



March 18, 2025

California Air Resources Board
Chair Liane Randolph
1011 I Street
Sacramento, CA 95814

RE: Information Solicitation to Inform Implementation of SB 253 and SB 261

Dear Chair Randolph,

The undersigned organizations are writing to express the urgency in adhering to the updated timeline of rulemaking per SB 219, which provides that the Board has until July 1, 2025, to adopt regulations. The Board's early solicitation for information from stakeholders is a critical step in the implementation process and we implore the Board to maintain the momentum of these critical rules. We stand ready to engage in the public process to support the Board in timely implementation.

The importance of these climate disclosure laws cannot be overstated – each year has brought with it more extreme weather events than the last, record-breaking temperatures with severe impacts on human health, and billions of dollars in economic losses. We are forced to adapt to a constantly-heating planet and the consequences have serious implications for companies' financial and operational performance and, by extension, for financial stability. With threats to California's climate progress looming on the horizon, we cannot afford to wait for companies to identify and disclose their greenhouse gas (GHG) emissions and their climate-related financial risks.

California's leadership on this issue is time sensitive, and on-time implementation will have international and global impact on progress for corporate emissions reporting and climate financial risk reporting. The U.S. federal climate disclosure rule issued by the SEC was voluntarily stayed due to legal challenges and new SEC leadership has indicated that it is reconsidering the rule. California must remain the U.S. leader in championing transparency with regard to climate risks.

SB 253 and SB 261 were drafted and amended over the course of three years and two legislative sessions with an eye towards minimizing ambiguity and giving companies and other stakeholders confidence and clarity in the requirements of the Acts. The following are the key policy principles of both laws, based on the plain language of the Acts and their legislative history, that will accelerate and streamline the development of regulations in line with their legislative intent and drive successful implementation of the Acts.

1. **Ensure Robust Reporting:** Full scope emissions disclosure is critical. For most of the nation's largest companies, supply chain emissions are on average 11.4 times higher than operational emissions. It is critical that companies engage in full scope reporting

including their supply chain emissions, and the Board should resist efforts to lessen the rigor of reporting. When it comes to climate risk reporting, we are seeing in bold relief how climate disasters like the recent wildfires in Southern California are devastating communities and undermining California's economy. Companies must be transparent in identifying the ways in which they are vulnerable and what they are doing about it.

2. **Adhere to Widely Adopted Reporting Standards with Fidelity:** The Acts identify the GHG Protocol standards and guidance as the accounting and reporting standard to be used by all companies subject to the disclosure requirements of SB 253, and the TCFD recommendations and successor ISSB standards for climate risk reporting under SB 261. The GHG Protocol is the internationally recognized gold standard for GHG emission reporting and a throughput across all mandatory and voluntary corporate reporting frameworks worldwide. Following the GHG Protocol reduces compliance burdens and ensures a seamless global alignment for corporate reporting.
3. **Prioritize Consumer Access to Data and Information:** California investors, consumers, and other stakeholders deserve transparency from companies regarding their GHG emissions. It is important that the Board ensures that the GHG emissions data and climate risk information reported by companies is made available in a way that allows the public to develop knowledge and insights that can empower them as consumers and market actors. SB 253 emphasizes the importance of data access and democracy, and California has the opportunity to lead on emissions transparency.

We appreciate the Board's thorough investigation into topics for which information is being solicited and remain committed to engaging thoroughly during the rulemaking process. The companies subject to these laws need regulatory certainty and clear guidance as they invest in building internal capacity and establishing the controls and procedures necessary to comply with these laws. The sooner these implementing regulations are communicated to regulated entities, the better positioned they will be to comply. Our coalition respectfully urges the Board to adhere to the established deadline of the rule in order to maximize the real impacts of these laws.

Thank you for your consideration,

Gracyna Mohabir
Clean Air & Energy Regulatory Advocate
California Environmental Voters

Jake Rascoff
Director, Climate Financial Regulation
Ceres

Catherine Atkin
Director
Carbon Accountable

Monica Palmeira
Climate Finance Strategist
The Greenlining Institute

Alex Martin
Policy Director, Climate Finance
Americans for Financial Reform Education Fund

Nick Lapis
Director of Advocacy
Californians Against Waste

Ellie Cohen
CEO
The Climate Center

Suzanne Hume
Educational Director & Founder
CleanEarth4Kids.org

Rabbi Jacob Siegel
Climate Finance Advisor
Dayenu: A Jewish Call to Climate Action

Fernando Gaytan
Senior Attorney
Earthjustice

Karinna Gonzalez
Deputy Director
Hammond Climate Solutions Foundation

Erica Lasdon
Director, Climate Change & Environmental Justice
Interfaith Center on Corporate Responsibility

David Shadburn
Senior Government Affairs Advocate
League of Conservation Voters

Arnold Sowell Jr.
Executive Director
NextGen California

Kristina Wyatt
Deputy General Counsel and Chief Sustainability Officer
Persefoni AI, Inc.

Mike Lynes
Director of Public Policy
Audubon California

Edwin Mumbere
Director, Economic Policy Program
Centre for Citizens Conserving Environment & Management (CECIC)

Kathy Schaeffer
Legislative Coordinator
Climate Reality Project, San Fernando Valley

Irene Kao
Executive Director
Courage California

Katelyn Roedner Sutter
California State Director
Environmental Defense Fund

Doug Norlen
Director, Economic Policy Program
Friends of the Earth US

Dennessa Atilas
Organizer
Indivisible CA: StateStrong

Leila Yow
Climate Program Associate
Institute for Agriculture and Trade Policy

Elizabeth Derbes
Director, Financial Regulation and Climate Risk
Natural Resources Defense Council

Leah Redwood
California Organizer
Oil and Gas Action Network

Clara Vondrich
Senior Policy Counsel for Climate
Public Citizen

Allen Myers
Founder, Board Chair
Regenerating Paradise

Kevin Stein
Chief of Legal and Strategy
Rise Economy

Jean Tepperman
Co-Coordinator
Sunflower Alliance

Ruth Holton Hodson
Coordinator, Third Act Sacramento
Legislative Team
Third Act Sacramento

Daniel Barad
Western States Senior Policy Manager
Union of Concerned Scientists

Alan Weiner
Chapter Lead
350 Conejo / San Fernando Valley

David Rosenstein
Steering Committee Member
Resilient Palisades

Jakob Evans
Policy Strategist
Sierra Club California

Allan Moskowitz CFP
Transformative Wealth Management, LLC
Transformative Wealth Management

Phil Glosserman
Lead Facilitator
Third Act SoCal

Valerie Ventre-Hutton
Legislative Analyst
350 Bay Area Action