BC ESG • California Climate Statutes Quick Card

SB 253, SB 261, SB 219, and AB 1305 Baseline • November 10, 2026 Filing Guide

Current version — Nov 2, 2026. Update history: https://bcesg.org/california-climate-accountability-sb-253-sb-261-ab-1305-compliance/

CORE FILING SEASON RULE: NOVEMBER 10, 2026 IS SB 253 ONLY

The November 10, 2026 filing is SB 253 only. Covered companies report Scope 1 and Scope 2 greenhouse gas emissions to the California Air Resources Board (CARB). Scope 3 starts in 2027. SB 261 (climate risk) is an entirely different statute and its enforcement is enjoined. AB 1305 is an ongoing website disclosure rule for offset and net-zero claims, not a CARB filing or climate-damages law.

1. THE THREE STATUTES AT A GLANCE (STATUS ON OCTOBER 26, 2026)

Statute & Authority	Who Is Covered	What Is Required	2026 Filing Season Status
SB 253 HSC §38532 *17 CCR §§96070–96077*	U.S. business entities with total annual revenue **above $1 billion** that do business in California. Prior fiscal year basis.	Scope 1 and Scope 2 emissions for the prior fiscal year under GHG Protocol standards. Scope 3 begins in 2027.	**IN FORCE.** Deadline: **November 10, 2026**. Ninth Circuit denied injunction. Penalty capped at **$500,000** per reporting year.
SB 261 HSC §38533 *Climate Financial Risk*	U.S. business entities with total annual revenue **above $500 million** that do business in California. **Insurers excluded.**	Biennial climate-related financial risk report on company's own website (TCFD or ISSB equivalent).	**ENJOINED.** Ninth Circuit granted injunction pending appeal (Nov 18, 2025). CARB docket: no enforcement of Jan 1, 2026 date; submissions voluntary. Cap $50,000/yr.
AB 1305 HSC §§44475–44475.3 *Carbon Claims & Offsets*	Sellers of voluntary offsets in CA, and entities making carbon-neutral, net-zero, or significant-reduction claims in CA.	Disclosures on entity's public website regarding project protocols, calculation methodology, and verification.	**IN FORCE** since Jan 1, 2024. Updated at least annually. Civil penalty up to $2,500/day/violation (cap $500,000). Not filed with CARB.
SB 219 / AB 154 *Consolidation Rule*	Applies inside HSC §38532 (SB 253) and HSC §38533 (SB 261).	Reports may be consolidated at parent level. Subsidiaries included in parent report do not file separately.	**IN STATUTE.** In effect. Clarifies parent consolidation and gives CARB authority to set Scope 3 schedule. Not a separate program.

MYTH-BUSTER: SQUARE FOOTAGE DOES NOT TRIGGER SB 253

Square footage does **not** trigger SB 253. A commercial property owner, REIT, or building tenant is covered **only** if an entity inside that corporate structure independently meets the **$1 billion revenue test** and the **"doing business in California"** test. Facility footprint never creates automatic liability.

REVENUE PERCENTAGE MYTH-BUSTER: NO 5% SAFE HARBOR

Section 38532 contains **no percentage-of-revenue test**. Having a small share of revenue in California does not exempt a $1B+ company, nor does a 5% rule of thumb exist. Whether an entity "does business in California" is a legal facts question for counsel evaluated against CARB regulations, not an informal revenue proportion.

2. SB 253 SCOPE DEFINITIONS & FIRST-YEAR BOUNDARIES

Scope 1: Direct Emissions (Due Nov 10, 2026)

Direct GHG emissions from sources the reporting entity owns or directly controls, including stationary fuel combustion (boilers, furnaces), mobile combustion (fleet vehicles), and process/fugitive emissions (refrigerant leaks). Prior fiscal year data.

Scope 2: Indirect Energy (Due Nov 10, 2026)

Indirect GHG emissions from purchased or acquired electricity, steam, heating, or cooling consumed by the entity across its operations. Measured and reported using Greenhouse Gas Protocol Corporate Standard standards named in statute.

Scope 3: Value Chain (Starts 2027)

Other indirect upstream and downstream value-chain emissions. **Not required for the November 10, 2026 filing.** Begins in 2027 on a schedule CARB sets. Good-faith misstatements with reasonable basis carry no penalty; 2027–2030 penalties limited to nonfiling.

3. FIRST-YEAR ASSURANCE & ENFORCEMENT DISCRETION

Statutory Assurance Schedule:	HSC §38532 schedules limited assurance for Scope 1 and Scope 2 beginning in 2026, and reasonable assurance beginning in 2030.
CARB 2026 Enforcement Discretion:	Assurance is **not a condition of this first filing**. CARB guidance and FAQ confirm CARB will exercise enforcement discretion: covered entities may submit Scope 1 & 2 from information already possessed or being collected when CARB's December 2024 notice was issued, whether or not that data had limited assurance.
Entities Without Historical Data:	An entity that was not collecting emissions data, and was not planning to, is **not expected to submit Scope 1 & 2 numbers for the 2026 cycle only**. (Check guidance; this is not a legal determination for your company).

