

**PROPOSED REGULATION OF THE
STATE ENVIRONMENTAL COMMISSION**

LCB FILE NO. R093-20I

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P2020-07

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EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 445B.760.

A PERMANENT REGULATION relating to air pollution; adopting by reference certain provisions of California regulations for the Low-Emission Vehicle and Zero-Emission Vehicle programs relating to air quality; and providing other matters properly relating thereto.

MOTOR VEHICLE ENGINE EMISSION STANDARDS

General Provisions

NAC 445B.900 *Scope. The provisions of NAC 445B.900 to 445B.933, inclusive, provide the standards for emissions from motor vehicles in this State.*

NAC 445B.901 *Applicability.*

1. The provisions of NAC 445B.900 to 445B.933, inclusive, apply to all 2025 and subsequent model year:

(a) Motor vehicles offered for sale or lease or sold or leased for registration in this State which are:

- (1) Passenger cars;*
- (2) Light-duty trucks;*
- (3) Medium-duty passenger vehicles; or*
- (4) Medium-duty vehicles.*

(b) Motor vehicle engines offered for sale in this State that would be installed in:

- (1) Passenger cars;*
- (2) Light-duty trucks;*
- (3) Medium-duty passenger vehicles; or*
- (4) Medium-duty vehicles.*

(c) Motor vehicles sold or leased to the United States government or an agency thereof or to the State of Nevada or political subdivision thereof that would be registered or required to be registered in this State which are:

- (1) Passenger cars;*
- (2) Light-duty trucks;*
- (3) Medium-duty passenger vehicles; or*
- (4) Medium-duty vehicles.*

NAC 445B.902 *Definitions. As used in NAC 445B.900 to 445B.933, inclusive, unless the context otherwise requires, the words and terms defined in NAC 445B.902 to 445B.916, inclusive, have the meanings ascribed to them in those sections.*

NAC 445B.903 *“Auxiliary power unit” defined. “Auxiliary power unit” (APU) means any device that provides electrical or mechanical energy, meeting the requirements of 13 C.C.R. § 1962.2(c)(2) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(j), to a range extended battery electric vehicle, after the zero emission range has been fully depleted. A fuel fired heater does not qualify under this definition for an auxiliary power unit.*

NAC 445B.904 *“CARB” defined. “CARB” means the California Air Resources Board as defined in the California Health and Safety Code, Section 39003.*

NAC 445B.905 *“Department” defined. “Department” means the Department of Conservation and Natural Resources.*

NAC 445B.906 *“Director” defined. “Director” means the Director of the Department.*

NAC 445B.907 *“Greenhouse gas” defined. “Greenhouse gas” means any of the following gases, either alone or in combination:*

- 1. Carbon dioxide (CO₂);*

2. *Hydrofluorocarbons (HFCs);*
3. *Methane (CH₄); and*
4. *Nitrous oxide (N₂O).*

NAC 445B.908 *“Gross vehicle weight rating” defined. “Gross vehicle weight rating” (GVWR) means the value specified by the manufacturer as the loaded weight of a single vehicle.*

NAC 445B.909 *“Light-duty truck” defined. “Light-duty truck” means any motor vehicle certified to the standards in 13 C.C.R. §§ 1961(a)(1) or 1961.2 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(d) and 445B.918.1(f) rated at 8,500 pounds gross vehicle weight or less, and any other motor vehicle, rated at 6,000 pounds gross vehicle weight or less, which is designed primarily for purposes of transportation of property or is a derivative of such a vehicle, or is available with special features enabling off-street or off-highway operation and use.*

NAC 445B.910 *“Medium-duty passenger vehicle” defined. “Medium-duty passenger vehicle” means any medium-duty vehicle with a gross vehicle weight rating of less than 10,000 pounds that is designed primarily for the transportation of persons. The Medium-duty passenger vehicle definition does not include any vehicle which:*

1. *Is an “incomplete truck” that is, is a truck that does not have the primary load carrying device or container attached;*
2. *Has a seating capacity of more than twelve (12) persons;*
3. *Is designed for more than nine (9) persons in seating rearward of the driver's seat; or*
4. *Is equipped with an open cargo area of 72.0 inches in interior length or more. A covered box not readily accessible from the passenger compartment will be considered an open cargo area, for purposes of this definition.*

NAC 445B.911 *“Medium-duty vehicle” defined. “Medium-duty vehicle” means any pre-1995 model year heavy-duty vehicle having a manufacturer's gross vehicle weight rating of*

8,500 pounds or less; any 1992 through 2006 model-year heavy-duty low-emission, ultra-low-emission, super-ultra-low-emission or zero-emission vehicle certified to the standards in 13 C.C.R. § 1960.1(h)(2) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(c) having a manufacturer's gross vehicle weight rating of 14,000 pounds or less; and any 2000 and subsequent model heavy-duty low-emission, ultra-low-emission, super-ultra-low-emission or zero-emission vehicle certified to the standards in 13 C.C.R. §§ 1961(a)(1) or 1962.1 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(d) and 445B.918.1(i) having a manufacturer's gross vehicle weight rating between 8,501 and 14,000 pounds.

