

Note to Readers:

The New Mexico Environment Department (NMED) is releasing this discussion draft rule of the *Emission Standards for New Motor Vehicles* to solicit your input. This rule, if approved, would adopt, for New Mexico, [California's clean car standards](#). The rule would improve air quality and address climate change by reducing criteria and toxic pollutants and greenhouse gas emissions from new light- and medium-duty vehicles in the state. **Comments are due back to NMED by Thursday, November 18, 2021, by 5 pm.** NMED will consider your comments and then submit a petition to the Environmental Improvement Board (EIB) to adopt the proposed rules for discussion at its December 17, 2021, meeting. NMED's petition will request that the EIB schedule a hearing in May of 2022.

While EIB has jurisdiction over non-tribal land outside of Bernalillo County, the Albuquerque Bernalillo County Air Quality Control Board (AQCB) has jurisdiction over non-tribal land **within** Bernalillo County. To adopt clean car standards that cover the non-tribal areas of the entire state, the Albuquerque-Bernalillo County Air Quality Program, administered by the Albuquerque Environmental Health Department (EHD), is closely collaborating with NMED and will petition the AQCB with a nearly identical set of rules early next year. NMED and EHD will request that the EIB and AQCB hold a joint hearing in May of 2022 to adopt their respective rules at that time.

To facilitate review, NMED has not included definitions in this discussion draft. Definitions will be added to the draft filed for consideration before the EIB and AQCB. Below are some definitions that are central to understanding the proposed rule:

- "California standards" means those emission standards for motor vehicles and new motor vehicle engines that the state of California has adopted and for which it has received a waiver from the United States Environmental Protection Agency pursuant to the authority of 42 U.S.C. Section 7543 and which other states are permitted to adopt pursuant to 42 U.S.C. Section 7507. The regulations are available at <https://oal.ca.gov/publications/ccr/>.
- "New vehicle" means any vehicle with 7,500 miles or fewer on its odometer.
- "New Mexico Requirement Area" means all geographic areas within the jurisdiction of the Environmental Improvement Board and the Albuquerque Bernalillo County Air Quality Control Board used for meeting emission averaging and reporting requirements.
- "CCR" means California Code of Regulations, Title 13.
- "Model year" means the manufacturer's annual production period which includes January 1, or if the manufacturer has no annual production period, the calendar year. In the case of any vehicle manufactured in two or more stages, the time of manufacture shall be the date of completion of the chassis.
- "Zero emission vehicle" or "ZEV" means a vehicle that produces zero exhaust emissions of any criteria pollutant, precursor pollutant, or greenhouse gas under any possible operational modes or conditions.
- "ZEV credit bank" means California's ZEV Credit Reporting and Data Tracking System.

More information, including presentations from public engagement meeting on the benefits and how the rules work, is available at NMED's [Clean Cars NM webpage](#).

Should you have any questions please feel free to reach out to Claudia Borchert at cleancarsnm@state.nm.us or 505-699-8489.

Thank you and we look forward to hearing from you.

TITLE 20 ENVIRONMENTAL PROTECTION
CHAPTER 2 AIR QUALITY (STATEWIDE)
PART 91 NEW MOTOR VEHICLE EMISSION STANDARDS

20.2.91.1 ISSUING AGENCY. Environmental Improvement Board.
[20.2.91.1 NMAC - N, 8/1/2022]

20.2.91.2 SCOPE. Except as provided in 20.2.91.103 NMAC (Exemptions), a manufacturer, dealer, or other person shall not deliver for sale, offer for sale, sell, import, deliver, purchase, rent, lease, acquire, receive, or register model year 2026 or subsequent model year new passenger cars, light-duty trucks, medium-duty passenger vehicles, medium-duty motor vehicles or motor vehicle engines unless the motor vehicle or motor vehicle engine meets the requirements of this part.
[20.2.91.2 NMAC - N, 8/1/2022]

20.2.91.3 STATUTORY AUTHORITY. Environmental Improvement Act, Section 74-1-8(A)(4) NMSA 1978, and Air Quality Control Act, Sections 74-2-1 through 74-2-17 NMSA 1978.
[20.2.91.3 NMAC - N, 8/1/2022]

