

S.9072 (Harckham) / A.4282 (Glick)

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BILL S.9072 (Harckham) / A.4282 (Glick)
SUBJECT Mandatory Global GHG Emissions Reporting
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OPPOSE

The Business Council continues to oppose this legislation that would impose a world-wide greenhouse gas emission reporting obligation on businesses doing business in New York, regardless of their level of in-state emissions or whether they even have emission sources in New York.

Importantly, the Department of Environmental Conservation just adopted, in December 2025, regulations (6 NYCRR Part 253) requiring GHG emissions reporting from significant sources, with affected businesses immediately obligated to monitor and report on emissions for calendar 2026. With the pending amendments to the CLCPA, those regulations and the compliance obligations it imposes on businesses will have to be amended, further complicating the rule's already challenging compliance schedule.

Given this context, the legislature should not be imposing an additional reporting obligation, with different, more expansive requirements, on businesses already subject to Part 253. The bill imposes reporting obligations on far more businesses than are subject to Part 253, and we question the need or impact of this expansive additional reporting mandate.

New Reporting Mandate - This legislation would mandate businesses with more than \$1 billion in global revenues that do business in New York to report their global greenhouse gas emissions to the state. This mandate does not just apply to their in-state emissions, nor does it just apply to direct emissions from their own facilities and indirect emissions from their use of purchased energy. Instead, it also requires reporting on "scope 3" emissions including those from the transportation, use and disposal of their products; emissions from franchises; emission related to their financial investments; emissions from employee transportation; emissions from all levels of their supply chain; and others - regardless of their location, elsewhere in the U.S. or overseas.

As mentioned, this mandate is in addition to the reporting mandate under Part 253, which imposes extensive monitoring and data collection requirements, including the development of expansive sampling plans, continuous equipment

inspections, and comprehensive data acquisition systems. Given the number of applicable sources at many facilities, these requirements will be extremely costly and labor-intensive, placing further strain on site personnel and operation budgets.

While some businesses already prepare global GHG emission reports as part of their sustainability programs, this proposed reporting mandate imposes several significant concerns:

- This bill is modeled on legislation recently adopted in California. While submitting identical emissions reports to multiple states poses a more manageable compliance burden, both the California statute and this legislation allow the state to make state-specific modifications to their programs emissions accounting and reporting standards, disclosure deadlines, and data assurance standards. These provisions will allow the California and New York reporting programs to deviate over time; and with other states considering different versions of global GHG emissions reporting legislation, the compliance obligations on businesses will become unmanageable.
- While this legislation applies directly to entities with more than \$1 billion in global receipts, this new reporting mandate will likely impose additional obligations on many small businesses worldwide. The inclusion of scope 3 emissions in this reporting program will require an assessment of emissions from "upstream" supply chains and "downstream" customers and consumers of both goods and services, with businesses directly subject to this reporting mandate requiring their supply chain participants to provide new or additional information on their activities and emissions.
- This legislation (and the California statute) will result in a significant double counting of emission in many instances, such as the case where a fuel provider will be reporting as Scope 3 emissions the same emissions that a major fleet operator will be reporting as Scope 1 emissions, or a power generator will be reporting as Scope 1 emissions the same emissions as a major commercial business will be reporting as Scope 2 emissions. It is unclear to what extent the bill's "finding" report will address the over-counting as it puts this reporting mandate "in the context of state greenhouse gas emission reduction and climate goals."
- The bill has excessive civil penalties, with any "willful" violation, including non-filing, late filing or any other compliance filing, subject to civil penalties up to \$100,000 per day, with a maximum fine of \$500,000 per filing year. These penalty levels are excessively high for filing errors unrelated to any

specific environmental harm and are significantly higher than state Environmental Conservation Law civil penalties involving actual or potential environmental or public health impacts.

New York's Part 253 GHG reporting rule is part of a broader plan to adopt a "cap and invest" program. As such, Part 253 will be an integral part of the state's CLCPA implementation efforts, as it will provide data necessary to implement its cap and invest program and assure more accurate accounting of the state's progress toward its CLCPA emission reduction goals.

On the other hand, S.9073/A.4282 does not support the state's CLCPA implementation efforts, will impose additional, duplicative requirements and compliance costs on the DEC and businesses alike, and - to a large extent - will replicate emission reporting that will be available elsewhere under other mandates.

For these practical reasons, The Business Council opposes adoption of S.9072/A.4282.