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Fourth Session, Forty-second Parliament  
2 Charles III, 2023  
Legislative Assembly of British Columbia

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**BILL 39**

**ZERO-EMISSION VEHICLES  
AMENDMENT ACT, 2023**

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Honourable Josie Osborne  
Minister of Energy, Mines and Low Carbon Innovation

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## Explanatory Notes

CLAUSE 1: *[Zero-Emission Vehicles Act, section 1]* adds and amends definitions related to the amendments made by this Bill to the Act.

CLAUSE 2: *[Zero-Emission Vehicles Act, section 2]* repeals the section consequential to amendments made by this Bill to the Act.

CLAUSE 3: *[Zero-Emission Vehicles Act, section 2.1]* adds a definition related to the amendments made by this Bill to the Act.

**BILL 39 – 2023**

**ZERO-EMISSION VEHICLES  
AMENDMENT ACT, 2023**

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

**1 Section 1 of the Zero-Emission Vehicles Act, S.B.C. 2019, c. 29, is amended**

**(a) by repealing the definition of “consumer sale” and substituting the following:**

“**consumer sale**”, in relation to a motor vehicle, means a retail sale or retail lease of the motor vehicle; ,

**(b) by adding the following definitions:**

“**forecast report**” means a report submitted under section 18.1;

“**new**”, in relation to a motor vehicle, means the motor vehicle has not been the subject of a consumer sale in British Columbia or another jurisdiction in or outside Canada; ,

**(c) by repealing the definition of “supplier” and substituting the following:**

“**supplier**”, in relation to a vehicle make, means the following person:

(a) subject to paragraph (b), the person who supplies motor vehicles of the vehicle make;

(b) the person who is deemed under the regulations to be the supplier; , **and**

**(d) by adding the following definition:**

“**supply**”, in relation to a motor vehicle, has the meaning given to it in section 2.1; .

**2 Section 2 is repealed.**

**3 The following section is added:**

**Definition of “supply”**

**2.1** For the purposes of this Act, a person supplies a motor vehicle if the person supplies the motor vehicle for consumer sale in British Columbia by the person or by another person.

CLAUSE 4: *[Zero-Emission Vehicles Act, section 4]* is consequential to amendments made by this Bill to Part 3 of the Act.

CLAUSE 5: *[Zero-Emission Vehicles Act, section 6]* repeals a definition and adds definitions of “gross vehicle weight rating” and “specified motor vehicle”.

CLAUSE 6: *[Zero-Emission Vehicles Act, section 7]* modifies targets for the sale of zero-emission vehicles in British Columbia.

CLAUSE 7: *[Zero-Emission Vehicles Act, section 8]*

- changes the date by which the director must publish a report respecting zero-emission vehicle targets;
- replaces references to light-duty motor vehicles with references to specified motor vehicles.

CLAUSE 8: *[Zero-Emission Vehicles Act, section 8]* is consequential to amendments made by this Bill to definitions in section 1 of the Act.

CLAUSE 9: *[Zero-Emission Vehicles Act, section 9]* makes the prohibition in section 9 of the Act applicable to specified motor vehicles beginning in 2035.

CLAUSE 10: *[Zero-Emission Vehicles Act, section 9]* is consequential to amendments made by this Bill to definitions in section 1 of the Act.

**4** *Section 4 (a) is amended by striking out “a consumer sale of a zero-emission vehicle” and substituting “the supply of a zero-emission vehicle”.*

**5** *Section 6 is repealed and the following substituted:*

**Definitions**

**6** In this Part:

“**gross vehicle weight rating**” means the value specified by the vehicle manufacturer as the loaded weight of a single vehicle;

“**specified motor vehicle**” means a new motor vehicle with a gross vehicle weight rating of 4 536 kg or less.