20.2.91.4 DURATION. Permanent.
[20.2.91.4 NMAC - N, 8/1/2022]

20.2.91.5 EFFECTIVE DATE. August 1, 2022, except where a later date is cited at the end of a section.
[20.2.91.5 NMAC - N, 8/1/2022]

20.2.91.6 OBJECTIVE. To adopt and implement the California vehicle emission standards and requirements pursuant to Section 177 of the federal Clean Air Act.
[20.2.91.6 NMAC - N, 8/1/2022]

20.2.91.7 DEFINITIONS. In addition to the terms defined in 20.2.91.7 NMAC (Definitions), and the definitions in the California code of regulations (“CCR”), Title 13, sections incorporated by reference, the following definitions apply to this part. If a term is defined in this section and in CCR, Title 13, the definition in this section shall apply.

[Definitions to be added]

[20.2.91.7 NMAC - N, 8/1/2022]

20.2.91.8 DOCUMENTS. Documents incorporated and cited in this part may be viewed online, on the department’s website and at the New Mexico Environment Department Air Quality Bureau.
[As of April 2013, the Air Quality Bureau is located at 525 Camino de los Marquez, Suite 1, Santa Fe, New Mexico 87505.]

[20.2.91.8 NMAC - N, 8/1/2022]

20.2.91.9 SEVERABILITY. If any provision of this part, or the application of such provision to any person or circumstance, is held invalid, the remainder of this part, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

[20.2.91.9 NMAC - N, 8/1/2022]

20.2.91.10 CONSTRUCTION. This part shall be liberally construed to carry out its purpose.

[20.2.91.10 NMAC - N, 8/1/2022]

20.2.91.11 SAVINGS CLAUSE. Repeal or supersession of prior versions of this part shall not affect any administrative or judicial action initiated under those prior versions.

[20.2.91.11 NMAC - N, 8/1/2022]

20.2.91.12 COMPLIANCE WITH OTHER REGULATIONS. Compliance with this part does not relieve a person from the responsibility to comply with any other applicable federal, state, or local regulations.

[20.2.91.12 NMAC - N, 8/1/2022]

20.2.91.13 LIMITATION OF DEFENSE. The existence of a valid registration or certification under this part shall not constitute a defense to a violation of this part, except the requirement for obtaining a registration or certification.

[20.2.91.13 NMAC - N, 8/1/2022]

20.2.91.14 to 20.2.91.99 [RESERVED]

20.2.91.100 APPLICABILITY. This rule shall be effective for motor vehicles model year 2026 and each model year thereafter.

[20.2.91.100 NMAC - N, 8/1/2022]

20.2.91.101 REQUIREMENTS TO MEET CALIFORNIA STANDARDS.

A. A manufacturer, dealer, rental car agency or other person shall not deliver for sale, offer for sale, sell, import, deliver, purchase, rent, lease, acquire, receive, or register new passenger cars, light-duty trucks, medium-duty passenger vehicles, medium-duty motor vehicles or motor vehicle engines unless such motor vehicle or motor vehicle engine is certified to the California vehicle emission standards, as incorporated by reference pursuant to this part.

B. Each manufacturer shall comply with the fleet average motor vehicle emission standards, zero-emission motor vehicle requirements, warranty, labeling, recall campaign, reporting, and other applicable requirements contained in this part.

C. Each manufacturer, dealer, rental car agency and person shall comply with the department's inspection and information requests issued pursuant to 20.2.91.114 NMAC (Inspections and Information Requests).

D. Each person registering a motor vehicle in New Mexico shall comply with the registration requirements in this part.

E. The requirements in this part shall not be applicable if an exemption, as provided in 20.2.91.103 NMAC (Exemptions), applies.

[20.2.91.101 NMAC - N, 8/1/2022]

20.2.91.102 INCORPORATION BY REFERENCE.

A. Sections of the CCR incorporated by reference herein include the regulations as they existed on the effective date in Section 20.2.91.5 NMAC (Effective Date); incorporated sections of the CCR do not incorporate a later adoption or amendment of the regulation.

