VOTE NO ON SB 253 (WIENER)
The California Chamber of Commerce and the organizations listed above must respectfully **OPPOSE SB 253 (Wiener)**, which imposes added costs for business, large and small, to do business in California through additional reporting requirements. We respectfully ask for your “NO” vote:

**SB 253 Will have an Outsized Impact on Business Here in California**

California should continue to implement and build upon existing programs and policies to regulate and monitor in-state emissions rather than seek to obtain emissions data throughout the international supply chain, especially seeing how it would have no authority to regulate emissions beyond the California border. Out-of-state or non-California companies would challenge such authority, or simply ignore it.

**SB 253 Will Not Directly Reduce Emissions**

Simply put, **SB 253** is a reporting requirement. And, a costly reporting requirement at that and will not lead to direct emissions reductions. Initial estimates have shown that each company will have to pay over $600,000 per report, annually. Beyond that, each company could **pay three times to file the same report**. Ultimately, these are costs that will end up being passed on to the consumer and will lead to lost revenue for the State.

**SB 253 Will Have a Detrimental Impact on Small and Medium Businesses**

Although **SB 253** identifies a large threshold for applicability, the bill requires companies to track emissions not only for its California sites or products, but also requires emissions tracking of distant upstream and downstream supply chains. Those small and medium-sized businesses are likely under resourced and will struggle to accurately measure their GHG emissions, leaving these companies without the contracts that enable them to grow and employ more workers. This has the ability to create inefficient supply chains that will further add costs to the end-user.

**SB 253 Reporting Requirements Will Include Inherently Inaccurate Data**

While an organization is able to 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 a reasonable “apples to apples” comparison that can be drawn from this information.

**The Scope 3 Emissions Guidelines are a Moving Target**

At this juncture, Scope 3 emissions reporting is more of an art than it is a science. 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 may have thousands of parts as part of their supply chain.

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)**