



ESG Disclosure Bills Introduced to States - 2024

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.
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Corporate Board Diversity Legislation – Bills Active in 2024

Bill Number	Status	Summary
Hawaii HB 1191	Legislature Adjourned on 5/3/24 without passage	Requires publicly held domestic corporations to have gender-diverse boards of directors. Establishes reporting requirements for the Director of Commerce and Consumer Affairs.
Hawaii SB 174	Legislature Adjourned on 5/3/24 without passage	Requires publicly held domestic corporations to have gender-diverse boards of directors. Establishes reporting requirements for the Director of Commerce and Consumer Affairs.

New York SB 2916	Legislature adjourned on 6/6/24 without passage	Provides for the number of female directors required to serve on the board of directors of publicly traded domestic and authorized foreign corporations whose principal executive office according to the corporation's Form 10-K filed with the Securities and Exchange Commission is located within New York state. Requires any such corporation to have a minimum of one female director on its board no later than December 31, 2024 and sets higher requirements to be implemented no later than December 31, 2027.
New Jersey AB 2240 + SB 2210	Legislature adjourned on 6/6/24 without passage	Requires racial and gender diversity in membership to be considered for appointments to certain boards and commissions established by statute. (Full text not yet available)
New Jersey AB 2239	Introduced 1/9/24	Requires racial and gender diversity in membership of certain boards of directors.
New Jersey AB 613	Introduced on 1/9/24	Requires certain corporations to appoint women to board of directors.

Michigan SB 242	Legislature adjourned without passage	Requires a publicly held domestic corporation or foreign corporation that has principal executive offices located in the state must have a minimum of 1 female director on its board beginning January 1, 2024. Permits corporation to increase the number of directors on its board to comply with this section. Provides that beginning January 1, 2026, the aforementioned corporation must have at least 3 female directors if there are 6 or more total directors, 2 female directors if there are 5 total directors, or 1 female director if there are 4 total directors. Provides that the administrator will publish a report on its website that contains certain information regarding board composition and compliance.
Tennessee HB 2656/SB 2611	Legislature Adjourned without passage	Requires corporations that are publicly held domestic or foreign corporations with their principal executive offices located in this state to provide the secretary of state with information regarding diversity of board members and officers. Requires the secretary of state to publish certain information regarding such diversity.

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)

Human Capital Management Disclosure Requirements – Bills Active in 2024

Bill Number	Status	Summary
Hawaii SB 1285	Legislature Adjourned without passage	Permits the Department of Business, Economic Development, and Tourism to collect and analyze employer information and data regarding wages, hours, conditions, and practices of employment.
Massachusetts HD 4039	Introduced – 1/25/23 – Carryover to 24	Requires the reporting of aggregate wage data reports for covered employers to increase transparency in the workplace.
Massachusetts SD 2331	Introduced – 1/25/23 – Carryover to 24	Requires the reporting of aggregate wage data reports for covered employers to increase transparency in the workplace.

Massachusetts SD 1698	Introduced – 1/25/23 – Carryover to 24	Requires reporting by covered employers and the Executive Office of Labor and Workforce Development to report race and gender ratios of employees within each senior position to promote pay transparency. Permits employers with low ratios to apply to the Pipeline Promotional Opportunities Fund.
Massachusetts SB 1215	Accompanied to Study order on 2/12/24	Requires that every covered employer file an annual report with the Executive Office of Labor and Workforce Development (EOLWD) specifying race and gender ratios of employees within each senior position. Requires EOLWD to post statistical data on its website. Establishes the Pipeline Promotional Opportunities Fund. Permits employees of covered employers whose ratios of women or minority employees among senior positions is below the ratio in the metropolitan labor force to apply to Pipeline Promotional Opportunities Fund for funds for professional development and coaching.
Massachusetts SB 1181	Hearing Scheduled – 5/9/23 – Carryover to 24	Requires that beginning in 2025 and each odd-numbered year thereafter, a covered employer subject to EEO-4 filing requirements shall submit the EEO-4 data report to the secretary covering the prior two calendar years.

New York AB 585	Legislature adjourned 6/6/24 without passage	Requires all offerors to provide the percentage of gender wage disparity by job title for all state contracts. Requires agencies to compile data received on gender wage disparity and provide data to the office of general services for publication on its website. Requires agencies to provide extra credit or weight to offerors with a gender wage disparity of ten percent or less.
New York AB 8555	Legislature adjourned 6/6/24 without passage	Requires certain companies and corporations to report certain data regarding the gender, race and ethnicity of their employees.
New York SB 8496/AB 8555	Legislature adjourned 6/6/24 without passage	Requires certain companies and corporations to report certain data regarding the gender, race and ethnicity of their employees.
New York AB 2589	Legislature adjourned 6/6/24 without passage	Requires employers to annually report to the division of human rights the number of settlements with employees and other individuals performing services in the workplace regarding claims of discrimination on the basis of sex, including verbal and physical sexual harassment. Provides for legal remedies for violations of the reporting

