

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON JUDICIARY
Ash Kalra, Chair
AB 2599 (Bryan) – As Introduced February 20, 2026

As Proposed to be Amended

SUBJECT: SLAVERY: CORPORATE DISCLOSURES

KEY ISSUE: SHOULD ANY BUSINESS OPERATING IN CALIFORNIA AND HAVING GROSS ANNUAL RECEIPTS THAT EXCEED \$100 MILLION VERIFY, UNDER PENALTY OF PERJURY, THAT THEY HAVE SEARCHED THEIR RECORDS FOR INFORMATION ON THEIR HISTORICAL TIES TO U.S. CHATTEL SLAVERY?

SYNOPSIS

This bill requires companies operating in California and having annual worldwide gross receipts that exceed \$100M to complete an affidavit, under penalty of perjury, verifying that it has searched its records, and those of any related entity, to determine whether they participated in or facilitated the business of slavery during the era of slavery in the nation. Existing law requires every retail seller and manufacturer doing business in this state and having annual worldwide gross receipts that exceed \$100,000,000 to disclose its efforts to eradicate slavery and human trafficking from its direct supply chain. That existing requirement, however, requires companies to disclose present efforts to eradicate present-day slavery, while this bill would require the company to conduct research into the company's historical records – including the records of any predecessor in interest – to identify ways that it might have profited from chattel slavery of the pre-Civil War period. The bill would also require a state agency to create a public digital platform containing the company affidavits, reported disclosures, and associated information. Finally, the bill requires a company seeking a contract with the state to verify that it has complied with the provisions of this bill, if it is subject to the provisions of this bill.

This is not the first time the Legislature has required companies to search records and disclose connections to slavery. In 2000, Senator Tom Hayden's SB 2199 (Chap. 934, Stats. 2000) required the Insurance Commissioner to request and obtain from insurers operating in the state any records in their possession indicating that the company, or any predecessor entity, provided insurance to slaveholders to cover damage to enslaved persons. That bill led to the creation of the Slavery Era Insurance Registry which can still be accessed on the Department of Insurance website.

The bill is supported by several civil rights, religious, labor, and social justice groups, among others. It is opposed unless amended by associations representing the insurance industry. Because SB 2199, noted above, required insurance companies to disclose their connections to slavery, they seek an amendment stating that if they complied with SB 2199 they will be deemed to have complied with this bill. The author will take amendments in this Committee. Those amendments are reflected in the summary and discussed in the analysis.

SUMMARY: Requires certain companies to verify, under the penalty of perjury, that they have searched their records to determine if the company, or any related entity, bought or sold persons subjected to slavery, used persons subjected to slavery as collateral, provided loans to purchase

persons subjected to slavery, insured such transactions, or provided related or other services to facilitate those transactions. Specifically, **this bill**:

- 1) Finds and declares, among other things, the following:
 - a) Numerous American businesses across many industries reaped substantial profits by exploiting the uncompensated labor of enslaved persons, and that the intertwining economic interest across diverse industries highlight the extent to which slavery permeated American industry.
 - b) Many Californians are descendants of enslaved persons, and their ancestors were defined as property, grossly mistreated, and used as collateral for insurance policies, loans, and other transactions.
 - c) Documents show that during the slavery era insurance companies profited by providing coverage to slaveholders for damage to enslaved people, and some of these companies were the predecessors of existing insurance companies. Other companies that profited from slavery include not only insurance companies but financial service providers, textile companies, tobacco companies, shipping companies, railroad companies, the rice industry, the sugar industry, and other industries whose successors in interest remain in existence today.
 - d) The citizens of California are entitled to complete transparency regarding any involvement or profits acquired through slavery by companies seeking to conduct business in California. This disclosure is essential to ensure that the community is informed about historical connections and practices of companies operating in the state.
 - e) It is essential for corporations to recognize their historical connections to slavery and take responsibility for past actions that perpetuated harm, and actively engaging in efforts to redress harms demonstrate corporate commitment to fostering a more just and fair society.
 - f) The full disclosure of the facts and acknowledgment of the depth and scope of the participation in slaveholding and the slave trade and recognizing the dignity of enslaved persons promotes healing.
 - g) The purpose of this legislation is to promote investigation and disclosure of company or contractor records relating to slavery and to make records public available.
- 2) Requires every in-state entity, as defined, having annual worldwide gross receipts of \$100 million, to complete an affidavit, under penalty of perjury, verifying that it has searched through any and all records in its and its related entities' possession, control, and knowledge for records that the in-state entity or its related entities bought or sold persons subject to slavery, used persons subjected to slavery as collateral, provided loans to purchase persons subjected to slavery, insured such transactions or the persons subjected to slavery, or provided related or other services to aid or otherwise facilitate those transactions.
- 3) Defines "in-state entity" for purposes of 2) above to mean any business or enterprise within the state and defines "related entities" for these purposes to mean both of the following:

parent entities or subsidiaries doing business in the state; and any predecessor in interest, regardless of whether that predecessor did business in the state.

