

STAFF REPORT

Board Meeting of July 23, 2025

AGENDA ITEM: 4-N

PREPARED BY: Jeff Findley, Principal Regional Planner

SUBJECT:

California Waiver Rescission and Conformity Impacts

Enclosure: Yes

Action: Information and Discussion Only

SUMMARY:

On June 12, 2025, President Trump signed three Congressional Review Act (CRA) Resolutions.

- H.J. Res. 87 Rescinds previous federal approval of the California waiver to implement the Advanced Clean Trucks (ACT) Regulation which requires an aggressive phase-in of zero-emission vehicles (ZEVs) in the medium and heavy-duty transportation sectors.
- H.J. Res. 88 Revokes the general Clean Air Act waiver to California to regulate emissions from mobile sources. The waiver also allowed other states to adopt California emission standards in lieu of the federal standards (Section 177 states).
- H.J. Res. 89 Rescinds previous federal approval of the California waiver to implement the Low-NOx Omnibus Regulation which requires more stringent NOx emission standards for heavy-duty trucks and off-road vehicles.

California Metropolitan Planning Organizations (MPOs) are currently in a "conformity lockdown," during which the required air quality analyses necessary to advance transportation projects are precluded, resulting in potential delays to project schedule and loss of funding. The waiver rescission directly impacts successful transportation project delivery in the state because of the federal transportation conformity requirements, where California is the only state required to use its own emissions model for conformity purposes. Please see the attached analysis on potential impacts. Updates will be provided once additional information becomes available.

FISCAL IMPACT:

No fiscal impact to the approved 2025-26 Overall Work Program and Budget.