



August 28, 2026

By electronic submission to regulations.gov

The Honorable Lee Zeldin
Administrator
U.S. Environmental Protection Agency
EPA Docket Center
Docket ID No. EPA-HQ-OAR-2026-0728
Mail Code 28221T
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

Re: Amendments and Nonconformance Penalties
for MY 2027 and Later Heavy-Duty Highway
Engines and Amendments to Inducement Provisions
for SCR-Equipped Diesel Engines; Docket No.
EPA-HQ-OAR-2026-0728

Dear Administrator Zeldin:

On behalf of the American Truck Dealers (ATD), a division of the National Automobile Dealers Association, I write in support of the Environmental Protection Agency's (EPA) proposed rule to amend certain compliance provisions and test procedures related to model year (MY) 2027 and later heavy-duty engines.

ATD represents more than 3,200 franchised dealers in communities across the U.S. who sell, finance, and service new and used commercial vehicles, including heavy-duty trucks. Most ATD dealers are small businesses and collectively they generated \$138 billion in total sales in 2025.

ATD supports the EPA's proposal to make changes to the regulatory useful life periods and the emission-related warranty periods while retaining the MY 2027 start date for NOx standards set in the 2023 final rule. ATD has called for a stable and balanced regulatory framework to keep new vehicle prices at a level the market can bear. In keeping the MY 2027 standards, but making cost-saving changes to program requirements, the targeted improvements in this proposal would establish that rational framework. With MY 2027 upon us, the EPA should finalize these proposed changes promptly.

I. EPA's Proposed Rule Builds on the Significant Emissions Improvements Manufacturers Have Made to Heavy-Duty Vehicles and Engines

Heavy-duty vehicles play an outsized role in the U.S. economy, providing essential services across many industries, to states and municipalities and, ultimately, for American consumers.

Trucks in the U.S. transport about 11 billion tons of goods annually.¹ And trucks move more high-value, time-sensitive commodities than any other mode of transportation.² “Without them, we’d have empty supermarket shelves, stranded commuters, and shuttered construction sites and factories.”³

Since EPA adopted its landmark emissions rule in 2001, truck and engine manufacturers have cut NOx emissions by 95 percent and lowered particulate-matter pollution by 90 percent, reducing the formation of ground-level ozone and smog.⁴

This progress is due in large part to manufacturers’ technological advances in emissions controls, including continued refinement of proven after-treatment technologies like selective catalytic reduction (SCR) systems. As of December 2025, approximately 67 percent of all diesel commercial vehicles (Classes 3-8) on U.S. roads were equipped with advanced, post-2010 engine technologies that achieve near-zero emissions of NOx and particulate matter.⁵ Because SCR systems allow engines to be optimized for fuel efficiency, with NOx controlled downstream in the exhaust, heavy-duty diesel vehicles have achieved these air quality gains while meeting customer demands for improved fuel efficiency and performance.⁶ SCR is a mature, globally-accepted emissions control technology and a key contributor to air-quality improvements from mobile sources nationwide.⁷

¹ *Economic and Industry Data*, AM. TRUCKING ASS’NS (last visited Aug. 25, 2026), <https://www.trucking.org/economics-and-industry-data>.

² *Freight Facts and Figures*, U.S. DEP’T OF TRANSP., BUREAU OF TRANSP. STAT. (last visited Aug. 25, 2026), <https://data.bts.gov/stories/s/Moving-Goods-in-the-United-States/bcyt-rqmu/>.

³ *How to Eliminate Pollution from Heavy-duty Vehicles*, UNION OF CONCERNED SCIENTISTS (last updated Apr. 29, 2022), <https://www.ucs.org/resources/heavy-duty-vehicles-and-nox>.

⁴ Highlights of the Clean Air Act 40th Anniversary, U.S. ENV’T. PROT. AGENCY (last visited Aug. 25, 2026), <https://www.epa.gov/clean-air-act-overview/highlights-clean-air-act-40th-anniversary>.

