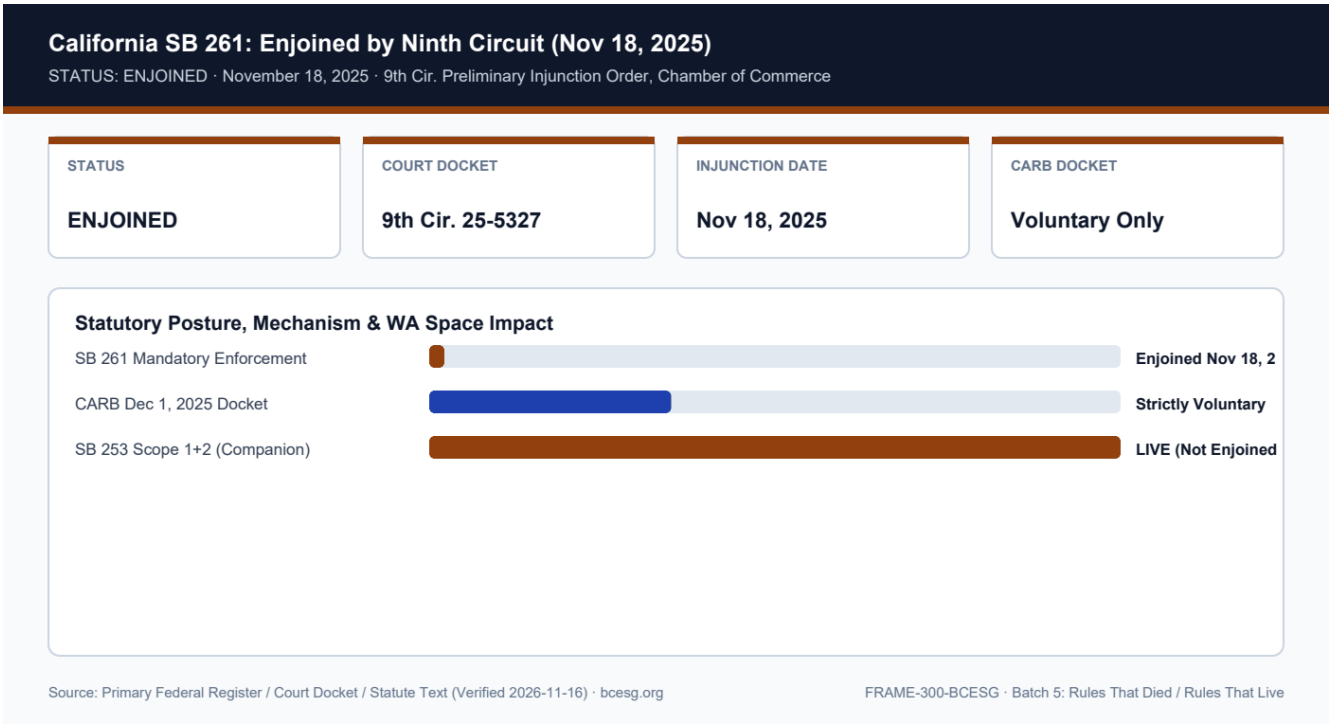
BC ESG · RULES THAT DIED / RULES THAT LIVE · STATUS: ENJOINED

California SB 261 Climate-Risk Reports: ENJOINED — Ninth Circuit Injunction Nov 18, 2025 (No. 25-5327)

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Rule: California SB 261: Climate-Related Financial Risk Act (Cal. Health & Safety Code § 38533) | **Status:** ENJOINED | **Instrument:** 9th Cir. Preliminary Injunction Order, Chamber of Commerce v. CARB / Sanchez, No. 25-5327 | **Date:** November 18, 2025

Verdict & Proof: California SB 261 is ENJOINED. On November 18, 2025, the Ninth Circuit issued a preliminary injunction barring enforcement of SB 261 pending appeal. CARB confirmed it will not enforce the January 1, 2026 statutory deadline and opened a strictly voluntary docket on December 1, 2025.



Provision	Statutory Target	Current Status (Nov 16, 2026)
SB 261 Biennial Risk Report	>$500M entities doing business in CA (Jan 1, 2026)	ENJOINED — 9th Cir. injunction Nov 18, 2025
CARB SB 261 Public Docket	Opened Dec 1, 2025	Voluntary submissions only; zero enforcement
SB 253 Scope 1+2 (Companion)	>$1B entities doing business in CA (Nov 10, 2026)	LIVE — Injunction denied by 9th Cir.

Mechanism of Injunction: Ninth Circuit Order (No. 25-5327)

Under Cal. Health & Safety Code § 38533 (SB 261), companies with >$500M in annual revenue doing business in California were originally scheduled to publish biennial TCFD-aligned climate-related financial risk reports by January 1, 2026. Following a district court denial in C.D. Cal. (No. 2:24-cv-00801), plaintiffs appealed to the Ninth Circuit (No. 25-5327).

On November 18, 2025, the Ninth Circuit granted a preliminary injunction enjoining enforcement of SB 261 pending appeal, finding serious First Amendment compelled-speech questions. Oral arguments were held January 9, 2026, and a final merits ruling remains pending.

What Applies Instead: Voluntary Filing & Companion SB 253

No state enforcement penalty applies to skipping SB 261 while the Ninth Circuit injunction remains in effect. However, >$1B entities doing business in California remain legally subject to SB 253 Scope 1+2 emissions reporting, which the Ninth Circuit declined to enjoin.

Verified Primary Sources & Internal Bridges

• U.S. Court of Appeals for the Ninth Circuit: https://www.ca9.uscourts.gov/

• CARB Climate Disclosure Program (WAF 403 to bots; browser-verified): https://ww2.arb.ca.gov/our-work/programs/california-corporate-greenhouse-gas-reporting-and-climate-related-financial-risk