



California Council for Environmental and Economic Balance

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Electronic Submittal via: <https://carb.commentinput.com/?id=HBtS485cF>

Re: Comments regarding 15-day ACF State-Local Government Fleet Amendment Package

Dear Dr. Steven Cliff,

The California Council for Environmental and Economic Balance (CCEEB) appreciates the opportunity to provide comments to the California Air Resources Board (CARB) regarding the proposed amendments to the Advanced Clean Fleets – State and Local Government Fleet regulation dated April 2, 2026 (15-day Package). CCEEB is a coalition of business, labor, and public leaders that works together to advance strategies to achieve a sound economy and a healthy environment. Founded in 1973, CCEEB is a non-profit and non-partisan organization that strives to provide pragmatic pathways - balancing the need to reduce emissions while keeping businesses competitive in California.

Summary

In September 2025, the CARB Board adopted amendments to the Advanced Clean Fleets – State and Local Government Fleets regulation (ACF-SLG) and also repealed the ACF High Priority and Federal Fleet Requirements. The Board also adopted [Resolution 25-9](#) directing the Executive Officer to, among other things, make five key changes in an effort to lessen the impact of the regulation on state and local government fleet operators:

1. To extend the AB 1594¹ flexibilities to all state and local government fleets.
2. To delay the 100 percent ZEV Purchase mandate until 2030.
3. To utilize the exemption criteria to ensure the regulation has no adverse impact on essential public services.
4. To consult with state and local government entities to resolve their concerns.
5. To allow small fleets and those located in designated counties to continue to wait until 2030 before they need to purchase ZEVs.

CCEEB appreciates that the proposed amendments extended the AB 1594 flexibilities to all state and local government fleets, extended the 50 percent ZEV Purchase Schedule until 2030, and will allow small fleets and those located in designated counties to continue to wait until 2030 before they need to purchase any ZEVs.

¹ Chapter 585 - Statutes of 2023, Assm. Garcia

Unfortunately, many of staff's other proposed actions are contrary to the Board's direction to ensure the regulation has no adverse impact on essential public services. Many of the proposed amendments, in fact, will lead to significant adverse impacts, while also having a ripple impact to private fleets. The staff proposal has significantly expanded the regulation beyond the scope of the Board direction from September 2025 and from the 45-day notice, proposed to impose draconian new requirements that will impact both agency fleet operators and the private fleets that provide contracted services², imposed unworkable hurdles for the use of captured biofuels, and singled out waste fleet operators with specific and unique requirements.

Our specific comments on many of the proposals of concern are contained below. Staff's proposed amendments are unreasonable, unworkable, and possibly without legal basis.

CCEEB therefore requests the following:

- Staff should have meaningful engagement with impacted stakeholders (which include potentially non-public fleets) and then issue a second 15-day amendment package that addresses the adverse impacts on local agencies and private contracted fleets, and more closely follows the Board direction.
- The amended regulatory language should clearly identify all fleet operators that are affected by the regulation. Simply put, the regulation, not guidance or advisories, should identify who is in and who is out.
- After additional stakeholder engagement with impacted stakeholders, staff should report back to the Board before September 1, 2026, at a scheduled Board hearing, and the stakeholders should be given adequate time to provide public comments—more than three minutes.

Staff's recent written interpretation of "hiring compliant fleets" expands the scope of the ACF-SLG in a manner that is not consistent with the Board's direction in September 2025 nor the plain language of the regulation.

The ACF-SLG regulation, as amended in September 2025, applies to "any state or local government agency with jurisdiction in California that owns, leases, or operates one or more vehicles..." with a GVWR greater than 8,500 pounds that are operated in California and are not on a list of exempted vehicles. With the repeal of the ACF High Priority Fleets Requirements and the limited applicability of the ACF-SLG to only state or local government agency vehicles, the plain language reading of the rules was that the vehicles operated by private fleets were outside the scope of CARB's ACF regulations.

During the September 2025 Board hearing, staff never indicated that ACF-SLG would impact private fleets in general, and waste fleets specifically. There was also no indication private fleets were impacted by ACF-SLG in the original 45-day Notice, the Initial Statement of Reasons, or the proposed Final Regulation Order. In fact, staff amended the definition of "dispatch" to add the word "specific" in front of "vehicle" to, as stated in the ISOR on page 37, to make it clear that "dispatch" did not apply "to general instructions to the hired entity, such as a contract that specifies the areas to service by a garbage truck fleet or a contract that specifies when and where road activities need to be made."

² Includes written guidance/interpretation from ZEV Fleet staff directly to CCEEB via email correspondence, dated March 20, 2026.