NAC 445B.912 *“Neighborhood electric vehicle” defined. “Neighborhood Electric Vehicle” (NEV) means a motor vehicle that meets the definition of Low-Speed Vehicle either in the California Vehicle Code Division 1 VEH Section 385.5, or in 49 CFR 571.500 (as it existed on July 1, 2000), and is certified to Zero Emission Vehicle standards.*

NAC 445B.913 *“Passenger car” defined. “Passenger car” means any motor vehicle designed primarily for transportation of persons and having a design capacity of twelve (12) persons or less.*

NAC 445B.914 *“Range extended battery electric vehicle” defined. “Range extended battery electric vehicle” (BEVx) means a vehicle powered predominantly by a zero emission energy storage device, able to drive the vehicle for more than seventy-five (75) all-electric miles, and also equipped with a backup auxiliary power unit, which does not operate until the energy storage device is fully depleted, and meeting requirements in 13 C.C.R. § 1962.2(d)(5)(G) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(j).*

NAC 445B.915 *“Transitional zero emission vehicle” defined. “Transitional zero emission vehicle” (TZEV) means a vehicle that meets all the criteria of 13 C.C.R. § 1962.2(c)(2) of the California Code of Regulations and adopted by reference pursuant to NAC*

445B.918.1(j) and qualifies for an allowance in 13 C.C.R. § 1962.2(c)(3)(A) or (E) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(j).

NAC 445B.916 *“Zero emission vehicle” defined. “Zero emission vehicle” (ZEV) means a vehicle that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.*

NAC 445B.917 *Severability (NRS 445B.210) If any of the provisions of NAC 445B.900 to 445B.933, inclusive, or any application thereof to any person, thing or circumstance is held invalid, it is intended that such invalidity not affect the remaining provisions, or their application, that can be given effect without the invalid provision or application.*

NAC 445B.918 *Adoption by reference of certain provisions of the California Code of Regulations*

1. The following provisions of the California Code of Regulations are hereby adopted by reference:

- (a) 13 C.C.R. § 1900 as it existed on January 1, 2020;*
- (b) 13 C.C.R. § 1956.8(h) as it existed on January 1, 2020;*
- (c) 13 C.C.R. § 1960.1 as it existed on January 1, 2020;*
- (d) 13 C.C.R. § 1961 as it existed on January 1, 2020;*
- (e) 13 C.C.R. § 1961.1 as it existed on January 1, 2020;*
- (f) 13 C.C.R. § 1961.2 as it existed on January 1, 2020;*
- (g) 13 C.C.R. § 1961.3 as it existed on January 1, 2020;*
- (h) 13 C.C.R. § 1962 as it existed on January 1, 2020;*
- (i) 13 C.C.R. § 1962.1 as it existed on January 1, 2020;*
- (j) 13 C.C.R. § 1962.2 as it existed on January 1, 2020;*
- (k) 13 C.C.R. § 1962.3 as it existed on January 1, 2020;*
- (l) 13 C.C.R. § 1965 as it existed on January 1, 2020;*
- (m) 13 C.C.R. § 1968.2 as it existed on January 1, 2020;*
- (n) 13 C.C.R. § 1968.5 as it existed on January 1, 2020;*

