

and (b)(2) credits during model year when exemption is effective, respectively.

1996—Subsec. (b)(6)(C). Pub. L. 104-287 substituted “Committee on Commerce” for “Committee on Energy and Commerce”.

1994—Subsec. (b)(1). Pub. L. 103-429, §6(36)(B), added par. (1) and struck out former par. (1) which read as follows: “In this subsection—

“(A) a passenger automobile is deemed to be manufactured domestically in a model year if at least 75 percent of the cost to the manufacturer is attributable to value added in the United States or Canada, unless the assembly of the automobile is completed in Canada and the automobile is imported into the United States more than 30 days after the end of the model year; and

“(B) the fuel economy of a passenger automobile that is not manufactured domestically is deemed to be equal to the average fuel economy of all passenger automobiles manufactured by the same manufacturer that are not manufactured domestically.”

Subsec. (b)(2). Pub. L. 103-429, §6(36)(B), added par. (2) and struck out former par. (2) which read as follows:

“(2)(A) Except as provided in paragraphs (4) and (5) of this subsection, the Administrator shall make separate calculations under subsection (a)(1)(B) of this section for—

“(i) passenger automobiles manufactured domestically by a manufacturer (or included in this category under paragraph (3) of this subsection); and

“(ii) passenger automobiles not manufactured domestically by that manufacturer (or excluded from this category under paragraph (3) of this subsection).

“(B) Passenger automobiles described in subparagraph (A)(i) and (ii) of this paragraph are deemed to be manufactured by separate manufacturers under this chapter.”

Subsec. (b)(3), (4). Pub. L. 103-429, §6(36)(B), added pars. (3) and (4). Former pars. (3) and (4) redesignated (5) and (6), respectively.

Subsec. (b)(5). Pub. L. 103-429, §6(36)(A), redesignated par. (3) as (5). Former par. (5) redesignated (7).

Subsec. (b)(5)(B). Pub. L. 103-429, §6(36)(C), substituted “paragraph (1)(A)(i) and exclude under paragraph (1)(A)(ii)” for “paragraph (2)(A)(i) and exclude under paragraph (2)(A)(ii)” in introductory provisions.

Subsec. (b)(6). Pub. L. 103-429, §6(36)(A), redesignated par. (4) as (6). Former par. (6) redesignated (8).

Subsec. (b)(6)(A). Pub. L. 103-429, §6(36)(D), substituted “paragraph (1)(A)” for “paragraph (2)(A)” in introductory provisions.

Subsec. (b)(7), (8). Pub. L. 103-429, §6(36)(A), redesignated pars. (5) and (6) as (7) and (8), respectively.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110-140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

EFFECT OF REPEAL ON EXISTING EXEMPTIONS

Pub. L. 110-140, title I, §113(b), (c), Dec. 19, 2007, 121 Stat. 1508, provided that:

“(b) EFFECT OF REPEAL ON EXISTING EXEMPTIONS.—Any exemption granted under section 32904(b)(6) of title 49, United States Code, prior to the date of the enactment of this Act [Dec. 19, 2007] shall remain in effect subject to its terms through model year 2013.

“(c) ACCRUAL AND USE OF CREDITS.—Any manufacturer holding an exemption under section 32904(b)(6) of title 49, United States Code, prior to the date of the enactment of this Act may accrue and use credits under sections 32903 and 32905 of such title beginning with model year 2011.”

§ 32905. Manufacturing incentives for alternative fuel automobiles

(a) DEDICATED AUTOMOBILES.—Except as provided in subsection (c) of this section or section

32904(a)(2) of this title, for any model of dedicated automobile manufactured by a manufacturer after model year 1992, the fuel economy measured for that model shall be based on the fuel content of the alternative fuel used to operate the automobile. A gallon of a liquid alternative fuel used to operate a dedicated automobile is deemed to contain .15 gallon of fuel.

