

Advanced Clean Fleets Regulation  
Proposed Draft Regulation Language

2040 100 Percent ZEV Sales Requirement

California Air Resources Board

Advanced Clean Fleets Workshop

September 9, 2021

**POTENTIAL DRAFT REGULATORY LANGUAGE FOR STAKEHOLDER REVIEW: This document provides potential draft regulatory language for the Advanced Clean Fleets rulemaking. This document is only intended to encourage public feedback and should not be construed as a formal regulatory proposal.**

DRAFT PROPOSED REGULATION ORDER

Adopt new section 95694, title 17, California Code of Regulations to read as follows:

[Note: The entire text of section 95694 set forth below is new language in “normal type” to be added to the California Code of Regulations]

**Section 95694. 100 Percent Medium- and Heavy-Duty Zero-Emission Vehicle Sales**

- (a) *Sunset Provision.* The requirements of title 13, sections 1963, 1963.1, 1963.2, 1963.3, 1963.4, and 1963.5 shall sunset at the end of the 2039 model year.
- (b) *Scope and Applicability.* Any manufacturer that certifies on-road vehicles over 8,500 lbs. gross vehicle weight rating for sale in California is subject to this section beginning with the 2040 model year.
- (c) *Definitions.* The following definitions apply to this section:
  - (1) “Authorized Emergency Vehicle” has the same meaning as defined in California Vehicle Code (CVC) section 165.
  - (2) “Executive Officer” means the Executive Officer of the California Air Resources Board (CARB) or delegated representative.
  - (3) “Gross Vehicular Weight Rating” or “GVWR” has the same meaning as GVWR in CVC section 350.
  - (4) “Manufacturer” means any person who assembles new on-road motor vehicles, or imports such vehicles for resale, or who acts for and is under the control of any such person in connection with the distribution of new motor vehicles, but shall not include any dealer with respect to new motor vehicles received in commerce. In general, this term includes any person who manufactures or assembles an on-road vehicle or other incomplete on-road vehicle for sale in California or otherwise introduces a new on-road motor vehicle into commerce in California. This includes importers who import on-road vehicles for resale and persons that assemble glider vehicles. This does not include persons who supply parts to the importer or vehicle manufacturer of record.

- (5) "Model Year" means a designation meeting the definition of "model year" under 17 CCR section 95662(a)(16).
- (6) "Vehicle" or "on-road vehicle" means new equipment that meets the following criteria:
  - (A) Has a GVWR that is 8,501 pounds and above;
  - (B) Is equipment intended for use on highways, and meets the definition set forth in 17 CCR section 95662(a)(26); and
  - (C) Is not a trailer as defined in 17 CCR section 95662(a)(24).
- (7) "Zero-emission vehicle" or "ZEV" means an on-road vehicle with a drivetrain that produces zero exhaust emission of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.
- (d) *2040 ZEV Requirement.* Beginning with the 2040 model year, all vehicles subject to this section that are produced and delivered for sale to the ultimate purchaser in California must be ZEVs. This requirement does not apply to authorized emergency vehicles.
- (e) *Zero-Emission Powertrain Certification Requirement.* ZEVs over 14,000 pounds GVWR and incomplete medium-duty ZEVs from 8,501 through 14,000 pounds GVWR produced and delivered for sale in California must meet the requirements of 13 CCR section 1956.8 and 17 CCR section 95663 as amended by the Zero-Emission Powertrain Certification regulation.
- (f) *Reporting Requirements.* Beginning with the 2040 model year, and no later than 90 days following the end of each model year, a manufacturer must report the following information to the Executive Officer for each on-road vehicle produced and delivered for sale in California for each model year.
  - (1) Vehicle Identification Number;
  - (2) Fuel and drivetrain type; and
  - (3) If the vehicle is not a ZEV, documentation showing the vehicle is an authorized emergency vehicle.
- (g) *Retention of Records.* Records of reported information required in section 95694(f) and documentation showing vehicle delivery to the ultimate purchaser at a location in California must be kept by manufacturers for CARB to audit for a period of eight (8) years from the end of the model year the vehicles were produced.

- (h) *Audit of Records.* A manufacturer must make records of vehicle sales into California available to the Executive Officer within 30 days of a request for audit to verify the accuracy of the reported information. Submitting false information is a violation of this regulation and violators will be subject to penalty.
  
- (i) *Penalty for Selling Combustion Powered Vehicles after 2040.* Any manufacturer selling a vehicle which is not a ZEV on or after the 2040 model year shall be subject to Health and Safety Code section 43212 civil penalty applicable to a manufacturer who does not comply with emission standards or the test procedures adopted by the state board. Any person, including dealers and distributors, who engages in selling a vehicle which is not a ZEV to an ultimate purchaser in California will be deemed in violation of Health and Safety Code section 43153 and subject to Health and Safety Code section 43154 civil penalty. The cause of these actions shall be deemed to accrue when a vehicle is delivered for sale in California to the ultimate purchaser.

NOTE: Authority cited: Sections 38501, 38510, 38560, 38566, 39500, 39600, 39601, 39650, 39658, 39659, 39666, 39667, 43013, 43018, 43100, 43101, 43102, 43104, 43212, 43153, 43154 Health and Safety Code. Reference: Sections 38501, 38505, 38510, 38560, 38580, 39000, 39003, 39650, 39655, 43000, 43000.5, 43013, 43016, 43018, 43100, 43101, 43102, 43104, 43105, 43106, 43153, 43154, 43205, 43205.5, 43212, 43153, 43154 , 43212 Health and Safety Code.