



Senator Scott Wiener, 11th Senate District

Senate Bill 253 – Climate Corporate Data Accountability Act

SUMMARY

Senate Bill 253, the Climate Corporate Data Accountability Act, would require all US-based corporations with annual gross revenues of \$1 billion USD or greater that do business in California to publicly disclose their greenhouse gas (GHG) emissions inventory each year in a manner easily understandable and accessible to the people of California. These corporate disclosures would be submitted to an emissions registry and posted online for public viewing. To ensure accurate and truthful reporting of a corporation's complete carbon footprint, companies would be required to submit their disclosures to an audit. The California Air Resources Board (CARB) will also contract with an outside entity to prepare a one time report discussing the GHG emissions within the context of state GHG emissions reductions and climate goals.

BACKGROUND

California has been at the forefront of climate policy for decades, establishing renewable energy requirements for electricity providers, committing to preserve 30% of California's lands in their natural state, and setting and achieving ambitious emission reduction targets. These reductions were partially met, and continue to be bolstered by the emission reporting requirements as laid out in the California Global Warming Solutions Act. These requirements, however, only apply to electricity generators, industrial facilities, fuel suppliers, and other major emitters, missing many sources of corporate pollution. Without the same requirements for these corporate entities, California is left without the proper information needed to regulate, and consumers are left in the dark about the climate impacts of their business decisions. The first step needed to drive down the global corporate carbon emissions that impact the health of California's residents and its natural environment is expanding reporting

requirements beyond what California currently has in place.

PROBLEM

Carbon emissions are not being reduced at the scale and pace required to avoid the worst impacts of climate change in California and across the globe.

To properly address this challenge, policymakers and citizens need a clear, accurate representation of real-time emission data. However, many of the largest corporations doing business in California are not subject to carbon reporting laws and those that currently report their emissions often do not report their full GHG footprint. Rather, a subset of their activities and subsequent emissions are reported, leaving out crucial aspects of their supply chain and operations. The result is a continuing lack of transparency from corporate polluters, and an inability to properly regulate them due to a lack of accurate information.

The people and communities of California have a right to know about the sources of carbon pollution by some of the world's most profitable corporations that do business in California, in order to make informed decisions about the impact of their choices when purchasing, patronizing and investing in these corporations.

SOLUTION

SB 253, the Climate Corporate Accountability Act, would provide a first in the nation, comprehensive, public reporting of the GHG emissions inventories for corporations with revenue over \$1 billion who do business in California, and would enhance California's position as a global leader in carbon accountability and reporting. Companies subject to the Act would, from 2026 on, be responsible for annually reporting a complete GHG emissions inventory, aligned with the GHG Protocol,

encompassing three scopes: first, their direct emissions, including fuel combustions; second, their emissions from purchasing and using electricity; and third, indirect emissions including their supply chain. The reports will be made public on a digital platform that allows consumers and other stakeholders to see individual reports as well as aggregated data in a manner that is easily understandable and accessible.

CARB would have one year to promulgate regulations and would convene a panel of subject experts and diverse stakeholders to advise the agency on how reporting should be structured. Upon adoption, corporations subject to the Act would have one year to comply with the regulations to disclose and report their emissions on an annual basis. CARB would also contract out a one-time report on the public GHG disclosures made by reporting entities that includes consideration of these public disclosures in the context of existing state climate goals.

Public access to this critical corporate climate pollution data would enable informed decision making when purchasing from and patronizing these companies. Data disclosure can also inform future regulation and lead to the creation of market-based incentives that encourage innovative approaches to carbon reduction.

Transparent emissions reports would enable communities and regulators to take action to more effectively target corporate reduce polluters that are currently under-reporting or not reporting at all.

SUPPORT

- Carbon Accountable (Sponsor)
- California Environmental Voters (Formerly CLCV) (Sponsor)
- CERES (Sponsor)
- Greenlining Institute (Sponsor)
- Sunrise Movement, Bay Area Chapter (Sponsor)
- Patagonia
- IKEA USA
- Sierra Nevada Brewing Co.
- Everlane
- Grove Collaborative
- Dignity Health
- Avocado Green Brands
- Climate Action California
- 350 Bay Area Action
- Citizens’ Climate Lobby, Santa Cruz
- California Nurses for Environmental Health and Justice
- Fossil Free California
- Avocado Green Brands
- Dignity Health
- Everlane
- Grove Collaborative
- Sierra Nevada Brewing Co.
- Patagonia
- San Fernando Valley Climate Reality Project
- Hammond Climate Solutions Foundation
- Climate Hawks Vote
- Californians Against Waste
- 350 Sacramento
- Active San Gabriel Valley
- Climate Action Campaign
- Climate Equity Policy Center
- California Interfaith Power & Light
- Move LA
- Natural Resources Defense Council
- San Francisco Baykeeper
- Sacramento Area Congregations Together
- Asian Pacific Environmental Network
- 1000 Grandmothers for Future Generations
- Sunrise Movement San Diego
- Sunflower Alliance
- Coalition for Clean Air
- California Reinvestment Coalition
- San Diego 350
- Californians for Energy Choice
- Friends of the Earth
- Friends Committee on Legislation of California
- Mono Lake Committee
- Planning and Conservation League
- Greenbelt Alliance
- 350 Conejo/San Fernando Valley
- Transformative Wealth Management, LLC
- Voices for Progress
- The Climate Center
- Pesticide Action Network
- CleanEarth4Kids.org

- Human Impact Partners
- 350 Marin
- Green New Deal at UC San Diego
- ClimatePlan
- Environmental Working Group

FOR MORE INFORMATION

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