable to our request, we're delighted that the president is acting so quickly to reverse one of the worst decisions by the Bush administration and to get the E.P.A. back on track."

Ms. Jackson indicated in her confirmation hearing this month that she would "aggressively" review California's application. The environmental agency has routinely granted California such waivers dozens of times over the past 40 years.

The California law, which was originally meant to take effect in the 2009 model year, requires automakers to cut emissions by nearly a third by 2016, four years ahead of the federal timetable. The result would be an increase in fuel efficiency in the American car and light truck fleet to roughly 35 miles per gallon from the current average of 27.

The emissions standards are part of an ambitious California plan to reduce emissions of the gases that are

blamed for the heating of the atmosphere. Automotive emissions account for more than one-fifth of all such greenhouse gases.

California was joined in its plea by 13 other states, including New York, New Jersey, Connecticut, Massachusetts, Pennsylvania, Oregon and Washington. Three other states have indicated they plan to adopt the California standard. Together they account for about half of the American market for cars and light trucks.

Charles Territo, a spokesman for the Alliance of Automobile Manufacturers, said the car makers would prefer a single national standard and needed time to develop new fuel-sipping models. "Applying California standards to several different states would create a complex, confusing and very difficult situation for manufacturers," he said last week in anticipation of the Obama administration's announcement.

Mr. Obama wants to use the Monday event to promote the environmental and energy elements of his economic plan, aides said. According to a report released by the White House this weekend, the plan is intended to double renewable energy generating capacity over three years, which would be enough to power six million American homes.

It would also pay for 3,000 miles of new or modernized transmission lines as part of a new national electric grid as well as 40 million "smart meters," which provide instant readouts of electricity uses, on American homes. The money would also help refurbish two million homes and 75 percent of federal building space to better guard against the weather and conserve enough energy to save low-income families \$350 a year and the federal government \$2 billion a year, according to the report.

The White House also said that Mr. Obama wanted to start a "clean energy finance initiative" to leverage \$100 million in private sector investments over the next three years through loan guarantees and other financial support.

Environmentalists and California Democrats had pressed hard for the tougher automotive standards. Daniel J. Weiss, director of climate strategy at the Center for American Progress in Washington, plans to attend Monday's announcement and said he was pleased by the quick action.

"This is a complete reversal of President Bush's policy of censoring or ignoring global warming science," Mr. Weiss said. "With the fuel economy measures and clean energy investments in the recovery package, President Obama has done more in one week to reduce oil dependence and global warming than George Bush did in eight years."

The California rules would not take effect immediately, but would require several months of legal review and public comment. The auto companies could challenge them in court, but they have been unsuccessful in previous lawsuits.

The Clean Air Act allows California to seek a waiver from federal rules if it can demonstrate that its own regulations are more stringent, and needed to address its air pollution problems. California's trend-setting air resources board has done this successfully more than 50 times. Other states can adhere to either the California or the federal standard.

Felicity Barringer contributed reporting from Palo Alto, Calif.

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