

FLOOR ALERT

SB 253 (Wiener) – OPPOSE

Will Have a Detrimental Impact on Small and Medium Sized Businesses

SB 253 will ask companies to track emissions not only for their California sites or products, but for every one of their suppliers around the world. Those small and medium-sized businesses do not have the resources or expertise to accurately measure their GHG emissions, leaving these companies without the contracts that enable them to grow and employ more workers. This will create inefficient supply chains that will burden small businesses and further add costs to California families.

Reporting Requirements Will Include Inherently Inaccurate Data

While an organization can account for emissions stemming from their direct operations, this becomes more challenging as we move further and further down the supply chain. This means that they will be reliant on proxy information rather than verifiable data. That proxy data will vary by sector, and by methodology. There will not be an “apples to apples” comparison that can be drawn from this information, rendering this data useless.

The Scope 3 Emissions Guidelines are a Moving Target

Due to the likelihood of double counting, assessing Scope 3 emissions data with any degree of accuracy is not yet possible. This is mainly due to the protocol’s reliance on secondary data, or industry averages, when calculating Scope 3 emissions. The SEC has an ongoing rulemaking assessing how best to untangle the embedded inaccuracies from Scope 3 reporting from actionable items and has yet to identify a path forward. These are complicated and burdensome reporting requirements for manufacturing companies that can have thousands of components as part of their supply chain.

Made Worse Out of Appropriations Committee

In addition to the large fines that companies will be subjected to if their reports are late or inaccurate, the Appropriations Committee lifted the cap on the filing fee that companies will have to pay to submit their reports. Companies could be charged tens, if not hundreds of thousands of dollars to file reports with data filled with inaccurate data. **SB 253** will not lead to increased transparency nor direct emissions reductions.

For these reasons and others, CalChamber and the organizations identified above must respectfully **OPPOSE SB 253 (Wiener)** and ask for a “**NO**” vote.

VOTE NO ON SB 253 (WIENER)

SB 253 (WIENER) CLIMATE CORPORATE ACCOUNTABILITY ACT
VOTE NO ON SB 253