⁵ *Trucking Industry: Diesel, Alternative Fuels, and the Future of Freight Transportation*, ENGINE TECH. F. (last visited Aug. 25, 2026), <https://enginetechnology.org/trucking>.

⁶ Allen Schaeffer, *SCR and DEF in Context: What Policymakers Should Know About Diesel Emissions, Reliability, and Recent EPA Guidance*, ENGINE TECH. F. (Apr. 21, 2026), <https://enginetechnology.org/policy-insider-blog/posts/scr-and-def-in-context-what-policymakers-should-know>.

⁷ *Id.*

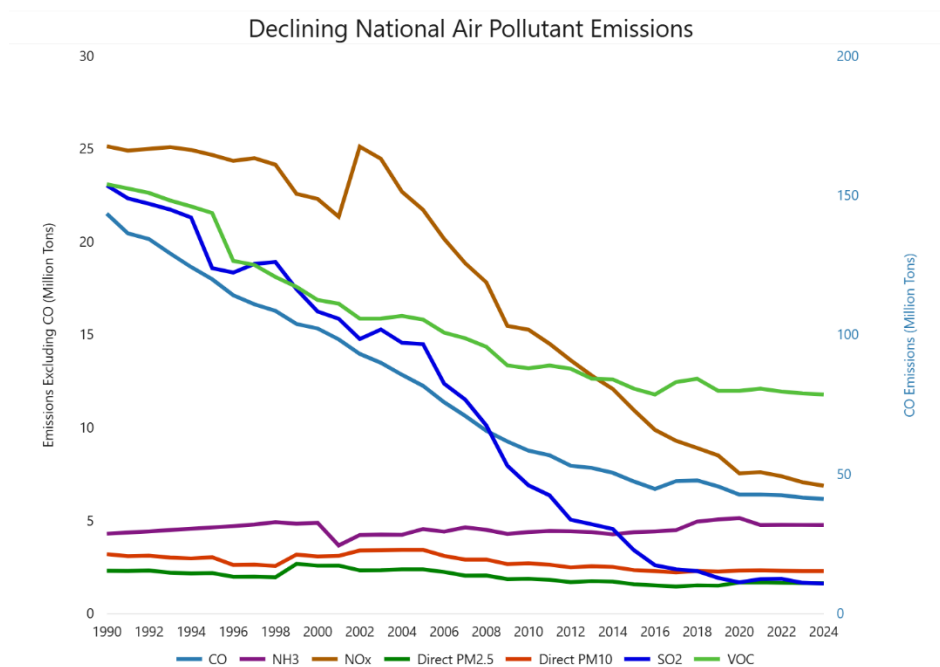


Table 1: Declining US Air Pollutant Emissions

Table 1 (above) shows the significant decline in NOx emissions across the U.S. from 1990 to 2024.⁸ This dramatic emissions drop is attributable to improvements from several sources. On-highway vehicles comprise 25.3 percent of all sources represented and thus are a meaningful component of these NOx reductions and resulting improvements in air quality.⁹

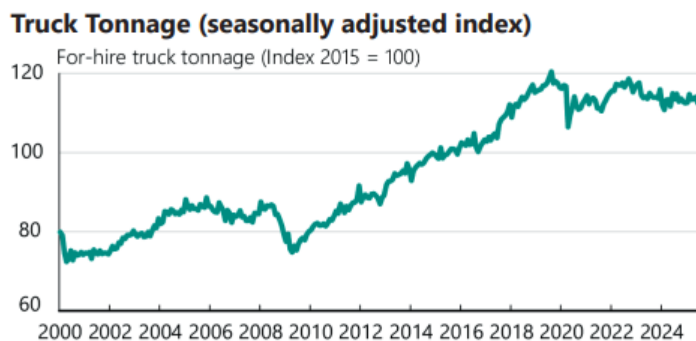


Table 2: For-hire truck tonnage, January 2020 – June 2025

These emissions cuts are even more impressive when considering how truck tonnage moving on U.S. highways over this period has steadily grown (Table 2, above),¹⁰ and diesel engines remain

⁸ *Our Nation's Air; Trends Through 2024*, U.S. ENV'T. PROT. AGENCY (2025), https://gispub.epa.gov/air/trendsreport/2025/#air_trends.