B. For the purpose of applying the incorporated sections of CCR, the following meanings apply unless otherwise specified or clearly inappropriate: "California" means "the State" unless referring to the "New Mexico Requirement Area"; "Air Resources Board (ARB)" or "CARB" shall mean the department or environmental improvement board, depending on context; and "Executive Officer" shall mean "Secretary".

C. Each manufacturer of a new passenger car, light-duty truck, medium-duty passenger, medium-duty motor vehicle or motor vehicle engine shall comply with each applicable standard in Title 13 of the CCR as incorporated by reference herein.

D. The CCR sections incorporated by reference include:

(1) Section 1900: Definitions. California effective date 7/25/16.

(2) Section 1956.8 (h): Exhaust Emission Standards and Test Procedures - 1985 and Subsequent Model Heavy Duty Engines and Vehicles (medium-duty vehicle greenhouse gas emission standards only). California effective date 10/16/17.

(3) Section 1961.2: Exhaust Emission Standards and Test Procedures -2015 and Subsequent Model Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles. California effective date 4/1/19.

(4) Section 1961.3: Greenhouse Gas Emission Standards and Test Procedures - 2017 and Subsequent Model Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles. California effective date 12/12/18.

(5) Section 1962.2: Zero-Emission Vehicle Standards for 2018 and Subsequent Model Year Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles. California effective date 1/1/16.

(6) Section 1962.3: Electric Vehicle Charging Requirements. California effective date 8/7/12.

(7) Section 1965: Emission Control and Smog Index Labels - 1979 and Subsequent Model Year Vehicles. California effective date 10/8/15.

- (8) Section 1968.2: Malfunction and Diagnostic System Requirements - 2004 and Subsequent Model Year Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles. California effective date 7/25/16.
- (9) Section 1976: Standards and Test Procedures for Motor Vehicle Fuel Evaporative Emissions. California effective date 10/8/15.
- (10) Section 1978: Standards and Test Procedures for Vehicle Refueling Emissions. California effective date 10/8/15.
- (11) Section 2035: Purpose, Applicability and Definitions. California effective date 11/9/07.
- (12) Section 2037: Defects Warranty Requirements for 1990 and Subsequent Model Year Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles and Motor Vehicle Engines Used in Such Vehicles. California effective date 12/5/14.
- (13) Section 2038: Performance Warranty Requirements for 1990 and Subsequent Model Year Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles and Motor Vehicle Engines Used in Such. California effective date 8/7/12.
- (14) Section 2039: Emission Control System Warranty Statement. California effective date 12/26/90.
- (15) Section 2040: Vehicle Owner Obligations. California effective date 12/26/90.
- (16) Section 2041: Mediation; Finding of Warrantable Condition. California effective date 12/26/90.
- (17) Section 2046: Defective Catalyst. California effective date 2/15/79.
- (18) Section 2062: Assembly-line Test Procedures 1998 and Subsequent Model Years. California effective date 8/7/12.
- (19) Section 2109: New Vehicle Recall Provisions. California effective date 12/30/83.
- (20) Section 2111: Applicability. California effective date 12/8/10.
- (21) Section 2112: Definitions. California effective date 12/5/14. Appendix A to Article 2.1. California effective date 12/5/14.
- (22) Section 2113: Initiation and Approval of Voluntary and Influenced Recalls. California effective date 1/26/95.
- (23) Section 2114: Voluntary and Influenced Recall Plans. California effective date 11/27/99.
- (24) Section 2115: Eligibility for Repair. California effective date 1/26/95.
- (25) Section 2116: Repair Label. California effective date 1/26/95.
- (26) Section 2117: Proof of Correction Certificate. California effective date 1/26/95.
- (27) Section 2118: Notification. California effective date 1/26/95.
- (28) Section 2119: Recordkeeping and Reporting Requirements. California effective date 11/27/99.
- (29) Section 2120: Other Requirements Not Waived. California effective date 1/26/95.
- (30) Section 2121: Penalties. California effective date 1/26/95.
- (31) Section 2122: General Provisions. California effective date 12/8/2010
- (32) Section 2123: Initiation and Notification of Ordered Emission-Related Recalls. California effective date 1/26/95.
- (33) Section 2124: Availability of Public Hearing. California effective date 1/26/95.
- (34) Section 2125: Ordered Recall Plan. California effective date 1/26/95.
- (35) Section 2126: Approval and Implementation of Recall Plan. California effective date 1/26/95.
- (36) Section 2127: Notification of Owners. California effective date 1/26/95.
- (37) Section 2128: Repair Label. California effective date 1/26/95.
- (38) Section 2129: Proof of Correction Certificate. California effective date 1/26/95.
- (39) Section 2130: Capture Rates and Alternative Measures. California effective date 11/27/99.
- (40) Section 2131: Preliminary Tests. California effective date 1/26/95.
- (41) Section 2132: Communication with Repair Personnel. California effective date 1/26/95.
- (42) Section 2133: Recordkeeping and Reporting Requirements. California effective date 1/26/95.
- (43) Section 2135: Extension of Time. California effective date 1/26/95.
- (44) Section 2139: Testing. California effective date 8/22/2002.
- (45) Section 2141: General Provisions. California effective date 12/8/10.