**6** *Section 7 is amended*

*(a) by striking out “new light-duty motor vehicles” wherever it appears and substituting “specified motor vehicles”,*

*(b) in paragraph (a) by striking out “2025” and substituting “2026” and by striking out “10%” and substituting “26%”,*

*(c) in paragraph (b) by striking out “30%” and substituting “90%”, and*

*(d) in paragraph (c) by striking out “2040” and substituting “2035”.*

**7** *Section 8 is amended*

*(a) in subsection (1) by striking out “March 31” and substituting “April 30”, and*

*(b) in subsection (2) (b) (i) and (ii) by striking out “light-duty motor vehicles” and substituting “specified motor vehicles”.*

**8** *Section 8 (2) (b) (i) and (ii) is amended by adding “in British Columbia” after “the number of consumer sales”.*

**9** *Section 9 is amended*

*(a) by striking out “2040” and substituting “2035”, and*

*(b) by striking out “light-duty motor vehicle” and substituting “specified motor vehicle”.*

**10** *Section 9 is amended by adding “in British Columbia” after “must not make a consumer sale”.*

CLAUSE 11: *[Zero-Emission Vehicles Act, section 11]* amends a formula to make the supply of new motor vehicles for consumer sale, rather than the consumer sale of those vehicles, the trigger for issuing debits to a supplier.

CLAUSE 12: *[Zero-Emission Vehicles Act, section 13]*

- makes the supply of new zero-emission vehicles for consumer sale, rather than the consumer sale of those vehicles, the trigger for issuing credits to a supplier;
- provides that the director may not issue credits for the supply of a zero-emission vehicle unless the vehicle has been registered in British Columbia and any other prescribed requirements have been met.

CLAUSE 13: *[Zero-Emission Vehicles Act, section 16.1]* provides that a supplier's balance will be divided by a prescribed number after the compliance date for the prescribed model year, unless the supplier is subject to an administrative penalty for that model year due to a credit shortfall.

**11 Section 11 (1) and (2) is amended in the description of “NV” by striking out “the number of consumer sales, before the compliance date, of motor vehicles of the vehicle make, model year and vehicle class” and substituting “the number of new motor vehicles of the vehicle make, model year and vehicle class supplied on or before the compliance date”.**

**12 Section 13 is amended**

**(a) in subsection (1) by striking out everything before paragraph (a) and substituting “Subject to subsection (3) and the regulations, the director may, in any of the following circumstances, issue credits to a supplier of a vehicle make in relation to the supply of new zero-emission vehicles of the vehicle make:”;**

**(b) in subsection (2) by striking out “consumer sales made during a prescribed period of time” and substituting “the supply of zero-emission vehicles during a prescribed period of time”, and**

**(c) by adding the following subsection:**

**(3) The director may not issue credits under subsection (1) in relation to the supply of a zero-emission vehicle unless the director is satisfied that the following requirements are met:**

**(a) subject to the regulations, in the case of credits issued under subsection (1) (a) of this section, the zero-emission vehicle is registered under the *Commercial Transport Act*, *Motor Vehicle Act* or *Off-Road Vehicle Act*;**

**(b) subject to the regulations, in the case of credits issued under subsection (1) (b) or (c) of this section, the zero-emission vehicle was registered under an Act referred to in paragraph (a) by the end of the compliance date for the reported model year;**

**(c) the prescribed requirements, if any.**

**13 The following section is added to Division 1 of Part 3:**

**Reduction of supplier balances**

**16.1 (1) On the day after the compliance date for the prescribed model year, the number of credits or debits held by each supplier is reduced by dividing the supplier’s balance by the prescribed number.**

**(2) Subsection (1) does not apply to a supplier who is subject to an administrative penalty under section 10 (3) (a) [*supply of ZEVs – penalty for ZEV units shortfall*] in relation to the supplier’s balance at the end of the compliance date for the model year prescribed for the purposes of subsection (1) of this section.**

CLAUSE 14: *[Zero-Emission Vehicles Act, section 17 (4)]* adds a requirement to include in a model year report the total number of motor vehicles sold, whether or not those motor vehicles are zero-emission vehicles.

