



New Mexico Proposed Clean Car Rule -Supplemental Information

The New Mexico Environment Department and the City of Albuquerque's Environmental Health Department are proposing a coordinated set of rules adopting the state of California emission standards for new motor vehicles. These are collectively known as the "Proposed Clean Car Rule." The New Mexico Environmental Improvement Board and the Albuquerque-Bernalillo County Air Quality Control Board (Local Air Board) will decide whether to adopt the Proposed Clean Car Rule following an anticipated 2-day public hearing, which begins at 9 a.m. on May 4, 2022. The rule before the Environmental Improvement Board is available <u>here</u> and the rule before the Local Air Board is available <u>here</u>.

To further public understanding of the Proposed Clean Car Rule and in addition to the <u>Frequently Asked Questions (FAQs)</u>, the petitioners have compiled this supplemental information based on questions asked during public and other stakeholder meetings.

The Proposed Clean Car Rule states that it applies to "persons." How will I be affected by the Rule?

Persons and businesses that purchase a new model year 2026 or later car or truck and intend to register and title it in New Mexico will only be able to do so if the new vehicle is certified to meet the California emission standards. Some exemptions may apply, which are described below and within Section 103 of the Proposed Clean Car Rule.

How is a new vehicle defined?

A new vehicle is one with 7,500 miles or less on the odometer and manufactured in model year 2026 or later.

Are model years different than calendar years?

Yes, model years for motor vehicles do not coincide with the calendar year. Model years are based on production periods, so manufacturers can introduce a next-model-year vehicle for public sale as early as January 2 of the preceding calendar year and as late as December 31 of the corresponding calendar year. For example, a 2026-model-year vehicle can be sold starting on January 2, 2025, and up to and including December 31, 2026.





How can I be sure to buy a car that meets the requirements of the Proposed Clean Car Rule?

Dealers can only sell a vehicle for registration in New Mexico if the vehicle meets the California emission standards. If a person buys a car or truck from a New Mexico dealership, the dealer should be able to ensure that the individual is buying a compliant vehicle. Persons that purchase a new model year 2026 or later car or truck from a private seller and intend to register and title it in New Mexico will need to verify that vehicle meets the California emission standards and show proof upon registration.

If the Proposed Clean Car Rule is adopted, will I still be able to buy a pickup truck?

Yes. The Proposed Clean Car Rule does not prohibit the sale of pickup trucks, SUVs, or any other type of passenger vehicle.

Will the Proposed Clean Car Rule require that I buy an electric vehicle?

No. The Proposed Clean Car Rule does not mandate that anyone buy an electric vehicle. New Mexicans will still be able to buy the type of vehicle that best meets their needs, whether that is a car, truck, or SUV, and whether that vehicle is powered by gasoline, diesel, electricity, compressed natural gas, or hydrogen. The Proposed Clean Car Rule will require that conventional gas and diesel-powered vehicles sold in New Mexico be cleaner and will make more zero-emission vehicles available.

What are zero-emission vehicles?

A zero-emission vehicle produces zero emissions of any common air pollutant or greenhouse gas, excluding emissions from air conditioning systems, under any possible operating modes or conditions. Under the Proposed Clean Car Rule, zero-emission vehicles earn credits that count towards a manufacturer's zero-emission vehicle delivery requirements. The most common vehicles that can earn zero-emission vehicle credits include plug-in hybrid electric vehicles, full battery-electric vehicles, and fuel cell electric vehicles.

What if I inherit a relatively new model year 2026 or later vehicle from a deceased relative in another state, can I register it in New Mexico?

Yes. The Proposed Clean Car Rule has an exemption for vehicles that are transferred through inheritance.

Can I register a vehicle that I buy out of state because my vehicle has been wrecked, stolen, or becomes inoperable in another state?

Yes. The Proposed Clean Car Rule has an exemption for vehicles that are purchased out of state to replace a vehicle that has become inoperable or stolen while the owner is out-of-state.





Can I sell or trade-in a non-certified new model year 2026 or later vehicle to a New Mexico dealer?

Under the Proposed Clean Car Rule, a person is not allowed to sell a new, non-certified vehicle in New Mexico unless the vehicle will be registered out-of-state or meets one of the proposed exemptions. Each dealer will likely have its own rules about accepting trade-ins of non-certified vehicles since the same requirements apply – the vehicle can only be re-sold if it will be registered out-of-state or meets one of the proposed exemptions. There are no limitations on the re-sale of a vehicle that is not new, meaning it has more than 7,500 miles on it or is older than model year 2026.

If the Proposed Clean Car Rule is adopted, will cars and trucks sold in New Mexico become more expensive?