⁹ *Id.*

¹⁰ *Pocket Guide to Transportation*, BUREAU OF TRANSP. STAT. (Nov. 1, 2025), <https://rosap.ntl.bts.gov/view/dot/87712>.

predominant.¹¹ This means freight-related NOx emission reductions cannot be attributed to declining diesel vehicle use or reduced truck activity.

Truck dealers and manufacturers remain committed to delivering clean, reliable, and fuel-efficient vehicles that meet federal emissions standards.¹² The agency's 35 mg/bhp-hr NOx standard for MY 2027 vehicles represents an 82.5 percent reduction in NOx emissions from the current standard.¹³ In retaining the MY 2027 start date for the 35 mg standard, EPA preserves nearly 90 percent of the NOx reductions expected from the 2023 final rule. Many manufacturers have made product decisions and substantial investments based on the 35 mg standard and have validated MY 2027-compliant products. Preserving the start date of the 35 mg standard thus avoids manufacturing disruptions and builds on manufacturers' decades of innovations to reduce NOx emissions.

II. EPA Properly Reassesses Emissions Warranty Costs and Benefits

A. Market-Determined Warranty Terms Will Lower the Purchase Price of New Heavy-Duty Trucks

The 2023 final rule's higher emissions warranty requirement carries steep costs.¹⁴ Manufacturers' true costs of maintaining emission compliance through the entire mandated warranty and useful life periods are calculated and priced at the initial point of sale. Thus, significant regulatory compliance costs like these increase truck prices. As ATD has repeatedly advised, any emissions mandate must not compromise the affordability, reliability, fuel economy, or serviceability of heavy-duty vehicles and engines.¹⁵ The air quality benefits of stricter NOx emissions standards can only be realized through new-truck purchases. This means

¹¹ *The Dominance of Diesel Engines in Commercial Vehicles*, MITSUBISHI HEAVY INDUS. (Feb. 24, 2025), <https://www.mhi.com/group/mvde/blog/the-dominance-of-diesel-engines-in-commercial-vehicles>. Seth Clevenger, *Survey Says: Major Carriers See Diesel Continuing Dominance*, TRANSP. TOPICS (June 27, 2026), <https://www.ttnews.com/articles/carriers-see-diesel-dominance>.

¹² *See Truck and Engine Manufacturers Association Issues Statement on EPA's Proposed Amendments to Heavy-Duty NOx Rule*, TRUCK & ENGINE MFRS. ASS'N (July 9, 2026), <https://www.truckandenginemanufacturers.org/file.asp?A=Y&F=2026+07+09+EMA+Statement+on+EPA+NOx+NPRM%2Epdf&N=2026+07+09+EMA+Statement+on+EPA+NOx+NPRM%2Epdf&C=documents>. American Truck Dealers Comment Letter on EPA ANPRM Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine Standards (Feb. 20, 2020), <https://www.regulations.gov/comment/EPA-HQ-OAR-2019-0055-0369>.

¹³ Yihao Xie, *U.S. Heavy-Duty Vehicle NOx Standards: Updates to Emission Limits, Testing Requirements, and Compliance Procedures*, INT'L COUNCIL ON CLEAN TRANSP. (July 21, 2023), <https://theicct.org/publication/us-nox-standards-update-jul23/>.

¹⁴ In Table VI-2, EPA estimates the net cost savings through 2055 from the proposed change to the emission-related warranty requirements at \$12 billion. Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines, 91 Fed. Reg. 43154, 43209 (proposed July 14, 2026) (to be codified at 40 C.F.R. Parts 86, 1036, 1037, 1039, 1065, and 1071), <https://www.regulations.gov/document/EPA-HQ-OAR-2026-0728-0114>.