- (46) Section 2142: Alternative Procedures. California effective date 2/23/90.
 - (47) Section 2143: Failure Levels Triggering Recall. California effective date 11/27/99.
 - (48) Section 2144: Emission Warranty Information Report. California effective date 11/27/99.
 - (49) Section 2145: Field Information Report. California effective date 8/7/12.
 - (50) Section 2146: Emissions Information Report. California effective date 11/27/99.
 - (51) Section 2147: Demonstration of Compliance with Emission Standards. California effective date 12/5/14.
 - (52) Section 2148: Evaluation of Need for Recall. California effective date 11/27/99.
 - (53) Section 2149: Notification of Subsequent Action. California effective date 2/23/90.
 - (54) Section 2235: Requirements. California effective date 8/8/12.
- [20.2.91.102 NMAC - N, 8/1/2022]

20.2.91.103 EXEMPTIONS. The following motor vehicles shall not be subject to this part.

- A.** Military tactical vehicles.
- B.** Motor vehicles sold for registration and use in a state that is not subject to the California vehicle emission standards.
- C.** Previously registered used motor vehicles.
- D.** Motor vehicles available for rent to a final destination outside of the New Mexico Requirement Area.
- E.** Motor vehicles transferred from one person to another person due to: death, inheritance, devise or bequest; divorce, dissolution, annulment or legal separation; merger or consolidation; bankruptcy; court judgment or decree; or possessory lien, seizure or foreclosure.
- F.** Emergency vehicles when a public safety agency has demonstrated to the department's satisfaction that a vehicle that shall meet the agency's needs is not otherwise reasonably available.
- G.** A motor vehicle acquired by a resident of the New Mexico Requirement Area to replace a motor vehicle registered to such resident that was stolen, damaged or failed beyond reasonable repair while out of state, provided that such replacement motor vehicle is acquired out of state when the previously-owned motor vehicle was stolen, damaged, or failed beyond reasonable repair.
- H.** A motor vehicle with a right-hand drive configuration that is not available in a California-certified model, purchased by a rural route postal carrier and used primarily for work.
- I.** Motor vehicles purchased by a nonresident before establishing residency in the New Mexico Requirement Area, regardless of the mileage on the motor vehicle.
- J.** Motor vehicles purchased by a resident of the New Mexico Requirement Area while assigned to active government service outside the New Mexico Requirement Area;
- K.** Custom and assembled motor vehicles that:
 - (1) are maintained for occasional transportation, exhibitions, club activities, parades, tours, testing of operation, repair, maintenance and similar uses; and
 - (2) shall not be used for general daily transportation.