Vehicles that meet the Proposed Clean Car Rule will likely have a slightly increased up-front cost in the early years of the Rule, which will be more than recouped over the life of the vehicle due to fuel savings. The main effect of the Proposed Clean Car Rule will be to increase the number of zero-emission vehicles offered for sale to New Mexicans interested in buying the cleanest car available.

Don't electric vehicles cost more than gas- and diesel-powered cars and trucks?

Increased competition is expected to decrease the sticker price of electric cars and trucks, as more models are introduced into the market. Additionally, the lifetime ownership cost of electric vehicles is, on average, less than a fossil-fuel vehicle resulting from the reduced fueling and maintenance costs.

If the Proposed Clean Car Rule is adopted, can I still buy a new car in Arizona, Colorado, or Texas and register it here in New Mexico?

Yes, provided that the vehicle you buy meets the California emission standards required in the Proposed Clean Car Rule. Currently, almost all new vehicles offered for sale in the U.S. are certified as "50-state vehicles," meaning they meet both California and federal emission standards. Before purchasing a vehicle out of state, the New Mexico Environment Department recommends confirming that your vehicle is 50-state certified. Of the states that border New Mexico, Colorado is the only state that has adopted California emission standards.

I live on tribal lands; how will the Proposed Clean Car Rule affect me?

If you live on tribal lands and you purchase a vehicle with the intent of registering it with the New Mexico Motor Vehicle Division, the vehicle will need to meet the Proposed Clean Car Rule standards.





Under what other circumstances might a person be exempt from the Proposed Clean Car Rule?

Examples of exemptions include a vehicle that is:

- A custom and assembled car that is primarily intended for exhibitions and not used for daily transport
- Acquired through circumstances such as death, inheritance, divorce, merger, bankruptcy, court judgment, or foreclosure
- Purchased by a non-resident before establishing residency
- A right-hand-drive configuration purchased by a rural postal carrier for work.

These are reasonable exemptions to avoid imposing an undue burden on New Mexicans who purchase or receive a non-certified vehicle due to circumstances beyond their control.

Will New Mexico dealers still be able to trade with dealers in those states?

Yes, New Mexico dealers will still be able to trade with dealers in neighboring states, provided that the vehicles they offer for sale and registration in New Mexico meet the California emission standards.

Can a dealer sell a vehicle that doesn't meet the Proposed Clean Car Rule?

A dealer may sell or re-sell a model year 2026 or later vehicle with 7,500 miles or less that is not California certified only if the vehicle will be registered <u>outside</u> of New Mexico or meets one of the proposed exemptions. A dealer may sell a vehicle that is older than model year 2026 or has greater than 7,500 miles on the odometer regardless of whether it is California certified because the Proposed Clean Car Rule does not apply until model year 2026, and then only applies to new vehicles.

Are new vehicle engines required to meet the California emission standards?

Yes, new vehicle engines must meet the Proposed Clean Car Rule standards. This prevents a consumer from replacing the engine in a certified vehicle with a non-certified engine.

Does the Proposed Clean Car Rule regulate motorcycles or off-road vehicles?

No, motorcycles and off-road vehicles are not regulated by the Proposed Clean Car Rule.

Does the Proposed Clean Car Rule change the vehicle emissions testing program in Albuquerque-Bernalillo County?

No, the proposed rule does not impact the vehicle emissions testing program in Albuquerque-Bernalillo County, which operates under a different set of rules.





Why does the Proposed Clean Car Rule adopt California emission standards? Why doesn't New Mexico develop its own standards?

Under the federal Clean Air Act, only California can adopt its own motor vehicle emission standards. States can choose to adopt California emission standards but they cannot develop their own standards. States that do not adopt California standards must comply with federal standards instead.

Why is the Proposed Clean Car Rule comprised of two separate rules?

Two jurisdictions govern air quality in the state – the Environmental Improvement Board and the Local Air Board – and both of these bodies must adopt the California standards to enable the Proposed Clean Car Rule to apply statewide.

How are California emission standards different from federal standards?

California standards are nearly identical to federal standards in many respects. The main difference is that the California emission standards require manufacturers to offer for sale a minimum number of zero-emission vehicles – like full battery-electric and plug-in hybrid electric vehicles. Federal standards do not include a mandate to sell such zero-emission vehicles. In addition, California standards for particulate matter emissions from conventional vehicles are more stringent than federal standards starting in model year 2025.

If California updates its regulations will the New Mexico Proposed Clean Car Rule standards change too?

No. The Proposed Clean Car Rule only adopts the California emission standards <u>that are</u> <u>currently</u> in effect. If California updates its regulations after the Proposed Clean Car Rule is adopted, New Mexico will need to update its Clean Car Rule through a separate rulemaking process to adopt the newer California emission standards.