- (o) *13 C.C.R. § 1976 as it existed on January 1, 2020;*
- (p) *13 C.C.R. § 1978 as it existed on January 1, 2020;*
- (q) *13 C.C.R. § 2035 as it existed on January 1, 2020;*
- (r) *13 C.C.R. § 2037 as it existed on January 1, 2020;*
- (s) *13 C.C.R. § 2038 as it existed on January 1, 2020;*
- (t) *13 C.C.R. § 2039 as it existed on January 1, 2020;*
- (u) *13 C.C.R. § 2040 as it existed on January 1, 2020;*
- (v) *13 C.C.R. § 2041 as it existed on January 1, 2020;*
- (w) *13 C.C.R. § 2046 as it existed on January 1, 2020;*
- (x) *13 C.C.R. § 2062 as it existed on January 1, 2020;*
- (y) *13 C.C.R. § 2109 as it existed on January 1, 2020;*
- (z) *13 C.C.R. § 2111 as it existed on January 1, 2020;*
- (aa) *13 C.C.R. § 2112 as it existed on January 1, 2020;*
- (bb) *13 C.C.R. § 2113 as it existed on January 1, 2020;*
- (cc) *13 C.C.R. § 2114 as it existed on January 1, 2020;*
- (dd) *13 C.C.R. § 2115 as it existed on January 1, 2020;*
- (ee) *13 C.C.R. § 2116 as it existed on January 1, 2020;*
- (ff) *13 C.C.R. § 2117 as it existed on January 1, 2020;*
- (gg) *13 C.C.R. § 2118 as it existed on January 1, 2020;*
- (hh) *13 C.C.R. § 2119 as it existed on January 1, 2020;*
- (ii) *13 C.C.R. § 2120 as it existed on January 1, 2020;*
- (jj) *13 C.C.R. § 2121 as it existed on January 1, 2020;*
- (kk) *13 C.C.R. § 2122 as it existed on January 1, 2020;*
- (ll) *13 C.C.R. § 2123 as it existed on January 1, 2020;*
- (mm) *13 C.C.R. § 2124 as it existed on January 1, 2020;*
- (nn) *13 C.C.R. § 2125 as it existed on January 1, 2020;*
- (oo) *13 C.C.R. § 2126 as it existed on January 1, 2020;*
- (pp) *13 C.C.R. § 2127 as it existed on January 1, 2020;*
- (qq) *13 C.C.R. § 2128 as it existed on January 1, 2020;*
- (rr) *13 C.C.R. § 2129 as it existed on January 1, 2020;*

- (ss) *13 C.C.R. § 2130 as it existed on January 1, 2020;*
- (tt) *13 C.C.R. § 2131 as it existed on January 1, 2020;*
- (uu) *13 C.C.R. § 2132 as it existed on January 1, 2020;*
- (vv) *13 C.C.R. § 2133 as it existed on January 1, 2020;*
- (ww) *13 C.C.R. § 2134 as it existed on January 1, 2020;*
- (xx) *13 C.C.R. § 2135 as it existed on January 1, 2020;*
- (yy) *13 C.C.R. § 2139 as it existed on January 1, 2020;*
- (zz) *13 C.C.R. § 2141 as it existed on January 1, 2020;*
- (aaa) *13 C.C.R. § 2142 as it existed on January 1, 2020;*
- (bbb) *13 C.C.R. § 2143 as it existed on January 1, 2020;*
- (ccc) *13 C.C.R. § 2144 as it existed on January 1, 2020;*
- (ddd) *13 C.C.R. § 2145 as it existed on January 1, 2020;*
- (eee) *13 C.C.R. § 2146 as it existed on January 1, 2020;*
- (fff) *13 C.C.R. § 2147 as it existed on January 1, 2020;*
- (ggg) *13 C.C.R. § 2148 as it existed on January 1, 2020;*
- (hhh) *13 C.C.R. § 2149 as it existed on January 1, 2020; and*
- (iii) *13 C.C.R. § 2235 as it existed on January 1, 2020.*

2. For the purposes of applying the adopted sections of the California Code of Regulations, unless the context otherwise requires, “California” means Nevada, “CARB” or “AIR Resources Board” means the Department and “Executive Officer” means the Director.

3. A copy of the provisions of the California Code of Regulations specified in subsection 1 may be obtained by mail from Thomson Reuters on behalf of the California Office of Administrative Law, [insert address here], for the price of [\$XXX], or free of charge at the internet address <http://www.oal.ca.gov>

Low Emission Vehicle Program

NAC 445B.919 *General requirements: Motor vehicle sales*

1. It is unlawful for any person to sell or register, offer for sale or lease, import, deliver, purchase, lease, acquire or receive a 2025 or subsequent model year new passenger car, light-duty truck, medium-duty passenger vehicle or medium-duty vehicle in this State which is not

certified to the provisions of California emissions standards as adopted by reference in NAC 445B.918.1(f) and 445B.918.1(g), unless:

- (a) Sold to another dealer,*
- (b) Sold for the purpose of being wrecked or dismantled,*
- (c) Sold exclusively for off-highway use, or*
- (d) Sold for registration out of state.*

