

The Road Ahead:

Steering Through Discontinuous Change

Center for Automotive Research, Management Briefing Seminars

August 8, 2007



PRESENTATION BY

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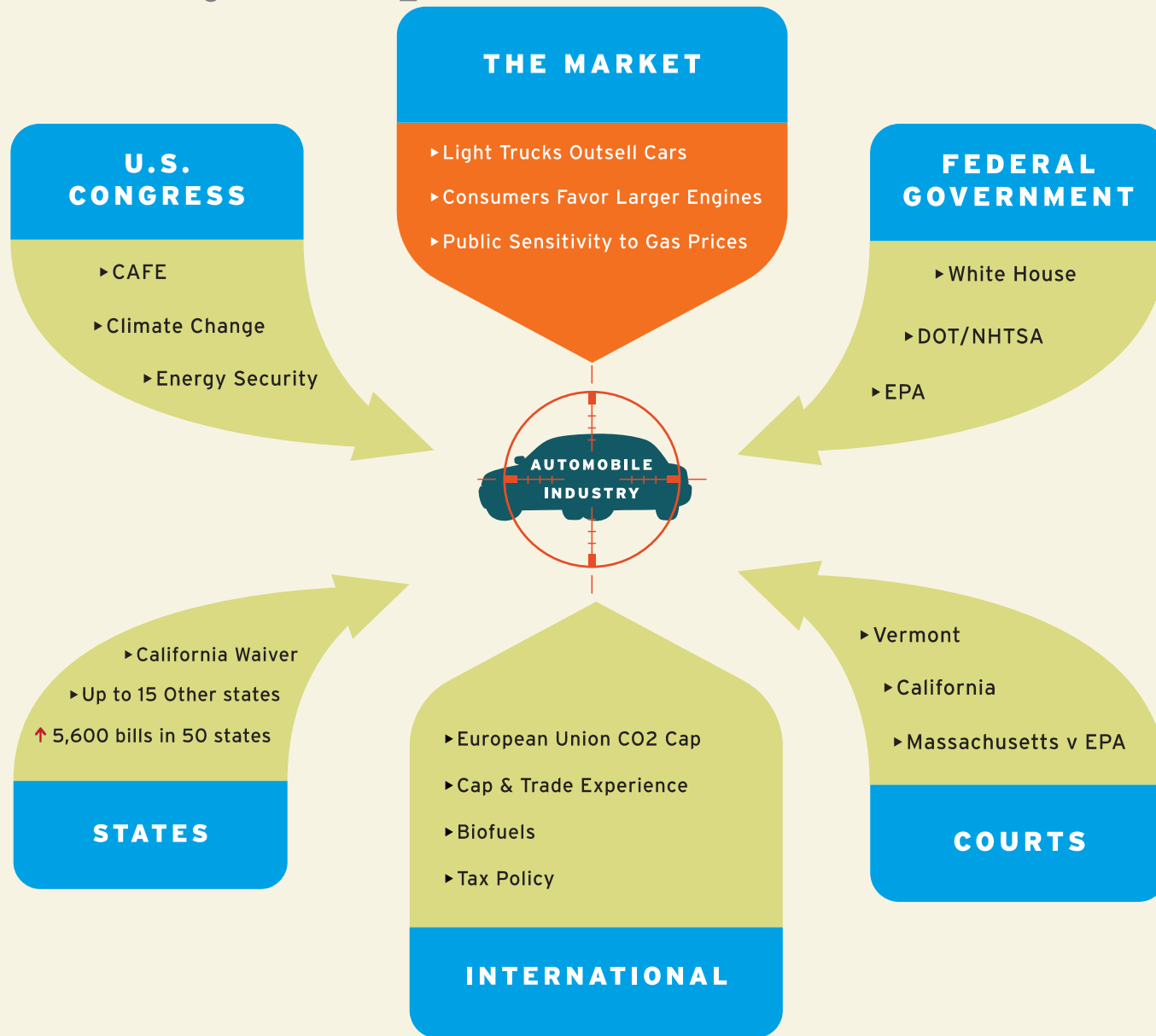
President & CEO

Alliance of Automobile Manufacturers

AUTO ALLIANCE

DRIVING INNOVATION®

Public Policy's Impact on the Auto Industry





U.S. SENATE

January 23, 2007 State of the Union Address



U.S. HOUSE

5/8/07
Commerce Committee Bill
(Feinstein's 35 MPG, Dorgan's 4%)

6/18/07
Now HR 6 & on Senate Floor

6/18/07
Pryor-Bond-Levin-Voinovich
(36 MPG Car, 30 MPG Light Truck)

6/21/07
Energy Bill
Cloture (Procedural Vote) 62y-32n

6/21/07
Energy Bill
Final Passage 62y-32n
(35 MPG Car & Light Truck)

Senate Climate Change
Lieberman
Bingaman

3/13/07
Markey Bill (HR 1506)
Calls for 35 MPG by 2018

6/27 & 28/07
Full Energy & Commerce Committee
Mark-up of Draft Legislation
(No CAFE, No Pre-Emption)

6/28/07
Committee Rejects Barton Amendment
(35MPG Car, 32 MPG Light Truck)
on Party Line Vote

6/28/07
Hill-Terry Bill (HR 2927) Introduced
162 Cosponsors

8/4/07
Energy Bill
(No CAFE)

September 2007
House Climate Change
Dingell
Markey

Conference

Conference ?

Current CAFE Proposals

BILL	TARGET (MPG)	TIMING	SUBSEQUENT YEARS
	EFFECTIVE TARGET ----- CARS LDTs		
<p>SENATE (H.R. 6)</p>	<p>35 ----- CARS LDTs 42.1 28.7</p>	<p>2020</p>	<p>“Redefines” Maximum Feasible</p>
<p>MARKEY (H.R. 1506)</p>	<p>35 ----- CARS LDTs 43.3 27.6</p>	<p>2019</p>	<p>-----</p>
<p>HILL-TERRY (H.R. 2927)</p>	<p>32-35 ----- CARS LDTs UP TO 42.1 29.8</p>	<p>2022</p>	<p>Maximum Feasible</p>

State Issues Impacting the Auto Industry

EMISSIONS & FUEL

- ▶ Calif. Emissions Standards (CA LEV)
- ▶ "Feebates" & Gas Guzzler Tax

OTHER ENVIRONMENTAL ISSUES

- ▶ Mercury
- ▶ PBDE (Deca Bans)

PARTS

- ▶ "Right to Repair"
- ▶ Key Code

TELEMATICS

- ▶ Event Data Recorders
- ▶ Video Screen Technology
- ▶ Distracted Driver Legislation

**AUTOMOBILE
INDUSTRY**

↑ 5,600 Bills in all 50 States

Alliance Members, *Part of the Solution*



“US car chiefs back tough laws to
combat global warming”

– *Financial Times*, March 15, 2007