

March 21, 2025

Chair Liane M. Randolph
California Air Resources Board
1001 I Street
Sacramento, CA 95814

**Re: Information Solicitation to Inform Implementation of California Climate-Disclosure
Legislation: Senate Bills 253 and 261, as amended by SB 219**

Dear Chair Randolph,

On behalf of The Greenlining Institute ("Greenlining"), we appreciate the opportunity to provide comments to the California Air Resources Board ("CARB") in response to the [Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219](#). Greenlining submits the below comments and recommendations in strong support of a clear, thoughtful, and effective approach to implementation of these critical laws, further cementing CARB and California's climate leadership in a time of retrenchment and backslides.

Founded in 1993, Greenlining is committed to building a just economy that is inclusive, cooperative, sustainable, participatory, fair, and healthy. We work towards a future where communities of color can build wealth, live in healthy places filled with economic opportunity, and are ready to meet the challenges posed by climate change. The effects of emissions and our rapidly changing climate are not equal. Communities of color and low-income communities experience climate-related impacts, like flooding and extreme heat with less resources to prepare for and withstand climate catastrophes that are becoming more frequent. They are also far more likely to live in areas exposed to excessive emissions, contributing to poorer health outcomes than wealthier, whiter communities.

While we acknowledge the work CARB and the State of California have done thus far to direct attention and dollars on these issues, more needs to be done to understand the corporate scope of these challenges. Creating solutions to climate change for communities of color requires unlocking the potential of the private sector to drive meaningful change, as well as holding institutions accountable for their impact on the climate. We can not make informed decisions on how to address the climate crisis without accurate data on what is contributing to it and SB 253 and SB 261 provide a critical path forward for corporations to support California's climate leadership. Establishing this foundation of information sharing will help the State build better and more equitable solutions to the climate crisis.

With these goals in mind, Greenlining offers the below comments and recommendations in response to selected questions from the Information Solicitation, **with a priority towards timely drafting and implementation of forthcoming rules and full transparency and accessibility of reported data.**

Applicability

- 1a) We agree with using Revenue and Tax Code section 23101 as the source definition for “doing business in California.”
- 1b) We would suggest that federal and state government entities be included as “business entity” that “does business in California” with the consideration that these entities may need to be phased in if CARB finds limited experience in conducting this kind of reporting.
- 1c) We recommend covering entities owned in part or wholly by foreign governments.
- 1d) In alignment with the legislative sponsors of SB 253 and SB 261, we believe out-of-state entities that only transact via energy markets should not be considered covered entities.

Standards in Regulation

- 3a) It will be key for ensuring a smooth implementation process, robust and accurate data, and reducing undue burden for CARB to align rules with other reporting standards. Interoperability will facilitate clear and consistent reporting to other jurisdictions including the European Union. CARB should continue to align with existing and widely used frameworks, including the Task Force on Climate-Related Financial Disclosures (TCFD) and the Greenhouse Gas Protocol (GHG Protocol).
- 3b) Greenlining supports CARB accepting reports that are prepared to meet other jurisdictional requirements, so long as they include all necessary data. This is also supported in the statute. CARB could consider a “menu” of frameworks that would comply with the agency’s reporting requirements. **This would lift up the critical role CARB plays in the present-day disclosure ecosystem - consolidating and transparently providing access to the information.**

Data Reporting

- 4) According to a Ceres and Persefoni report from 2022, the cost for similar disclosure reporting was on average about \$533,000 annually after the first year of implementation. It should be noted that cost of compliance is likely to reduce in subsequent years once infrastructure and processes for reporting become more efficient and routine. Further, by facilitating interoperability amongst other reporting requirements, CARB will reduce reporting burden on covered entities.

5) Greenlining does not have a firm recommendation on whether CARB should directly collect reports or contract to an outside reporting organization. **However, a choice should be made on the basis of ensuring timely implementation, consistent with SB 219, and facilitating the efficient publication of the information.**

6) Greenlining does not recommend any particular reporting service, but would emphasize the priorities mentioned above of ensuring a selected service has a track record of facilitating timely implementation with transparency.

SB 253: Climate Corporate Accountability Act

7) We recommend that CARB directly aligns reporting requirements with the GHG Protocol, again with the goal of ensuring consistent compliance across jurisdictions and reducing compliance burden and costs.

9a) Greenlining supports annual reporting of one year of data, aligned with requirements in the European Union and other jurisdictional requirements.

SB 261: Climate Related Financial Risk Disclosure

13c) Greenlining supports CARB requiring all four pillars of the TCFD (governance, strategy, risk management, and metrics and targets) be covered in SB 261 reports, with appropriate clarifications regarding those that are also covered under SB 253 emissions reporting requirements. We also support CARB collecting company net-zero transition plans as part of required reporting. In order for the public to have a holistic understanding of how entities are engaging on climate risk, this information is crucial.

Once again, we appreciate the opportunity to provide the above comments and recommendations, and commend CARB on their leadership in corporate sustainability and transparency. We look forward to timely and robust implementation of these critical laws.

Best regards,

Monica Palmeira
Climate Finance Strategist

Mobile: (252) 268-6538

Email: monica.palmeira@greenlining.org

Pronouns: she/her