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STATEMENT FROM POLICY INTEGRITY EXECUTIVE DIRECTOR ON EPA'S FUEL EFFICIENCY LABELING RULE

At a time when the price of gasoline is causing pain at the pump, EPA's decision to forego clear, letter-grade fuel efficiency labels is a missed opportunity.

At no additional cost, the simplified labels would convey information in a way that consumers can easily understand, helping them save money over the life of their vehicle. The makers of gas-guzzlers may not like having their products graded for fuel efficiency performance, but consumers benefit from the clearer presentation.

Theoretical and empirical research shows that disclosing information is not enough—to be useful to the public, data must be displayed in easy-to-digest ways. With today's decision, EPA passed up a chance to help American consumers make smart choices about fuel efficiency. At the next opportunity, the agency should correct this error, reflect the latest studies on consumer behavior and select the clearer, letter-grade label design.

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[The Institute for Policy Integrity](#) at New York University School of Law is a non-partisan think-tank using economics and law to protect the environment, public health, and consumers.

For interviews with Michael Livermore call 212-998-6085 or email ednai@nyu.edu.

For an electronic copy of this statement, [click here](#).

More information about the new label is available [here](#).

Policy Integrity's [public comments](#) on the November, 2010 draft labeling rule.