



ESG Disclosure Bills Introduced to States - 2025

American companies are facing unprecedented pressure to act on issues like race and gender, inequality, pollution, and human rights. State Governments have introduced a plethora of legislation aimed to hold corporations accountable. RILA has identified four district categories of legislation related to government mandated disclosures: Corporate Board Diversity, Human Capital Management, Environmental Disclosures, and Supply Chain Transparency.

Corporate board diversity requirements promote an increase in diversity on corporate boards. Legislation that falls under the human capital management category often requires employers to submit internal compensation statistics across a variety of categories, including gender identity, race, ethnicity, and seniority. Additionally, some of the workforce disclosure bills also require a government agency to publish the data collected from companies onto a publicly accessible site.

Legislation in the environmental disclosure category would require companies to publicly disclose their greenhouse gas emissions and/or prepare a climate-related financial risk report that is reviewed by a state agency and then made available on the company's own website. Finally, the supply chain disclosure bills that we have reviewed are often written to address specific human rights concerns with the global supply chain such as human trafficking, the use of forced labor in China, or the use of child labor in mining operations in the Congo. Supply Chain bills can also focus on environmental disclosures within a company supply chain.

The tables below provide legislative examples of the different types of ESG disclosure bills that are active in 2024. These types of proposals will only become more and more common, especially if progressive states continue to feel like their priorities are not adequately addressed at a federal level. For American companies, this means that there could be a patchwork of cumbersome disclosure requirements laid out in a select number of states. It is important that companies are aware of the various types of disclosure legislation happening now, so that they can be properly prepared for the future.

An overview of introduced, and previously enacted, ESG disclosure bills is shown in the tables below.

Corporate Board Diversity Requirements – Previously Enacted

Bill Number	Status	Summary
California SB 826	Effective since 9/30/2018	Requires a domestic general corporation or foreign corporation that is a publicly held corporation whose principal executive offices, according to the corporation’s SEC 10-K form, are located in California to have a minimum of one female on its board of directors. On or before Dec. 31, 2021, the required minimum number will increase to 2 female directors if the corporation has 5 authorized directors or to 3 female directors if the corporation has 6 or more authorized directors. Requires the Secretary of State to publish various reports on its Internet Web site that documents, among other things, the number of corporations in compliance with these provisions.
Illinois SB 1730	Effective since 01/01/2022	Requires that public corporations must report the self-identified sexual orientation and self-identified gender identity of its directors.
Illinois HB 3394	Effective since 08/27/2019	Requires that, no later than the close of the 2020 calendar year, a publicly held domestic or foreign corporation whose principal executive offices, according to the corporation’s SEC 10-K form, are located in Illinois shall have a minimum of one female director and one African American director on its board of directors. Provides that the Secretary of State shall publish a report on its website documenting the number of corporations that have at least one female director and one African American director.

Maine LD 1200	Effective since 6/30/2021	Requires corporate boards to appoint 1 female member by Dec. 31, 2022.
Maryland HB 1116	Effective since 10/01/2019	Requires a certain entity submitting an annual report to the State Department of Assessments and Taxation to include information relating to the number of female members of the board and the total number of members of the board; this law does not apply to a privately held company if at least 75% of the company's shareholders are family members.
Washington SB 6037	Effective since 6/11/2020	Requires each public company to have a gender-diverse board of directors. A public company is deemed to have a gender-diverse board of directors if, for at least 270 days of the fiscal year preceding the applicable annual meeting of shareholders, individuals who self-identify as women comprise at least 25% of the directors serving on the board of directors. Requires public companies that do not have a gender diverse board to deliver to shareholders a board diversity discussion and analysis.

Corporate Board Diversity Legislation – Bills Active in 2025

Bill Number	Status	Summary
Hawaii SB 432	Introduced on 1/16/25	Requires publicly held domestic corporations to have gender-diverse boards of directors. Requires the Director of Commerce and Consumer Affairs to publish related reports on the Department's website.
New York AB 844	Introduced on 1/8/25	Requires that bidders and all others seeking state contracts disclose their percentage and number of female executives and board members and their aspirations to include more female members.

