LFC Requestor: Self Assigned

2025 LEGISLATIVE SESSION AGENCY BILL ANALYSIS

Section I: General

Chamber: House Category: Bill
Number: 270 Type: Introduced _

Date (of THIS analysis): 2/5/2025

Sponsor(s): Gail Armstrong and Alan T. Martinez

Short Title: Zero-emission vehicle rules

Reviewing Agency: Agency 665 – Department of Health

Analysis Contact Person: Arya Lamb

Phone Number: (505) 470-4141 **e-Mail:** arya.lamb@doh.nm.gov

Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or	Fund
FY 25	FY 26	Nonrecurring	Affected
\$0	\$0	NA	NA

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or	
FY 25	FY 26	FY 27	Nonrecurring	Fund Affected
\$0	\$0	\$0	NA	NA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	NA	NA

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: SB131

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 270 (HB270) proposes to prohibit the adoption of certain rules relating to the production and delivery for sale of zero-emission vehicles. HB270 prevents state and local governmental agencies from:

- Restricting or limiting the delivery, use lease, sale, or purchase of a vehicle based on energy source used by the vehicle.
- Restricting or limiting the delivery, use lease, sale, or purchase of a vehicle that has an internal combustion engine.
- Establish a required percentage of vehicle sales by energy source.

Is this an amendment or substitution? \square Yes \boxtimes No
Is there an emergency clause? \square Yes \boxtimes No

b) Significant Issues

HB270 could contribute to an increase in the overall vehicle emissions in New Mexico, thereby impacting outdoor air quality which can have adverse health outcomes.

The American Lung Association (https://www.lung.org/getmedia/9e9947ea-d4a6-476c-9c78-cccf7d49ffe2/ala-driving-to-clean-air-report.pdf) reports that the transition to zero-emission vehicles from 2020-2050 would result in up to:

- o \$978 billion in public health benefits
- o 89,300 fewer premature deaths
- o 2.2 million fewer asthma attacks
- o 10.7 million fewer lost workdays

The proposal will remove the authority of the Environmental Improvement Board of the New Mexico Environment Department to adopt or continue requiring manufacturers to produce or deliver certain percentage of zero-emission vehicles.

2. PERFORMANCE IMPLICATIONS

	☐ Goal 3: We improve health status for all New Mexicans ☐ Goal 4: We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals
3.	 FISCAL IMPLICATIONS If there is an appropriation, is it included in the Executive Budget Request? □ Yes □ No ⋈ N/A If there is an appropriation, is it included in the LFC Budget Request? □ Yes □ No ⋈ N/A Does this bill have a fiscal impact on NMDOH? □ Yes ⋈ No
4.	ADMINISTRATIVE IMPLICATIONS Will this bill have an administrative impact on NMDOH? □ Yes ⋈ No
5.	DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP HB270 is related to SB131 which would eliminate the requirement of automotive manufacturers to produce or deliver for sale a certain percentage of zero-emission vehicles for a model year to control motor vehicle emissions or for any other lawful purpose.
6.	TECHNICAL ISSUES Are there technical issues with the bill? ⊠ Yes □ No Line 21: specify which department.
7.	 LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES) Will administrative rules need to be updated or new rules written? ⋈ Yes ⋈ No Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? ⋈ Yes ⋈ No Does this bill conflict with federal grant requirements or associated regulations? ⋈ Yes ⋈ No Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? ⋈ Yes ⋈ No The proposed amendment in HB270 would conflict with the New Mexico Clean Car Rule which allows California's Advanced Clean Cars rule to be implemented statewide in New Mexico, requiring that 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 beginning in calendar year 2026.
8.	DISPARITIES ISSUES HB270 could have a negative impact on outdoor air quality if the production of zero- emission vehicles is reduced. This particularly affects vulnerable populations (lower-income communities and people of color) who live near central cities and close to busy roadways resulting in increased exposure to particulate matter (PM2.5). According to the American Lung Association more than 4 in 10 of all Americans still live in a community impacted by unhealthy levels of air pollution. Those impacted by polluted air face increased risk of a wide range of poor health outcomes (Disparities in the Impact of Air Pollution American Lung

9. HEALTH IMPACT(S)

Association).

This bill would impact all New Mexico residents. The American Lung Association projects that nationwide healthcare costs will be significantly reduced with increased zero-emission vehicles on the road, also saving billions of dollars in healthcare costs. The bill may affect public health by reducing the number of zero-emission vehicles available. A reduction in zero-emission vehicles available will increase the number of carbon-fueled vehicles on NM roads, thus affecting NM's overall outdoor air quality.

10. ALTERNATIVES

None.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB270 is not enacted, the adoption of certain rules relating to the production and delivery for sale of zero-emission vehicles will not be prohibited.

12. AMENDMENTS

None.