

STAFF REPORT

Board Meeting of March 19, 2025

AGENDA ITEM: 4-G

PREPARED BY: Dylan Stone, Principal Regional Planner

SUBJECT:

California Air Resources Board Extended Timeline for Senate Bill 375 Guidelines and Target Setting

Enclosure: Yes

Action: Information and Discussion Only

SUMMARY:

GHG Target Setting Process

The Sustainable Communities and Climate Protection Act of 2008 (SB 375) requires the California Air Resources Board (CARB) to develop and set regional targets for greenhouse gas (GHG) emission reductions from passenger vehicles. CARB must update the regional targets at least every eight years, with the option of revising them every four years.

CARB's GHG emission targets for 2020 and 2035 are intended to help achieve significant GHG reductions from changes to land use patterns and improved transportation networks in support of the State's climate goals as well as in support of statewide public health and air quality objectives. Metropolitan Planning Organizations (MPOs) must prepare Sustainable Communities Strategies (SCS) as a component of the Regional Transportation Plan (RTP) that will reduce GHG emissions to achieve these regional targets, if feasible to do so.

Pursuant to SB 375, CARB is required to update the regional targets no later than 2026. CARB staff began the target update process in 2024 with a public workshop and plans to conclude it in 2026 with Board approval of the new targets. CARB staff will update the Board and hold a second public workshop in 2025.

SCS Guideline Update Process

CARB staff published the 2019 Final SCS Program and Evaluation Guidelines in November 2019. These Guidelines outline how CARB evaluates MPO SCSs pursuant to SB 375. These new guidelines updated the Sustainable Communities Strategy review methodology, Description of Methodology for CARB Staff Review of Greenhouse Gas Reductions from SCSs pursuant to SB 375, which was published in July 2011.

Building on our January and July 2024 workshops and the MPO/CALCOG requests for dialogue on SB 375 issues, CARB staff is engaged in ongoing discussions with MPO staff and State partners.

The Board hosted a virtual workshop for the public on January 16, 2024 to learn about CARB's approach to evaluating sustainable communities strategies during the programs 4th Cycle and to discuss its process for updating the Sustainable Communities Strategy Program and Evaluation Guidelines moving forward.

California MPOs Response

On October 15, 2024, the eight MPOs of the San Joaquin Valley (Fresno, Kern, Kings, Madera, Merced, San Juaquin, Stanislaus, and Tulare) tendered a letter to CARB staff in response to GHG target setting and SCS guidelines updates requesting a partnership with CARB, California Transportation Commission (CTC), Caltrans, and the Department of Housing and Community Development (HCD) to holistically review the SB 375 framework to improve how state and regional agencies collaborate to deliver multiple housing, climate, and transportation goals.

As part of this request, Valley MPOs requested that CARB pause the current SCS guidelines and SB 375 targets setting to allow for a robust and collaborative conversation about the best path forward in the coming months. Should CARB be unable to pause SB 375 target setting due to statutory requirements, the Valley encourages CARB to re-establish existing targets for the Valley MPOs as a placeholder and identify new targets following the requested collaborative dialogue to reshape our collective SB 375 approach.

Similar comment letters to the Joint San Joaquin Valley MPO Letter were issued from the following California MPOs: Joint MTC, SACOG, SANDAG, SCAG (Bay Area, Sacramento, Southern California, San Diego) Letter, Joint Central Coast MPO Letter, Joint Shasta, Butte, Tahoe MPO Letter, and CALCOG Comment Letter on SCS Guidelines.

CARB Response

CARB staff have indicated they will initiate a second public workshop related to target-setting to be held in May 2025. After additional conversation and consideration, this will lead to a draft target update staff report to be released in Fall 2025. CARB staff will receive input from all MPOs about key factors and how those could affect quantifications and would ideally like to discuss any topics prior to the May 2025 workshop. CARB staff are proposing to hold four MPO meetings divided by region size and geography (the "Big 4", Northern California, San Joaquin Valley, and Coastal) in March-April 2025 to receive ideas and recommendations for the target process.

In regard to SCS Guidelines Update, the timeline for this process has been slowed down in response to MPO requests and is now expected to conclude in Spring 2027, with the goal of still providing a reasonable amount of notice in advance of the fifth SCS cycle. CARB staff are currently conducting a number of research activities that will inform us about this work. CARB anticipates engaging in drafting language with MPOs and other external partners beginning Fall 2025. CARB staff working on the guidelines updates will also be following along with the target update process in order to reflect those discussions as appropriate.

FISCAL IMPACT:

No fiscal impact to the approved 2024-25 Overall Work Program and Budget.