San Diego Regional Clean Cities Coalition

Policy Update – August 2026

August 03, 2026

Kinshuk Chatterjee, Senior Transportation Policy Analyst

Center for Sustainable Energy™

Updates

1 **CARB Amendments to ACF/LCFS**

CARB's proposed ACF/LCFS amendments are expected to be finalized by September 2026

2 **CARB Omnibus Regulations**

CARB clarifies that pre-Omnibus standards are in effect and proposes regulations to align state and federal NOx standards

3 **CA MD/HD EV Incentives**

CA approves new incentive funding for MD/HD EVs

CARB Amendments to ACF/LCFS

- **Background** – Earlier in 2026, CARB proposed amendments to the Advanced Clean Fleets (ACF) and Low Carbon Fuel Standard (LCFS) regulations. The regulations are pending before the Office of Administrative Law (OAL), which has until September 11, 2026, to adopt the regulation.
- **ZEV Purchase Schedule** – ACF requires State and Local Government (SLG) fleets to ensure that 100% of new vehicle purchases are ZEVs beginning on January 1, 2027. The proposed amendments would change this requirement to begin on January 1, 2030.
- **Compliance Flexibility** – ACF requires SLG fleets to comply with either the standard ZEV Purchase Schedule or the ZEV Milestones Option. The proposed amendments would allow fleets to switch between these two compliance pathways.
- **Expansion of ZEV Milestones Option** – The proposed amendments would expand the ZEV Milestones option to all SLG agencies, rather than just public utilities.
- **Changes to LCFS** – The proposed amendments propose to modify the Hydrogen Refueling Infrastructure (HRI) pathway by allowing operators of public, light- and medium-duty (LMD) hydrogen refueling infrastructure to generate credits based on the capacity of the infrastructure.

CARB Amendments to ACF/LCFS

- **Hiring Compliant Fleets** – Section 2049 of the proposed amendments clarify that any entity which hires or dispatches trucks fleets, including municipalities, must meet the following requirements:
    - Annually verify that each fleet is listed on CARB's ACF website (or obtain a signed statement that the fleet is not subject to ACF).
    - Ensure that every hiring contract includes a disclosure in which fleets acknowledge ACF applicability.
    - Retain records for five years and make them available to CARB within 72 hours.
- **Waste Fleets** – New definitions and provisions added:
    - *Wastewater Fleet* – Vehicles owned and operated by a government agency that operates a wastewater treatment facility.
    - *Waste Fleet* – Vehicles owned and operated by government agencies involved in waste collection/hauling or non-government waste haulers.
    - *Flexibility* – Natural gas vehicles fueled exclusively with biomethane are provided additional flexibility under the ZEV Milestones option.

CARB Omnibus Regulation

- **Background** – Adopted in 2021, CARB's Omnibus regulation sought to reduce NOx emissions from MD/HD vehicles.
- **Emergency Regulations** – Following Federal disapproval of California's Omnibus regulation waivers in 2025, CARB adopted the Emergency Vehicle Emissions Regulations to clarify that the baseline NOx standards from 2010 remain in effect.
- **2025 Amendments –** In 2025, CARB proposed amendments to the Omnibus regulations, which would harmonize California's NOx standards with U.S. EPA's standards under the Clean Trucks Plan. These amendments have not yet been finalized.
- **LCFS Amendments** – CARB has proposed amendments to the LCFS to allow book-and-claiming accounting for renewable natural gas (RNG) used to produce electricity for EV charging. Essentially, this allow entities to claim LCFS credits from electricity produced from RNG without having to physically trace the RNG.

Funding for MD/HD ZEVs

- **Clean Fuel Reward** – In May 2026, CARB launched the revamped California Clean Fuel Reward (CFR) program, which provides point-of-sale rebates for electric MD/HD trucks. $250 million in incentive funds are available for 2026 and $1 billion will be available through 2030.
- **HVIP** – As of July 2026, HVIP had approximately $468 million in incentive funds available, including $45 million for the standard voucher. HVIP was allocated an additional $135 million in the recent legislative budget agreement under SB 111.
- **CORE** – CORE was allocated approximately $70 million through CARB's latest Funding Plan. $35 million in incentive funds will be available in Fall 2026. CORE was allocated an additional $14 million in the legislative budget agreement under SB 111.

Questions

kinshuk.chatterjee@energycenter.org