

STATE OF NEW YORK

9072

IN SENATE

January 28, 2026

Introduced by Sen. HARCKHAM -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to climate corporate data accountability; and to amend the state finance law, in relation to establishing the climate accountability and emissions disclosure fund

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "climate
2 corporate data accountability act".

3 § 2. The environmental conservation law is amended by adding a new
4 article 74 to read as follows:

ARTICLE 74

CLIMATE CORPORATE DATA ACCOUNTABILITY ACT

Section 74-0101. Definitions.

74-0102. Climate corporate data accountability act.

§ 74-0101. Definitions.

10 As used in this section, the following terms shall have the following
11 meanings:

12 1. "Emissions reporting organization" means either: (a) an organiza-
13 tion within the department created by the department pursuant to para-
14 graph b of subdivision two of section 74-0102 of this article; or (b) a
15 nonprofit emissions reporting organization contracted by the department
16 pursuant to paragraph b of subdivision two of section 74-0102 of this
17 article that both:

18 a. Currently operates a greenhouse gas emissions reporting organiza-
19 tion for organizations operating in the United States; and

20 b. Has experience with greenhouse gas emissions disclosure by entities
21 operating in New York.

22 2. "Reporting entity" means:

23 a. A partnership, corporation, limited liability company, or other
24 business entity formed under the laws of this state, the laws of any
25 other state of the United States or the District of Columbia, or under
26 an act of the Congress of the United States that both:

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 i. Does business in this state and is deriving receipts from activity
2 in this state within the meaning of section two hundred nine of the tax
3 law; and

4 ii. Has total revenues in excess of one billion dollars in the preced-
5 ing fiscal year, including but not limited to revenues received by all
6 of the business entity's subsidiaries that do business in this state.

7 b. A foreign entity shall not be considered to be doing business in
8 this state exclusively by reason of carrying on in this state any of the
9 activities enumerated in subsection (b) of section thirteen hundred one
10 of the business corporation law. If a reporting entity is included as a
11 consolidated subsidiary in the consolidated financial statements of an
12 ultimate parent entity, then such ultimate parent entity may be the
13 reporting entity for purposes of this definition. If a subsidiary of a
14 parent company qualifies as a reporting entity for the purposes of this
15 definition, the subsidiary is not required to prepare a separate report
16 so long as the parent company prepares a report.

17 3. "Scope 1 emissions" means all direct greenhouse gas emissions that
18 stem from sources that a reporting entity owns or directly controls,
19 regardless of location, including, but not limited to, fuel combustion
20 activities.

21 4. "Scope 2 emissions" means indirect greenhouse gas emissions from
22 consumed electricity, steam, heating, or cooling purchased or acquired
23 by a reporting entity, regardless of location.

24 5. "Scope 3 emissions" means indirect upstream and downstream green-
25 house gas emissions, other than scope 2 emissions, from sources that the
26 reporting entity does not own or directly control and may include, but
27 are not limited to, purchased goods and services, business travel,
28 employee commutes, and processing and use of sold products and services.

29 6. "Assurance provider" means a firm or entity which carries out an
30 assurance engagement.

31 7. "Assurance engagement" means an engagement in which an assurance
32 provider expresses an independent opinion on the reports issued under
33 this section, to enhance the degree of confidence of the department,
34 consumers, and investors about the information disclosed by the report-
35 ing entity.

36 § 74-0102. Climate corporate data accountability act.

37 1. a. The department shall adopt regulations on or before December
38 thirty-first two thousand twenty-six to require a reporting entity to
39 annually disclose to the emissions reporting organization, and to obtain
40 an assurance engagement performed by an independent third-party assur-
41 ance provider on, all of the reporting entity's scope 1 emissions, scope
42 2 emissions, and scope 3 emissions. The regulations adopted pursuant to
43 this subdivision shall require that:

44 i. (1) (A) Starting in two thousand twenty-seven on a date to be
45 determined by the department, and annually thereafter, a reporting enti-
46 ty shall publicly disclose to the emissions reporting organization all
47 of the reporting entity's scope 1 emissions and scope 2 emissions for
48 the prior fiscal year.

49 (B) Starting in two thousand twenty-eight and annually thereafter, a
50 reporting entity shall publicly disclose its scope 3 emissions to the
51 emissions reporting organization for the prior fiscal year on a schedule
52 set by the department pursuant to regulations developed pursuant to this
53 article.

