VOTE NO ON SB 253 (WIENER)

CalChamber. California Chamber of Commerce

CMTA California Manufacturers & Technology Association

CBIA California Building Industry Association

WSPA

California Restaurant Association

American Property Casualty Insurance Association — Insuring America — apci.org

California Business Properties Association

California Retailers Association — Consumers Economy Jobs

PMSA Pacific Merchant Shipping Association

NAIOP Commercial Real Estate Development Association — NAIOP of California

PIFC Personal Insurance Federation of California

CIPA California Independent Petroleum Association

Tenaska

California Food Producers

ACMA American Composites Manufacturers Association

Western Growers — Fresh produce from our families to yours

American Chemistry Council

BOMA California

NAMIC National Association of Mutual Insurance Companies — Shaping Our Mutual Future

CICC Chemical Industry Council of California

California Life Sciences

AdvaMed Advanced Medical Technology Association

TechNet — The Voice of the Innovation Economy

California Trucking Association — We drive for a living. Safety is our priority.

Cal CIMA California Construction And Industrial Materials Association

CalTax Established 1926

California Cattlemen's Association — Since 1917

Los Angeles County Business Federation (BizFed) — Strengthening the Voice of Business

PMI Plumbing Manufacturers International

California Cotton Ginners and Growers Association

WPH Western Plant Health — HealthyPlants.org

PCI West

CFCA California Fuels & Convenience Alliance

California Poultry Federation

SEMA Specialty Equipment Market Association — Serving the Motor Vehicle Aftermarket

California Bankers Association

Agricultural Energy Consumers Association

SIFMA — Invested in America

Associated General Contractors California

Financial Services Institute — Voice of Independent Financial Services Firms and Independent Financial Advisors

California Cement Manufacturers Environmental Coalition (CCMEC)

Orange County Business Council — The Leading Voice of Business

Nisei Farmers League

African American Farmers of California

Farwest Equipment Dealers Association — Est. 1946

California Dates

Cal CIMA California Construction And Industrial Materials Association

EMA Truck & Engine Manufacturers Association

American Beverage — Driving Solutions Together

WAPA Western Agricultural Processors Association

Agricultural Council of California

California Blueberry Association

California Blueberry Commission

Greater High Desert Chamber of Commerce — Adelanto • Apple Valley • Hesperia • Victorville

California Apple Commission

American Pistachio Growers

ACLHIC

Olive Growers Council of California

California Fresh Fruit Association

Santa Barbara South Coast Chamber of Commerce — From Goleta to Carpinteria

California Walnuts

North San Diego Business Chamber — Connections Start Here

Wine Institute

La Cañada Flintridge Chamber of Commerce

Costa Mesa Chamber of Commerce

Citrus Heights Chamber — Connecting ■ Business ■ Education ■ Community

The Walnut Creek Chamber — Chamber of Commerce & Visitors Bureau

Torrance Area Chamber of Commerce

The Chamber — Long Beach Area Chamber of Commerce

Chino Valley Chamber of Commerce

Santee Chamber of Commerce

West Ventura County Business Alliance

Carlsbad Chamber of Commerce

Los Angeles Area Chamber of Commerce

Antelope Valley Chambers of Commerce

CWA California Water Association

Danville Area Chamber of Commerce

Oceanside Chamber of Commerce

Rancho Cordova Chamber of Commerce

California Hispanic Chambers of Commerce

Palos Verdes Peninsula Chamber of Commerce — 1956 — 2023

CAA California Apartment Association

CalAsian Chamber of Commerce

California Railroads

ACLI — Financial Security...for Life.

Calforests — California Forestry Association

California Hospital Association

FLOOR ALERT

SB 253 (Wiener) – OPPOSE

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 **<u>pay three times to file the same report</u>**. 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)