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# California Climate Reporting Bill Topping SEC Proposal Advances

By Zach Bright

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- Assembly Appropriations Committee advances bill
  - Farthest such a proposal has made in California
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California is one step closer to requiring large corporations such as Apple Inc. and Google LLC to disclose their greenhouse gas emissions after a state Assembly committee advanced climate legislation on Thursday.

The Climate Corporate Accountability Act would make companies with at least \$1 billion in annual revenue report all direct and indirect emissions.

The California bill would go farther than the Securities and Exchange Commission's proposed climate disclosure rule, which only applies to publicly traded companies and contains certain carve-outs for supply-chain emissions reporting.

It's the farthest such a proposal that is designed to urge large corporations to lower their emissions has made it in California.

After being advanced by the Assembly Appropriations Committee, the bill now heads to the Assembly floor for a vote. The Senate passed it in a vote of 23-7 in January. Gov. Gavin Newsom (D) hasn't yet indicated his position on it.

"This would really set a precedent and would be the first mandatory corporate emissions reporting law in the country," said Melissa Romero, senior legislative manager for California Environmental Voters.

The legislation, S.B.260, would require a full reporting to the secretary of state of all emissions, including supply-chain, or Scope 3, emissions, from any type of company doing business in California.

Business associations led by the California Chamber of Commerce who oppose the Climate Corporate Accountability Act wrote in a letter that “California is not in the business of regulating out of state emissions, nor should it be.”

The trade groups said Scope 3 emissions cannot be accurately and completely reported, and reports would be subjective and hard to verify. Environmental advocates say Scope 3 emissions should be reported because they make up most emissions generated by large corporations.

Romero said Assembly Speaker Anthony Rendon (D) has indicated support for climate bills like S.B.260. Still, the 41-vote majority needed to advance the legislation isn’t guaranteed in the upcoming floor vote.

California’s legislative session ends Aug. 31.

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## Documents

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