54 (2) In complying with the requirements of this section, a reporting
55 entity shall measure and report its emissions of greenhouse gases in
56 conformance with the Greenhouse Gas Protocol Corporate Accounting and

1 Reporting Standard and the Greenhouse Gas Protocol Corporate Value Chain
2 (Scope 3) Accounting and Reporting Standard developed by the World
3 Resources Institute and the World Business Council for Sustainable
4 Development, including guidance for scope 3 emissions calculations that
5 detail acceptable use of both primary and secondary data sources,
6 including the use of industry average data, proxy data, and other gener-
7 ic data in its scope 3 emissions calculations.

8 (3) (A) Starting in two thousand thirty-four, the department may
9 survey and assess currently available greenhouse gas accounting and
10 reporting standards. At the conclusion of this assessment the department
11 may adopt a globally recognized alternative accounting and reporting
12 standard if it determines its use would more effectively further the
13 goals of this section. This review process shall include consultation
14 with the stakeholders identified in paragraph d of this subdivision.

15 (B) If the department adopts an alternative accounting and reporting
16 standard, the department shall develop and adopt new regulations, pursu-
17 ant to paragraph a of this subdivision, to ensure full conformance with
18 the new standard and reporting of scopes 1, 2, and 3 emissions and other
19 requirements of this section.

20 (4) On or before January first, two thousand thirty-one, the depart-
21 ment shall review, and update as necessary, the public disclosure dead-
22 lines established pursuant to clause one of this subparagraph to evalu-
23 ate trends in scope 3 emissions reporting and consider changes to the
24 disclosure deadlines to ensure that scope 3 emissions data is disclosed
25 to the emissions reporting organization as close in time as practicable
26 to the deadline for reporting entities to disclose scope 1 emissions and
27 scope 2 emissions data.

28 (5) The reporting timelines shall take into account the timelines by
29 which reporting entities typically receive scope 1, scope 2, and scope 3
30 emissions data, as well as the capacity for an independent assurance
31 engagement to be performed by a third-party assurance provider.

32 ii. A reporting entity's public disclosure shall maximize access for
33 consumers, investors, and other stakeholders to comprehensive and
34 detailed greenhouse gas emissions data across scope 1 emissions, scope 2
35 emissions and scope 3 emissions, as defined by this section, and be made
36 in a manner that is easily understandable and accessible.

37 iii. A reporting entity's public disclosure shall include the name of
38 the reporting entity and any fictitious names, trade names, assumed
39 names, subsidiaries and logos used by the reporting entity.

40 iv. A reporting entity's emissions reporting shall be structured in a
41 way that minimizes duplication of effort and allows a reporting entity
42 to submit to the emissions reporting organization reports prepared to
43 meet other state, national, and international reporting requirements,
44 including any reports required by the federal government or other states
45 or reports voluntarily prepared, including those prepared using the
46 International Financial Reporting Standards Foundation Sustainability
47 Disclosure Standards as issued by the International Sustainability Stan-
48 dards Board, as long as those reports satisfy all of the requirements of
49 this section.

50 v. A reporting entity's disclosure shall take into account acquisi-
51 tions, divestments, mergers, and other structural changes that can
52 affect the greenhouse gas emissions reporting, and is disclosed in a
53 manner consistent with the Greenhouse Gas Protocol standards and guid-
54 ance or an alternative standard, if one is adopted after two thousand
55 thirty-four.

1 vi. (1) A reporting entity shall obtain an assurance engagement,
2 performed by an independent third-party assurance provider, of their
3 public disclosure. The reporting entity shall ensure that a copy of the
4 complete assurance provider's report on the greenhouse gas emissions
5 inventory, including the name of the third-party assurance provider, is
6 provided to the emissions reporting organization as part of or in
7 connection with the reporting entity's public disclosure.

8 (2) The assurance engagement for scope 1 emissions and scope 2 emis-
9 sions shall be performed at a limited assurance level beginning in two
10 thousand twenty-seven and at a reasonable assurance level beginning in
11 two thousand thirty-one.

