



Memorandum

To: Ali Mirzakhilili, Administrator, Air Quality Division;
Erin Saylor, Manager, Office of Compliance and Enforcement

From: Leah Feldon, Director

Date: August 3, 2026

Subject: Enforcement Discretion for Model Year 2027 – Advanced Clean Cars II, Advanced Clean Trucks, and Heavy-Duty Low NOx Omnibus Regulations

Background

In November 2022, the Oregon Environmental Quality Commission (EQC) adopted the Advanced Clean Cars II (ACC II) regulation (OAR 340-257-0040(1) & (3), 340-257-0050(2)(a), (f), (g), (h), (k–m), and 340-257-0080(3)). ACC II aligns Oregon with California Air Resources Board (CARB) standards for greenhouse gas emissions and zero-emission vehicles (ZEVs) for new light- and medium-duty passenger vehicles and requires increasing percentages of ZEV and plug-in hybrid electric vehicle sales beginning with Model Year (MY) 2026. ACC II is a critical component of Oregon's climate and public health strategy and supports the greenhouse gas reduction goals established under ORS 468A.205.

In November 2021, the EQC adopted Oregon's Clean Truck Rules, including the Advanced Clean Trucks (ACT) regulations (OAR 340-257-0040(2), 340-257-0050(3), 340-257-0055, and 340-257-0080(4)) and Heavy-Duty Low NOx Omnibus (HDO) regulations (OAR 340-261-0010 through 340-261-0090), which apply to medium- and heavy-duty vehicles and engines. These rules are intended to reduce smog-forming pollution, lower greenhouse gas emissions, and accelerate the transition to zero-emission and cleaner combustion technologies in the heavy-duty sector.

Under Section 177 of the federal Clean Air Act, Oregon's authority to implement these standards is dependent on California's federal waivers. Recent federal actions purporting to disapprove the waivers, and ongoing litigation, have introduced substantial uncertainty for regulated manufacturers. Additional federal developments, including rescission of the EPA Endangerment Finding, instability in federal incentive programs, and trade and tariff uncertainty, have further complicated manufacturer compliance planning and vehicle supply decisions. Collectively, these conditions create exceptional circumstances affecting manufacturers' ability to plan, produce, and deliver MY 2027 vehicles and engines for sale in Oregon under ACC II, ACT, and HDO requirements.

Non-discrimination statement

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Exceptional Circumstances and No-Penalty Justification

DEQ recognizes that successful implementation of Oregon's clean vehicle programs depends on a stable and predictable regulatory environment. The current federal legal uncertainty will make it difficult for manufacturers to determine which standards will ultimately apply and to plan compliance strategies for Model Year 2027.

DEQ exercised enforcement discretion in response to previous regulatory and market uncertainties, including for ACT (MY 2025–2026) and ACC II (MY 2026). This action is consistent with DEQ's previous actions and reflects a pragmatic, time-limited response to conditions beyond the control of regulated entities.

Directive to Exercise Enforcement Discretion

Effective immediately, the Oregon Department of Environmental Quality (DEQ) will refrain from pursuing enforcement actions or assessing civil penalties against any vehicle or engine manufacturer that does not meet the applicable ZEV sales or emissions performance requirements under ACC II, ACT, or HDO for Model Year 2027, provided all of the following conditions are met:

Good-Faith Compliance Efforts

The manufacturer demonstrates continued good-faith efforts to support the intent of Oregon's clean vehicle programs, including but not limited to:

- Delivering ZEVs to the Oregon market where feasible;
- Supporting fleet transition efforts, infrastructure readiness, or market development activities.

Reporting and Data Submission

The manufacturer continues to:

- Submit all required sales, certification, and compliance reports for Model Year 2027 in accordance with OAR Chapter 340, Division 257; and
- Provide annual summary information to DEQ regarding clean vehicle availability in Oregon.

Agency Engagement

The manufacturer remains available to engage with DEQ, utilities, and other interested parties to advance ZEV and clean vehicle deployment, infrastructure needs, and long-term planning.

Applicability and Limitations

This enforcement discretion:

- Applies only to ACC II, ACT, and HDO compliance obligations for Model Year 2027;
- Does not apply to any other model year;
- Does not waive or suspend other regulatory requirements, including reporting, labeling, certification, recall, or warranty obligations under ACC II or ACT;
- Does not amend or revise any statute or rule and does not constitute a permanent waiver of DEQ authority;
- May be modified, revoked, or extended if legal, market, or federal conditions materially change.
- Manufacturers will continue to earn credits for certified ZEV delivered for sale in Oregon and reported to Oregon DEQ during Model Year 2027.

Transportation Strategies Section

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