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Legislators call out backroom eco-deals that will limit vehicle purchases for New Mexicans

SANTA FE – The New Mexico House of Representatives Republican Caucus today issued a public comment strongly opposing the Environmental Improvement Board's (EIB) efforts to impose unproven mandates on vehicle manufacturers by manipulating the consumer market in favor of expensive electric vehicles and limiting other vehicle sales. The EIB is an unelected board appointed by the Governor.

The twenty-five lawmakers who signed the letter for public comment, issued the following statement:

"*House Republicans believe this excessive and unnecessary proposed rule is politically motivated and pandering to the eco-dreams for Albuquerque and Santa Fe progressives. The Governor and her political appointees do not care how this proposed rule will place an undue financial burden on rural communities across the state. They would rather force California–style "climate change" mandates and fees on New Mexico residents who live too far from highways and limited infrastructure to benefit from the rampant eco-subsidies that will almost solely benefit the eco-elite in Santa Fe and Albuquerque. Rather than having unelected appointees decide what type of vehicles New Mexico consumers will be allowed to buy in the future, this issue should be considered by the full State Legislature in the upcoming 2024 Legislative session. The voice of the people should be listened to and not special interests and high-income progressives who do not understand the financial pressures New Mexico working families face daily.*"

The EIB's proposed rule, which the governor advocates, will limit New Mexico consumers' choices of the type of vehicles they want and need by forcing consumers to buy electric vehicles that are ill-suited for the long distances New Mexico drivers typically drive daily. The proposed rule also will result in New Mexico families paying thousands of dollars more for a new electric vehicle as compared to a gasoline-powered vehicle.

The unelected EIB will discuss vehicle purchasing limitations [EIB 23-56 (R)] on November 13-15, 2023. The rule and commentary can be accessed via the EIB's docketed matters page at https://www.env.nm.gov/opf/docketed-matters/

The letter from 25 lawmakers opposing the rule change is attached.

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State of New Mexico
House of Representatives
STATE CAPITOL
Santa Fé

November 1, 2023

Ms. Phoebe K. Suina
Chair
Environmental Improvement Board
New Mexico Environment Department
1190 Saint Francis Drive, Suite S2101
Santa Fe, New Mexico 87505

Dear Madam Chair:

As members of the Republican Caucus in the New Mexico House of Representatives, we are writing to express our strong opposition to the proposed rule [EIB 23-56 (R)] the Environmental Improvement Board (EIB) will be considering on November 13 - 15, 2023. This proposed rule would require automakers beginning in model year 2027 to deliver to New Mexico auto dealers forty-three percent of new cars and trucks to be sold in New Mexico meeting zero-emission clean vehicle standards. The proposed rule ultimately increases the percentage to eighty-two percent by model year 2032.

These new delivery requirements are a major departure from the current standard which requires only seven percent of 2026 model year vehicles sold in New Mexico to be electric. Therefore, we find no justification for increasing the delivery percentage of zero-emission vehicles until there is data available as to the impact the current seven percent requirement has on New Mexico residents and on rural communities. We urge the EIB to reject this new proposed rule as it is premature and excessive.

As elected representatives of the people, we do not believe an unelected, governor-appointed board should be making any determination which dictates the market and the types of vehicles that consumers will be able to purchase in the future. A decision of this magnitude with its related financial and non-financial burdens on individuals, families, and businesses should be fully debated and considered by the State Legislature. EIB's rule making process should not be utilized as a mechanism to legislate and side-step the authority of the legislative branch of government in setting important environmental and economic policies that will impact every New Mexican. In fact, we question whether the EIB has the statutory authority to adopt such a broad and burdensome rule.

We also oppose this proposed rule due to several legitimate concerns regarding the overall impact this new mandate will have in a rural state which requires New Mexicans to travel long distances to go to work, secure healthcare, market products and services, and buy necessary goods. The inappropriate nature of electric vehicles (EVs) in our state is evident by the fact that currently less than one percent of the cars on New Mexico's highways and streets are EVs. In our view, this lack of acceptance of EVs by New Mexicans is due to two important shortcomings of these vehicles: 1) high cost and 2) limited range.

According to various experts, the average cost of an EV is twenty-three percent more expensive than a gasoline-powered car because the car itself and its parts cost more to repair and replace. Accounting for all factors, an EV will cost New Mexico residents $71,770 while a fossil fuel powered car will cost

$58,664. Contrary to popular belief, this $13,000 cost differential will not be offset during an average of six years of owning an EV versus a fossil fuel powered vehicle.

The high cost associated with purchasing an EV is also related to the likelihood that vehicle owners will have to install a Level 2 charging station in their homes which can easily cost more than $2,000 in both parts and labor.

