



State of New Mexico  
House of Representatives

State Capitol  
Santa Fe

January 9, 2024

The Honorable Michelle Lujan Grisham  
Governor, State of New Mexico  
State Capitol, Room 400  
480 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Dear Governor:

We are writing to request a special message for the upcoming legislative session that would allow the Legislature to consider House Bill 76, which would repeal the recently adopted administrative rule by the Environmental Improvement Board (EIB) that imposes a mandate on motor vehicle manufacturers as to the percentage of new motor vehicles sold in New Mexico after model year 2027 that must be zero emission.

The introduction of HB 76 is necessitated due to our belief that an unelected, governor-appointed board should not be making any determination which dictates the market and the types of vehicles that consumers will be able to purchase in the future. Rather, a decision of this magnitude, both in terms of financial and non-financial burdens placed on New Mexico's families and businesses, should be fully debated and considered by the entire Legislature. Further, EIB's rule making process should never be utilized as a mechanism to legislate and side-step the authority of the legislative branch in setting important environmental and economic policies that impact every New Mexican.

Legislation to overturn this new EIB administrative rule should also be allowed to be considered by the Legislature to ensure that rural New Mexico residents have a needed voice in determining whether this new rule is in the best interest of our state. As adopted by the EIB on a very close vote of 3-2, the new rule fails to consider the realities that rural New Mexico residents must travel long distances to go to work, secure healthcare, market products and services, and buy necessary goods. This lack of concern for rural New Mexico is evident by the refusal of the EIB to consider facts related to the limited range of electric vehicles (EVs), the lack of EV charging stations across the state, the inability of the electricity grid in rural areas to permit home charging of EVs, and the much higher costs of EVs compared to fossil fuel powered motor vehicles. In short, this new rule will make it impossible for many New Mexico consumers to purchase a new vehicle in the future and/or they will be forced to go to a neighboring state to purchase a new vehicle that is more accessible and affordable.

Equally important, it must be noted that all of the major auto manufacturers are scaling back their investments into more EV production due to lagging consumer demand. For example, Ford Motor company has announced it will delay \$12 billion of its planned \$15 billion in EV-related investments, including pushing back the planned start-up of a second battery plant in Kentucky. General Motors Corporation has stated it will be delaying plans to expand electric pick-up truck production at a plant in suburban Detroit. In turn, these delayed investments will very likely create a supply-chain crisis of

available new EVs right at the time EIB's rule will be requiring more EVs into the New Mexico marketplace. The result will be even higher prices and fewer choices for New Mexicans.

Therefore, the consideration of HB 76 is an important issue to many rural residents, as well as urban residents, as it intrudes into the decision-making process of many New Mexico residents as to what type of motor vehicle best fits their budget and needs. Further, we believe public policy should continue to promote the free-market system and allow our citizens, not an unelected government entity, to determine whether they should purchase an EV or a fossil fuel powered vehicle. Therefore, we encourage you to provide a special message for HB xxx to permit a full and well-considered debate in the Legislature on EIB's recent administrative rule.

Thank you for your consideration of our request.

Sincerely,



James G. Townsend  
State Representative District 54



Rod Montoya  
State Representative District 1



Larry R. Scott  
State Representative District 62