

Information Regarding Low Carbon Fuel Standard Regulation Updates

Updated February 26, 2025

The California Air Resources Board (CARB) is issuing this notice to inform market participants and the public of the Office of Administrative Law's (OAL) decision to disapprove amendments to the Low Carbon Fuel Standard (LCFS) Regulation.¹ CARB approved these LCFS amendments for adoption at a November 8, 2024, hearing.

On February 18, 2025, OAL sent CARB a [Notice of Disapproval of a Regulatory Action](#) of those amendments pursuant to Government Code section 11349.3. [On February 25, 2025, CARB received a \[Decision of Disapproval of Regulatory Action from OAL\]\(#\) \(Decision\) detailing its reasons for the disapproval. As shown in the notice of disapproval and the Decision, OAL has identified inconsistencies of specific regulatory amendment provisions with the clarity standard in Government Code section 11349\(c\). \[OAL's February 25, 2025, Decision provides more information on the reasons for OAL disapproval and the specific LCFS regulatory provisions for which OAL has identified clarity issues. As identified in the Decision, OAL identified 26 proposed regulatory provisions where additional modifications may be necessary to ensure the regulatory provisions can be "easily understood by those persons directly affected by them."\]\(#\) Under a discussion header of "Incorrect Procedure" the \[OAL Decision also calls for non-substantive revisions to references in the regulation and non-substantive revisions to documents incorporated by reference.\]\(#\)](#)

CARB staff plan to address the concerns raised by OAL, [release the substantive modifications for public comment](#), and resubmit the LCFS amendments to OAL. As outlined in Government Code section 11349.4, CARB may rewrite and resubmit the amendments to OAL within 120 days of its receipt of OAL's written decision. Grammatical and other non-substantial changes will [also](#) be added to the rulemaking record.

CARB has prior experience addressing OALs disapproval of regulations on technical grounds, most recently for the [2022 Commercial Harbor Craft regulation](#). With that regulation, CARB staff put out a proposed revision to the rule for a 15-day public comment period slightly more than one month after the disapproval, and CARB staff then resubmitted the rulemaking to OAL less than three months after the disapproval. OAL approved the resubmitted rulemaking for an effective date less than four months after the disapproval.

CARB will continue to implement the current version of the LCFS Regulation, which became effective in July 2020, while working to address the issues identified by OAL.

¹ The proposed rulemaking includes amendments to sections 95481 through 95503, California Code of Regulations, title 17.

Additional Background

The LCFS regulation reduces air pollution and greenhouse gas emissions by setting a declining carbon intensity target for transportation fuels used in California. The LCFS regulation is designed to provide the most cost-effective path to support clean fuels and infrastructure that reduce greenhouse gas emissions responsible for climate change.

On November 8, 2024, the California Air Resources Board approved amendments to the LCFS regulation to maintain momentum for global, national, and local private sector investment towards increasing cleaner fuel and transportation options for consumers, accelerating the deployment of zero-emission infrastructure and clean fuel production to support clean vehicle regulations, and keeping the state on track to meet statutorily mandated air quality and climate targets. On January 3, 2025, CARB submitted the final regulatory package for the proposed amendments to the LCFS regulation to OAL for review in accordance with Government Code section 11349.1. On February 18, OAL notified CARB that it was disapproving the LCFS amendments. Additional information on the LCFS regulation and the recent amendments are available here:

[LCFS Regulation | California Air Resources Board](#)