



## **CR-what? Understanding Trump’s Plan to Enlist Congress to Overturn EV Mandates**

President Trump launched his second stint in the White House in January 2025 by issuing a flurry of Day 1 executive orders, including one focused on the Environmental Protection Agency and electric vehicle mandates. One exciting development was the way he ordered EV mandates be struck down: instructing the EPA to engage Congress so that the legislative branch can use the authority outlined in the **Congressional Review Act** to halt the California waivers.

Here’s what you need to know about the Congressional Review Act process, how it could play out, and what you can do to get involved.

### **What’s the Congressional Review Act?**

The Congressional Review Act, or CRA, is a law in which Congress has a period of time to weigh in on recent rules “of general applicability” finalized by federal agencies – meaning policies passed within the last 60 days are fair game for review. (Pay attention to the “general applicability” part, because it’s important, but we’ll get to that later.) If the rule doesn’t meet Congress’ standards, lawmakers have, within 60 days of its issuance, the right to introduce a resolution of disapproval.

### **Why use the CRA?**

It’s hard to roll back a final policy and it takes a long time. Legislation can be drafted to overturn a rule, but that would require lawmakers to clear a massive, filibuster-proof 60 vote threshold. With tight margins in the Senate, that’s highly unlikely. But a resolution of disapproval, on the other hand, only requires a simple majority in the House and Senate – both of which are under the control of Trump’s Republicans. Fifty-one votes are all that’s needed to pass the resolution. President Trump would then sign the resolution and bye-bye regulation and waivers.

### **Sic the CRA on all of the EPA’s regulations, then!**

Not so fast. Most of the big regulations passed during the Biden Administration are already outside the 60-day window for review. But the recent EPA waivers for Advanced Clean Cars II and other California-specific policies were never sent to Congress.

### **Why not? Aren’t all regulations supposed to go to Congress?**

Mostly, yes. The California waivers did not because the EPA claimed they didn’t count for the “general applicability” portion of the CRA (told you that part would be important). The

EPA's argument is that waivers aren't *general* – they're specific to one state, and more akin to licensing than broad policymaking. A permit, if you will. But licensing, in a federal sense, isn't the same as it is in the real world.

### **I'm listening...**

Ok, then I'm about to speak some legalese here: licensing is defined by federal law as granting a "statutory exemption or other form of permission."

### **That sounds like a waiver...**

Exactly! Sure, these waivers give California permission to do California stuff, like ban ICE engines. But we're not just talking about California here – we're also talking about all the CARB states who have agreed to adopt and enforce California's standards without the EPA granting additional waivers. Suddenly we're awfully close to "generally applicable," since there are 11 CARB states that adopted Advanced Clean Cars II. Plus, think of the auto makers! If many states act similarly on one issue, it creates waves of pressure for all states to fall in line, forcing the marketplace to adjust accordingly. It's what the EPA itself has for a long time called a "nationwide scope or effect." There's serious impact to interstate commerce and don't get me started about compliance credits.

### **Compliance credits?**

Yes – that's what one of SEMA's very smart lawyer friends called "a nationwide scheme to subsidize electric cars on the backs of gasoline-car buyers" by creating a system of credits that can be pooled and traded between the states. Just another example of the broad, national implications of one not-particular waiver for California.

### **So it sounds like the CRA is the way to go!**

SEMA agrees! We're going to be hitting Capitol Hill hard to make sure our friends on both sides of the aisle know what's at stake here. We want a technology-neutral landscape so that the automotive aftermarket industry can attack the carbon emissions challenge using innovation, not mandates. That the automotive aftermarket industry can lead through innovation and American ingenuity – particularly through alternative-fuel innovations, replacing older engine technologies with newer, cleaner versions, and converting older ICE vehicles to new electric or hydrogen-powered vehicles.

### **Can I help?**

We sure hope so! Sign up to join the SEMA Action Network today – that's where you'll see our calls to action, which will include asking your member of Congress to support a CRA for the California ICE ban waiver. And tell your friends – this is going to be a big fight and we can win, if enough of us get involved.

So circle a key date on your calendars. The EPA transmitted the California waivers to Congress in mid-February, meaning **lawmakers now have until April 19 to act.**

*Still here? Here is some more important information about the harm to come from EV mandates.*

### **EV Mandates Hurt Small Businesses**

- **95%** of SEMA's business members are small businesses.
- The specialty automotive aftermarket contributes **\$337 billion** annually to the U.S. economy and supports over 1.3 million American jobs.
- **33%** of the automotive aftermarket industry is comprised of companies manufacturing ICE-related components, consisting of parts for air and fuel, ignition, emission control, and engine and exhaust. This segment of the industry annually contributes **\$112 billion** to the U.S. economy.
- CARB's and EPA's proposed mandates will create a **seismic shift** in the automotive industry that will hurt small businesses that can't make the shift this quickly.
- Small businesses will be **most vulnerable** to the disruptions caused by a seismic shift to battery-electric vehicles. They employ American workers with technical skills and create the often politically celebrated blue-collar jobs.
- The specialty automotive aftermarket has led **technology innovation**, making vehicles more fuel efficient, safer, and more appealing to consumers.
- Large automakers are losing billions a year in their electric-vehicle programs despite the massive financial infusion of taxpayer dollars they receive from the government and subsidies to purchase EVs.
- If the large manufacturers are struggling, how are small businesses expected to survive?