Human Capital Management Disclosures– Previously Enacted

Bill Number	Status	Summary
California SB 973	Effective since 9/30/2020	Requires, on or before March 31, 2021, and on or before March 31 each year thereafter, a private employer that has 100 or more employees and who is required to file an annual Employer Information Report under federal law, to submit a pay data report to the DFEH that contains specified wage information.

Illinois HB 1847	Effective since 6/25/2021	Requires employers who are required to submit EEO-1 reports to also submit them to the state. Requires businesses to certify that the business is in compliance with the Equal Pay law and other laws and that the average compensation for its female and minority employees is not consistently below the average compensation for its male and non-minority employees within each of the major job categories in the Employer Information Report EEO-1 for which an employee is expected to perform work.
California SB 1162	Effective – First reports due in March 2023	Requires employers to submit pay data reports to include the median and mean hourly rate for each combination of race, ethnicity, and sex within each job category. This bill would delete a provision requiring employers with multiple establishments to submit a consolidated report. This bill would delete the provision authorizing an employer to submit an EEO-1 in lieu of a pay data report.

Illinois HB 3733	Enacted 6/30/2023, Effective January 1, 2024	Provides that any business that is required to file an annual Employer Information Report EEO-1 with the Equal Employment Opportunity Commission must submit to the Director of Commerce and Economic Opportunity a list of all employees during the past calendar year (rather than a copy of the business's most recently filed Employer Information Report EEO-1 and a list of all employees during the past calendar year)
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Human Capital Management Disclosure Requirements – Bills Active in 2025

Bill Number	Status	Summary
California SB 464	Introduced on 2/19/25	Requires an employer to collect and store any demographic information it gathers for submitting the pay data report separately from employees' personnel records. Expands the demographics for the reporting requirements to include sexual orientation and requires the report to include certain information by sexual orientation but requires that information be voluntarily disclosed by the individual. Imposes a civil penalty for an employer that fails to file a report if requested by the Department. Requires the Department to

		publish private employer reports so long as reasonably prevents the association of data with an individual.
New York AB 1975	Introduced on 1/14/25	Requires certain companies and corporations to report certain data regarding the gender, race and ethnicity of their employees.
New York SB 4985	Introduced on 2/14/25	Requires certain companies and corporations to report certain data regarding the gender, race and ethnicity of their employees.

Environmental Disclosure Requirements – Previously Enacted

Bill Number	Status	Summary
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California SB 253	Enacted 10/7/2023	<p>Creates the "Climate Corporate Data Accountability Act". Requires corporations and other businesses with over \$1 billion annual revenue to provide emissions data for public disclosure on an emissions registry website. The emissions data is required to be reported as:</p> <ul style="list-style-type: none"> - "Scope 1" - all direct greenhouse gas emissions from all sources that a reporting entity owns or directly controls - "Scope 2" - indirect greenhouse gas emissions from electricity purchased and used by a reporting entity - "Scope 3" - indirect greenhouse gas emissions from sources that the reporting entity does not own or directly control, including supply chain emissions, business travel, employee commutes, procurement, waste, and water usage.
California SB 261	Enacted 10/7/2023	<p>Requires corporations or other business with annual net revenue over \$500 million to report to the Air Resources Board the company's climate-related financial risks and measures taken to reduce climate risk. Requires affected entities to publicly disclose such information on company website. Also, creates the Climate-Related Risk Disclosure Advisory Group to analyze data received and produce annual report on climate-related financial risks.</p>
California AB 1305	Enacted 10/7/2023	<p>Provides online disclosure requirements for businesses that sell or purchase voluntary carbon offsets within California. Requires disclosure of information about the applicable carbon offset project and details regarding accountability if a project is not completed or does not meet the projected emission reductions or removal benefits. Requires purchaser of voluntary carbon offsets that makes claims regarding the achievement of net-zero emissions or other, similar claims to disclose on the purchaser's internet website specified information.</p>

