

Vehicle Industry News VIN 2025-07 Sunset Clean Air Vehicle Decal Program

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New Information

The Clean Air Vehicle Decal (CAVD) Program ends at midnight on September 30, 2025. Beginning October 1, 2025, **all** CAVDs will expire. All decal holders **must** meet the posted vehicle occupancy requirements for traveling in a carpool/High-Occupancy Vehicle (HOV) lane and pay the required tolls or risk a citation.

Important dates:

- August 1, 2025: The payment turnaround time for the CAVD online application was shortened from 10 days to 2 days. This was done to ensure that customers receive a CAVD that has not yet expired.
- August 29, 2025, at 5:00 PM: The CAVD online application is **no** longer available. This ensures DMV does **not** receive and process any CAVD applications or mail a CAVD that would expire within days of receipt by the customer.

NOTE: Any paper applications received after this date, including incomplete CAVD applications being returned to DMV, will be returned to the customer unprocessed.

- September 2025: DMV, in collaboration with the California State Transportation Agency (CalSTA), will issue a notice to remind CAV decal holders about the program ending.
- September 30, 2025: The CAVD Program ends at midnight.

For more details on how to answer customer questions regarding the sunset of this program, please see the Frequently Asked Questions (FAQs) below.

FAQs:

Q. Why is the CAVD Program ending?

A. The federal government is ending the CAVD Program at midnight on September 30, 2025, pursuant to Section 166 of Title 23 of the United States (U.S.) Code. While the federal government gives DMV the authority to create the CAVD Program, the state must follow federal regulations which are expiring.

Q. Why is the CAVD Program ending when CA law was changed to extend the program to January 2027?

A. California changed the law in hopes that the federal government would extend the CAVD Program. However, that federal authority was not extended, so the program ends at midnight on September 30, 2025.

Q. Will I still be able to drive in the carpool/HOV lane with a single occupant?

A. No. Starting October 1, 2025, you **must** obey the posted vehicle occupancy requirement to travel in the carpool/HOV lane or risk receiving a citation and fine.

Q. Will I continue to receive reduced toll rates once the CAVD Program has ended?

A. No. Starting October 1, 2025, full toll rates will apply, and you should contact your local toll authority for fee amounts. You can find a list of toll roads and contact information on the California Department of Transportation (Caltrans) website at dot.ca.gov/programs/traffic-operations/express-lanes.

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FAQs, continued

- Q. When will DMV stop accepting new CAVD applications and applications for replacement CAVDs?
- A. DMV stopped accepting new and replacement CAVD applications on August 29, 2025, at 5:00 PM.
- Q. Why has DMV stopped accepting applications for new and replacement CAVDs one month before the program ends?
- A. DMV will stop accepting applications to prevent customers from receiving CAVDs that would expire within days of receipt.
- Q. Will my application be processed if I submitted a CAVD application prior to August 29, 2025?
- A. If a completed CAVD application and payment was received and reviewed before August 29, 2025, the application will be processed and decals mailed. However, those decals will only remain valid until October 1, 2025.
- Q. DMV returned my CAVD application because it was incomplete prior to August 29, 2025. Will my application be processed?
- A. The application will only be processed if the completed application and payment was received prior to August 29, 2025, otherwise, the application and payment will be returned to you.
- Q. Do I have to remove the decal from my vehicle on October 1, 2025?
- A. No, however the decal will not be valid for lawful travel in the carpool/HOV lane.
- Q. Will customers be issued a refund for their clean air decals if they paid the \$27 fee and were unable to use it for a full 4 years.
- A. No.
- Q. Which California agencies are involved in administering the CAVD Program?
- A. The California Air Resources Board (CARB) determines which vehicles qualify for the program based on emissions requirements. DMV is responsible for issuing the decals. Caltrans authorizes the use of carpool/HOV lanes. The California Highway Patrol (CHP) oversees enforcement. Toll authorities oversee reduced rates for qualified clean air vehicles.

Background

The federal authorization for the CAVD Program expires on September 30, 2025, pursuant to U.S. Code, Title 23 §166, unless the California Secretary of State receives notice from the U.S. Secretary of Transportation to sunset the CAVD Program, whichever occurs first.

References

U.S. Code, Title 23, §166 *Vehicle Code* (VC) §§5205.5 and 21655.9

Distribution

Notification of this memo (available at dmv.ca.gov by searching Vehicle Industry Services) was sent through the California DMV Automated Email Alert System in September 2025 to:

- Dealers
- Registration Services

Contact

Direct questions related to this memo to DMV Customer Care at (916) 657-6560.