12 (3) On or before January first, two thousand twenty-eight, the depart-
13 ment shall review and evaluate trends in third-party assurance require-
14 ments for scope 3 emissions, and on or before such date, the department
15 may establish an assurance requirement for third-party assurance engage-
16 ments of scope 3 emissions. If any such requirement is established, the
17 assurance engagement for scope 3 emissions shall be performed at a
18 limited assurance level beginning in two thousand thirty-one.

19 (4) A third-party assurance provider shall have significant experience
20 in measuring, analyzing, reporting, or attesting to the emission of
21 greenhouse gases and sufficient competence and capabilities necessary to
22 perform engagements in accordance with professional standards and appli-
23 cable legal and regulatory requirements. The assurance provider shall be
24 able to issue reports that are appropriate under the circumstances and
25 independent with respect to the reporting entity, and any of the report-
26 ing entity's affiliates for which it is providing the assurance report.
27 On or before January first, two thousand thirty-one, the department
28 shall review, and update as necessary, the qualifications for third-par-
29 ty assurance providers based on an evaluation of trends in education
30 relating to the emission of greenhouse gases and the qualifications of
31 third-party assurance providers.

32 (5) The department shall ensure that the assurance process minimizes
33 the need for reporting entities to engage multiple assurance providers
34 and ensures sufficient assurance provider capacity, as well as timely
35 reporting implementation as required under clause one of subparagraph i
36 of this paragraph.

37 vii. (1) A reporting entity shall pay an annual fee to the department
38 for the administration and implementation of this section.

39 (2) The department shall set the fee established pursuant to clause
40 one of this subparagraph in an amount sufficient to cover the depart-
41 ment's full costs of administrating and implementing this section. The
42 total amount of fees collected shall not exceed the department's actual
43 and reasonable costs to administer and implement this section.

44 (3) The proceeds of the fees imposed pursuant to clause one of this
45 subparagraph shall be deposited in the climate accountability and emis-
46 sions disclosure fund established by section ninety-nine-ss of the state
47 finance law.

48 b. The department shall create or contract with an emissions reporting
49 organization to develop a reporting program to receive and make publicly
50 available disclosures required by this section. Emissions reporting
51 organizations shall not be authorized to provide services to a company
52 where a conflict of interest exists. A conflict of interest shall
53 include:

54 i. The emissions reporting organization and reporting entity sharing
55 any management staff or board of directors membership, or any of the
56 senior management staff of the reporting entity having been employed by

1 the emissions reporting organization or reporting entity within the
2 previous five years.

3 ii. Any employee of the emissions reporting organization, or any
4 employee of a related entity, or a subcontractor who is a member of the
5 emissions reporting organization having provided the reporting entity
6 with services related to the areas of emissions reporting organization,
7 or any services designated by the department, within the previous five
8 years.

9 iii. Any staff member of the emissions reporting organization provid-
10 ing any type of non-monetary incentive to a reporting entity to secure a
11 services contract.

12 c. The department may adopt or update any other regulations that it
13 deems necessary and appropriate to implement this subdivision.

14 d. In developing the regulations required pursuant to this subdivi-
15 sion, the department shall consult with all of the following:

16 i. the attorney general;

17 ii. other government stakeholders, including, but not limited to,
18 experts in climate science and corporate carbon emissions accounting and
19 reporting;

20 iii. investors;

21 iv. stakeholders representing consumer and environmental justice
22 interests; and

23 v. reporting entities that have demonstrated leadership in full-scope
24 greenhouse gas emissions accounting and public disclosure and greenhouse
25 gas emissions reductions.

26 e. This section does not require additional reporting of emissions of
27 greenhouse gases beyond the reporting of scope 1 emissions, scope 2
28 emissions, and scope 3 emissions required pursuant to the Greenhouse Gas
29 Protocol standards and guidance or an alternative standard, if one is
30 adopted after two thousand thirty-four.

31 2. a. The department shall prepare a report on the public disclosures
32 made by reporting entities to the emissions reporting organization
33 pursuant to subdivision one of this section and the regulations adopted
34 by the department pursuant to such subdivision. In preparing the report,
35 consideration shall be given to, at a minimum, greenhouse gas emissions
36 from reporting entities in the context of state greenhouse gas emissions
37 reduction and climate goals. The department shall issue the report of
38 its findings to the governor, the speaker of the assembly and the tempo-
39 rary president of the senate and shall publish such report on its
40 website.

