

## **Environment Department**

MICHELLE LUJAN GRISHAM, GOVERNOR

James C. Kenney, Cabinet Secretary

NEWS RELEASE

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The Environment Department's mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations.

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## More electric, hydrogen, and hybrid passenger and commercial vehicles coming to New Mexico starting in 2026

New Mexico adopts Advanced Clean Vehicles Rules

**ALBUQUERQUE** — Today the Environmental Improvement Board (EIB) and the Albuquerque-Bernalillo County Air Quality Control Board (AQCB) adopted advanced clean vehicles rules after a joint public hearing. Their independent approval of these rules ensure New Mexicans and New Mexico businesses will have access to a wide variety of electric, hybrid, and hydrogen passenger and commercial vehicles in the coming years. These types of vehicles are known as zero emission vehicles. The coordinated package of rules will significantly increase consumer choice for New Mexicans by assuring new and used zero emission vehicles are available for lease or purchase.

The rules require national auto manufacturers to ship an increasing percentage of such vehicles to New Mexico auto dealerships. Starting in calendar year 2026, 43% of all new passenger cars and light-duty trucks shipped to New Mexico auto dealerships by national auto manufacturers must be zero emission vehicles. Similarly, beginning in calendar year 2026, 15% of all new commercial heavy-duty trucks shipped to New Mexico auto dealerships by national auto manufacturers must be zero emission vehicles. These percentages gradually increase over time.

The rules align with Governor Michelle Lujan Grisham's commitment for a cleaner, greener future while ensuring consumer access to zero emission vehicles.

"The adoption of these rules is a victory for customer choice, our ambitious climate goals, and cleaner air for every New Mexican," said **Gov. Lujan Grisham.** 

New Mexico has invested over \$11.5 million in electric vehicle charging stations from State and federal funding sources and received an additional \$38 million in U.S. Department of Transportation federal grants. Starting in January 2024, New Mexicans who purchase a qualifying new or used electric vehicle will enjoy immediate savings of up to \$7,500 at the point of sale. This federal change eliminates the need to wait until tax return season to receive the federal tax credit. In October 2023, Governor Lujan Grisham committed to the adoption of additional state tax credits for zero-emission vehicles and infrastructure in the upcoming legislative session.

While federal funding has largely concentrated on electric vehicle chargers along heavily trafficked interstate corridors, the administration will request \$55 million this legislative session to build out a state-wide network for charging stations to improve infrastructure in rural New Mexico.

"This is an important step forward for our climate and air quality goals, especially in environmental justice and frontline communities," said **Environment Department Cabinet Secretary James Kenney.** "To accelerate the benefits of the rules, we need more clean cars and clean trucks on the road and the Environment Department will work with New Mexico's urban and rural auto dealerships to make that happen."

As a result of implementing these rules, New Mexicans will:

- Save \$300 million from vehicle lifetime fuel savings and lower maintenance costs by 2050.
- Save up to \$62 million in health care costs with almost 70% occurring in Bernalillo County by 2050. The health savings are attributed to the reduction in air pollution that impairs lung function.
- Reduce carbon dioxide emissions by 62%, nitrogen oxides by 43%, and particulate matter by 24% from the transportation sector. These air pollutants can trigger asthma attacks, increase risk of heart disease, and increase smog/haze.

Auto manufacturers have flexibility in how to achieve these standards if they cannot meet the annual percentages mandated by the rules. One example is early delivery of zero emission vehicles to the state before the compliance year begins to create a longer averaging period. A second example is where the auto manufacturer obtains credits towards the annual percentage in one clean car state by delivering a surplus of zero emission vehicles to another clean car state. A third example is where the auto manufacturer trades or even buys credits from another auto manufacturer to achieve the annual percentage. To date the states that adopted these clean car rules include California, Maryland, Massachusetts, New York, Oregon, Vermont, and Washington. Last month, Colorado also voted to adopt similar rules. New Mexico's adoption of these rules adds one more state to the list of clean car states, providing auto manufacturers with even more flexibility in meeting these standards.

Calendar Year	Vehicle Model Year	Cars/Light Duty Trucks	Commercial Heavy Duty Trucks		
			Class 2B-3 Example: Ford F-250	Class 4-8 Example: Ford F-450	Class 7-8 Example: Tractor Trailers
2026	2027	43%	15%	20%	15%
2027	2028	51%	20%	30%	20%
2028	2029	59%	25%	40%	25%
2029	2030	68%	30%	50%	30%
2030	2031	76%	35%	55%	35%
2031	2032	82%	40%	60%	40%
2032	2033		45%	65%	40%
2033	2034		50%	70%	40%
2034	2035		55%	75%	40%

Table: Annual percentages apply to auto manufacturers shipments to auto dealerships.

In addition, New Mexicans are paying millions of dollars annually to remediate groundwater and soil from over 928 leaking gasoline and diesel underground storage tanks across the state. The cost saving and environmental benefits of these rules will improve the health and pocketbooks of all New Mexicans.

"Adopting these rules is essential for the health of New Mexicans, especially as we approach or exceed standards for ozone in communities throughout the state," said **NMED** Environmental Protection Division Director Michelle Miano. "These rules chart the course so that New Mexicans will no longer have to choose between mobility and health impacts."

With transportation accounting for 14% of the state's greenhouse emissions and elevated smog levels, the rules are part of New Mexico's and the City of Albuquerque's respective climate strategies and ozone attainment initiatives. Combustion engines are a major source of greenhouse gas and smog, also known as ozone. Exposure to ozone causes a variety of adverse respiratory health effects and can aggravate existing health conditions such as asthma.

Air quality monitors in New Mexico registered rising ozone concentrations exceeding 95% of the federal standard for ozone or 0.066 parts per million (ppm). In counties where ozone levels reach 95% of the federal standard, state law requires the New Mexico Environment Department and the City of Albuquerque to take action, like the adoption of these rules. The red text in the table below indicates readings where New Mexico's air quality exceeds federal and state standards.

Air Quality Monitor Location	Air Quality Standards and Monitoring Data				
	2020	2021	2022		
Federal Standard	0.070 ppm	0.070 ppm	0.070 ppm		
State Standard	0.066 ppm	0.066 ppm	0.066 ppm		
Bernalillo	0.071 ppm	0.073 ppm	0.073 ppm		
Dona Ana	0.078 ppm	0.080 ppm	0.081 ppm		
Eddy	0.078 ppm	0.077 ppm	0.077 ppm		
Lea	0.068 ppm	0.066 ppm	0.066 ppm		
Rio Arriba	0.065 ppm	0.064 ppm	0.064 ppm		
Sandoval	0.070 ppm	0.068 ppm	0.070 ppm		
San Juan	0.068 ppm	0.068 ppm	0.070 ppm		
Santa Fe	0.068 ppm	0.066 ppm	0.067 ppm		
Valencia	0.069 ppm	0.066 ppm	0.066 ppm		

Chart: Ozone levels in parts per million (ppm) by county (Source: U.S. EPA)

Learn more about the rules at <u>https://www.env.nm.gov/transportation/</u> and in this <u>factsheet</u>.

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