Private fleet operators including waste haulers (some are CCEEB members) that contract with state and local agencies did not comment on the ACF-SLG amendments either in writing or at the September 2025 Board hearing because they never suspected that they were impacted by the ACF-SLG regulation and the Board was simultaneously repealing the private fleet requirements contained in the ACF High Priority Fleet regulation. If the private fleets thought they were somehow impacted by the ACF-SLG regulation, we believe they would have shown up in September. CCEEB itself, which has been tracking this regulation closely since its inception, was caught off-guard by both the staff interpretation of the “hiring” provisions and the expanded definition of “waste fleet”. The latter is clearly an expansion of scope of the regulation that is inappropriate for a 15-Day Package. Conversely, if staff had indeed held this broader interpretation, the post-September Board meeting staff-initiated stakeholder discussions should have included waste fleets.

CCEEB’s understanding is that staff has told stakeholders that its position on hiring compliant fleets has not changed in the past several years and that its interpretation of the regulation was clear. If CARB's position is that it was obvious that the regulation included private contracted fleets CCEEB wonders why it was necessary to specify that private waste fleets are included.

The previous definition of “Waste Fleet” was clearly aimed at the vehicles owned by municipalities whose function related to hauling diverted organic waste. The 15-Day Package amendment explicitly calls out both municipality-owned vehicles and “contracted” waste fleets of any and all waste. A definition with much broader impacts. This one definitional change has enormous potential impacts for both public and private fleet operators in terms of cost, compliance strategy, existing and future contracting, and long-term relationships. Again, we believe such a change is inappropriate for a 15-Day Package, especially given the lack of transparency leading up to its release.

After the September hearing, CARB staff held several meetings and discussions with local agencies, but to our understanding never engaged with private fleet operators that contract with those agencies. Nor did CARB indicate to the public agencies this change was pending, or even possible.

In January 2026, CCEEB sent an email to CARB’s official ACF question portal email address, ZEVFLEET@arb.ca.gov, seeking to confirm that private fleets who contract with SLGs for services (e.g. construction, tree trimming, waste hauling, street sweeping, etc.) are not subject to the ACF-SLG regulation.

To our surprise (and every other stakeholder we shared this with), on March 20, 2026, CARB staff provided the following written response from the ZEVFLEET email address:

“When a city, county, or other local agency contracts with a private company to perform public services (e.g., waste collection, street sweeping, or maintenance), the local government remains responsible for ensuring compliance with the SLG requirements for vehicles used to carry out those services. The government agency must include vehicles used under contract when determining its compliance with the ACF regulation, including

required ZEV purchases or phase-ins. In such cases, while the private fleet is not itself the regulated entity, the government agency must account for the emissions and vehicle types used under contract and may impose contractual requirements to ensure regulatory compliance.”

Per staff’s interpretation, state and local governments must do the following three things, in addition to ensuring their own fleet compliance:

- They are responsible for their contracted fleets.
- They must include vehicles used under contract when determining compliance (including reporting).
- While the private fleet is not itself the regulated entity, the government agency must account for the emissions and vehicle types used under contract and may impose contractual requirements to ensure regulatory compliance. In essence, CARB deputized the jurisdictions to ensure compliance of private fleets. Merely contracting with the government does not make a private fleet a government fleet.

None of these requirements were included in any of the following:

- 1) the regulatory support documents,
- 2) staff’s presentation to the CARB Board in September 2025,
- 3) the amended regulations adopted in September 2025,
- 4) CARB’s press release after the ACF-SLG amendments were adopted,
- 5) Resolution 25-9, or
- 6) the proposed amendments in the 15-day package.

These new requirements on state and local agencies are not consistent with the “Hiring Compliant Truck Fleets” section in the 15-day package. The Hiring Compliant Fleets section only applies to “hiring entities,” which include government agencies, that **hire and dispatch** heavy-duty vehicles in California and are subject to the ACF-SLG regulation. Simply hiring a private fleet does not trigger the Hiring of Compliant Truck Fleets obligations in the proposed amendments. Those requirements are only triggered if a local agency **hires and dispatches** the vehicles. As stated above, staff amended the definition of “dispatch” in the September 2025 amendments to make it clear that “dispatch” did not apply “to general instructions to the hired entity, such as a contract that specifies the areas to service by a garbage truck fleet or a contract that specifies when and where road activities need to be made.” CCEEB therefore believes that a plain reading of the proposed regulation invalidates staff’s recent interpretation that state and local governments remain responsible for ensuring compliance with the SLG requirements for vehicles used to carry out those services since the Hiring of Compliant Truck Fleets provision would not apply to general contracts regardless of service. In addition to the general inapplicability for contracted fleets, the proposed definition of Waste Fleet is internally inconsistent.