¹⁵ American Truck Dealers Comment Letter on EPA ANPRM Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine Standards (Feb. 20, 2020), <https://www.regulations.gov/comment/EPA-HQ-OAR-2019-0055-0369>. American Truck Dealers Comment Letter on EPA NPRM Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine Standards (May 16, 2022), <https://www.regulations.gov/comment/EPA-HQ-OAR-2019-0055-1321>.

regulatory standards must be commercially reasonable to accelerate fleet turnover – the most effective near-term option for reducing NOx emissions.

With new truck prices growing at a rate faster than inflation,¹⁶ ATD supports reasonable regulatory standards that improve air quality without increasing the cost of vehicles or compromising vehicle performance. Because emission warranty costs (1) were the largest individual contributor to the per-vehicle cost increases and the total program cost of the 2023 final rule, and (2) are generally passed on to customers in the form of higher purchase prices, EPA has appropriately focused on reducing this regulatory burden. And because the NOx reductions attributable to longer emissions warranties were small,¹⁷ this targeted adjustment will address significant cost challenges with the 2023 final rule without sacrificing emissions performance.

ATD understands the benefits longer emissions warranties can provide to commercial truck purchasers in certain circumstances.¹⁸ Accordingly, going forward, dealers and manufacturers will meet their customers' demand for such warranties, as they do today. ATD agrees with the EPA that the emissions-related warranty periods in place for MY 2026 and earlier engines will continue to ensure that manufacturers design and build robust emissions control technologies. For truck purchasers that do find benefits to securing longer emissions warranties, this should remain a business decision. Retaining the MY 2026 warranty terms will allow truck purchasers to make their own determinations of whether extended warranties are appropriate for their operations, based on commercial factors such as parts and maintenance costs, vehicle mileage, and vehicle resale value.

EPA now correctly concludes that the relatively small emissions reduction originally projected for the longer emissions warranty periods and the “uncertain long-term improvements to component quality and serviceability that the Agency previously used to justify the longer warrant periods do not outweigh the costs and potential impact on purchase price.”¹⁹

¹⁶ From 2011 – 2025 new truck prices averaged a 3.9 percent increase each year and the Consumer Price Index averaged a 2.6 percent increase over the same period. Source: NADA.

¹⁷ The effects of retaining the MY 2026 and earlier emissions warranty period are an estimated increase of NOx emissions of 4.2-11.6 percent, through 2055. See Table VII-2: National Heavy-Duty Vehicle Emission Percentage Changes in Calendar Years 2030, 2040, 2045, and 2055 – Proposed Action Case Emissions Relative to No-Action Case. Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines, 91 Fed. Reg. 43154, 43211 (proposed July 14, 2026) (to be codified at 40 C.F.R. Parts 86, 1036, 1037, 1039, 1065, and 1071), <https://www.regulations.gov/document/EPA-HQ-OAR-2026-0728-0114>.

¹⁸ Nat'l. Auto. Dealers Ass'n. Comment Letter on Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine Standards (Feb. 20, 2020), <https://www.regulations.gov/comment/EPA-HQ-OAR-2019-0055-0369>.

¹⁹ Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines, 91 Fed. Reg. 43154, 43162 (proposed July 14, 2026) (to be codified at 40 C.F.R. Parts 86, 1036, 1037, 1039, 1065, and 1071), <https://www.regulations.gov/document/EPA-HQ-OAR-2026-0728-0114> (“In the case of the Heavy HDE category, OEMs have shared that the cost increase for just the emissions-related warranty could exceed \$15,000 for some engines intended for low-mileage vocational vehicles for which the engine would be covered by warranty until the 10-year limit.”).

The compliance savings resulting from the warranty change supports this re-assessed cost-benefit analysis. EPA now estimates savings of \$6,000 for every new truck from retaining current warranty terms.²⁰ These are net savings, so this figure factors in the increased operational and maintenance costs potentially resulting from a shorter manufacturer emissions warranty. Such savings will help hold new truck prices in check – which is essential to encouraging fleet turnover to cleaner and safer new vehicles.

