

Request for an Early Effective Date

Pursuant to Government Code Section 11343.4(b)(3)

Proposed California Corporate Greenhouse Gas Reporting and Climate-Related Financial Risk Disclosure Initial Regulation

The California Air Resources Board (CARB or Board) requests, pursuant to Government Code section 11343.4, subdivision (b)(3), that the Office of Administrative Law (OAL) prescribe an “earlier effective date” for the Proposed California Corporate Greenhouse Gas Reporting and Climate-Related Financial Risk Disclosure Initial Regulation (the “Regulation”) that was adopted on February 26, 2026. CARB believes the following demonstrates “good cause” for OAL to prescribe an earlier effective date – i.e., that the Regulation will become effective upon filing with Secretary of State.

Demonstration of Good Cause

In this rulemaking, the Board considered and adopted the Regulation primarily to fund operations of its new statutorily established climate disclosure programs through two new funds: the Climate Accountability and Emissions Disclosure Fund and the Climate-Related Financial Risk Disclosure Fund. In addition to establishment of the fee program, the Regulation also establishes an initial first year reporting deadline of August 10, 2026, for Scope 1 and Scope 2 emissions under Health and Safety Code section 38532. The Regulation also establishes key definitions that include “revenue” and “doing business in California” to help entities identify whether they are subject to the Regulation’s emissions reporting and fee requirements.

As noted above, the Regulation includes an August 10, 2026, deadline for reporting Scope 1 and Scope 2 emissions.¹ This August 10 reporting also provides CARB with information regarding the reporting entities that helps CARB meet the requirement of providing written fee determination notices to all regulated and covered entities on or by September 10, 2026.²

The Regulation involves new reporting and fee invoicing requirements for a substantial number of entities. Having an effective date later than the August 10, 2026, reporting deadline in the Regulation would not allow the Regulation to be effective prior to the reporting deadline, and could disrupt entities’ planning and compliance efforts. It would

¹ See the Regulation at section 96076(a).

² See the Regulation at section 96074(a).

also compromise CARB's ability to meet its fee determination mandates under the enabling statutes and the Regulation, as described above.

Accordingly, establishing the date of filing with the Secretary of State as the effective date, in advance of the August 10 reporting deadline, will help provide certainty and avoid potential confusion regarding the August 10 reporting deadline. It will also allow CARB to fulfill its statutory and regulatory fee determination duties.

For the reasons set forth above, CARB believes there is good cause for OAL to prescribe an earlier effective date and hereby requests that OAL establish an earlier effective date of the date of filing with Secretary of State, pursuant to Government Code section 11343.4, subdivision (b)(3).

Date: May 19, 2026

A handwritten signature in blue ink, appearing to read "Nick Rabinowitsh", is written over a horizontal line.

Nick Rabinowitsh, Senior Attorney
California Air Resources Board