U.S. EPA Threatens Highway Sanctions.

In September, CALCOG reported that Trump administration officials threatened to withhold federal highway funds from California, arguing that California failed to show what steps it is taking to improve its air quality. EPA’s letter suggests the state “has failed to carry out its most basic tasks under the Clean Air Act,” and needs to either update its plans [SIPs] to tackle air pollution or risk losing federal highway funds. At the time, EPA requested a response from the California Air Resources Board (CARB) by October 10, 2019 indicating whether CARB intends to withdraw the SIPs in question.

On October 9th CARB provided its response. CARB highlights it has been working with U.S. EPA to clear the SIP backlog since 2014. Since 2014, CARB, EPA, and local air districts have cleared over 200 SIPs from the backlog; however, many of the SIPs that remain in the backlog are awaiting approval from Regional U.S. EPA staff. The issue (partially) - U.S. EPA staff shortages, competing federal administrative priorities, and a lack of clear guidelines from U.S. EPA headquarters in D.C.

CARB’s preliminary review of the SIP backlog suggest CARB has already provided needed information to U.S. EPA for two-thirds of the outstanding SIPs. These SIPs are merely awaiting U.S. EPA approval. Less than 20 items require additional action by CARB or local air districts before U.S. EPA can act. That work is already underway but requires clear and consistent guidelines from U.S. EPA. Finally, about two dozen SIPs are candidates for withdrawal.

**Which Nonattainment Areas have SIPs on the SIP Backlog?**

- Coachella Valley
- Mono Basin
- Mojave Desert
- Ventura County
- San Diego County
- South Coast
- East Kern
- Sacramento Region

**What Does This Mean for Transportation?**

EPA’s letter requests CARB withdraw un-approvable SIPs by October 10, 2019, if CARB does not, U.S. EPA will begin the SIP disapproval process. If implemented, the disapproval process would trigger statutory clocks for sanctions, including highway sanctions after 24 months. Additional information on highway sanctions can be found here.

As laid out in CARB’s October 9th response to EPA’s threat of Highway Sanctions, an action plan to address the SIP backlog has been established. Additional information on the status of this issue will be provided as necessary.
GM, Toyota, Chrysler and Others Side with Trump in Clean Air Fight Against California.
On October 29th, General Motors, Toyota, Fiat Chrysler, Nissan, Hyundai, Kia, Isuzu, Maserati, McLaren, Aston-Martin, Ferrari, and two other smaller automakers sided with the Trump administration in the president's efforts to end California's ability to regulate tailpipe emissions through the SAFE Vehicles Rule Part 1. CARB, until this announcement, worked in hopes of striking additional deals like the emissions reduction deal struck with Ford, Honda, BMW, and Volkswagen in July 2019 with additional automakers. This action splits the auto industry (four support California, thirteen support the Trump administration). In response, CARB Chair Mary Nichols stated, "We are disappointed in the Association of Global Automakers for hiding behind the Trump administration's skirts and its assault on public health." With this announcement, the assumption is Part 2 of the rule (anticipated by the end of 2019) may be more favorable to the needs of this block of automakers. Stay tuned...

Federal Court Dismisses California Case Challenging Trump Car Emissions Rules, Or Did They? 
On October 25th, headlines read, "Federal court dismisses California case challenging Trump car emissions rules". On the surface, this seems to indicate the California Air Resources Board’s (CARB) case against the final SAFE Rule Part One was thrown out. That is not the case. CARB has filed numerous lawsuits throughout the development of the SAFE Rule. This suit was filed prior to the rule's finalization (September 19, 2019) and should not be confused with CARB's active litigation filed September 20th. That litigation is ongoing, and can be found here. Additional litigation is anticipated to be filed by CARB against the finalization of SAFE Rule Part 2.

FHWA Speaks, What Did They Say? 
At an October 2019 meeting of regional transportation agencies, FHWA stated they have received a lot of questions. The U.S. Environmental Protection Agency (EPA) and the National Highway Transportation Safety Administration (NHTSA) have not yet come together to provide guidance on how to address Part 1. FHWA is not prepared to answer questions right now and asked for patience. FHWA is still not clear on how to implement the final rule, but encourages amendments be processed prior to the November 26th effective date. Current approved projects can move forward if they remain consistent (scope and schedule) with the TIP and RTP. Complications could arise for existing projects which changed scope or new projects that need to be modeled with EMFAC. Currently, FHWA is approving amendments that are using EMFAC 2014 and 2017 to complete the transportation conformity process.

CARB Announces Interagency Workgroup (CARB, CalSTA, and Caltrans). 
CARB has established an Interagency working group with CalSTA and Caltrans. The workgroup is exploring conformity issues in the near-term and considering ways to address them quickly. This work is anticipated to take months, not years to complete. A map of the scale of the impacts will be developed in order to prepare an appropriate policy response.

CALCOG Website Provides Continuous Updates. 
Please visit the CALCOG Policy Tracker (www.calco.org/policytracker) for up to date information regarding the status of the SAFE Vehicles Rule (Part 1 and Part 2).