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Submission Routes, SB 261 Injunction, AB 1305 Leases & Penalty Reality

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4. HOW TO SUBMIT BY NOVEMBER 10, 2026

Submission Route Options (Both Voluntary / Equivalent)

- **Option A: CARB 2026 Report Intake Platform** — Voluntary portal to submit Scope 1/2 report and provide fee contact.
- **Option B: Email Submission** — Email emissions report and fee contact directly to `climatedisclosure@arb.ca.gov`.
- **Draft Template:** Use of CARB's draft Scope 1 and Scope 2 template is strictly voluntary for this cycle.

Mandatory Contact & Implementation Fee Notice

- **Designate Fee Contact:** Submissions must include billing contact information for CARB's annual implementation fee.
- **Administrative Fee:** Required by statute to cover CARB's reasonable costs of administration. (Fee amount set by regulation).
- **Parent Consolidation:** If parent files consolidated report, list all covered subsidiaries included under SB 219.

5. SB 261: INJUNCTION STATUS & SCOPE OF LAW

SB 261 IS ENJOINED — DO NOT BUDGET NOVEMBER 10 AS COMPULSORY

On November 18, 2025, the Ninth Circuit granted an injunction pending appeal against enforcement of SB 261 (*Chamber of Commerce v. Randolph / Sanchez*, No. 25-5327). CARB's official docket confirms CARB will **not enforce section 38533 against covered entities for failing to post/submit reports by the statutory deadline while the injunction stands**. The docket does not set a replacement due date; submissions remain voluntary. SB 261 covers climate-related financial risk (TCFD/ISSB), not advertising or greenwashing claims.

6. AB 1305: WEBSITE DISCLOSURES & COMMERCIAL REAL ESTATE LEASES

HSC Section	Who Must Disclose	Required Website Disclosures
§44475 *Offset Marketers/Sellers*	Businesses that market or sell voluntary carbon offsets in California.	Project protocol, location, timeline, offset type, durability, third-party validation, annual quantities, failure contingency plan.
§44475.1 *Offset Purchasers / Claimants*	Entities operating in CA purchasing/using offsets claiming net zero, carbon neutral, or significant emissions reductions.	Offset seller, registry, project name, protocol, and whether claims/data were independently verified.
§44475.2 *General Climate Claimants*	Entities operating in CA making net-zero, carbon-neutral, or significant-reduction claims (whether offset-based or not).	How claim was determined accurate/accomplished, interim progress measurement metrics, and whether independently verified.
CRE Lease Application *Carbon-Neutral Buildings*	Commercial landlords or property managers marketing a California building or lease as "carbon-neutral" or "net-zero".	**Treated as §§44475.1–44475.2 claims!** Must maintain a public website page disclosing measurement basis and independent verification, updated annually. Not filed with CARB.

7. PENALTIES AND WHAT THEY ARE NOT

Statute	Statutory Penalty Structure	Good Faith / Discretion Protections	What the Penalty Is Not
SB 253 (Emissions)	Administrative penalty capped at **$500,000 per reporting year** (§38532(f)).	CARB must consider compliance history and good-faith efforts. Scope 3 good-faith safe harbor applies; 2027–2030 limited to nonfiling.	**NOT a $5,000/day penalty.** Standard HSC §38580 strict liability does not apply.
SB 261 (Financial Risk)	Administrative penalty capped at **$50,000 per reporting year** (§38533).	Enforcement currently enjoined by Ninth Circuit; CARB public docket not enforcing while appeal pending.	**NOT the $500,000 SB 253 penalty.** Not a strict-liability advertising enforcement law.
AB 1305 (Web Claims)	Civil penalty up to **$2,500 per day per violation**, total cap **$500,000** (§44475.3).	Enforced via civil action by AG, district attorney, county counsel, or city attorney for missing/inaccurate website information.	**NOT an administrative fine from CARB.** Disclosures live on company website, not state portal.

8. ACTION SEQUENCE BEFORE NOVEMBER 10, 2026

1. **Confirm Applicability:** Check U.S. formation, >$1B revenue (prior FY), and doing business in CA across corporate structure.
2. **Map Consolidation:** If parent files, list all covered subsidiaries included under SB 219 (subsidiaries do not file separate reports).
3. **Assemble Scope 1 & 2:** Pull available stationary combustion, fleet fuels, refrigerants, and purchased electricity/steam/heat/cooling.
4. **Submit by Nov 10:** Transmit via voluntary Intake Platform or email to `climatedisclosure@arb.ca.gov` with fee contact.
5. **Separate Tracks:** Track SB 261 Ninth Circuit appeal (not due Nov 10). Audit website AB 1305 claims and landlord marketing separately.