

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1911 (Rogers) – As Amended April 15, 2026

Policy Committee:	Natural Resources	Vote:	14 - 0
	Judiciary		12 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill, until January 1, 2032, establishes a rebuttable presumption that an environmental marketing claim is valid so long as the claim complies with specified standards.

Specifically, this bill, among other things:

- 1) Provides that, in any suit or complaint brought under Business and Profession Code section 17580.5 (which makes it unlawful for a person to make an untruthful, deceptive, or misleading environmental claim), a defendant’s environmental marketing claim is presumed to be valid if the defendant (a) complies with AB 1305 (Gabriel), Chapter 365, Statutes of 2023 (which requires disclosure of specified information by sellers and buyers of voluntary carbon offsets) and (b) the claim is based on the voluntary use of a carbon credit issued by a carbon crediting program that meets any of the following requirements:
 - a) The carbon crediting program is approved by the Air Resources Board (ARB), as specified.
 - b) The carbon crediting program is approved by the International Civil Aviation Organization to supply credits for use in the Carbon Offsetting Reduction Scheme for International Aviation.
 - c) The carbon crediting program satisfies the criteria set forth in item 2, below, and appears on the list published by ARB as described below.
- 2) Allows a program to qualify as a carbon crediting program for purposes as described above if it does ten specified things; for example, the program must have in place program-level requirements for robust independent third-party validation and verification of mitigation activities, as specified.
- 3) Requires ARB, on or before January 1, 2028, to publish and maintain a list of carbon crediting programs that satisfy the requirements of item 2, above, exempts the publication and maintenance of this list from the Administrative Procedure Act (APA).
- 4) Allows an entity to qualify as a third-party credit validation and verification body if the entity either (a) satisfies any of the accreditation requirements established in specified ARB regulation or (b) meets five specified requirements.
- 5) Sunsets the provisions of this bill on January 1, 2032.

FISCAL EFFECT:

- 1) Ongoing costs to ARB to publish and maintain a list of carbon crediting programs that satisfy the requirements of this bill (Cost of Implementation Account (COIA)).

For its part, ARB estimates costs of approximately \$3.4 million in fiscal year (FY) 2026-27 followed by ongoing annual costs of approximately \$2.9 million (COIA) for about 13 positions (and contract costs in FY 2026-27) to, among other things, investigate and monitor on an ongoing basis the architecture of and changes to domestic and international carbon credit programs to understand operational features, adherence to the criteria enumerated in this bill, and other mechanisms to ensure the integrity of crediting infrastructure; identify and review approaches to verification standards (including requirements for independence, accreditation, insurance, and competence); and develop ARB's own integrity standards prior to developing the required list. Although the bill exempts this work from the APA, ARB asserts that to codify requirements, standards, and procedures for approving qualifying carbon crediting programs, it must promulgate a board-approved regulation, including public engagement procedures. Once the list is established, ARB must, on an ongoing basis, maintain and update it and periodically review approved programs.

- 2) The Department of Justice anticipates any costs to be minor and absorbable.

COMMENTS:

- 1) **Purpose.** According to the author:

Voluntary carbon markets help channel private investments toward climate solutions. For these markets to succeed, businesses and consumers must have confidence that credited emissions reductions and removals are real, verifiable, and backed by strong standards. AB 1911 strengthens that trust by establishing clear guardrails that protect companies making good-faith environmental marketing claims when they rely on high-quality carbon credits.

- 2) **Background.** Individuals and corporations purchase carbon offsets to compensate for the greenhouse gas (GHG) emissions they create or contribute to. As more people purchase these offsets to compensate for their carbon footprint, some ask what is being done to ensure entities are purchasing genuine carbon offsets. There is growing concern among stakeholders and policymakers about the validity of emission reductions from offset projects and the potential for fraud. As described by the Assembly Natural Resources Committee, despite the growth of the voluntary offset market in supporting advertising claims and even legal requirements, such as mitigation of GHG emissions under the California Environmental Quality Act, the market has remained fairly opaque and is not regulated by ARB or any other state entity.

AB 1305 established new disclosure requirements for voluntary carbon offsets, applicable to both sellers and buyers of offsets, as well as marketing claims, subjecting violators to a civil penalty up to \$2,500 per day. In addition, there are ongoing efforts to develop voluntary standards at both the federal and international level to improve the integrity of offsets. Meanwhile, corporations such as Apple and Delta Airlines have been sued in California and

other jurisdictions, with plaintiffs alleging, in essence, that the companies' claims that their products and services are carbon-neutral due to procurement of offsets, are fraudulent.

This bill is sponsored by Conservation International (CI) and Environmental Defense Fund (EDF), who argue that, when done right, voluntary carbon markets can channel new funding into protecting and restoring ecosystems that “store carbon, buffer communities from extreme weather, and sustain biodiversity.” The sponsors argue that “high-integrity” voluntary carbon markets can unlock private capital, “but only with strong guardrails and clear incentives that drive real, additional, and lasting outcomes.” CI and EDF write:

AB 1911 goes on to set out basic professional criteria for validation and verification bodies, the entities responsible for ensuring that credit programs are designed and carried out in compliance with established methodologies. As the boots on the ground and eyes in the field, these entities are critical gatekeepers, but currently lack basic minimum professional standards. AB 1911 strengthens integrity by defining qualification requirements for verification bodies, including recognized accreditation, competency, conflict-of-interest policies, and minimum professional liability insurance.

The bill incentivizes (but does not require) companies to invest in credits from programs that meet these criteria, or have otherwise been approved by CARB or CORSIA, and have been validated and verified by a qualifying VVB. By providing a defense against greenwashing complaints that challenge the validity of credits underlying an environmental marketing claim, the bill reduces litigation risk associated with essential investment in conservation and climate action.

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