

# State of California

## Air Resources Board

### Board Item Summary

#### Item # 25-7-3: Public Meeting to Hear an Informational Update on Executive Order N-27-25 Regarding Zero-Emission Vehicles

#### Staff Recommendation:

This is an informational item only; no Board action is necessary.

#### Discussion:

On June 12, 2025, Governor Gavin Newsom issued Executive Order N-27-25 (2025) in response to unlawful federal actions seeking to undermine California's authority to regulate mobile-source emissions.<sup>1</sup> The Order directs several State agencies, including the California Air Resources Board (CARB), to develop recommendations for expanding the deployment of zero-emission vehicles (ZEV) across all vehicle classes. Its stated objective is to ensure that clean modes of transportation become more affordable, reliable, and accessible statewide.

This Order builds on California's prior commitments, including:

- Executive Order N-79-20 (2020): Accelerates ZEV deployment to improve air quality and reduce greenhouse gas emissions.
- Assembly Bill 1279 (2022): Establishes the goal of statewide carbon neutrality by 2045.

Despite decades of progress in advancing clean air and climate protections, recent unprecedented federal actions, related to California's Clean Air Act waivers, have created

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<sup>1</sup> This item is provided exclusively for informational and policy deliberation. Nothing in this item shall be construed as a legal opinion, nor shall Board discussion accompanying Item No. 25-7-3 be interpreted to comment on, alter, or prejudice any legal matter. This Item No. 25-7-3 is provided solely for informational purposes and neither its written nor spoken contents reflect CARB's legal position in any pending or prospective litigation. References to the federal government in general and "federal actions" in particular are included only to inform the Board's policy deliberations and shall not be cited, referenced, or relied upon in any judicial or administrative forum.

uncertainty.<sup>2</sup> To sustain momentum reducing harmful emissions, State agencies held four public sessions to help shape recommendations that support public health, climate action, and economic resilience, especially in communities most affected by pollution. These recommendations were formulated within the scope of California's authority, considering ongoing federal challenges that, as a matter of reasoned policy judgment, are both destabilizing and unwise.

This report, in response to Executive Order N-27-25, builds on California's longstanding leadership in clean transportation. The state has already surpassed its initial goal of deploying two million ZEVs and California leads the nation in ZEV manufacturing jobs and infrastructure, with over 178,000 public or shared private electric vehicle chargers having been installed throughout California – nearly 50% more chargers than gas pumps. Further, demand for ZEVs remains high, with ZEVs representing about 25% of new light-duty and 16% of new heavy-duty vehicle sales within the California market.

The report details priority recommendations in the following six areas.

1. **Private Investment:** Recommends renewed emphasis on sustaining and prioritizing the Low Carbon Fuel Standard program to ensure continuing private investment and confidence in the ZEV market.
2. **Consumer Market:** Recommends consideration of funding, subject to resource availability, to offset the phase-out of federal tax credits and expand access to ZEVs for low-income consumers and small businesses.
3. **Infrastructure:** Recommends expanded investment in reliable zero-emission refueling through electric vehicle (EV) charging and hydrogen fueling networks, including measures to reduce barriers and streamline permitting, and proposes sustained support for infrastructure deployment.
4. **Fuel Pricing:** Recommends strategies reducing ZEV fueling costs, including leveraging the California Climate Credit and advancing energy market regionalization.
5. **Regulations:** Calls for new consumer protection rules and a statewide indirect source rule to reduce emissions in and around high-impact areas.
6. **Procurement:** Recommends that state agencies lead by example through "zero-emission vehicles first" purchasing policies, while supporting local government fleet zero-emission efforts.

The priority recommendations outlined in the report will guide CARB's near-term actions and help inform legislative efforts to ensure California stays the course to meet our air

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<sup>2</sup> See footnote No. 1.

quality and climate goals. CARB is currently developing a ZEV procurement list for California state government vehicle operations. CARB is also initiating regulatory efforts, amending the Advanced Clean Fleets (ACF) rule to expand fleet flexibility for state and local government, as well as utility fleets. We are currently soliciting feedback from interested parties as part of public comment on regulations for future light-, medium-, and heavy-duty vehicle programs.

CARB's next steps are designed to continue leading in clean transportation innovation in the near term while growing and stabilizing the ZEV market in the long-term. We plan to conduct robust outreach to fleet stakeholders throughout the state. As part of our outreach efforts, we will engage the public through a series of workshops and listening sessions, which coincides with a broader strategy to move beyond marketing the abstract benefits of ZEV. We are also creating voluntary programs highlighting the efforts of those fleets adopting ZEV technology. Likewise, we are engaging inter-agency, cross-state, international, and industry collaboration on emission reduction strategies. Finally, staff plans to work on the next phase of light-, medium-, and heavy-duty vehicle regulatory efforts to continue driving the ZEV market and reducing emissions.

### **Summary and Impacts:**

Not applicable. This is an informational item only and does not recommend regulatory changes that would have an economic or environmental impact.