§ 85.1503 General requirements for importation of nonconforming vehicles and engines.

(a) A nonconforming vehicle or engine offered for importation into the United States must be imported by an ICI who is a current holder of a valid certificate of conformity unless an exemption or exclusion is granted by the Administrator under §85.1511 of this subpart or the vehicle is eligible for entry under §85.1512.

(b) Final admission shall not be granted unless:
   (1) The vehicle or engine is covered by a certificate of conformity issued in the name of the importer under part 86 and the certificate holder has complied with all requirements of §85.1505; or
   (2) The vehicle or engine is modified and emissions tested in accordance with the provisions of §85.1509 and the certificate holder has complied with all other requirements of §85.1509; or
   (3) The vehicle or engine is exempted or excluded under §85.1511; or
   (4) The vehicle was covered originally by a certificate of conformity and is otherwise eligible for entry under §85.1512.

(c) In any one certificate year (e.g., the current model year), an ICI may finally admit no more than the following numbers of nonconforming vehicles or engines into the United States under the provisions of §85.1505 and §85.1509, except as allowed by paragraph (e) of this section:
   (1) 5 heavy-duty engines.
   (2) A total of 50 light-duty vehicles, light-duty trucks, and medium-duty passenger vehicles.
   (3) 50 highway motorcycles.
   (d) For ICIs owned by a parent company, the importation limits in paragraph (c) of this section include importation by the parent company and all its subsidiaries.
   (e) An ICI may exceed the limits outlined paragraphs (c) and (d) of this section, provided that any vehicles/engines in excess of the limits meet the emission standards and other requirements outlined in the provisions of §85.1515 for the model year in which the motor vehicle/engine is modified (instead of the emission standards and other requirements applicable for the OP year of the vehicle/engine).

§ 85.1504 Conditional admission.

(a) A motor vehicle or motor vehicle engine offered for importation under §85.1505, §85.1509 or §85.1512 may be conditionally admitted into the United States, but shall be refused final admission unless:
   (1) At the time of conditional admission, the importer has submitted to the
Administrator a written report that the subject vehicle or engine has been permitted conditional admission pending EPA approval of its application for final admission under §85.1505, §85.1509, or §85.1512. This written report shall contain the following:

(i) Identification of the importer of the vehicle or engine and the importer’s address and telephone number;

(ii) Identification of the vehicle or engine owner and the vehicle or engine owner’s address, telephone number and taxpayer identification number;

(iii) Identification of the vehicle or engine;

(iv) Information indicating under what provision of these regulations the vehicle or engine is to be imported;

(v) Identification of the place where the subject vehicle or engine will be stored until EPA approval of the importer’s application to the Administrator for final admission;

(vi) Authorization for EPA Enforcement Officers to conduct inspections or testing otherwise permitted by the Act or regulations thereunder;

(vii) Identification, where applicable, of the certificate by means of which the vehicle is being imported;

(viii) The original production year of the vehicle; and

(ix) Such other information as is deemed necessary by the Administrator.

(b) Such conditional admission shall not be under bond for a vehicle or engine which is imported under §85.1505 or §85.1509. A bond will be required for a vehicle or engine imported under applicable provisions of §85.1512. The period of conditional admission shall not exceed 120 days. During this period, the importer shall store the vehicle or engine at a location where the Administrator will have reasonable access to the vehicle or engine for his/her inspection.

§85.1505 Final admission of certified vehicles.

(a) A motor vehicle or engine may be finally admitted into the United States upon approval of the certificate holder’s application to the Administrator. Such application shall be made either by completing EPA forms or by submitting the data electronically to EPA’s computer, in accordance with EPA instructions. Such application shall contain:

(1) The information required in §85.1504(a);

(2) Information demonstrating that the vehicle or engine has been modified in accordance with a valid certificate of conformity. Such demonstration shall be made in one of the following ways:

(i) Through an attestation by the certificate holder that the vehicle or engine has been modified in accordance with the provisions of the certificate holder’s certificate, and presentation to EPA of a statement by the appropriate OEM that the OEM will provide to the certificate holder and to EPA information concerning running changes to the vehicle or engine described in the certificate holder’s application for certification, and actual receipt by EPA of notification by the certificate holder of any running changes already implemented by the OEM at the time of application and their effect on emissions; or

(ii) Through an attestation by the certificate holder that the vehicle or engine has been modified in accordance with the provisions of the certificate holder’s certificate of conformity and that the certificate holder has conducted an FTP test, at a laboratory within the United States, that demonstrates compliance with Federal emission requirements on every third vehicle or third engine imported under that certificate within 120 days of entry, with sequencing of the tests to be determined by the date of importation of each vehicle or engine. Should the certificate holder have exceeded a threshold of 300 vehicles or engines imported under the certificate without adjustments or other changes in accordance with paragraph (a)(3) of this section, the amount of required FTP testing may be reduced to every fifth vehicle or engine. Should the certificate holder have exceeded a threshold of 300 vehicles or engines imported under the certificate without the certificate without adjustments or other changes in accordance with paragraph (a)(3) of this section, the amount of required FTP testing may be reduced to every fifth vehicle or engine. In order to make a demonstration under paragraph (a)(2)(i) of this section, a certificate holder must have received permission from the Administrator to do so;

(3) The results of every FTP test which the certificate holder conducted on the vehicle or engine. Should a subject vehicle or engine have failed an