Update on Automobile Manufacturers’ Framework for Vehicle Emissions

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Background:
The Trump Administration’s Auto Standards Rollback

- The Trump Administration has proposed to flatline federal greenhouse gas (GHG) auto standards.
- The Trump Administration has proposed to revoke California’s Clean Air Act waiver for GHG and zero emission vehicle (ZEV) programs, claiming they are preempted by federal law.
Negative Consequences of the Federal Rollback

• These federal actions would increase automobile sector GHG emissions by tens of millions of tons over time.

• Emissions of smog-forming pollutants would also rise, just when we need deeper cuts to protect public health.

• California’s ability to meet federal State Implementation Plan (SIP) obligations is at risk.

• Sustained uncertainty for both CARB and the auto manufacturers as the federal rollback is litigated for years.
Auto Emissions Framework

• Many auto manufacturers wish to continue reducing GHGs and making major electrification investments but face major legal uncertainty.

• Manufacturers and CARB negotiated a framework that could provide certainty; negotiations are on-going.

• The Trump Administration immediately rejected the overtures to compromise.

• CARB staff is supportive of a reasonable compromise.
Key Framework Principles

• Continue the trend of GHG reductions and reach existing emissions standards in 2026, one year later.
• Increase support for ZEVs
• Support additional flexibilities that reduce GHGs
• Step up electrification efforts
• Address enforcement uncertainty with CARB standards while the federal rollback is litigated
Implementing the Framework

• CARB staff is exploring ways to recognize the framework via individual voluntary agreements; we may use enforcement discretion, contracting authority, and/or other tools.
• Section 177 states are supportive.
• Other auto companies are considering joining.
• Discussions continue as to form and timing.
Recommendations and Next Steps

• The draft resolution directs CARB staff to consider options and reaffirms that the Executive Officer may sign any agreements.
• Continue to support reduced vehicle emissions through a range of policy approaches.
• Continue litigation and file new suits, if needed.
• Update the Board on significant developments.