Judge Upholds California Auto-Emission Law

A district court judge ruled that California has the right to set its own vehicle-emission standards, but the state is still waiting to hear from the EPA.

by: Jennifer Kho

The Senate passed a bill Thursday evening that could raise vehicle fuel economy for the first time in more than 30 years. But the automobile industry and environmentalists are awaiting a decision from the U.S. Environmental Protection Agency that could end up boosting the miles-per-gallon requirements still higher in the Golden State.

In a decision environmentalists praised, U.S. District Court Judge Anthony W. Ishii on Wednesday upheld a ruling that California has the right to set its own vehicle-emissions standards.

"Today's decision brings us closer to [greener cars]," said Robert Wilder, CEO of WilderShares, which manages clean-energy indices. "We saw automakers resist seatbelts in just this way, and airbags. Each time, they lost in the end and their cars were better for them having to do what was required. This removes another brick in the wall of traditional auto industries' [resistance] to reducing emissions."

Because it had emissions-control regulations before March of 1966, when the Clean Air Act took effect, California is the one state allowed to set its own standards. Other states can either adopt California's standards or the federal standards, and sixteen other states have decided to adopt, or are considering adopting, California's standards, according to Gov. Arnold Schwarzenegger's office.

If automakers end up having to increase fuel economy to meet California's
standards, they most likely will not create separate cars for the state, meaning that California's standards will become the de facto U.S. standards, Wilder said.

Automakers sued California, along with other states trying to tighten transportation emissions laws, in 2004. The state then sued six automakers after passing the Global Warming Solutions Act last year, but the lawsuit was dismissed in September.

In spite of this week's court support, California's law still can't be enforced unless the state gets approval from the EPA.

The agency is expected to make a decision by the end of the year.

Wilder said it is disconcerting that the agency that is supposed to protect the environment is actually a roadblock to stricter standards.

"One would think the EPA would be a supporter of better standards," he said. "American car companies have been building big cars, and consumers don't want those kinds of cars any more. Car companies are being dragged, kicking and screaming, into building the cars Americans want."

Still, even a favorable EPA decision is unlikely to have an immediate impact, Wilder said.

"This will be something car companies will have to deal with in a few years, and I think by then, the issue will have moved forward beyond this. Car companies don't argue about seatbelts and airbags anymore, now that they realize people want those things. And this is more of the same."