Environmental Disclosure Requirements – Bills Active in 2025

Bill Number	Status	Summary
Colorado HB 1119	Introduced on 1/28/25	Requires entities doing business with total revenues in excess of \$1 billion annually to publicly disclose their total greenhouse gas emissions during the preceding calendar year. Scope 1 and Scope 2 emissions disclosures required by Jan. 1, 2028, and annually thereafter. Scope 3 emissions reporting requirements begin Jan. 1, 2029, and every January 1st thereafter. Requires independent verification of emissions disclosures by a third-party auditor. - Allows A.G. to file suit against noncompliant entities, with up to \$100,000 daily penalties.
Illinois HB 3673	First Reading on 2/18/25.	- Requires corporation with total annual revenues in excess of \$1 billion and that does business in Illinois to report greenhouse gas emissions. Requires Secy. of State to develop and adopt rules to implement GHG registry by July 1, 2026. Requires corporation to Scope 1 and Scope 2 emissions beginning Jan. 1, 2027, and Scope 3 no later than 180 days later.

<p>New Jersey SB 4117</p>	<p>Introduced on 2/3/25</p>	<p>Creates the "Climate Corporate Data Accountability Act." Requires corporations doing business in New Jersey, with over \$1 billion in revenue, to report their greenhouse gas emissions. - Affected corporations would be required to publicly disclose their Scope 1 (direct emissions) and Scope 2 (indirect emissions) within 4 years after the bill takes effect. - Scope 3 emissions (supply chain) would be required to be reported 5 years after the bill's enactment.</p>
<p>New York AB 4013/SB 841</p>	<p>Introduced on 1/30/25</p>	<p>Prohibits untruthful, deceptive, or misleading environmental marketing claims. Prohibits engaging in "paltering" that misleads or deceives consumers as to the overall environmental impact of an industry, business, product, or service. Prohibits misleading net zero claims. Prohibits environmental claims that do cover an entity's complete emissions portfolio and value chain, including all emission scopes, joint ventures, subsidiaries, and product claims. Provides that person filing suit does not need to suffer any ascertainable loss because of deceptive environmental claims.</p>

New York SB 3456	Introduced on 1/27/25	Establishes the "Climate Corporate Data Accountability Act". Requires businesses with revenue over \$1 billion to annually report emissions to the Dept. of Environmental Conservation for purposes of an emissions registry. Includes emissions that directly produced by the business, its subsidiaries, and supply chain ("Scope 1", "Scope 2", and "Scope 3" emissions, respectively). Annual Scope 1 and Scope 2 emissions reporting requirements would take effect in 2027, and Scope 3 in 2028. Requires reporting entities' emissions to be independently verified. - Emissions registry to be published on DEC's website.
New York SB 3697	Introduced on 1/29/25	Requires reporting of climate-related financial risk by a corporation, partnership, limited liability company, or other business entity. Defines climate related financial risk to mean material harm to financial outcomes of the entity due to physical and transition risks.

Supply Chain Transparency Disclosure Requirements – Enacted Law

Bill Number	Status	Summary
CA SB 657	Effective since 01/01/2012	California Transparency in Supply Chains Act (2010): Additional Information found here .

Supply Chain Transparency Disclosure Requirements – Bills Active in 2025

Bill Number	Status	Summary
California AB 405	Introduced on 2/4/25.	Requires a fashion seller to, among other things, embed responsible business conduct in its policies and management systems, identify areas of significant risks of societal and ecological harms from its own activities and its supply chain relationships, identify, prioritize, and assess the significant potential and actual adverse impacts of those risks, and cease, prevent, or mitigate those risks. Requires a fashion seller, beginning July 1, 2027, and annually thereafter, to submit to the Department of Toxic Substances Control and the State Air Resources Board an Environmental Due Diligence Report pertaining to the effective environmental due diligence performed by the fashion seller for the prior

