

ENFORCEMENT ADVISORY
Climate-Related Financial Risk Reporting (SB 261)
December 1, 2025

On November 18, 2025, the Ninth Circuit Court of Appeals issued an order in *Chamber of Commerce v. Sanchez*, Case No. 25-5327 (9th Cir. 2025), granting an injunction against the enforcement of Senate Bill (SB) 261 (Stern, Stats. 2023, ch. 383, codified in Health and Safety Code section 38533) during the pendency of appellate proceedings in that matter. Argument in that appeal is set for January 9, 2026, after the January 1, 2026, reporting deadline set by section 38533.

In light of the Court's order, CARB will not enforce Health and Safety Code section 38533 against covered entities for failing to post and submit reports by the January 1, 2026, statutory deadline. CARB will provide further information—including an alternate date for reporting, as appropriate—after the appeal is resolved.

For entities that may choose to report voluntarily at this time, CARB will open a docket starting December 1, 2025, as CARB indicated in its November 18, 2025, workshop.