OCTA

November 3, 2025

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Regional Planning Update

Overview

Regular updates on regional planning matters are provided to highlight current transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on two issues that have emerged since the last report: federal transportation conformity challenges following revocation of California's vehicle emission waivers, and the ongoing effort to reform the state's regional planning framework for reducing greenhouse-gas emissions.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) regularly coordinates with other planning and regulatory agencies within the Southern California region. This coordination is conducted at many levels, involving the OCTA Board of Directors, executives, and staff. Attachment A provides an overview of planning activities that are currently being monitored.

Since the May 2025 update, there have been new developments in the following planning activities:

- Federal waivers and transportation conformity
- Ongoing efforts to reform SB 375 (Chapter 728, Statutes of 2008)

A discussion of each is provided below.

Discussion

Federal waivers and transportation conformity

In June 2025, Congress and the President revoked three longstanding Clean Air Act waivers that had allowed California to enforce its own vehicle emissions rules. These rules required all new cars to be zero-emission by 2035 and mandated increasing shares of zero-emission trucks. Supporters of the revocations argued that these rules were too stringent, exceeded federal authority, and placed a compliance burden on manufacturers and consumers nationwide. By rescinding the waivers, the federal government sought to reassert a single national standard for vehicle emissions.

The revocations had an immediate effect on California's federally approved emissions model (EMFAC2021), which incorporates the state's clean car and truck programs into its forecasts. With programs like those no longer federally recognized, EMFAC2021 can no longer be used for new conformity determinations. Under the Clean Air Act, regions in air quality nonattainment, such as the South Coast Air Basin (SCAB), must demonstrate conformity to move forward with federally supported projects. Without a valid model, transportation agencies statewide are unable to approve new non-exempt projects or amendments requiring updated emissions analysis.

Existing approvals for the current Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Federal Transportation Improvement Program (FTIP) remain valid, but no new determinations can be issued until the United States Environmental Protection Agency (EPA) approves adjustments to EMFAC2021. This has placed the region in a "transportation conformity lockdown," effectively freezing additions or major changes to the RTP/SCS and FTIP.

No OCTA projects are currently being impacted by the lockdown. However, if the lockdown persists into spring 2026, it could delay adoption of the 2027 FTIP by the Southern California Association of Governments (SCAG) and a related amendment to their 2024 RTP/SCS. Such a delay may impact project funding, approvals, and delivery schedules, particularly for projects that are not exempt from regional emissions analysis.

California and allied states have filed legal challenges to the revocations, but outcomes remain uncertain. The California Air Resources Board (CARB) is also continuing to evaluate adjustments to EMFAC2021 that may be amendable to the EPA. However, it should be noted that the SCAB, which includes Orange County, has relied on the types of emission reduction programs now not recognized by the federal government to demonstrate conformity. Therefore, depending on the extent of the adjustments to EMFAC2021 needed for EPA approval, demonstrating conformity within the SCAB may continue to prove challenging even if approved by the EPA. OCTA's Planning and Government Relations divisions will continue coordinating with partner agencies to monitor this issue, potential impacts, and the status of any potential resolution.

Ongoing Efforts to Reform SB 375

SB 375 was enacted to incorporate strategies into the RTP development process that support statewide goals to reduce greenhouse gas (GHG) emissions. This is accomplished through the state-mandated SCS element that builds on the RTP-defined transportation network to also include land use and transportation demand management strategies. The combined set of strategies must meet the state-assigned regional per capita GHG emissions reduction target.

CARB has initiated its next round of regional GHG target updates. However, regional agencies are urging CARB not to raise targets further, citing that the policy landscape has shifted significantly since 2008. Vehicle miles traveled-based environmental review is now required under SB 743 (Chapter 386, Statutes of 2013), housing production mandates have accelerated through recent legislation, and electrification of the vehicle fleet has been slower than expected. These changes are making it harder for regions to demonstrate compliance and regions are being held accountable for outcomes that are largely outside their control, such as land-use development patterns. The increased difficulty in demonstrating compliance was exemplified by the long set of negotiations between SCAG and CARB that just recently resulted in SCAG's 2024 SCS receiving approval by CARB, approximately 400 days after submitting the SCS to CARB.

Currently, a group of Metropolitan Planning Organizations (MPO) that includes SCAG, San Diego Association of Governments (SANDAG), Metropolitan Transportation Commission, and Sacramento Council of Governments (also known as The Big Four MPOs) have engaged former Senate President pro Tempore Darrell Steinberg, the author of SB 375, to help shape legislative proposals for reform that address the challenges noted above. This effort is expected to conclude later this year with a set of recommendations for reforming and modernizing SB 375.

The California State Transportation Agency (CalSTA) has also launched a Sustainable Communities Task Force (Task Force) to help regions reduce GHG emissions by better aligning land use and transportation planning and advancing implementation of SCS (Attachment B). As discussed at OCTA's September 18, 2025 Legislative and Communications Committee, OCTA was part of the Regional Targets Advisory Committee that was formed following the passage of SB 375 but was ultimately not selected to be on this Task Force. However, several Southern California agencies are represented, including SCAG, Los Angeles County Metropolitan Transportation Authority, Riverside County Transportation Commission, and SANDAG.

The Task Force focuses on sustainable transportation, land-use coordination, system management and pricing, climate resilience, funding and governance, and improved modeling and metrics, with a final report due in November 2026. While its objectives overlap with the Big Four MPOs' SB 375 reform effort, the Task Force seems more focused on administrative actions and policies set by state agencies, whereas the MPOs are pursuing legislative changes.

Since having a state-approved SCS is part of several competitive state funding programs, the impact of the legislative effort by the Big Four MPOs and the Task Force could directly affect OCTA's ability to secure funding and deliver projects. Amending the SB 375 framework also presents risks in changing how transportation funding is allocated and what types of projects are delivered. OCTA's Planning and Government Relations divisions will continue to monitor and engage in these processes to advocate for realistic targets, flexible implementation, and preserve the roles and responsibilities of County Transportation Commissions in the RTP/SCS development process and funding administration.

Summary

The revocation of California's Clean Air Act waivers has temporarily halted new federal transportation conformity determinations, creating potential risks for future project approvals if unresolved by spring 2026. At the same time, state and regional agencies are pursuing parallel efforts to address changes related to the implementation of SB 375. Regional MPOs are advocating for legislative changes while CalSTA is focusing on administrative policies and procedures. Both issues could influence how future regional plans are evaluated and funded, and staff will continue to coordinate with partner agencies to safeguard Orange County's project delivery and funding opportunities.

Attachments

A. Regional Planning Activities, November 2025
B. CalSTA Press Release – Secretary Omishakin Launches California Sustainable Communities Task Force – Published: August 26, 2025

Prepared by:

Greg Nord
Department Manager,
Multimodal Planning
(714) 560-5822

Approved by:

Rose Casey
Executive Director, Planning
(714) 560-5729