[20.2.91.103 NMAC - N, 8/1/2022]

20.2.91.104 FLEET AVERAGE NON-METHANE ORGANIC GAS PLUS OXIDES OF NITROGEN EXHAUST EMISSION STANDARDS, REPORTING AND COMPLIANCE.

- A.** Each manufacturer subject to this part shall comply with fleet average non-methane organic gas plus oxides of nitrogen exhaust emission standards for passenger cars, light-duty trucks and medium-duty motor vehicles and other requirements set forth in CCR, Title 13, Section 1961.2. Compliance shall be based on the motor vehicles subject to Section 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance) that each manufacturer delivers for sale, offers for sale, sells, imports, delivers, purchases, rents, leases, acquires, receives, or registers in the New Mexico Requirement Area.
- B.** Each manufacturer subject to Subsection A of 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance) shall accrue fleet average non-methane organic gas plus oxides of nitrogen exhaust emission standard credits and debits and may use credits in accordance with CCR, Title 13, Section 1961.2. Each manufacturer shall accrue and use debits and credits based on the number of motor vehicles subject to Subsection A of 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance).

C. Each manufacturer subject to Subsection A of 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance) shall submit a report by March 1 to the department that includes the fleet average non-methane organic gas plus oxides of nitrogen exhaust emission data for the model year just ended. The report shall be in accordance with the procedures in CCR, Title 13, Section 1961.2 and be in the same format used to report such information to CARB. If a manufacturer elects to report the information required pursuant to Subsection A of 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance) using the pooling provision set forth in CCR Title 13, 1961.2, the manufacturer shall report to the department the information for the entire pool as well as for the portion specific to the New Mexico Requirement Area.
[20.2.91.104 NMAC - N, 8/1/2022]

20.2.91.105 FLEET AVERAGE GREENHOUSE GAS EXHAUST EMISSION STANDARDS, REPORTING AND COMPLIANCE.

A. Each manufacturer subject to this part shall comply with fleet average greenhouse gas exhaust emission standards for passenger cars, light-duty trucks, medium-duty motor vehicles, and other requirements set forth in CCR, Title 13, Section 1961.3. Compliance shall be based on the motor vehicles subject to 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance) that each manufacturer delivers for sale, offers for sale, sells, imports, delivers, purchases, rents, leases, acquires, receives, or registers in the New Mexico Requirement Area.

B. Each manufacturer subject to Subsection A of 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance) shall accrue fleet average greenhouse gas exhaust emission credits and debits and may use credits in accordance with CCR, Title 13, Section 1961.3. Each manufacturer shall accrue and use debits and credits based on the number of motor vehicles subject to Subsection A of 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance).

C. Each manufacturer subject to Subsection A of 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance) shall submit a report by March 1 to the department that includes the fleet average greenhouse gas exhaust emission data for the model year just ended. The report shall be in accordance with the procedures in CCR, Title 13, Section 1961.3 and be in the same format used to report such information to CARB. If a manufacturer reports the information required pursuant to Subsection A of 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance) using option number 2 for the "Calculation of fleet average carbon dioxide value" set forth in CCR, Title 13, Section 1961.3(a)(5)(D), the manufacturer shall report the information for the entire pool as well as for the portion specific to the New Mexico Requirement Area.
[20.2.91.105 NMAC - N, 8/1/2022]

20.2.91.106 REMEDIATION REPORT.

A. If the department determines that a report submitted by a manufacturer pursuant to 20.2.91.104 NMAC (Fleet Average Non-methane Organic Gas Plus Oxides of Nitrogen Exhaust Emission Standards, Reporting and Compliance) or 20.2.91.105 NMAC (Fleet Average Greenhouse Gas Exhaust Emission Standards, Reporting and Compliance) demonstrates that the manufacturer is not in compliance with the fleet average non-methane organic gas plus oxides of nitrogen exhaust emission or the fleet average greenhouse gas exhaust emission standards, respectively, the department shall require the manufacturer to submit a fleet average remediation report to the department.

B. A fleet average remediation report shall be submitted to the department within 60 days after notice from the department.