CLAUSE 15: *[Zero-Emission Vehicles Act, section 17 (4)]* is consequential to amendments made by this Bill to Part 3 of the Act.

CLAUSE 16: *[Zero-Emission Vehicles Act, section 17 (5)]* is consequential to amendments made by this Bill to Part 3 of the Act.

CLAUSE 17: *[Zero-Emission Vehicles Act, section 18]* is consequential to the addition by this Bill of section 18.1 to the Act.

CLAUSE 18: *[Zero-Emission Vehicles Act, section 18.1]* requires a supplier to submit a forecast report containing prescribed information about the supplier's anticipated supply of motor vehicles of subsequent model years.

CLAUSE 19: *[Zero-Emission Vehicles Act, section 19]* is consequential to amendments made by this Bill to Part 3 of the Act.

**14 Section 17 (4) is amended**

**(a) by striking out “zero-emission vehicles” and substituting “motor vehicles”,**

**(b) in paragraph (a) by adding “of motor vehicles” after “consumer sales”, and**

**(c) by adding the following paragraph:**

(a.1) the number of consumer sales of motor vehicles that are zero-emission vehicles; .

**15 Section 17 (4) is amended**

**(a) by striking out “consumer sales of motor vehicles made” and substituting “new motor vehicles supplied”,**

**(b) by repealing paragraphs (a) and (a.1) and substituting the following:**

(a) the number of new motor vehicles supplied;

(a.1) the number of new motor vehicles supplied that are zero-emission vehicles; , and

**(c) in paragraph (b) by striking out “sold or leased” and substituting “supplied”.**

**16 Section 17 (5) (e) is amended by striking out “consumer sales” and substituting “the supply”.**

**17 Section 18 (1) (a) is amended by striking out “report under this Division” and substituting “model year report or supplementary report”.**

**18 The following section is added to Division 2 of Part 3:**

**Forecast report**

**18.1 (1)** A supplier must, with each model year report, submit to the director a forecast report setting out prescribed information respecting motor vehicles of subsequent model years that the supplier anticipates supplying by the compliance date for each model year.

(2) A forecast report under subsection (1) must be submitted

(a) in accordance with any applicable regulations, and

(b) in the form and manner required by the director.

**19 Section 19 (1) (d) is amended by striking out “consumer sales of zero-emission vehicles” and substituting “the supply of new zero-emission vehicles”.**

CLAUSE 20: *[Zero-Emission Vehicles Act, section 22]* is consequential to amendments made by this Bill to Part 3 of the Act.

CLAUSE 21: *[Zero-Emission Vehicles Act, section 23]* is consequential to the addition by this Bill of section 18.1 to the Act.

CLAUSE 22: *[Zero-Emission Vehicles Act, section 27]* allows the director to impose an administrative penalty on a person who provides incomplete or inaccurate information when seeking to enter into an initiative agreement or when providing information required by an initiative agreement.

CLAUSE 23: *[Zero-Emission Vehicles Act, section 30]* creates an offence of failing to comply with the requirement to submit a forecast report.

CLAUSE 24: *[Zero-Emission Vehicles Act, section 31]* creates an offence of providing false or misleading information when seeking to enter into an initiative agreement or when providing information required by an initiative agreement.

**20 Section 22 is amended**

- (a) in subsection (1) by striking out “consumer sales” and substituting “the supply of new motor vehicles”, and**
- (b) in subsection (2) by striking out “a report under Division 2 [Reporting]” and substituting “a model year report or supplementary report”.**

**21 Section 23 (1) is amended**

- (a) in paragraph (a) by striking out “a report under Division 2 [Reporting]” and substituting “a model year report or supplementary report”, and**
- (b) in paragraph (b) by striking out “a report submitted under Division 2” and substituting “a model year report or supplementary report”.**

**22 Section 27 (1) (b) is repealed and the following substituted:**

- (b) has provided information that is incomplete or inaccurate
  - (i) in a model year report,
  - (ii) in a supplementary report,
  - (iii) in response to a request made under section 22 [information requests], or
  - (iv) for the purpose of entering into an initiative agreement or in a record the person is required under an initiative agreement to provide to the director.