Were a local agency to hire and dispatch heavy-duty vehicles, the agency would need to comply with the Hiring of Compliant Truck Fleets provisions. CARB’s email to CCEEB indicates that “In such cases, while the private fleet is not itself the regulated entity, the government agency

must account for the emissions and vehicle types used under contract and may impose contractual requirements to ensure regulatory compliance.” CCEEB sees no language in the proposed amendments that supports CARB’s position. Under the Hiring of Compliant Truck Fleets provisions, hiring entities must comply with the Verification of Compliance, Disclosure of Regulation Applicability, recordkeeping requirements, and the Hiring Entity Documentation procedures contained in the Sections 2049(c). None of these procedures includes a requirement to “...account for the emissions and vehicle types used under contract... .”

Furthermore, under the Verification and Compliance provisions, the hiring entity would need to “verify each fleet it hires or dispatches is listed on the CARB Advanced Clean Fleets webpage as a compliant fleet. Alternatively, for each calendar year that an entity hires a fleet to operate in California that is not listed on the California Air Resources Board Advanced Clean Fleets webpage as a compliant fleet, it shall obtain a signed statement from the fleet owner stating their fleet is not subject to the regulations listed in section 2049(a)(1).”³ CCEEB believes that CARB’s ACF webpage will not list any private fleets as “compliant fleets” because there is no ACF for private fleets now. The contracted private fleet owner will then use the alternative provision and “...submit a signed statement that their fleet is not subject to the regulations listed in section 2013.7(a)(1) which we believe they will legally do because sections 2013 through 2013.6 only regulate state and local government fleets.

Additionally, in the Scope and Applicability provisions, hiring entities were defined as government agencies that **hire and dispatch** heavy-duty vehicles in California and are subject to the ACF-SLG regulation. However, under the Verification and Compliance provisions, staff has established requirements for each fleet that a hiring entity **hires or dispatches** to operate. This inconsistency invalidates the Verification and Compliance provisions since both **hiring and dispatching** are necessary to satisfy the applicability requirements of the Section.

Next, I want to repeat a portion of my testimony to the CARB Board on March 26th :

“This [staff’s email interpretation] is a dramatic increase in the scope of what was presented to you [the CARB Board]. There’s a process concern, but there are also the **dramatic cost implications**. One of our members told us that the vehicle that they used for refuse today versus a ZEV alternative would be double the cost with the associated infrastructure – it's very significant.”

Staff never analyzed the cost impact of including private fleets in the regulation, and they should be required to do so. Furthermore, state and local agencies are already facing limited resources and budget cuts, and none of them have begun to plan for the additional significant costs that would occur if CARB applied its new interpretation. The increased costs incurred by the private fleets would be passed on to the local agencies. Not only would every day services see dramatic cost increases but try to imagine the huge costs associated with new major infrastructure projects like building a pipeline, transmission line, or annual maintenance contracts. State and local agencies simply cannot endure these costs, which were not analyzed in the regulatory documents. There is also no prospective timeline for these costs. As written and interpreted by

³ This section was renumbered to remove it from within the ACF-SLG section of code. This is another indication of staff’s change in applicability, which is again outside of the scope of these Board-directed amendments.

staff, compliance in this manner should already be occurring. This places public fleets at a significant enforcement risk.

Finally, CARB's amendments and the interpretation in the email look like an underground regulation under the Office of Administrative Law's requirements.

For all of the reasons listed above, CCEEB asks that CARB take the time left in this rulemaking calendar and release a narrower, focused amendment package in line with the original notice, Board direction and stakeholder expectation. CCEEB's understanding is that CARB has until August 1, 2026, to send the rulemaking to the Office of Administrative Law. If CARB believes that they have the authority to include private contracted fleets, then a subsequent rulemaking process should be initiated.

Public process is best served by bringing substantial modifications back to the Board.

For many years, the CARB board held two hearing for major rulemakings. Recently, the CARB Board began delegating their authority of the Executive Officer to issue substantial modifications through 15-Day amendments, consider written public comments, and then either approve the changes, hold a hearing, or bring the modifications back to the Board. This was done in an effort to expedite and provide a more efficient regulatory adoption process. CCEEB believes that the public process is best served by bringing substantive 15-day changes and amendments back to the Board and it asks the Board to return to the "two hearing" format. Substantial modifications should be discussed in a public forum, and impacted stakeholders should be afforded the opportunity to present their positions to the full Board.

There are remaining concerns about implementability of the ACF-SLG.

Since the beginning of the ACF process, CCEEB has submitted numerous and detailed comments regarding our concerns for the administrative workload and practicality of how this regulation was constructed, including the exemption processes. Unfortunately, many of those issues have never been remedied.

CCEEB appreciates the opportunity to provide comment and looks forward to continuing to work with staff.

Sincerely,



Tim Carmichael
President and CEO
California Council for Environmental and Economic Balance (CCEEB)