41 b. The emissions reporting organization shall make the reporting enti-
42 ties' disclosures publicly available on the digital platform required to
43 be created by the emissions reporting organization pursuant to subdivi-
44 sion four of this section.

45 3. a. i. The emissions reporting organization, on or before July
46 first, two thousand twenty-seven pursuant to clause one of subparagraph
47 i of paragraph a of subdivision one of this section, shall create a
48 digital platform, which shall be accessible to the public, that will
49 feature the emissions data of reporting entities in conformance with the
50 regulations adopted by the department pursuant to subdivision one of
51 this section and the report prepared for the department pursuant to
52 subdivision two of this section. The emissions reporting organization
53 shall make the reporting entities' disclosures and the department's
54 report available on the digital platform within ninety days of receipt.

55 ii. The digital platform shall be capable of featuring individual
56 reporting entity disclosures, and shall allow consumers, investors, and

1 other stakeholders to view reported data elements aggregated in a varie-
2 ty of ways, including multiyear data, in a manner that is easily under-
3 standable and accessible to residents of the state. All data sets and
4 customized views shall be available in electronic format for access and
5 use by the public.

6 b. The emissions reporting organization shall submit, within thirty
7 days of receipt, the report prepared for the department pursuant to this
8 subdivision to the temporary president of the senate, the speaker of the
9 assembly, and the governor.

10 4. a. The attorney general may bring a civil action against a report-
11 ing entity seeking civil penalties of up to one hundred thousand dollars
12 per day for willful failure to comply with the requirements of this
13 section or regulations set forth by the department, including for
14 nonfiling, late filing, or other failure to meet the requirements of
15 this section. The civil penalties imposed on a reporting entity for
16 such violations shall not exceed five hundred thousand dollars in a
17 reporting year. In seeking civil penalties for a violation of this
18 section, the attorney general shall consider all relevant circumstances,
19 including both of the following:

20 i. the violator's past and present compliance with this section; and
21 ii. whether the violator took any good faith measures to comply with
22 this section and when those measures were taken.

23 b. A reporting entity shall not be subject to a civil action under
24 this section for any misstatements with regard to scope 3 emissions
25 disclosures made with a reasonable basis and disclosed in good faith.

26 c. Penalties assessed on scope 3 reporting, between two thousand twen-
27 ty-eight and two thousand thirty-one, shall only occur for nonfiling.

28 5. This section applies to the state university and city university of
29 New York only to the extent that the regents of the state university or
30 city university, by resolution, make any of these provisions applicable
31 to the university.

32 § 3. The state finance law is amended by adding a new section 99-ss to
33 read as follows:

34 § 99-ss. Climate accountability and emissions disclosure fund. 1.
35 There is hereby established in the joint custody of the state comp-
36 troller and the department of tax and finance a special fund to be known
37 as the "climate accountability and emissions disclosure fund". Moneys in
38 this account shall be kept separate and not commingled with any other
39 moneys in the custody of the comptroller.

40 2. Such fund shall consist of all revenues received by the department
41 of taxation and finance, pursuant to the provisions of section 75-0121
42 of the environmental conservation law, the tax law and all other moneys
43 credited or transferred thereto from any other fund or source pursuant
44 to law. Nothing contained in this section shall prevent the state from
45 receiving grants, gifts or bequests for the purposes of the fund as
46 defined in this section and depositing them into the fund according to
47 law. Any interest received by the comptroller on moneys on deposit
48 shall be retained and become part of the fund, unless otherwise directed
49 by law.

50 § 4. Severability. If any clause, sentence, paragraph, subdivision,
51 section or part of this act shall be adjudged by any court of competent
52 jurisdiction to be invalid, such judgment shall not affect, impair, or
53 invalidate the remainder thereof, but shall be confined in its operation
54 to the clause, sentence, paragraph, subdivision, section or part thereof
55 directly involved in the controversy in which such judgment shall have
56 been rendered. It is hereby declared to be the intent of the legislature

1 that this act would have been enacted even if such invalid provisions
2 had not been included herein.

3 § 5. This act shall take effect on the one hundred eightieth day after
4 it shall have become a law. Effective immediately, the addition, amend-
5 ment and/or repeal of any rule or regulation necessary for the implemen-
6 tation of this act on its effective date are authorized to be made and
7 completed on or before such effective date.