B. Compliance Savings Can Lead to Increased Heavy-Duty Truck Sales

Under EPA’s 2023 final rule, truck OEMs had expected additional costs from longer warranties to add as much as \$15,000 to the price of a new Class 8 truck.²¹ Under the proposed rule, the EPA estimates this additional cost will fall by \$6,000, resulting in added costs of just \$9,000 for a new Class 8 truck. This cost reduction should meaningfully reduce the negative impacts of these emissions rules on new Class 8 truck sales. As documented below, ATD estimates the \$6,000-per-truck savings will enable dealers to reclaim 40 percent of the sales they would have otherwise lost under the 2023 final rule’s longer warranty periods.

For this comparison, ATD uses the same (2025) sales volume and average new Class 8 truck price to estimate how the number of sales will change based solely on the difference in warranty costs imposed by (1) the 2023 final rule and (2) the proposed rule. According to the 2025 ATD Data Report,²² the average transaction price for a new Class 8 truck in 2025 was \$178,775. New Class 8 truck sales in 2025 totaled 208,386.²³ ATD assumes a price elasticity of demand of -0.5 for new truck sales. With this elasticity of demand, a 10 percent increase in truck prices would result in a 5 percent decrease in new truck sales.

Using OEM estimates of \$15,000 for the price increase under the 2023 final rule, we estimate a new average Class 8 truck price of \$193,775. Applying our -0.5 price elasticity of demand we estimate a decline in new Class 8 truck sales of **8,742 units** under the **2023 final rule**.

The proposed rule lowers expected warranty costs by \$6,000. Under the proposed rule, we estimate an average transaction price of \$187,775. Applying a -0.5 price elasticity of demand, we estimate a decline in new Class 8 truck sales of **5,245 units** under the **proposed rule**.

²⁰ Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines, 91 Fed. Reg. 43154, 43158 and Table I-2, 43159 (proposed July 14, 2026) (to be codified at 40 C.F.R. Parts 86, 1036, 1037, 1039, 1065, and 1071), <https://www.regulations.gov/document/EPA-HQ-OAR-2026-0728-0114>.

²¹ Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines, 91 Fed. Reg. 43154, 43162 (proposed July 14, 2026) (to be codified at 40 C.F.R. Parts 86, 1036, 1037, 1039, 1065, and 1071), <https://www.regulations.gov/document/EPA-HQ-OAR-2026-0728-0114> (“In the case of the Heavy HDE category, OEMs have shared that the cost increase for just the emissions-related warranty could exceed \$15,000 for some engines intended for low-mileage vocational vehicles for which the engine would be covered by warranty until the 10-year limit.”).

²² *ATD Data 2025*, AM. TRUCK DEALERS (2026), <https://www.nada.org/media/5008/download?inline>.

²³ *ATD Truck Beat: Commercial Truck Sales Down 13.6% in 2025*, AM. TRUCK DEALERS (Jan. 21, 2026), <https://www.nada.org/atd/atd-insider/atd-truck-beat-commercial-truck-sales-down-136-2025>.

Accordingly, by retaining the MY 2026 warranty periods, we estimate a significantly smaller reduction in new truck sales under this proposed rule than under the 2023 final rule. Our estimates forecast that **dealers would reclaim sales of nearly 3,500 units** under the proposed rule, which constitutes recovery of 40 percent of potential lost sales attributable to the 2023 final rule.

III. EPA's Stable and Rational Regulatory Approach Can Avoid the Disruptive Impacts of a Massive Pre-Buy and Sales Drop-Off

Finally, by publicly signaling in late 2025 the cost-saving changes the agency would make to the 2023 final rule, EPA has helped avoid a repeat of the massive new truck sales disruption resulting from the MY 2007 standards. ATD applauds this market-conscious approach. EPA could further mitigate market uncertainty by finalizing these regulatory changes well before the start of 2027.

As described in section II above, the development, testing, and production of the advanced equipment necessary to reduce emissions can add thousands of dollars to the cost of a new truck. When new emissions regulations are expected to drive up new truck prices, the highly competitive trucking industry can experience a pre-buy: trucking companies purchase trucks ahead of major price increases driven by new regulatory pressures. Such pre-buys have the effect of pulling ahead sales that would have normally taken place later, but for the costly regulations. This produces boom and bust years for new truck sales at dealerships.