NAC 445B.920 *General Requirements: Exceptions*

1. The provisions of NAC 445B.900 to 445B.933, inclusive, do not apply to:

(a) A vehicle acquired by a resident of this State for the purpose of replacing a vehicle registered to such resident which was damaged or became inoperative beyond reasonable repair or was stolen while out of this State, provided that such replacement vehicle is acquired out of state at the time the previously owned vehicle was either damaged or became inoperative or was stolen;

(b) A vehicle transferred by inheritance;

(c) A vehicle transferred by court decree;

(d) Any vehicle having a certificate of conformity issued pursuant to the Clean Air Act (42 U.S.C. Section 7401 et seq.) and originally registered in another state by a resident of that state who subsequently establishes residence in this State and who upon registration of the vehicle in this State provides satisfactory evidence to the Department of Motor Vehicles or its assigned designee of the previous residence and registration;

(e) Any vehicle with 7,500 miles or more of use as of the date of sale or lease;

(f) Any vehicle that meets the designation of an authorized emergency vehicle pursuant to NRS 484A.480;

(g) Any vehicle that meets the definition of a military tactical vehicle pursuant to NRS 445B.759.2(a); or

(h) Any vehicle available only for rent to a final destination in a state that is not subject to the California vehicle emission standards.

NAC 445B.921 *Fleet Average Motor Vehicle Engine Emission Standards: Non-methane organic gas plus oxides of nitrogen; Emission credits and debits.*

1. For each model year, manufacturers of passenger cars, light-duty trucks and medium-duty vehicles produced and delivered for sale in this State shall not exceed the fleet average non-methane organic gas plus oxides of nitrogen emission standards set forth in 13 C.C.R. § 1961.2 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(f).

2. Credits and debits may be accrued and used based upon each manufacturer's sales of vehicles in Nevada, pursuant to the provisions set forth in 13 C.C.R. § 1961.2 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(f).

NAC 445B.922 *Fleet Average Motor Vehicle Engine Emission Standards: Greenhouse Gases; Emission credits and debits.*

1. For each model year, manufacturers of passenger cars, light-duty trucks and medium-duty passenger vehicles produced and delivered for sale in this State shall not exceed the fleet average greenhouse gas emission standards set forth in 13 C.C.R. § 1961.3 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(g).

2. Credits and debits may be accrued and used based upon each manufacturer's sales of vehicles in Nevada, pursuant to the provisions set forth in 13 C.C.R. § 1961.3 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(g).

NAC 445B.923 *Compliance Requirements: Fleet average non-methane organic gases plus oxides of nitrogen.*

1. For each model year, using the same format used to report this information to CARB, each manufacturer must report to the Department the non-methane organic gas plus oxides of nitrogen exhaust emissions of its fleet delivered for sale in this State. Reports must be submitted to the Department by no later than March 1 of the calendar year succeeding the end of the model year.

(a) If the “Pooling Provision” option number two in 13 C.C.R. § 1961.2 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(f) is chosen, manufacturers must report the data for the entire pool as well as the Nevada specific portion.

2. If a report submitted by a manufacturer pursuant to NAC 445B.923.1 demonstrates that the manufacturer is not in compliance with the fleet average non-methane organic gases plus oxides of nitrogen emission standard, the manufacturer must submit to the Department within 60 days a fleet average remediation report. The fleet average remediation report must:

(a) Describe how the manufacturer intends to equalize any accrued debits;

(b) Identify all vehicle models delivered for sale in this State, their corresponding certification standards, and the percentage of each model delivered for sale in this State and California in relation to total fleet sales in the respective state; and

(c) Describe how the manufacturer plans to achieve compliance with the fleet average non-methane organic gases plus oxides of nitrogen emission standard in future model years.

NAC 445B.924 Compliance Requirements: Fleet average Greenhouse gases

1. For each model year, using the same format used to report this information to CARB, each manufacturer must report to the Department the greenhouse gas exhaust emissions of its fleet delivered for sale in this State. Reports must be submitted to the Department by no later than May 1 of the calendar year succeeding the end of the model year.

(a) If the “Calculation of Fleet Average Carbon Dioxide Value” option number two in 13 C.C.R. § 1961.3(a)(5)(D) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(g) is chosen, manufacturers must report the data for the entire pool as well as the Nevada specific portion.

