



# Minnesota's Auto Dealers Oppose California Vehicle Emissions Regulations

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## **This bill will dramatically limit customer choice.**

Under this legislation, HF 690/SF 674, Minnesota would be required to adopt California's Low Emissions Vehicle Regulations (CA LEV) that would apply to vehicles with model years 2013 and later.

The only way auto manufacturers can meet these fleet average standards under California's regulatory scheme is to **restrict supplies** of vehicles with lower fuel economy (i.e. bigger cars and trucks).

Under this proposal, the only vehicles that would be legal to register in Minnesota are those that are "California Certified." This will **restrict dealer trades** on many models – especially for dealers who engage in dealer trades with dealers in our surrounding states. None of our surrounding states have adopted California's emissions laws, so the dealers in surrounding states would not have "California Certified" vehicles on their lots available for trade to MN dealers.

Additionally, **Flex Fuel Vehicles are simply not available** in many models in states that have adopted California's emissions laws because FFVs cannot meet certain categories of the California standards.

*Bottom line: MADA members would not be able to meet customer demand for larger cars, pick-up trucks, SUVs and minivans – even though most Minnesota customers demand these types of vehicles.*

## **Vehicle Emissions Laws Should Be the Same Nation-wide.**

The bill being considered would require Minnesota to OPT OUT of federal regulations in order to adopt vehicle emissions regulations that are made by the state of California.

Regulation at the state level is the wrong way to proceed; Rather, a single national standard is the best way to achieve real results.

Minnesota does not need to enact California's emissions regulations because recently passed *federal* legislation will require vehicle manufacturers to make all vehicles cleaner and more efficient:

HF 690/SF 674 ACHIEVES **NO BENEFITS IN AIR POLLUTION REDUCTION**: Under both the Federal regulations or under the California regulations air pollution from motor vehicles is expected to decrease by 70% over the same period of time.

HF 690/SF 674 ACHIEVES **NO BENEFITS IN CARBON EMISSIONS REDUCTIONS**: The new federal law will require auto manufacturers to achieve at least a 40% increase in fuel economy and at least a 30% reduction in carbon emissions for their entire national fleets by 2020.

Between 2011 and 2015, federal fuel economy regulations are stronger than California's regulations.

*Bottom line: If we let the new federal law work, we can get cleaner vehicles WITHOUT prohibiting sales of trucks, SUVs and minivans. If we pass California's law, we will have restricted supplies.*

## **Consider the Downside...**

There is very little to gain in air pollution control or greenhouse gas emissions reductions with HF 690/SF 674.

A small, unelected, unaccountable committee seated in California would dictate the air quality law in Minnesota with no input from Minnesotans, and no requirement to take into account Minnesota's unique characteristics (such as weather, industries, ethanol-blended fuel, etc.).

Vehicles developed to use E85 fuel, Flex Fuel Vehicles, are not compatible with the emissions standards set forth in the CALEV bill.

This would certainly cause depressed new vehicle sales, devalue hundreds of vehicle dealerships, and cripple an important \$11 billion Minnesota industry.

*Bottom line: Allowing California regulators to control Minnesotans' vehicles is the wrong way to achieve progress.*

**MADA Urges You to Oppose the California Vehicle Emissions bill.**

**Minnesota Cannot Afford California's Vehicle Emissions Standards.**

For more information, please contact the Minnesota Auto Dealers Association representatives,  
Scott Lambert or Alyssa Schlander at 651-291-2400.