(b) DUAL FUELED AUTOMOBILES.—Except as provided in subsection (d) of this section or section 32904(a)(2) of this title, for any model of dual fueled automobile manufactured by a manufacturer in model years 1993 through 2019, the Administrator of the Environmental Protection Agency shall measure the fuel economy for that model by dividing 1.0 by the sum of—

(1) .5 divided by the fuel economy measured under section 32904(c) of this title when operating the model on gasoline or diesel fuel; and

(2) .5 divided by the fuel economy—

(A) measured under subsection (a) when operating the model on alternative fuel; or

(B) measured based on the fuel content of B20 when operating the model on B20, which is deemed to contain 0.15 gallon of fuel.

(c) GASEOUS FUEL DEDICATED AUTOMOBILES.—For any model of gaseous fuel dedicated automobile manufactured by a manufacturer after model year 1992, the Administrator shall measure the fuel economy for that model based on the fuel content of the gaseous fuel used to operate the automobile. One hundred cubic feet of natural gas is deemed to contain .823 gallon equivalent of natural gas. The Secretary of Transportation shall determine the appropriate gallon equivalent of other gaseous fuels. A gallon equivalent of gaseous fuel is deemed to have a fuel content of .15 gallon of fuel.

(d) GASEOUS FUEL DUAL FUELED AUTOMOBILES.—For any model of gaseous fuel dual fueled automobile manufactured by a manufacturer in model years 1993 through 2019, the Administrator shall measure the fuel economy for that model by dividing 1.0 by the sum of—

(1) .5 divided by the fuel economy measured under section 32904(c) of this title when operating the model on gasoline or diesel fuel; and

(2) .5 divided by the fuel economy measured under subsection (c) of this section when operating the model on gaseous fuel.

(e) ELECTRIC DUAL FUELED AUTOMOBILES.—

(1) IN GENERAL.—At the request of the manufacturer, the Administrator may measure the fuel economy for any model of dual fueled automobile manufactured after model year 2015 that is capable of operating on electricity in addition to gasoline or diesel fuel, obtains its electricity from a source external to the vehicle, and meets the minimum driving range requirements established by the Secretary for dual fueled electric automobiles, by dividing 1.0 by the sum of—

(A) the percentage utilization of the model on gasoline or diesel fuel, as determined by a formula based on the model’s alternative fuel range, divided by the fuel economy measured under section 32904(c); and

(B) the percentage utilization of the model on electricity, as determined by a formula based on the model’s alternative fuel range,

divided by the fuel economy measured under section 32904(a)(2).

(2) ALTERNATIVE CALCULATION.—If the manufacturer does not request that the Administrator calculate the manufacturing incentive for its electric dual fueled automobiles in accordance with paragraph (1), the Administrator shall calculate such incentive for such automobiles manufactured by such manufacturer after model year 2015 in accordance with subsection (b).

(f) FUEL ECONOMY CALCULATIONS.—The Administrator shall calculate the manufacturer’s average fuel economy under section 32904(a)(1) of this title for each model described under subsections (a)–(d) of this section by using as the denominator the fuel economy measured for each model under subsections (a)–(d).

(g) FUEL ECONOMY INCENTIVE REQUIREMENTS.—In order for any model of dual fueled automobile to be eligible to receive the fuel economy incentives included in section 32906(a) and (b), a label shall be attached to the fuel compartment of each dual fueled automobile of that model, notifying that the vehicle can be operated on an alternative fuel and on gasoline or diesel, with the form of alternative fuel stated on the notice. This requirement applies to dual fueled automobiles manufactured on or after September 1, 2006.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 1065; Pub. L. 104–287, §5(63), Oct. 11, 1996, 110 Stat. 3395; Pub. L. 109–58, title VII, §§759, 772(a), Aug. 8, 2005, 119 Stat. 833, 834; Pub. L. 110–140, title I, §109(b), (c), Dec. 19, 2007, 121 Stat. 1506; Pub. L. 113–291, div. A, title III, §318(c), Dec. 19, 2014, 128 Stat. 3341.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|---------------------|--|
| 32905(a) | 15:2013(a), (f)(1). | Oct. 20, 1972, Pub. L. 92–513, 86 Stat. 947, §513(a)–(f); added Oct. 14, 1988, Pub. L. 100–494, §6(a), 102 Stat. 2448; Oct. 24, 1992, Pub. L. 102–486, §403(5)(A)–(F), 106 Stat. 2876. |
| 32905(b) | 15:2013(b), (f)(1). | |
| 32905(c) | 15:2013(c), (f)(1). | |
| 32905(d) | 15:2013(d), (f)(1). | |
| 32905(e) | 15:2013(e). | |
| 32905(f) | 15:2013(f)(2)(B). | |
| 32905(g) | 15:2013(f)(2)(A). | |

In subsections (a) and (c), the words “after model year 1992” are substituted for “Subsections (a) and (c) shall apply only to automobiles manufactured after model year 1992” because of the restatement.

