

penalty up to \$31,500 for each engine in violation.

* * * * *

(b) * * *

(6) You must meet your obligation to honor your emission-related warranty under § 1068.115 and to fulfill any applicable responsibilities to recall engines under § 1068.505. Failure to meet these obligations is prohibited. We may assess a civil penalty up to \$31,500 for each engine in violation.

* * * * *

82. Section 1068.105 is amended by adding introductory text and revising paragraph (c) to read as follows:

§ 1068.105 What other provisions apply to me specifically if I manufacture equipment needing certified engines?

This section describes general provisions that apply to equipment manufacturers. See the standard-setting part for any requirements that apply for certain applications.

* * * * *

(c) *Attaching a duplicate label.* If you obscure the engine's label, you must do four things to avoid violating § 1068.101(a)(1):

(1) Send a request for duplicate labels in writing with your company's letterhead to the engine manufacturer. Include the following information in your request:

(i) Identify the type of equipment and the specific engine and equipment models needing duplicate labels.

(ii) Identify the engine family (from the original engine label).

(iii) State the reason that you need a duplicate label for each equipment model.

(iv) Identify the number of duplicate labels you will need.

(2) Permanently attach the duplicate label to your equipment by securing it to a part needed for normal operation and not normally requiring replacement. Make sure an average person can easily read it.

(3) Destroy any unused duplicate labels if you find that you will not need them.

(4) Keep the following records for at least eight years after the end of the model year identified on the engine label:

(i) Keep a copy of your written request.

(ii) Keep drawings or descriptions that show how you apply the duplicate labels to your equipment.

(iii) Maintain a count of duplicate labels that you use or destroy.

* * * * *

83. Section 1068.210 is amended by revising paragraph (a) to read as follows:

§ 1068.210 What are the provisions for exempting test engines?

(a) We may exempt engines that are not exempted under other sections of this part that you will use for research, investigations, studies, demonstrations, or training. This may include engines placed into service if the primary purpose is to develop a fundamentally new emission-control technology related either to an alternative fuel or an aftertreatment device.

* * * * *

84. Section 1068.215 is amended by revising paragraph (c)(3)(iii) to read as follows:

§ 1068.215 What are the provisions for exempting manufacturer-owned engines?

* * * * *

(c) * * *

(3) * * *

(iii) Engine displacement, engine family identification (as applicable), and model year of the engine or whom to contact for further information.

* * * * *

85. Section 1068.220 is amended by revising paragraph (e)(3) to read as follows:

§ 1068.220 What are the provisions for exempting display engines?

* * * * *

(e) * * *

(3) Engine displacement, engine family identification (as applicable), and model year of the engine or whom to contact for further information.

* * * * *

86. Section 1068.310 is amended by revising the introductory text and paragraphs (a) and (b) to read as follows:

§ 1068.310 What are the exclusions for imported engines?

Engines or equipment that are not subject to our emission standards are not subject to the restrictions on imports in § 1068.301(b). If you show us that your engines qualify under one of the paragraphs of this section, we will approve your request to import such excluded engines. You must have our approval to import an engine under paragraph (a) of this section. You may, but are not required to request our approval to import the engines under paragraph (b) or (c) of this section. The following engines are excluded:

(a) *Engines used solely for competition.* Engines you use solely for competition are generally excluded from the restrictions on imports in § 1068.301(b), but only if they are properly labeled according to § 1068.320. The standard-setting part may set special provisions for the manufacture, sale, or import of engines

used solely for competition. Section 1068.101(b)(4) prohibits using these excluded engines for other purposes.

(b) *Stationary engines.* The definition of nonroad engine in 40 CFR 1068.30 does not include certain engines used in stationary applications. Such engines are not subject to the restrictions on imports in § 1068.301(b), but only if they are properly labeled according to § 1068.320. Section 1068.101 restricts the use of stationary engines for non-stationary purposes.

* * * * *

87. Section 1068.315 is amended by revising introductory text and paragraph (a) and adding paragraph (f)(1)(iii) to read as follows:

§ 1068.315 What are the permanent exemptions for imported engines?

We may approve a permanent exemption from the restrictions on imports under § 1039.301(b) under the following conditions:

(a) *National security exemption.* You may import an engine under the national security exemption in § 1068.225, but only if they are properly labeled according to § 1068.320.

* * * * *

(f) * * *

(1) * * *

(iii) Land-based nonroad diesel engines (see part 1039 of this chapter).

* * * * *

88. Section 1068.320 is amended by revising the section heading, paragraph (a) introductory text, and paragraph (b)(4) to read as follows:

§ 1068.320 How must I label an imported engine with an exclusion or a permanent exemption?

(a) For engines imported under § 1068.310(a) or (b) or § 1068.315(a), you must place a permanent label or tag on each engine. If no specific label requirements from the standard-setting part or from subpart C of this part apply, you must meet the following requirements:

* * * * *

(b) * * *

(4) State:

THIS ENGINE IS EXEMPT FROM THE REQUIREMENTS OF [identify the part referenced in 40 CFR 1068.1(a) that would otherwise apply], AS PROVIDED IN [identify the paragraph authorizing the exemption (for example, "40 CFR 1068.315(a)"]]. INSTALLING THIS ENGINE IN ANY DIFFERENT APPLICATION MAY BE A VIOLATION OF FEDERAL LAW SUBJECT TO CIVIL PENALTY.

* * * * *