Prior to the launch of vehicles compliant with EPA's MY 2007 requirements, the industry experienced a significant increase in the sales of MY 2006 Class 8 trucks as trucking companies raced to secure trucks equipped with pre-2007 technologies at a lower cost than new MY 2007 trucks. MY 2006 Class 8 truck sales totaled 284,000 units in 2006, a 12 percent increase compared to 2005, which also saw high sales. This spike produced long backlogs of new orders. The drop in sales from 2006 to 2007 was even more dramatic, as some trucking companies opted to hold onto their trucks longer, instead of pre-buying, to control costs. Class 8 truck sales fell from 284,000 units in 2006 to 151,000 units in 2007 – a drop of 47 percent! The impacts of this sales plunge were devastating and long felt. Sales recovery took several years, and manufacturers were forced to cut production. ACT Research estimates the 2006 pre-buy precipitated a loss of about 9,300 truck assembly jobs in 2007, part of a larger 132,905 job-loss total that year from Class 6-8 truck manufacturing.²⁴

Extreme swings in sales volumes from one year to the next can severely strain truck dealers, which are predominantly small businesses. Dealerships do plan for down years and estimate how much business may be lost in the year following a significant regulatory change. But the impacts of EPA's MY 2007 standards on new truck sales (Table 3, below) prove how overly burdensome emissions regulations fundamentally disrupt the vehicle sales market. Even after the market bottomed out in 2009, manufacturers' reduced production capacity led to long waits for product deliveries to dealers. As a result, the industry experienced extended periods of no new sales, delaying fleet turnover to newer, cleaner vehicles.

²⁴ *Pre-buy/Low-buy Analysis of Heavy-Duty Sales Effects from Emissions Regulations*, ACT RESEARCH (Apr. 2022).

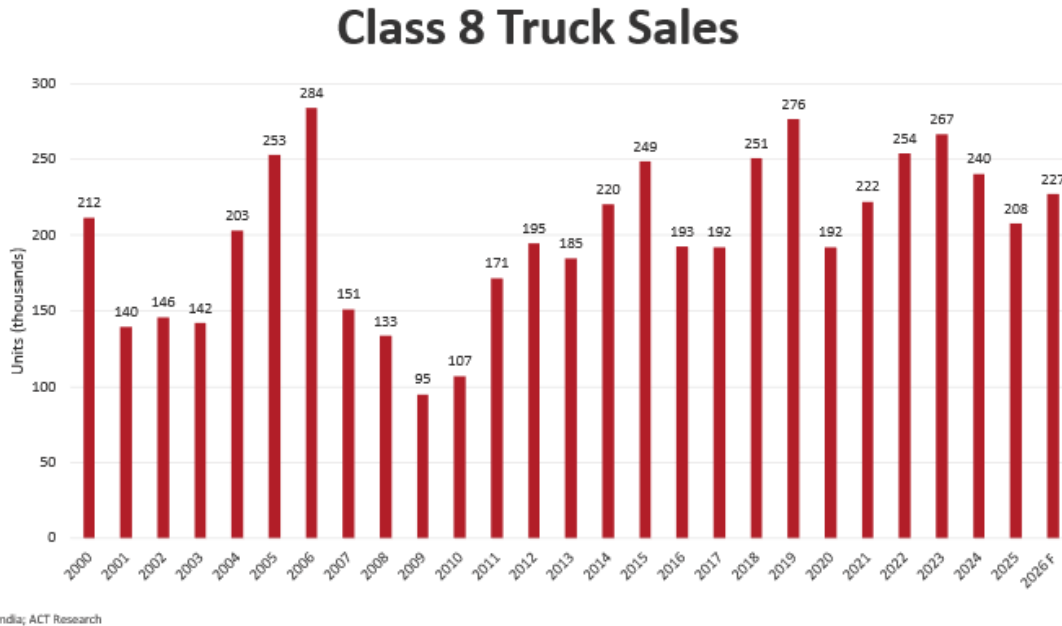


Table 3: Class 8 New Truck Sales, 2000 – 2026

EPA’s proposed changes, in contrast, are expected to meaningfully reduce the costs attributable to meeting the standards in the 2023 final rule. Cost-saving changes like retaining current emissions warranty periods should help to lower the number of sales pulled ahead as pre-buys and thus reduce the rule’s market-distorting impacts. To date, ATD’s data does not reflect a significant surge in heavy-duty truck purchases in advance of MY 2027.

