



## **Bay Area Sustainable Construction Leaders**

February 14<sup>th</sup>, 2025

Re: Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219

The Bay Area Sustainable Construction Leaders Group (BASCL) appreciates the opportunity to provide comments to the Board on Senate Bills 251 and 263, as amended by SB 219.

BASCL was founded in 2018 as a collaboration between general contractors committed to furthering sustainable construction in the Bay Area. Constituting ten firms representing over \$6.3 Billion in annual revenue in California and \$51.4 Billion in annual revenue globally, our purpose is to use our collective buying power and market influence to further the adoption of sustainable building practices in the Bay Area. The following represents our collective feedback towards Senate Bills 253 and 261 as written and amended by 219.

### **What We Like**

Overall, BASCL supports the use of legislation to drive climate accountability by companies operating within California. Its focus on larger companies drives accountability from those who influence the market most and have the most resources available to dedicate staff to the activities described. Furthermore, the requirement of 3<sup>rd</sup> party oversight helps ensure that the data present is truthful and accurate to the greatest extent possible.

### **What Needs Further Clarification**

The language as currently written would benefit from further clarification of the three following items:

*Logistics of accounting for scope 3:* It is unclear from the current wording of SB 253 where Scope 3 emission accounting starts and ends. For example, how do joint venture projects, whereby multiple parties are responsible for delivering the scope at hand, account for emissions? In the instance of rental equipment, who has reporting responsibility (i.e. financial vs. operational ownership). For entities that subcontract work, understanding where the lines are drawn is crucial to understanding the impact this legislation will bring.

Concerns about double-counting: Regarding SB 253, is concerned about the potential for double-counting emissions, e.g. a general contractor calculating our Scope 3 emissions overlaps with the Scope 3 emissions that a client would count for their building portfolio. Who reports these emissions in a subcontracting relationship is unclear.

Data security: It is not clear from the documents provided if the submitted data will be publicly available and how the state plans on ensuring data security with the submitted information.

### **Primary Concerns**

While BASCL lauds the bill in its attempts to further transparency and accounting for GHGs, we have concerns that the bill may be overreaching in that it appears to attempt to influence national, if not global, accountability standards through state law. Indeed, by implementing a law that transcends state boundaries, these bills may have the unintended consequence of being brought to attention at the federal level.

Furthermore, given that it has been indicated that CARB is just in the process of hiring staff, BASCL is concerned that insufficient personnel are dedicated at this moment in time to successfully launch and administer the legislation. Because of this, it is unclear how the data will be utilized and validated following submission; a crucial point to garnering value out of the exercise of climate risk and carbon disclosure.

### **Opportunities for Modification**

Further clarification on scope delineation and timeline of implementation is required prior to Scope 3 reporting being required.

BASCL appreciates the opportunity to provide feedback to CARB on SB 253 and 261 and remains committed as a resource to state officials looking to solicit feedback from sustainability advocates within the building community.

Sincerely,

Bay Area Sustainable Construction Leaders

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