		requirement. Requires the division of human rights to provide an annual report to the governor and the legislature.
New York SB 636/AB 5981	Delivered to Governor for Enactment – VETOED	Requires certain companies and corporations to report certain data regarding the gender, race and ethnicity of their employees makes that information available to the public on a state-run website.
New York SB 1914	Legislature adjourned 6/6/24 without passage	Requires employers to provide workforce demographics and equity measurements to the division of human rights annually, including each employee's race, ethnicity, age, and sex or gender identity or expression, as well as the employee's job category, date of hire, salary or wages, training received, raises, promotions, disciplinary actions, terminations and benefits, including but not limited to unpaid benefits or privileges such as flexible scheduling, the ability to work from home, or the ability to bring children to work.

New York SB 2953	Legislature adjourned 6/6/24 without passage	Directs the department of labor to post on its internet website and annually update the names of employers who employ 50 or more employees who receive public assistance
Nevada AB 163	Approved by the Governor – 6/5/23	Requires an employer to provide leave to a victim of an act which constitutes sexual assault. Authorizes an employee to use the leave for certain purposes. Requires an employer to maintain a record of the use of the hours of leave for each employee for a 2-year period and to make those records available for inspection by the Labor Commissioner. Requires an employer to provide accommodations for an employee who is a victim of an act which constitutes sexual assault or whose family or household member is a victim of an act which constitutes sexual assault. Prohibits employers from taking adverse actions against an employee or perspective employee for certain circumstances related to sexual assault. Prohibits the Administrator of the Employment Security Division from denying a person unemployment compensation benefits if the Administrator finds that the person left employment to protect themselves or their family from sexual

		assault and actively engaged in an effort to preserve employment.
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Environmental Disclosure Requirements – Previously Enacted

Bill Number	Status	Summary
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	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.
California AB 1305	Enacted 10/7/2023	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.

Environmental Disclosure Requirements – Bills Active in 2024

Bill Number	Status	Summary
Washington AB 6092	Turned into a study bill that did not pass, WA adjourned on 3/7/24.	Washington Climate Corporate Data Accountability Act. Requires the reporting of scope 1 and 2 emissions beginning October 1, 2026. Requires the reporting of scope 3 emissions beginning October 1, 2027. Requires the Department of Ecology to adopt rules for emissions reporting by January 1, 2025.
Illinois HB 4268	Legislature adjourned without passage	Creates the "Climate Corporate Accountability Act". Requires a corporation or company with total annual revenue over \$1 billion to annually report its emissions to the state emissions registry. Requires affected businesses to report scope 1, scope 2, and scope 3 emissions. Public disclosure of scope 1 & 2 emissions is required beginning Jan. 1, 2025, and scope 3 emissions July 1, 2025. Requires Secy. of State to adopt rules to implement program requirements for the registry by July 1, 2024.

New York SB 897 + NY AB 4123	Legislature adjourned 6/6/24 without passage	Requires businesses with revenue over \$1 billion to annually report their 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 (referred to as "Scope 1", "Scope 2", and "Scope 3" emissions in the bill). Requires reporting entities' emissions to be independently verified. Requires emissions registry to be published on DEC's website.
New York SB 5437	Legislature adjourned 6/6/24 without passage	Requires certain corporations authorized to operate in the state and subject to the supervision of the department of financial services that had annual gross revenues of at least five hundred million dollars (\$500,000,000) in the prior calendar year to annually prepare a climate-related financial risk report for submission to the secretary of state and to make such report available to the public.
New York SB 7705	Legislature adjourned 6/6/24 without passage	Requires reporting and verification of scope 1, 2 and 3 greenhouse gas emissions by a business with total annual revenues in excess of one billion dollars (\$1,000,000,000) that does business in New York; requires regulations and disclosures.

New York AB 809	Legislature adjourned 6/6/24 without passage	Establishes that every company that does business in New York state shall file a biennial climate report with the division. Provides that the requirements for the form and content of such climate report shall be promulgated by the commissioner and at a minimum shall include company climate surveys to be filled out anonymously by employees, which are designed to assess such company's workplace environment.
New York SB 9758/AB 10614	Introduced on 6/20/24 with intent to take action during special session or 2025	Establishes the "Climate Safe and Responsible Bank Procurement Act." - Orders the Department of Financial Services to create guidance for state agencies for the procurement of banking or underwriting services, which would be based on whether a bank has adopted policies that prohibit support for coal projects, disclose clean energy supply financing ratio, cover the transition away from financing of new fossil fuel projects or infrastructure, or whether a bank has disclosed its Scope 1, 2, and 3 emissions.

