

California Climate Disclosure Laws: CARB to Hold Third Virtual Public Workshop November 18

Posted in: California Climate Disclosure Laws

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With January 1, 2026 climate risk reporting deadline imminent, CARB workshop to address preliminary entity list, scoping updates and Q1 2026 regulations

On **Tuesday, November 18 from 9:30am to 12:30pm PT**, the California Air Resources Board (CARB) will host its third virtual public workshop to support the development and implementation of the state's landmark corporate climate disclosure laws, SB-253 (annual GHG emissions disclosure) and SB-261 (biennial climate-related financial risk disclosure), each as amended by SB-219. CARB's earlier public forums were held on May 29 and August 21 (see our respective highlights and key takeaways [here](#) and [here](#)).

As a reminder, SB-253 requires public and private U.S. companies that “do business” in California with total annual revenue in the prior fiscal year **exceeding \$1 billion** to annually report on Scopes 1 (direct) and 2 (indirect from purchased energy) GHG emissions (including third-party limited assurance over those metrics) **beginning in 2026** (CARB has proposed a **June 30, 2026** reporting deadline) covering fiscal year 2025 information and on Scope 3 (value chain) emissions **beginning in 2027** covering fiscal year 2026 information, regardless of materiality. SB-261 requires public and private U.S. companies (other than insurance companies) that “do business” in California with total annual revenue in the prior fiscal year **exceeding \$500 million** to post a climate-related financial risk report to their website by **January 1, 2026**, with biennial updates thereafter (i.e., once every two years). For a detailed

discussion of the laws, see our [client alert](#), which includes a tabular summary of the laws' key provisions.

Rulemaking Delayed to Q1 2026; January 1 Compliance Date Stands

The [announcement](#) of the November workshop notes that CARB continues to develop an initial set of implementing regulations that will (i) establish the fee structure necessary to administer these programs and recover implementation costs and (ii) set the first GHG emissions reporting deadline under SB-253 (while the statute requires reporting entities to report Scopes 1 and 2 GHG emissions in 2026, it does not specify a particular reporting date).

While draft regulations originally were expected to be proposed in mid-October 2025 and finalized in mid-December 2025, CARB last month announced a delay — given the large volume of public comments received and “ongoing input related to identifying the range of covered entities” — that postpones rulemaking to the first quarter of 2026.

CARB emphasizes that **this delay has no bearing on the January 1, 2026 reporting deadline for the first climate-related financial risk report due under SB-261** (as this deadline is codified in the statute and thus cannot be changed). Accordingly, covered entities must prepare and publish their first climate risk report on their website on or before January 1, 2026, and biennially thereafter. To support transparency and public access, CARB will open a public docket on **December 1, 2025** for covered entities to submit a public link to their report. The docket will remain open until July 1, 2026 and will provide a centralized location for accessing submitted reports for investors and consumers.

While CARB previously proposed June 30, 2026 as the compliance deadline for the first GHG emissions report due under SB-253, there has been speculation — but to date no official confirmation — that this date may be pushed back in light of the delayed rulemaking timeline.

Workshop Agenda

During the third public workshop, CARB staff plans to:

- Provide an update on the development of the programs
- Discuss the preliminary list of potential reporting entities published on September 24 and efforts to further refine this list

- Present proposed updates to scoping definitions and exemptions needed for determining which entities are subject to each law
- Review the scope of the initial set of implementing regulations — now expected to be finalized in Q1 2026 — which is limited to establishing (i) the fee structure necessary to administer the programs and (ii) the compliance deadline for the first GHG emissions report due in 2026, covering Scopes 1 and 2 GHG emissions and associated third-party limited assurance (CARB previously proposed June 30, 2026)
- Take verbal feedback

Workshop materials will be posted to CARB's [California Climate Disclosure Laws Landing Page](#) one day prior to the event, on November 17.

Register for virtual attendance [HERE](#). Sign up for email updates from CARB [HERE](#).

Litigation Status Update

Federal litigation challenging both SB-253 and SB-261 continues in the U.S. District Court for the Central District of California and the Ninth Circuit.

In February, the district court rejected Supremacy Clause and extraterritoriality claims, permitting only the First Amendment compelled speech claim to proceed to discovery.

In August, the court denied a motion for preliminary injunction filed by a business coalition led by the U.S. Chamber of Commerce seeking to block enforcement of the laws during the pendency of the litigation. The coalition appealed to the Ninth Circuit and sought a district court stay pending appeal, which was denied.

In September, the coalition requested an injunction pending appeal from the Ninth Circuit, arguing “imminent, irreparable harm” from the laws’ rapidly approaching compliance deadlines, and requesting a ruling by November 3 to allow time for Supreme Court review if necessary.

In late October, the coalition filed an emergency motion for expedited consideration, which the Ninth Circuit denied. The case was assigned to a merits panel for oral argument in January 2026. The appellate court’s decision will determine whether the laws remain in effect during the underlying First Amendment challenge, but a resolution will not occur before the January 1 SB-261 compliance deadline.

Also in late October, an oil major filed a separate lawsuit in the Eastern District of California challenging the laws on similar First Amendment grounds and seeking injunctive relief. Unless that court issues relief in the coming weeks or unforeseen developments intervene, SB-261's January 1 compliance deadline will remain in effect.

Additional Resources

For additional information and guidance, see CARB's [webpage](#).

Explore our full coverage:

- [CARB Posts Draft Reporting Template for Scopes 1 and 2 GHG Emissions](#)
- [CARB Posts Preliminary List of Potential Reporting Entities and Stakeholder Survey](#)
- [CARB Releases Clarifying Guidance for Inaugural Climate Risk Reports Due January 1, 2026](#)
- [Key Takeaways from August 21 Workshop](#)
- [CARB Releases Implementation FAQs](#)
- [Key Takeaways from Kickoff Workshop](#)

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