



March 10, 2026

The Honorable Shelly Moore Capito
Chair
Environment & Public Works Committee
United States Senate
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Environment & Public Works Committee
United States Senate
Washington, D.C. 20510

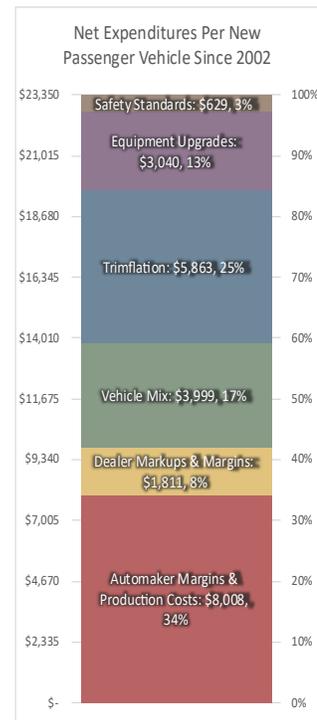
Dear Chair Capito and Ranking Member Whitehouse,

The National Consumers League (NCL) respectfully submits this letter for the record in advance of the hearing on S. 3135, the Cold Weather Diesel Reliability Act. As families across the country reel from the ongoing affordability crisis, we encourage lawmakers to consider the substantial effect fuel economy features have on alleviating household budgetary pressure, as detailed in our report titled Sticker Shock.

The American people do not have to choose between vehicle affordability and safety, energy independence, public health, and environmental stewardship. Compliance with federal fuel economy and safety standards accounts for a small fraction of vehicle expenditures, but it generates thousands of dollars in benefits per household and trillions of dollars in societal benefits. Moreover, average household expenditures on new and used vehicles have generally risen more slowly than inflation and other essential household expenses (i.e., healthcare, housing, groceries, and education), easing budgetary pressures.

Since 2002, nominal average expenditures per new vehicle (i.e., transaction prices not adjusted for inflation) have increased \$23,349.83. Improvements in fuel economy and safety standards account for only a modest share of this increase.

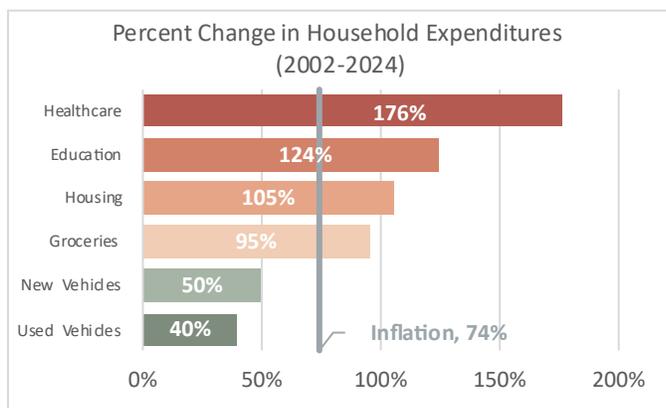
- Federal safety standards that first required compliance between 2002 and 2019 account for only \$628.98, or 2.7 percent, of the increase in average expenditures per new passenger vehicle since 2002.
Equipment upgrades—which include changes in fuel economy, comfort, convenience, durability, nonmandatory safety improvements, and safety standards that first require compliance after 2019—account for only \$3,040.20, or 13 percent, of the increase in average expenditures per new passenger vehicle since 2002.



- **Trimflation**—the rise in expenditures attributable to the sale of more high-quality models—accounts for \$5,863.32, or 25.1 percent, of the increase in average expenditures per new passenger vehicle since 2002.
- **Shifting vehicle mix**—automakers and dealers selling more light trucks than cars—accounts for \$3,998.54, or 17.1 percent, of the increase in average expenditures per new passenger vehicle since 2002.
- **Dealer markups and margins** account for \$1,810.78, or 7.8 percent, of the increase in average expenditures per new passenger vehicle since 2002.
- **Automaker margins and production costs** account for \$8,008.03, or 34.3 percent, of the increase in average expenditures per new passenger vehicle since 2002.

Vehicle affordability remains strong. When adjusted for inflation, average expenditures per new car have fallen 14.7 percent since 2002, a decrease of \$5,772.60 per transaction. Over the same period, the real average expenditure per new light truck rose 8.2 percent, an increase of \$3,867.81. The real average expenditure per new passenger vehicle (i.e., cars and light trucks combined) rose 10.4 percent, an increase of \$4,501.53. The real price of used vehicles was approximately 5.8 percent higher in 2025 than in 2002.

Purchasing power for new and used passenger vehicles has improved over the last two decades. Purchasing power measures whether household disposable income rises faster than passenger vehicle expenditures, thereby leaving more income for other goods and services. Since 2002, purchasing power for new cars has increased 34.9 percent, purchasing power for new light trucks has risen 17.4 percent, purchasing power for new passenger vehicles has grown 15.7 percent, and purchasing power for used passenger vehicles has increased 19.2 percent.



Despite increases in nominal average expenditures per vehicle, spending on new and used passenger vehicles constitutes a shrinking portion of household budgets. As durability and longevity improve, households are purchasing passenger vehicles less frequently, spreading the costs of new and used vehicles over longer periods of time. Since 2002, average household expenditures on new and used vehicles rose 50 percent and 40 percent,

respectively, well below the 74 percent increase in inflation over that period. Average household expenditures on healthcare, education, housing, and groceries rose far faster, putting a significant strain on household budgets.

All the while, today’s cars and light trucks are far more fuel efficient and come equipped with vital, lifesaving features like advanced driver assistance systems, sophisticated airbags, and

electronic stability control, saving consumers thousands of dollars over the life of a vehicle. Between 2002 and 2024, the real-world miles per gallon (mpg) of new cars rose from 22.8 mpg to 36.6 mpg, a 60.5 percent improvement. Over the same period, the real-world mpg of light trucks increased from 16.5 mpg to 24.6 mpg, a 49.3 percent increase. Because of fuel-economy improvements, owners of model year 2024 cars save, on average, \$9,099.75 in avoided gasoline expenditures. Owners of model year 2024 light trucks save, on average, \$9,920.23 in avoided gasoline expenditures. In addition, federal safety standards established between 1968 and 2019 have generated an estimated \$12.8 trillion in net societal benefits, including \$5,164.51 per household in 2025 alone.

We thank you for considering our perspective on fuel economy features and vehicle affordability.

Sincerely,

A handwritten signature in black ink that reads "Daniel M. Greene". The signature is written in a cursive style with a large, prominent 'D' and 'G'.

Daniel Greene
Senior Director of Consumer Protection & Product Safety
The National Consumers League