In subsections (b) and (d), before each clause (1), the words “in model years 1993–2004” are substituted for “Except as otherwise provided in this subsection, subsections (b) and (d) shall apply only to automobiles manufactured in model year 1993 through model year 2004” to eliminate unnecessary words and because of the restatement.

In subsection (c), the words “For purposes of this section” and “than natural gas” are omitted as unnecessary because of the restatement. The words “a gallon equivalent of natural gas” are omitted as being included in “A gallon equivalent of any gaseous fuel”.

In subsection (e), the words “subject to the provisions of this section” are omitted as unnecessary because of the restatement. The words “for each model described under subsections (a)–(d) of this section” are substituted for “for each model type of dedicated auto-

mobile or dual fueled automobile” to eliminate unnecessary words. The words “by using as the denominator” are substituted for “by including as the denominator of the term” for clarity.

AMENDMENTS

2014—Subsecs. (e) to (g). Pub. L. 113–291 added subsec. (e) and redesignated former subsecs. (e) and (f) as (f) and (g), respectively.

2007—Subsec. (b). Pub. L. 110–140, §109(b)(1), substituted “1993 through 2019” for “1993–2010” in introductory provisions.

Subsec. (b)(2). Pub. L. 110–140, §109(c), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “.5 divided by the fuel economy measured under subsection (a) of this section when operating the model on alternative fuel.”

Subsec. (d). Pub. L. 110–140, §109(b)(2), substituted “1993 through 2019” for “1993–2010” in introductory provisions.

Subsecs. (f) to (h). Pub. L. 110–140, §109(b)(3), (4), redesignated subsec. (h) as (f) and struck out former subsecs. (f) and (g) which related to temporary extension of application of subsecs. (b) and (d) and study and report on success of the policy of subsecs. (b) and (d), respectively.

2005—Subsecs. (b), (d). Pub. L. 109–58, §772(a)(1), substituted “1993–2010” for “1993–2004” in introductory provisions.

Subsec. (f). Pub. L. 109–58, §772(a)(2), substituted “2007” for “2001” in introductory provisions.

Subsec. (f)(1). Pub. L. 109–58, §772(a)(3), substituted “2010” for “2004”.

Subsec. (h). Pub. L. 109–58, §759, added subsec. (h).

1996—Subsec. (g). Pub. L. 104–287 substituted “Committee on Commerce” for “Committee on Energy and Commerce”.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 32906. Maximum fuel economy increase for alternative fuel automobiles

(a) IN GENERAL.—For each of model years 1993 through 2019 for each category of automobile (except an electric automobile or, beginning with model year 2016, an alternative fueled automobile that uses a fuel described in subparagraph (E) of section 32901(a)(1)), the maximum increase in average fuel economy for a manufacturer attributable to dual fueled automobiles is—

- (1) 1.2 miles a gallon for each of model years 1993 through 2014;
 - (2) 1.0 miles per gallon for model year 2015;
 - (3) 0.8 miles per gallon for model year 2016;
 - (4) 0.6 miles per gallon for model year 2017;
 - (5) 0.4 miles per gallon for model year 2018;
 - (6) 0.2 miles per gallon for model year 2019;
- and
- (7) 0 miles per gallon for model years after 2019.

(b) CALCULATION.—In applying subsection (a), the Administrator of the Environmental Protection Agency shall determine the increase in a manufacturer’s average fuel economy attributable to dual fueled automobiles by subtracting from the manufacturer’s average fuel economy calculated under section 32905(f) the number equal to what the manufacturer’s average fuel economy would be if it were calculated by the formula under section 32904(a)(1) by including as