



February 9<sup>th</sup>, 2026

California Air Resources Board  
1101 I Street  
Sacramento, CA 95814

RE: Proposed California Corporate Greenhouse Gas (GHG) Reporting and Climate Related Financial Risk Disclosure Programs Initial Regulation

Dear Chair Sanchez,

California Environmental Voters appreciates the opportunity to comment on the proposed “Initial Regulation” for the California Corporate Greenhouse Gas (GHG) Reporting and Climate Related Financial Risk Disclosure Programs. The development of this initial regulatory text is much-needed to encourage timely implementation of the original legislation, SB 253 (Wiener, Chaptered 2023) the Climate Corporate Data Accountability Act and SB 261 (Stern, Chaptered 2023) the Climate-Related Financial Risk Reporting Act, amended by SB 219 (Wiener, Chaptered 2024).

Our organization would like to recognize the comprehensive work done by CARB staff to develop this regulatory proposal. **The passage and subsequent implementation of these laws in California mark yet another landmark climate policy victory for the state.** The programs parallel established reporting frameworks already in use internationally and underscore California’s commitment to policy that aligns with the evolving needs of the climate crisis. In alignment with changing times, these programs will deliver greater information about climate-related financial risks and corporate greenhouse gas emissions that consumers, lenders, key stakeholders, and the general public will benefit from.

Consistent with a letter EnviroVoters submitted during the initial Request for Information in December 2024, we appreciate CARB staff’s proposal to reference the definition of “doing business in California” found in the Revenue and Tax Code, section 23101. This is in alignment with the intent of the bill language. Furthermore, we agree with the exemption below:

- A business entity whose only business within California consists of wholesale electricity transactions.

Per clarification from Senators Wiener and Stern in a letter submitted to the Senate Daily Journal, January 29<sup>th</sup>, 2024, the legislative intent of SB 253 and SB 261 did not include

business entities whose sole activity within the state consists of wholesale electricity transactions<sup>1</sup>.

**Additionally, we recommend against CARB staff’s proposal to exempt insurance companies from SB 253 compliance.** The ISOR explains the basis of this exclusion is “for continuity<sup>2</sup>”. We are concerned about the basis of this rationale. To clarify, the groups of covered and reporting entities for the two different programs are expected to differ due to the distinct revenue thresholds that will change the scope of entities for each.

Moreover, we believe the emissions disclosures of insurance entities to be extremely pertinent given California’s current climate landscape and series of natural disasters exacerbated by global warming. Per the aim of these programs – providing increased transparency to consumers, investors, shareholders, and additional stakeholders – it is prudent that these programs are not preemptively exempted when the need for public access to emissions information is especially high.

We appreciate CARB staff’s intent with this proposed exemption, however, urge consideration of the above factors.

This initial regulatory proposal is a substantial and critical component needed to move forward in the implementation process. The development of this proposal was preceded by multiple thorough opportunities for stakeholder feedback as well as proactive work from staff to gather input on resources to inform reporting logistics. Our organizations commend CARB staff for this thoughtful work. We look forward to engaging deeply in the subsequent regulatory process to ensure timely and robust policy that delivers greater climate transparency to the public.

Regards,



Gracyna Mohabir  
Clean Air & Energy Regulatory Advocate  
**California Environmental Voters**

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<sup>1</sup> [Senate Daily Journal, “Re: Legislative Intent – SB 253 and SB 261”, January 29<sup>th</sup>, 2024](#)

<sup>2</sup> [Staff Report: Initial Statement of Reasons](#)