

September 24, 2025

## Rescinding of California's Clean Air Act Waivers

### Overview

Under the Clean Air Act, a state can ask for a waiver to set higher air quality standards than the federal air quality standards set by the U.S. Environmental Protection Agency (U.S. EPA). Through this process, California obtained waivers to set low nitrogen oxide (NOx) regulations as well as cleaner standards for passenger vehicles and medium and heavy-duty trucks. Recently President Trump signed several congressional resolutions to rescind California's waivers. Because these higher air quality standards were integrated into the federally approved Emissions Factor (EMFAC) model used to demonstrate conformity with the Clean Air Act, there is currently no approved process for transportation conformity in California. This means that at present it is not possible for any Metropolitan Planning Organization (MPO) in California to receive a federally approved conformity determination. This conformity "lockdown" affects future approvals and amendments of MPOs' Regional Transportation Plans (RTPs) and Regional Transportation Improvement Programs (RTIPs) as well as the state's Transportation Improvement Program.

### Action: Discussion

Staff will present on the recent federal actions rescinding California's Clean Air Act waivers and the effect on transportation conformity.

### Fiscal Impact:

Federal transportation conformity approval for the 2025 Regional Plan is required to receive federal transportation funding.

### Schedule/Scope Impact:

The federal government currently cannot approve a transportation conformity determination for the 2025 Regional Plan or future 2027 Regional Transportation Improvement Program (RTIP). 2025 RTIP projects can still advance, however, no RTIP amendments can be processed during a one-year grace period that would start on January 28, 2026.

### Key Considerations

- The current conformity determination for the 2021 RTP and 2025 RTIP expires on January 28, 2026. The federal government cannot provide a transportation conformity determination for the 2025 Regional Plan during the conformity lockdown. In addition, SANDAG would not be able to complete the consultation process for the future 2027 RTIP until a path for demonstrating conformity is available.
- A one-year grace period will follow the expiration of the current conformity determination for the 2021 RTP and 2025 RTIP.
- During the one-year grace period, RTIP projects can still advance, however, no RTIP amendments can be processed. This means that no new projects can be added to the 2025 RTIP nor can changes be made to existing project scopes or schedules.
- At the end of the one-year grace period (January 28, 2027), only specified exempt safety projects and Transportation Control Measures (TCMs) could move forward. Exempt safety projects include certain highway safety projects, rehabilitation and reconstruction of transit facilities, purchase of replacement buses and rail cars, noise attenuation projects, and pedestrian and bicycle facilities. TCMs are strategies that reduce transportation-related air pollution and include transit improvements, managed lanes, and bike and pedestrian facilities.
- The California Air Resources Board (CARB) is currently developing new adjustment factors that will correct the EMFAC model so that it can again be used for conformity determinations. Those

adjustment factors will need to be approved by U.S. EPA and may be available as soon as early 2026.

- Multiple lawsuits have also been filed challenging the federal action that rescinded the California waivers bypassing the standard Federal Register review and comment process. One of these lawsuits could result in a "stay" of the rescission of California's waivers, which could allow a return to normal process while those lawsuits move through the courts.

### **Next Steps**

SANDAG is collaborating with the MPOs in California, Caltrans, CARB and federal partners to find a solution that maintains federal and state funding and keeps projects moving forward. SANDAG will provide periodic updates to the working group as those discussions evolve, and solutions are identified.

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