

CENTRIST DEMOCRATS OF AMERICA

September 08, 2023

California Governor Gavin Newsom

Sent via email to: gavin.newsom@gov.ca.gov

Re: SB 253

CC:

Speaker Robert Rivas

Sent via email to: assemblymember.rivas@assembly.ca.gov

Senate President pro Tempore Toni G. Atkins

Sent via email to: senator.atkins@senate.ca.gov

Dear Governor Newsom,

My name is Trish Reilly, and I am a Board Member of Centrist Democrats of America (CDA), and previously served as Chief of Staff to a former Democratic Congressman from Pennsylvania, my home state. CDA is a group dedicated to the principle that Democrats are most effective when they lead from the political center.

I am writing to urge you to veto SB 253 (Wiener, San Francisco) should the state legislature pass this law and send it to your desk for approval. As I am sure you are aware, SB 253 imposes mandatory climate emissions tracking and auditing on businesses that operate within the state of California. SB 253 states that it will only effect companies with “total annual revenues in excess of one billion dollars (\$1,000,000,000) and that does business in California.”

While there is no doubt the SB 253’s supporters are well intentioned – and want to help Californians combat the existential threat of climate change – the legislation is deeply flawed and if implemented, it will hurt both large and small businesses, fail to reduce the greenhouse gas (GHG) emissions, and send a strong message to the American people that Democrats are out of touch on sensible climate policies.

First, because SB 253 requires companies with annual revenues over \$1 billion dollars to track the full emissions lifecycles of their products – that will mean that their suppliers will also be forced to track and audit their emissions. Without a doubt, this will result in small and medium sized companies being forced to comply with these emissions tracking and auditing requirements. This would place a massive financial and time burden on small businesses. It would also steer the large companies away from working with any small businesses that cannot afford to comply with the emissions tracking and auditing requirements of SB 253.

Second, nothing in the legislation actually encourages businesses to invest in clean energy technologies like wind, solar and hydrogen electrolyzers. Rather, the bill could divert their financial resources away from clean power investments into paying for costly emissions tracking and auditing requirements.

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Third, California businesses will undoubtedly pass the costs of these ill-devised tracking requirements onto consumers in the state. As Californians struggle with the ever-increasing cost of living -- in the state with the highest cost of living in the nation -- how do you think middle-class and low-income families are going to respond to these price increases? It is going to send a message to working people that California Democrats are unconcerned with their financial struggles.

Of course, there is no question that climate change is a serious threat to the existence of people on our planet. But, SB 253 won't result in any GHG reductions. It will only force people to pay more for goods and services. The bill may be well-meaning, but it is a mistake and, should the legislature send it to your desk, I urge you to veto SB 253.

Thank You,

A handwritten signature in black ink that reads "Trish Reilly". The signature is written in a cursive, flowing style.

Trish Reilly
Board Member
Centrist Democrats of America