C. The fleet average remediation report shall, at a minimum:

- (1) describe how the manufacturer intends to equalize any accrued debits;
- (2) identify all motor vehicle models and the percentage of each model delivered for sale, offered for sale, sold, imported, delivered, or leased in the New Mexico Requirement Area with their corresponding certification standards for the New Mexico Requirement Area and California in relation to total fleet sales in each respective state; and
- (3) describe how the manufacturer intends to achieve compliance with fleet average non-methane organic gas plus oxides of nitrogen exhaust emission or the fleet average greenhouse gas exhaust emission standards, respectively, in future model years.

[20.2.91.106 NMAC - N, 8/1/2022]

20.2.91.107 ZERO EMISSION VEHICLE CREDIT REQUIREMENT, REPORTING, AND COMPLIANCE.

A. Each manufacturer subject to this part shall deliver for sale, offer for sale, sell, import, deliver, or lease zero emission motor vehicles in the New Mexico Requirement Area in accordance with CCR, Title 13, Section 1962.2(a).

B. Each manufacturer subject to this part shall comply with the ZEV credit requirement set forth in CCR, Title 13, Section 1962.2(b).

C. On or before September 1 of each year, each manufacturer subject to this part shall submit to the department a report detailing the credits generated or credits transferred to or from any manufacturer for each qualifying motor vehicle delivered for sale in New Mexico Requirement Area during the previous model year in accordance with CCR, Title 13, Sections 1962.2(c), (d) and (g). The report shall be prepared in the same format used to report credit history to CARB. If the manufacturer intends to use credits for future compliance with the ZEV credit requirement at CCR, Title 13, Section 1962.2 (b), the manufacturer shall record and certify the transaction in the ZEV credit bank.

D. Each intermediate-volume and large-volume manufacturer shall open an account in the ZEV credit bank for banking credits generated in New Mexico Requirement Area. The manufacturer may deposit and earn ZEV credits for each qualifying motor vehicle delivered for sale, offered for sale, sold, imported, delivered, or leased in the New Mexico Requirement Area in accordance with 20.2.91.107 NMAC (Zero Emission Vehicle Credit Requirement, Reporting, and Compliance) and CCR, Title 13, Sections 1962.2(c), (d) and (g).

E. A manufacturer that fails to meet the credit obligation for delivery of zero emission motor vehicles in the New Mexico Requirement Area in a given model year shall make up the credit deficit by submitting a commensurate amount of ZEV credits in accordance with CCR, Title 13, Section 1962.2(g)(7).
[20.2.91.107 NMAC - N, 8/1/2022]

20.2.91.108 ZERO EMISSION VEHICLE EARLY ACTION AND ONETIME CREDITS.

A. A manufacturer may earn early action credits for any model year 2023, 2024 and 2025 motor vehicles that qualify for ZEV credit requirement set forth in CCR, Title 13, Section 1962.2(b) that the manufacturer delivers for sale, offers for sale, sells, imports, delivers, purchases, rents, or leases, in the New Mexico Requirement Area on or after August 1, 2022, by reporting the total delivery of such motor vehicles to the department at the end of the model years 2023, 2024, and 2025.

B. For use beginning in model year 2026, the department shall deposit into the manufacturer's account in the ZEV credit bank any early action credits earned by the manufacturer pursuant to Subsection A of 20.2.91.108 NMAC (Zero Emission Vehicle Early Action and Onetime Credits). The department shall follow CARB's procedures for tracking and recording ZEV sales and credits.

C. For use beginning in model year 2027, once the manufacturer has satisfied all credit obligations for model years 2025 and earlier in California as confirmed by CARB, the department shall deposit into the manufacturer's account in the ZEV credit bank a number of onetime credits equal to the manufacturer's model year 2026 starting California credit balance multiplied by the number of new passenger cars and light-duty trucks the manufacturer delivered for sale in New Mexico in model year 2025 and divided by the number of new passenger cars and light-duty trucks that the manufacturer produced and delivered for sale in California in model year 2025 as confirmed by CARB:

$$\text{Manufacturer's MY2027 onetime credit} = \text{manufacturer's MY2026 ZEV starting credit balance} \times \frac{\text{manufacturer's MY25 total NMRA sales}}{\text{manufacturer's MY25 total CA sales}}$$

where MY= model year, NMRA = New Mexico Requirement Area and CA = California

D. Credits issued pursuant to 20.2.91.108 NMAC (Zero Emission Vehicle Early Action and Onetime Credits) may only be used in New Mexico for compliance with the ZEV credit requirements subject to the same requirements and limitations on credit use set forth in CCR, Title 13, Section 1962.