**23 Section 30 is amended**

- (a) in subsection (1) by adding the following paragraph:**
  - (c.1) section 18.1 [forecast report]; , and
- (b) in subsection (3) by striking out “subsection (1) (b), (c), (d)” and substituting “subsection (1) (b), (c), (c.1), (d)”.**

**24 Section 31 is amended**

- (a) by repealing subsections (1) and (2) and substituting the following:**
  - (1) A person commits an offence and is liable on conviction to a fine of not more than \$1 000 000 or imprisonment for a term of not more than 6 months, or both, if the person knowingly provides false or misleading information
    - (a) when required under this Act to provide information in a model year report, in a supplementary report or in response to a request made under section 22 [information requests], or

CLAUSE 24: *[Zero-Emission Vehicles Act, section 31 – continued]*

CLAUSE 25: *[Zero-Emission Vehicles Act, section 38]* is consequential to amendments made by this Bill to Parts 1 and 3 of the Act.

CLAUSE 26: *[Zero-Emission Vehicles Act, section 39]* updates a definition, consequential to amendments made by this Bill to Part 3 of the Act.

CLAUSE 27: *[Zero-Emission Vehicles Act, section 39.1]* requires the Insurance Corporation of British Columbia to provide information to the director on request.

- (b) for the purpose of entering into an initiative agreement or in a record the person is required under an initiative agreement to provide to the director.
- (2) A person, other than a person described in subsection (1), commits an offence and is liable on conviction to a fine of not more than \$500 000 or imprisonment for a term of not more than 6 months, or both, if the person provides false or misleading information
  - (a) when required under this Act to provide information in a model year report, in a supplementary report or in response to a request made under section 22, or
  - (b) for the purpose of entering into an initiative agreement or in a record the person is required under an initiative agreement to provide to the director. ,

*(b) by repealing subsection (3), and*

*(c) in subsection (4) by striking out “subsection (3)” and substituting “subsection (2)”.*

**25** *Section 38 (3) (c) is repealed and the following substituted:*

- (c) in relation to new motor vehicles that have been supplied,
  - (i) the number or proportion of the motor vehicles that are zero-emission vehicles, whether by supplier, model year or vehicle class, and
  - (ii) if applicable, the ZEV class of the motor vehicles; .

**26** *Section 39 (1) (c) is repealed and the following substituted:*

- (c) the supply or consumer sale of new zero-emission vehicles; .

**27** *The following section is added to Division 1 of Part 6:*

**Information held by Insurance Corporation of British Columbia**

- 39.1** (1) In this section, “**corporation**” means the Insurance Corporation of British Columbia.
- (2) The director may, for the purposes of carrying out the director’s powers and duties under this Act, request that the corporation provide to the director information contained in records kept by the corporation with respect to the registration, licensing or insurance of motor vehicles.
  - (3) On receiving a request made under subsection (2), the corporation must provide the information to the director.

CLAUSE 28: *[Zero-Emission Vehicles Act, section 41]* is consequential to an amendment made by this Bill to a definition in Part 1 of the Act.

CLAUSE 29: *[Zero-Emission Vehicles Act, section 43]*

- is consequential to amendments made by this Bill to Part 3 of the Act;
- adds regulation-making powers in relation to the issuance of credits.