IV. Conclusion

Given the relatively small emissions reductions projected for the MY 2027 longer warranty periods and the significant truck price increases and sales declines likely to result, EPA’s proposed amendments to retain MY 2026 warranty periods appropriately re-balance this compliance burden. In retaining the MY 2027 start date for the stricter NOx standard, EPA preserves the great majority of the air quality improvements expected under the 2023 final rule and recognizes the considerable work manufacturers have already completed to meet this standard. Together, these proposed actions put in place the balanced regulatory framework ATD has urged EPA to adopt when establishing emissions standards. To provide truck purchasers with greater certainty on product costs and availability, EPA should finalize this rulemaking promptly.

Respectfully submitted,

Patricia H. Doersch
Senior Director, Regulatory Affairs

Enclosure: ATD Testimony at July 29, 2026, EPA Public Hearing on Amendments and Nonconformance Penalties for MY 2027 and Later Heavy-Duty Highway Engines and Amendments to Inducement Provisions for SCR-Equipped Diesel Engines

TESTIMONY OF THE AMERICAN TRUCK DEALERS
BEFORE THE U.S. ENVIRONMENTAL PROTECTION AGENCY
ON THE PROPOSED RULE
“AMENDMENTS AND NONCONFORMANCE PENALTIES FOR MODEL YEAR 2027 AND
LATER HEAVY-DUTY HIGHWAY ENGINES AND AMENDMENTS TO INDUCEMENT
PROVISIONS FOR SCR-EQUIPPED DIESEL ENGINES”
JULY 29, 2026

I speak today on behalf of the American Truck Dealers, which is part of the National Automobile Dealers Association. ATD represents more than 3,000 franchised truck dealers in communities across the U.S. who sell, finance, and service new and used commercial vehicles, including heavy-duty trucks.

ATD supports emissions improvements that are cost-effective for manufacturers and that meet the performance and reliability expectations of our trucking customers.

Heavy-duty vehicles and engines are a success story here. Since EPA adopted its landmark rule in 2001, manufacturers have reduced NOx emissions by 95 percent, yielding widespread air quality improvements. This progress is due in part to manufacturers’ continued refinement of proven after-treatment technologies like selective catalytic reduction (SCR) systems. EPA’s proposed rule would build on this success as truck and engine manufacturers launch products that meet the agency’s latest pollutant standards.

As truck sellers, we share Administrator Zeldin’s concern for vehicle affordability. As adopted in 2023, the MY 2027 rules included emissions warranty and useful life requirements that carry steep costs, which can translate into higher vehicle prices. Higher prices, of course, can discourage the purchase of cleaner new trucks, which undermines the aim of these rules.

ATD welcomes the EPA’s proposal to reduce the emissions warranty periods and delay the start of stricter useful life requirements while preserving strong environmental protections. The extended warranty requirement in particular has been identified as a major driver of increased costs.

The changes EPA proposes will help ensure the emissions rules remain workable for the trucking industry while continuing to deliver meaningful emissions reductions – and significant costs savings. The reforms in this proposal are estimated to generate \$6,000 in savings for every new truck. These compliance savings can hold truck prices in check and spur fleet turnover to newer, cleaner vehicles.

ATD has called for a stable and balanced regulatory framework to keep new vehicle prices at a level the market can bear. In retaining the MY 2027 standards, but making cost-saving changes to program requirements, the targeted improvements in this proposal would establish that rational framework. With MY 2027 upon us, EPA should finalize these proposed changes promptly.

Thank you for this opportunity to share ATD’s views in today’s public hearing.