2. If a report submitted by a manufacturer pursuant to NAC 445B.924.1 demonstrates that the manufacturer is not in compliance with the fleet average greenhouse gas emission standard, the manufacturer must submit to the Department within sixty (60) days a fleet average remediation report. The fleet average remediation report must:

(a) Describe how the manufacturer intends to equalize any accrued debits;

(b) Identify all vehicle models delivered for sale in this State, their corresponding certification standards, and the percentage of each model delivered for sale in this State and California in relation to total fleet sales in the respective state; and

(c) Describe how the manufacturer plans to achieve compliance with the fleet average greenhouse gas emission standard in future model years.

NAC 445B.925 Additional Reporting Requirements.

1. Upon request by the Department, vehicle manufacturers must submit to the Department:

(a) A copy of the California Executive Order and Certificate of Conformity for certification of new motor vehicles for each engine family to be sold in this State within thirty (30) days of the request. If such reports are available electronically, the manufacturer must send the record in an electronic format acceptable to the Director.

(b) Any documentation the Department deems necessary to the effective administration and enforcement of NAC 445B.900 to 445B.933, inclusive, including all certification materials submitted to CARB.

(c) Failure of Emission-Related Components reports as defined in 13 C.C.R. § 2144 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(ccc), for vehicles subject to this regulation.

(1) For purposes of compliance with NAC 445B.925.1, manufacturers may submit copies of the Failure of Emission-Related Components reports that are submitted to CARB in lieu of submitting reports for vehicles subject to NAC 445B.900 to 445B.933, inclusive.

NAC 445B.926 Inspection and enforcement: Inspection of motor vehicle dealers; Enforcement.

1. For the purpose of enforcing or administering any Federal or State law, order, regulation, or rule relating to vehicular sources of emissions, the Department or an authorized representative of the Department of Motor Vehicles, has the right of entry for the purpose of inspecting any 2025 and subsequent model year vehicles to any premises owned, operated, used, leased or rented by any new or used car dealer.

(a) Nothing in NAC 445B.926 or elsewhere in NAC 445B.900 to 445B.933, inclusive, is intended to limit the Department's authority to enter and inspect pursuant to NRS 445B.230.

2. For the purpose of determining compliance with NAC 445B.900 to 445B.933, inclusive, the Department may require any vehicle dealer or rental car agency to submit documentation the Department deems necessary to the effective administration and enforcement of NAC 445B.900 to 445B.933, inclusive.

(a) Unless otherwise specified, any person subject to the provisions of this NAC 445B.900 to 445B.933, inclusive must retain all relevant records for at least three (3) years from the creation of those records. Such records will be provided to the Department upon its request.

(b) This provision does not require the creation of new records.

NAC 445B.927 *Emission control systems: Warranty requirements; Emission control system warranty statement; Environmental performance labels*

1. For each model year, manufacturers of passenger cars, light-duty trucks, medium-duty vehicles and motor vehicle engines subject to NAC 445B.900 to 445B.933, inclusive, shall provide to the ultimate purchaser and each subsequent purchaser, a warranty that complies with the requirements in:

(a) 13 C.C.R. §§ 2035 through 2038, inclusive, of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(q) through NAC 445B.918.1(s), inclusive;

(b) 13 C.C.R. § 2040 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(u); and

(c) 13 C.C.R. § 2046 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(w).

2. For each model year, manufacturers of passenger cars, light-duty trucks, medium-duty vehicles and motor vehicle engines subject to NAC 445B.900 to 445B.933, inclusive, shall include the emission control system warranty statement that complies with the requirements in 13 C.C.R. § 2039 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(t).

(a) Manufacturers may modify this statement as necessary to inform vehicle owners in this State of the applicability of the warranty.

(b) Documents required by 13 C.C.R. § 2039(c) of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(t) shall only be provided to the Department upon the request of the Department.

3. It is unlawful for any person to sell or register, offer for sale or lease, import, deliver, purchase, rent, lease, acquire or receive a new passenger car, light-duty truck, medium-duty passenger vehicle or medium-duty vehicle in this State to which emissions control labels and environmental performance labels have not been affixed pursuant to the requirements of 13 C.C.R. § 1965 of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(l).

NAC 445B.928 *Recall Requirements*

1. For all passenger cars, light-duty trucks, medium-duty vehicles, and motor vehicle engines subject to recall in California, each manufacturer shall, unless the manufacturer demonstrates to the Department that such recall is not applicable to vehicles registered in this State, undertake recall campaigns in this State pursuant to 13 C.C.R. §§ 2111 through 2135, inclusive, of the California Code of Regulations and adopted by reference pursuant to NAC 445B.918.1(z) through NAC 445B.918.1(xx), inclusive.