**28 Section 41 (2) (d) is amended by striking out “section 2 (b) [definition of “supplier”]” and substituting “the definition of “supplier” in section 1”.**

**29 Section 43 (a) is amended**

**(a) by striking out “and” at the end of subparagraph (i),**

**(b) by repealing subparagraph (ii) and substituting the following:**

(ii) specifying the number of credits to be issued in relation to the supply of each new zero-emission vehicle, or providing a method for determining that number, , **and**

**(c) by adding the following subparagraphs:**

(iii) respecting the requirement under section 13 (3) (a) or (b) for a zero-emission vehicle to be registered, including, without limitation, specifying circumstances in which an unregistered zero-emission vehicle is to be considered registered, or in which a registered zero-emission vehicle is to be considered unregistered, in accordance with section 13 (3) (a) or (b), and

(iv) prescribing requirements for the purposes of section 13 (3) (c), including, without limitation, requirements respecting the following:

(A) features or characteristics of zero-emission vehicles or parts of zero-emission vehicles;

(B) accessories or equipment accompanying zero-emission vehicles;

(C) standards, specifications or design requirements met by zero-emission vehicles or parts of zero-emission vehicles;

(D) testing and certification, whether in or outside of British Columbia, of zero-emission vehicles or parts of zero-emission vehicles for compliance with standards, specifications or design requirements;

(E) warranties provided by the supplier with respect to zero-emission vehicles; .

CLAUSE 30: ***[Transition – supply of ZEVs]***

- sets out rules for determining whether amendments made by this Bill to Part 3 of the *Zero-Emission Vehicles Act* apply to the issuance of credits for zero-emission vehicles that were supplied before those amendments come into force;
- provides that certain amendments made by this Bill do not apply in relation to model year reports, or the assessment of those model year reports, for the 2023 and earlier model years.

CLAUSE 31: ***[Motor Vehicle Act, section 303.3]*** adds a power to make regulations requiring automated vehicles that are authorized to be driven on highways to be zero-emission vehicles.

### **Transitional Provision**

#### **Transition – supply of ZEVs**

- 30** (1) Words and expressions used in this section have the same meaning as in the *Zero-Emission Vehicles Act*.
- (2) Subject to subsections (3) and (4) of this section, section 13 of the *Zero-Emission Vehicles Act*, as amended by section 12 of this Act, and the regulations under that section of the *Zero-Emission Vehicles Act*, apply for the purpose of issuing credits to a supplier of a vehicle make in relation to zero-emission vehicles of the vehicle make that were supplied before October 1, 2024.
- (3) If a supplier applied for credits under section 13 (1) (a) of the *Zero-Emission Vehicles Act* before October 1, 2024, section 13 of that Act and the regulations under that section, as they read immediately before October 1, 2024, apply for the purpose of issuing credits to the supplier.
- (4) The *Zero-Emission Vehicles Act* and the regulations under that Act, as they read immediately before October 1, 2024, apply in relation to
- (a) a supplier’s model year report for the 2023 model year or an earlier model year, and
  - (b) the director’s assessment under section 19 of that Act or reassessment under section 21 of that Act of the 2023 model year or an earlier model year.

### **Related Amendment**

#### ***Motor Vehicle Act***

**31** *Section 303.3 (1) of the Motor Vehicle Act, R.S.B.C. 1996, c. 318, as enacted by section 35 of the Motor Vehicle Amendment Act, 2023, S.B.C. 2023, c. 17, is amended by adding the following paragraph:*

- (a.1) providing that Level 3 automated vehicles, Level 4 automated vehicles or Level 5 automated vehicles may only be driven on highways if they are zero-emission vehicles within the meaning of the *Zero-Emission Vehicles Act*; .



**Commencement**

**32** The provisions of this Act referred to in column 1 of the following table come into force as set out in column 2 of the table:

Item	Column 1 <b>Provisions of Act</b>	Column 2 <b>Commencement</b>
1	Anything not elsewhere covered by this table	The date of Royal Assent
2	Sections 1 to 4	October 1, 2024
3	Section 8	October 1, 2024
4	Sections 10 to 12	October 1, 2024
5	Section 13	By regulation of the Lieutenant Governor in Council
6	Sections 15 to 21	October 1, 2024
7	Section 23	October 1, 2024
8	Sections 25 and 26	October 1, 2024
9	Sections 28 to 30	October 1, 2024