In addition, while EV manufacturers typically claim their vehicles have a range between 250 - 500 miles, recent reports from both Reuters and Forbes indicate the advertised range of EVs is often overstated. In fact, research indicates mileage shortfalls were from 12.5 – 20 percent from those claimed by the manufacturers. It should also be pointed out that driving long distances and cold temperatures also result in significant reductions in the actual range of a full charge.

With a lack of electric charging stations and limited electricity grid capacity in many areas, such a limited range vehicle is a deal breaker for most rural New Mexico residents. This is especially true if the vehicle owner must regularly travel between Santa Fe and Las Cruces which is a one-way trip of 285 miles or if they must travel from Albuquerque to Carlsbad which is a one-way trip of 282 miles. It should also be noted that a one-way trip from Farmington to Hobbs is 498 miles and a one-way trip from Clayton to Silver City is 506 miles.

The limited range of these EVs also negatively impacts the ability of vehicle owners to arrive at their destination in a timely manner. Even if Level 2 charging stations are being utilized, the average time to charge a medium size car lies somewhere between 1 hour and 45 min and 6 hours. For example, the current driving time from Albuquerque to Carlsbad is about 4 ½ hours, but if 6 hours is needed to recharge a depleted EV battery, that trip now becomes a 10 ½ hour drive.

As with most state programs and resources, rural areas will have fewer charging stations than needed, which will impose another burden on rural residents. In fact, the governor recently announced New Mexico's National Electric Vehicle Infrastructure Plan in which $38 million in federal money only will be utilized to provide EV chargers that will be located no greater than every 50 miles along our state's interstate highways. Yet, many New Mexicans who reside in rural or frontier areas of the state are hundreds of miles from either I-25 or I-40, so these federally funded charging stations will provide no benefit for them or their local communities.

The proposed rule creates needless overreach and unnecessary intrusion by state government into the new car and truck marketplace. It completely substitutes a free market system to a government-imposed market, unrelated to the demands or needs of the consumer. The new mandate will make it impossible for many New Mexicans to purchase an affordable new vehicle due to the excessive price of EVs and the reduced availability of fossil fuel powered vehicles. Studies have shown that most of the people who buy electric vehicles have annual incomes of more than $150,000. Yet, the average household income in New Mexico is about $75,000 per year. Plus, this proposed rule will likely result in many New Mexico residents going to one of our neighboring states to purchase a new fossil fuel powered vehicle, thus, causing additional harm to our state's economy and business community.

The proponents of the proposed rule have failed to provide any scientific evidence as to what positive impact this new government mandate will have on the planet's climate. Granted, there will be some reduction in carbon dioxide emissions if this proposed rule is implemented. However, it does not consider the carbon required to build, equip, and transport the vehicle to New Mexico or the carbon emitted to produce electricity to charge the vehicles. Proponents should be required to justify why a state with only 2.1 million people should adopt unproven "solutions" to climate change, while also imposing numerous negative impacts on nearly every New Mexican resident. The only rationale for implementing such a government-imposed limitation on fossil fuel powered vehicles is because California has acted.

In closing, we strongly urge the EIB to reject this proposed rule as it dramatically increases the state government's authority and upends the free market. It further intrudes into the decision-making process of New Mexico residents and businesses as to what type of motor vehicle best fits their budget and needs. We believe public policy should continue to promote the free-market system and allow our citizens, the vehicle buying public not an unelected government entity, to determine whether they should purchase an EV or a fossil fuel powered vehicle.

Thank you for your consideration of our views.

Respectfully yours,

T. Ryan Lane
Republican Leader District 3

Greg Nibert
Republican Whip District 59

Gail Armstrong
Republican Caucus Chair District 49

John Block
State Representative District 51

Mark Duncan
State Representative District 2

Randall T. Pettigrew
State Representative District 61

Luis M. Terrazas
State Representative District 39

Larry R. Scott
State Representative District 62

James G. Townsend
State Representative District 54

Jenifer Jones
State Representative District 32

Candy Spence Ezzell
State Representative District 58

Alan T. Martinez
State Representative District 23

Martin Zamora
State Representative District 63

Rod Montoya
State Representative District 1

Brian G. Baca
State Representative District 8

Josh N. Hernandez
State Representative District 60

William R. Rehm
State Representative District 31

Jimmy G. Mason
State Representative District 66

Andrea Reeb
State Representative District 64

Harlan Vincent
State Representative District 56

Tanya Mirabal Moya
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Jason C. Harper
State Representative District 57

Cathrynn N. Brown
State Representative District 55

Jack Chatfield
State Representative District 67

Stefani Lord
State Representative District 22