Zero Emission Vehicle Program

NAC 445B.929 *General requirements: Emission standards.*

1. Certification for zero emission vehicle emission standards shall be made pursuant to 13 C.C.R. § 1962.2 of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j).

NAC 445B.930 *General requirements: Percentage sales requirements*

1. A manufacturer must comply with the zero emission vehicle sales requirement contained in 13 C.C.R. § 1962.2(b) of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j).

NAC 445B.931 *ZEV credit bank: Earning credits; Accounts; Proportional starting ZEV credit balance; Manufacturer compliance options.*

1. A manufacturer can earn ZEV credits per qualifying vehicle delivered for sale in this State pursuant to 13 C.C.R. §§ 1962.2(c), 1962.2(d) and 1962.2(g) of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j).

2. Beginning with the 2025 model year, each manufacturer may open an account in the California ZEV Credit System for banking credits in this State.

3. A manufacturer may deposit into its account a number of credits equal to its 2025 model year starting California credit balance multiplied by the number of new passenger cars and light-duty trucks the manufacturer produced and delivered for sale in this State and divided by the average number of new passenger cars and light-duty trucks the manufacturer produced and delivered for sale in California during the time period selected by the manufacturer for calculation of their ZEV sales requirement for the 2025, 2026 and 2027 model years.

(a) The deposit may be made only after all credit obligations for model years 2024 and earlier have been satisfied in California. While manufacturers may trade or sell these credits to any other manufacturer, use of these credits is restricted through the 2025, 2026, and 2027 model years in accordance with NAC 445B.931.4.

4. Each manufacturer must choose one of the following two options for compliance with the 2025, 2026 and 2027 model years. A manufacturer that chooses Option 2 must notify the Director no later than January 1, 2024 or must comply with Option 1.

(a) Option 1:

(1) A manufacturer may meet no more than [AA] percent of its 2025 model year ZEV credit obligation using credits per NAC 445B.931.3.

(2) A manufacturer may meet no more than [BB] percent of its 2026 model year ZEV credit obligation using credits per NAC 445B.931.3.

(3) A manufacturer may meet no more than [CC] percent of its 2027 model year ZEV credit obligation using credits per NAC 445B.931.3.

(b) Option 2:

(1) A manufacturer may earn credits for model year 2023 and model year 2024 BEVxs, NEVs, TZEVs and ZEVs produced and delivered for sale in this State.

(2) A manufacturer may meet no more than [XX] percent of its 2025 model year ZEV credit obligation using credits per NAC 445B.931.3.

(3) A manufacturer may meet no more than [YY] percent of its 2026 model year ZEV credit obligation using credits per NAC 445B.931.3.

(4) A manufacturer may meet no more than [ZZ] percent of its 2027 model year ZEV credit obligation using credits per NAC 445B.931.3.

NAC 445B.932 *Reporting requirements*

1. Each manufacturer must annually submit to the Department a Notice of Credit Generation or Notice of Credit Transfer to or from another manufacturer. Credits generated or acquired must be reported to the Department on or before September 1 following the close of the model year in which the qualifying vehicle was produced and delivered for sale in this State.

2. The report to the Director by each manufacturer shall be in the same format as the report submitted to CARB.

NAC 445B.933 *Requirements for deficit of ZEV credits*

1. A manufacturer that fails to meet its ZEV credit obligation for a given model year must make up the deficit by the next model year by submitting a commensurate amount of ZEV credits to the Director pursuant to 13 C.C.R. § 1962.2(g)(7) of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j). Any manufacturer that fails to submit an appropriate amount of ZEV credits and does not make up the deficit within the time specified in 13 C.C.R. § 1962.2(g)(7)(A) of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j) is subject to civil penalties pursuant to NRS 445B.835

(a) For the purposes of the civil penalties pursuant to NRS 445B.835, the number of vehicles not meeting the ZEV credit obligation shall be equal to the manufacturer's credit deficit, rounded to the nearest 1/100th, calculated according to the equation in 13 C.C.R. § 1962.2(g)(8) of the California Code of Regulations and adopted pursuant to NAC

445B.918.1(j), provided that the percentage of a manufacturer's ZEV credit requirement for a given model year that may be satisfied with TZEVs or credits from such vehicles may not exceed the percentages permitted under 13 C.C.R. § 1962.2(b)(2) of the California Code of Regulations and adopted pursuant to NAC 445B.918.1(j).