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 2024

Bill Number	Status	Summary
Massachusetts SD 834	Introduced on 1/23/23 – Carryover to 24	Requires every retail seller and manufacturer having annual worldwide gross receipts that exceed one hundred million dollars to disclose its efforts to eradicate human trafficking from its direct supply chain for tangible goods offered for sale.

Massachusetts HD 3083	<p>Introduced on 1/19/23 – Carryover to 24</p>	<p>Requires fashion seller and fashion manufacturers to shall effectively carry out human rights and environmental due diligence for the portions of their business related to wearing apparel or footwear. Requires supply chain mapping and disclosure for all four tiers of production. Requires due diligence report be created and submitted to the attorney general within 24 months of the effective date. Establishes Fashion Sustainability and Social Accountability Fund.</p>
Massachusetts HB 420	<p>Referred to the committee on Economic Development and Emerging Technologies – 2/16/23 – Carryover to 24</p>	<p>Requires fashion seller and fashion manufacturers to effectively carry out human rights and environmental due diligence for the portions of their business related to wearing apparel or footwear. Requires supply chain mapping and disclosure for all four tiers of production. Requires due diligence report be created and submitted to the attorney general within 24 months of the effective date. Establishes Fashion Sustainability and Social Accountability Fund.</p>
Massachusetts SB 967	<p>Study order – 2/8/24</p>	<p>Requires every retail seller and manufacturer doing business in the commonwealth and having annual worldwide gross receipts that exceed one hundred million dollars to disclose its efforts to eradicate human trafficking from its direct supply chain.</p>

New York SB 8898	<p>Sent to Governor for final signature on 5/16.</p>	<p>Enacts the tropical rainforest economic & environmental sustainability act requiring that companies contracting with the state do not contribute to tropical forest degradation or deforestation directly or through their supply chains; establishes the supply chain transparency assistance program to assist small and medium-sized businesses and minority and women-owned businesses in achieving compliant supply chains.</p>
New York AB 3506	<p>Legislature adjourned 6/6/24 without passage</p>	<p>Establishes the Supply Chain Transparency Assistance Program to encourage the shifting of the state's economy toward more ethical and sustainable supply chains.</p>
New York SB 4746 + AB 4333	<p>Legislature adjourned 6/6/24 without passage</p>	<p>Requires fashion sellers to be accountable to standardized environmental and social due diligence policies; establishes a fashion remediation fund for the purpose of implementing one or more environmental benefit projects or labor remediation projects that directly and verifiably benefit the workers and communities directly impacted, to the extent practicable, at the location the injury has occurred.</p>
New York SB 4442	<p>Legislature adjourned 6/6/24 without passage</p>	<p>Establishes the "New York state transparency in supply chains act" which requires businesses to fully disclose efforts being taken to eliminate human trafficking within the supply chain process and provide those disclosures to consumers.</p>

New York SB 6738	Legislature adjourned 6/6/24 without passage	Establishes the prescription drug supply chain transparency act of 2023; requires pharmacy services administrative organizations, pharmacy switch companies and rebate aggregators to register with the insurance department and to provide certain disclosures relating to the ownership and activities of such entities; relates to deposits into the pharmacy benefit manager regulatory fund.
Pennsylvania HB 1333	Presented to Governor for signature 6/25/24	Prohibits a stuffed toy manufacturer from using child, forced, or slave labor in the production or making of stuffed toys. <ul style="list-style-type: none"> - Requires all materials that are new or recycled be free from chemicals and are sterilized. - Requires stuffed toy have a tag or label with a statement about materials and a registration number for the manufacturer or importer. - Requires a report from the state about the stuffed toy industry.
Washington SB 5541	Washington Adjourned on 3/7/24.	Requires every seller and manufacturer doing business and having annual worldwide gross receipts of \$75,000,000 or more to disclose its efforts to eradicate human trafficking and forced labor from its direct supply chain for tangible goods offered for sale. Requires the disclosure be posted on the seller's or manufacturer's website.

Washington SB 5607	Washington Adjourned on 3/7/24.	Provides that every fashion retail seller and fashion manufacturer doing business in the state and having annual worldwide gross receipts that exceed \$100,000,000 must disclose, as set forth in subsection (3) of this section, its environmental due diligence policies, processes, and outcomes, including significant real or potential adverse environmental impacts and disclose targets for prevention and improvement.
Washington HB 2068 + SB 5965	Washington Adjourned on 3/7/24.	Requires fashion retail seller or fashion manufacturer doing business in the state with annual worldwide gross income exceeding \$100 million to disclose its environmental due diligence policies, processes, and outcomes. Requires these disclosures be posed on the retail seller or manufacturer's website. Defines what must be included within supply chain mapping. Beginning in 2027, fashion retail sellers and manufacturers must establish, track, and disclose progress towards performance targets on energy, GHG emissions, water, and chemical management.

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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