E. A motor vehicle equivalent credit shall not constitute or convey a property right.
[20.2.91.108 NMAC - N, 8/1/2022]

20.2.91.109 ADDITIONAL REPORTING. Within 30 days of a request from the department, a manufacturer shall submit to the department:

A. A copy of the executive order and certificate of conformity.

B. Any documentation the department determines necessary for the effective administration and enforcement of this part, including without limitation certification materials submitted to CARB and documentation regarding the sale of each motor vehicle subject to this part.

C. Any emissions warranty information reports prepared in accordance with CCR, Title 13, Section 2144.

D. If these records are available electronically, the manufacturer shall submit the records in an electronic format approved by the department.

[20.2.91.109 NMAC - N, 8/1/2022]

20.2.91.110 WARRANTIES.

A. Each manufacturer of a motor vehicle subject to this part shall warrant to the ultimate purchaser and each subsequent purchaser that the motor vehicle shall comply over its period of warranty coverage with all requirements of CCR, Title 13, Sections 2035 through 2038, 2040 and 2046.

B. Except as otherwise provided in Subsection B of 20.2.91.110 NMAC, each manufacturer of a motor vehicle or motor vehicle engines subject to this part shall include with each new motor vehicle or motor vehicle engine the emission control systems warranty statement that complies with the requirements of CCR, Title 13, Section 2039, except:

(1) A manufacturer shall modify the emission control systems warranty statement as necessary to inform motor vehicle owners of the applicability of the warranty in the New Mexico Requirement Area.

(2) For the purpose of the documents required pursuant to CCR, Title 13, Section 2039(c), a manufacturer is only required to submit such documents upon request of the department.

C. Upon the department's request, a manufacturer of a motor vehicle subject to this part shall submit a failure of emission-related component report, or copy of the report submitted to CARB, to the department as defined in CCR, Title 13, Section 2144.

[20.2.91.110 NMAC - N, 8/1/2022]

20.2.91.111 LABELS. A manufacturer, dealer, or other persons shall not deliver for sale, offer for sale, sell, import, deliver, purchase, rent, lease, acquire, receive, or register new passenger cars, light-duty trucks, medium-duty passenger vehicles, or medium-duty motor vehicles or motor vehicle engines in the New Mexico Requirement Area if emission control labels and environmental performance labels have not been affixed in accordance with CCR, Title 13, Section 1965.

[20.2.91.111 NMAC - N, 8/1/2022]

20.2.91.112 RECALL CAMPAIGNS.

A. Any order issued or enforcement action taken by CARB to correct noncompliance that results in a recall campaign of a motor vehicle pursuant to CCR, Title 13, Sections 2111 through 2135 shall be prima facie evidence concerning noncompliance for a motor vehicle registered in the New Mexico Requirement Area. If the manufacturer demonstrates to the department's satisfaction that the order or action is not applicable to a motor vehicle registered in the New Mexico Requirement Area, the department shall not pursue a recall campaign of that motor vehicle.

B. If a manufacturer initiates a voluntary or influenced emission-related recall campaign pursuant to CCR, Title 13, Sections 2113 through 2121, the recall campaign shall include all affected motor vehicles registered in the New Mexico Requirement Area.

C. For a motor vehicle subject to an order or action under Subsection A of 20.2.91.112 NMAC (Recall Campaigns), each manufacturer shall send to each owner of an affected motor vehicle registered in the New Mexico Requirement Area a notice that complies with the requirements in CCR, Title 13, Sections 2118 and 2127, as applicable, including a telephone number for owners to obtain answers to questions regarding the recall.

