

Proposed Rule: Amendments and Nonconformance Penalties for Model Year 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducements for SCR-Equipped Diesel

Action Proposed by EPA

- On July 9, 2026, U.S. Environmental Protection Agency (EPA) proposed commonsense revisions to the unnecessary and unworkable Biden-era compliance regulations related to Model Year (MY) 2027 and later heavy-duty highway engines.
- These amendments would improve reliability and support effective implementation of the program, while saving an estimated **\$12 billion in total and up to \$6,000 in savings per new truck for Americans**.
- **The Trump EPA’s proposal maintains strong environmental protections.**
 - The proposal retains nearly 90% of the NO_x reductions from the Biden-era rule, demonstrating environmental protection and affordability can go hand in hand.
 - If finalized, the proposal will continue to achieve significant emissions reductions under the revised standards.
- These proposed amendments focus on refining key program elements for newly manufactured highway engines and vehicles and nonroad engines and equipment, such as:
 - Reducing emissions warranty periods;
 - Delaying extended regulatory useful life requirements; and
 - Eliminating deratements caused by Diesel Exhaust Fluid (DEF) system failures.
- EPA is also proposing to allow nonconformance penalties (NCPs) for certain heavy-duty diesel engines beginning in MY 2027, providing additional flexibility for manufacturers who need additional time to meet the new standards.

Advantages of Proposal

Since finalizing the Biden-era 2023 heavy-duty rule, EPA has heard concerns from manufacturers, suppliers, and trucking stakeholders about costs, technology readiness, and compliance, particularly related to the requirements for longer warranty periods and extended useful life. In response, EPA is proposing targeted adjustments that, if finalized:

- **Reduce Costs of Purchasing Trucks:** By maintaining existing MY 2026 emissions warranty periods for MY 2027 and later engines, per-engine costs would be lower across all engine categories. EPA estimates up to **\$12 billion** total in savings for the trucking industry and up to **\$6,000** in savings per new truck for Americans.
- **Provide Additional Lead Time:** By delaying longer useful life requirements until MY 2030.
- **Heed the Calls of Diesel Operators:** By removing deratements and vehicle speed restrictions completely from newly manufactured highway engines and vehicles and new nonroad engines and equipment, including those used in agriculture. This would make sudden speed losses and shutdowns

because of DEF system failures a thing of the past.

- EPA is also taking comment on whether new guidance should be issued to allow manufacturers to implement this change for in-use on-road and nonroad engines and equipment.
- **Clarify Program Requirements:** By updating and correcting certain regulatory provisions to support implementation.
- **Provide Flexibility:** By adding NCPs, which allow manufacturers to temporarily sell engines that do not fully meet emissions standards, provided they pay a penalty. This helps prevent supply disruptions and support a stable transition to new technologies. The penalties are set at a level intended to not put manufacturers that are ready with compliant products at a competitive disadvantage.
- These changes are intended to ensure the program remains workable while continuing to deliver meaningful reductions.
 - There would still be a 42% reduction in heavy-duty NOx emissions in 2055, compared to not having the 2023 rule. That is almost 90% of the reductions originally projected for the 2023 rule.

DEF Actions Taken by Trump EPA

- In August 2025, EPA [issued](#) guidance calling on engine and equipment manufacturers to revise DEF system software in existing vehicles and equipment to massively reverse deratements that were harming farmers, truckers, and others.
- Building on that effort, EPA took further [action](#) in February 2026 by issuing an information demand letter to the top 14 on-road and nonroad manufacturers that account for over 80 percent of all products used in DEF systems to better understand the scope and causes of DEF system failures.
- Additionally, in February 2026, EPA [reaffirmed](#) American farmers and equipment owners' right to repair their farm and other nonroad diesel equipment, including faulty DEF systems, in the field. EPA's clarifying guidance made clear manufacturers could no longer use the Clean Air Act to justify limiting access to repair tools or software.
- On March 27, 2026, based on preliminary findings from the demanded data, EPA [issued](#) additional guidance making clear that under existing regulations, manufacturers can stop inaccurate DEF system failures by removing traditional emission sensors, known as Urea Quality Sensors, and switching to NOx sensors.

Program Background

- In January 2023, EPA finalized new standards for heavy-duty engines beginning in MY 2027. The rule updated test procedures, emissions-related warranty periods, and durability requirements, and included provisions intended to improve the reliability of engines using SCR systems.

Public Participation

- EPA will accept public comment on the proposal following its publication in the *Federal Register* and will also hold a public hearing to provide stakeholders an opportunity to share their [input](#).