		<p>calendar year. Requires a fashion seller, in carrying out its environmental due diligence, to establish a quantitative baseline for their emissions of greenhouse gases and targets for reductions in the emissions of greenhouse gases in the near-term and long-term covering their scopes 1, 2, and 3 emissions. Requires a fashion seller to include in its Environmental Due Diligence Report specified information related to its greenhouse gas emissions. Requires, by January 1, 2028, a fashion seller, in carrying out its environmental due diligence, to, among other things, require all of its significant tier 2 dyeing, finishing, printing, and garment washing suppliers to sample and annually report to the fashion seller on wastewater chemical concentrations and water usage and to report the information provided by the suppliers in its Environmental Due Diligence Report. -Subjects a fashion seller in violation of the act to a civil penalty of up to 2% of its annual revenue, and authorizes the department and the state board to seek appropriate equitable remedies for a violation of the act.</p>
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<p>Massachusetts HD 4220</p>	<p>Introduced on 1/23/25</p>	<p>Establishes the Fashion Environmental Accountability Fund. Requires every fashion seller to effectively carry out environmental due diligence for the portions of their business related to wearing apparel, footwear or fashion bags, including wearing apparel, footwear or fashion bags produced as a private label, which shall include supply chain mapping consisting of: Companies taking a risk-based approach and implementing good faith efforts to map suppliers across tier 1 through tier 4, inclusive, of production. Disclosure of suppliers of the production supply chain shall include the name, address, parent company, and product type. Tier 1 suppliers shall be disclosed within 12 months of the effective date of this section and shall contain a minimum of 80% of suppliers by volume. Tier 2 suppliers shall be disclosed within 2 years of the effective date of this section and shall contain a minimum of 75% of suppliers by volume. Tier 3 suppliers shall be disclosed within 4 years of the effective date of this section and shall contain a minimum of 50% of suppliers by volume or dollar value. Tier 4 suppliers shall be disclosed within 6 years of the effective date of this section and shall contain a minimum of 50% of suppliers by volume or dollar value. Specifies that in accordance with internationally recognized methodologies for chemical management and wastewater testing, fashion sellers, within 2 years of the effective date of the Act, for all significant tier 2 dyeing, finishing, printing and garment washing</p>
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		<p>suppliers, shall, among other things, sample and report on wastewater chemical concentrations and water usage, and report on chemical inventory. - Requires fashion sellers with global revenue over \$1 billion per year to report Scope 1 and Scope 2 emissions in 2027, and Scope 3 emissions beginning in 2028. Provides no penalties for good faith errors on Scope 3 emissions.</p>
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<p><u>New York SB 4558/AB 4631</u></p>	<p>Introduced on 2/4/25</p>	<p>Requires every fashion seller to effectively carry out environmental due diligence for the portions of their business related to wearing apparel, footwear, or fashion bags, including wearing apparel, footwear, or fashion bags produced as a private label including supply chain mapping and complying with the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises and the Organization for Economic Cooperation and Development Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector. - Establishes supply chain mapping and compliance requirements for fashion sellers based on a tiered system. - Requires every fashion seller to develop and submit a due diligence report annually to the Department of State, beginning within 18 months of the effective date. - Requires fashion sellers to, for all significant tier two dyeing, finishing and garment washing suppliers, sample and report on wastewater chemical concentrations and water usage. - Defines relevant terms.</p>
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<p>Washington HB 1107</p>	<p>Hearing and first reading on 1/13/25</p>	<p>Requires a fashion producer to annually disclose a notice to the Department of Ecology identifying each covered product that contains a high priority chemical, or a priority chemical, and a description of any terms used in marketing, labels, or public-facing communications by the producer to describe elements of the environmental impact or sustainability of the producer's covered products. Requires each fashion producer that has an annual global income of \$100,000,000 or more to disclose their environmental due diligence policies, processes, and outcomes including measurements of recycled content in each covered product and greenhouse gas emissions associated with the covered products. Requires the department to complete an assessment of policy options for fashion producers to reduce environmental impacts associated with covered products. Requires the assessment to address best practices for extended producer responsibility (EPR) requirements applicable to fashion products. Defines a "covered product" as an article of wearing apparel or footwear. Creates the community environmental and public health improvement account to implement environmental benefit projects that directly benefit overburdened communities and vulnerable populations.</p>
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Disclaimer: Information in the table above is meant to be a reference tool and is not an exhaustive list of all legislative activity in the U.S. The information provides a summary and does not convey all aspects of legislated requirements. For example, the summaries below do not necessarily include definition of terms, information on outreach and education requirements, penalties and enforcement, reporting, or instructions on how to comply. Links to legislation are accurate as of the date of this publication. Retailers should reference official agency resources and/or the appropriate legislative documents for comprehensive guidance. Inclusion of introduced legislation is not a predictor or an indicator of RILA's belief that it will pass.

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