[20.2.91.112 NMAC - N, 8/1/2022]

20.2.91.113 REGISTRATION AND FEES.

A. Effective January 1, 2025, each large-volume or intermediate-volume motor vehicle manufacturer delivering for sale, offering for sale, selling, importing, delivering, or leasing new passenger cars, light-duty trucks, medium-duty passenger vehicles, or medium-duty motor vehicle subject to this part shall obtain a registration from the department. The department shall issue a registration for a period of 10 years subject to an annual fee.

B. Effective January 1, 2025, each large-volume or intermediate-volume motor vehicle manufacturer subject to this part shall report to the department the number of new passenger cars, light-duty trucks, medium-duty

passenger vehicles, or medium-duty vehicles motor vehicle delivered for sale, offered for sale, sold imported, delivered, purchased, rented, leased, acquired, received, or registered in the New Mexico Requirement Area during the previous model year. The manufacturer shall submit the report to the department by March 1 of each year. Failure to timely submit the report shall be a violation of Subsection B of 20.2.91.113 NMAC (Registration and Fees) and cause for the department to revoke the manufacturer's registration.

C. The department shall assess an annual registration fee for the period beginning July 1 and ending June 30 of the subsequent year. Failure to timely pay the annual registration fee shall be a violation of Subsection C of 20.2.91.113 NMAC (Registration and Fees) and cause for the department to revoke the manufacturer's registration.

D. The department shall assess annual registration fees by apportioning the total registration fee among all registrants according to each manufacturer's reported market share for the previous model year.

E. Within 60 days after report required by 20.2.91.113 NMAC (Registration and Fees) are due, the department shall notify each registrant of the registration fee required for the next registration period. Within 30 days of the department's notice of the required registration fee, each registrant shall remit the specified amount payable to the New Mexico environment department.

F. The total registration fee is \$200,000 and shall increase annually by the consumer price index.

G. Large-volume or intermediate-volume motor vehicle manufacturers seeking to earn ZEV early action credits under 20.2.91.108 NMAC (Zero Emission Vehicle Early Action and Onetime Credits) shall request a registration by October 1 in the year preceding each early action model year and shall pay a \$10,000 registration fee that is separate and apart from the annual registration fee.

[20.2.91.113 NMAC - N, 8/1/2022]

20.2.91.114 INSPECTIONS AND INFORMATION REQUESTS.

A. The department may inspect new and used motor vehicles, and may inspect and copy relevant, non-financial records, including records documenting motor vehicle origin, certification, delivery or sales, and any record of emission-related part repairs performed under warranty.

B. The department may require a dealer or rental car agency to submit or may inspect and copy itself relevant, non-financial documentation related to a motor vehicle subject or potentially subject to this part, except that Subsection B of 20.2.91.114 NMAC (Inspections and Information Requests) shall not be construed to require the creation of a new record.

[20.2.91.114 NMAC - N, 8/1/2022]

20.2.91.115 PROHIBITED. Failure to comply with the emission standards, recordkeeping, reporting or other requirements of this part within the timeframes specified shall constitute a violation of this part subject to enforcement action under Section 74-2-12 NMSA 1978.

[20.2.91.115 NMAC - N, 8/1/2022]

20.2.91.116 NEW MEXICO MOTOR VEHICLE DIVISION.

A. The director shall enter into a binding agreement with the New Mexico motor vehicle division whereby motor vehicles covered by this part and registered with the New Mexico motor vehicle division shall only be eligible for registration if the motor vehicle complies with this part.

B. Nothing in 20.2.91.116 NMAC (New Mexico Motor Vehicle Division) shall be construed to prevent the environmental improvement board or the department from utilizing any other enforcement mechanisms granted to them pursuant to this part or the New Mexico Air Quality Control Act, Sections 74-2-1 through 74-2-17, NMSA 1978.

[20.2.91.116 NMAC - N, 8/1/2022]

HISTORY OF 20.2.91 NMAC [RESERVED]