- 4) Requires the affidavit to include specified information, including the names of each slave and slaveholder in the records; evidence of transactions that benefitted or otherwise profited from slavery in the United States; and, to the extent possible, records relating to insurance policies, purchase, sale, or lease of enslaved persons, the use of enslaved persons as collateral, and any other records evidencing participation in slaveholding or the slave trade. The affidavit shall include a statement verifying that the company has exercised due diligence to search through any and all records in its possession and in the possession of any related entities, as defined.
- 5) Requires the company to submit the affidavit by either January 1, 2027, or by July 1, 2027, as specified, to a department to be determined.
- 6) Requires the department identified in 5) above to do all of the following:
 - a) Provide by January 3, 2028, and annually thereafter, a report to the Legislature regarding the affidavits received during the prior calendar year.
 - b) Make all reports available to the public upon request.
 - c) Create, by January 3, 2028, a public digital platform that contains and makes accessible all affidavits and reports received; all reported information disaggregated by a variety of data points, including company type, multiyear review of data, company value, estimated value or revenue gained in the time period of the slavery-related transactions of data.
 - d) Update the information on the platform, as specified.
 - e) Ensure that all affidavits, reports, information, and data remain indefinitely on the digital platform.
- 7) Authorizes the California Attorney General to bring an action for injunctive relief for a violation of the bill's provisions and specifies that nothing in this bill limits remedies available for a violation of any other state or federal law.
- 8) Requires an in-state entity subject to this bill that bids on a contract with the state in the amount of \$100,000 or more to verify that they have complied with the provisions of this bill.

EXISTING LAW:

- 1) Requires every retail seller and manufacturer doing business in California and having annual worldwide gross receipts that exceed \$100 million to disclose, as specified, their efforts to eradicate slavery and human trafficking from its direct supply chain. (Civil Code Section 1714.43.)
- 2) Requires a person submitting a bid to enter or renew a contract with the state in the amount of \$100,000 or more to certify, under penalty of perjury, that they have complied with the Unruh Civil Rights Act and the California Fair Employment and Housing Act, and that any policy they have adopted against any sovereign nation or peoples recognized by the government of the United States is not used as a pretext for discrimination in violation of the

Unruh Civil Rights Act or the California Fair Employment and Housing Act. (Public Contract Code Section 2010.)

FISCAL EFFECT: As currently in print this bill is keyed fiscal.

COMMENTS: According to the author, “California does not currently require standardized disclosure of verified historical ties to slavery or related economic activity. As a result, information remains fragmented, inconsistent, or inaccessible to the public. Transparency regarding historical practices is essential to responsible governance and ethical business standards. . . AB 2599 focuses on transparency and accountability. If corporations benefited from slavery, the public deserves to know. This bill ensures we uncover those truths and make that information accessible to all Californians.”

The New History of Slavery and Capitalism. For more than two decades historians have fundamentally reoriented the history of slavery in the Atlantic World by focusing on the extent to which the profits of chattel slavery helped to fuel the rise of global capitalism. Indeed, many historians now agree that the rise of the Atlantic slave trade and rise of capitalism are all but inseparable. Southern slaveowners were not the only ones who participated in and profited from slavery. Banks financed the acquisition of slave property; shipping companies and railroad companies transported enslaved persons; insurance companies insured slaveholders against loss of human “property;” and mills from New England to Manchester, England transformed cotton into a profitable textile industry which generated the capital that fueled later industrial expansion. [See e.g. Sven Beckert, *Empire of Cotton* (2014), Walter Johnson, *River of Dark Dreams* (2013), Edward Baptist, *The Half Has Never Been Told* (2014), and especially Seth Rockman, ed., *Slavery’s Capitalism: A New History of American Development* (2016). For briefer version of this interpretation see Matthew Desmond, “Capitalism,” chapter 6 in Nikole Hannah-Jones, *The 1619 Project: A New Origin Story* (2021).]

This is not the first time that the Legislature has taken cognizance of this history. In 2000, Senator Tom Hayden’s SB 2199 (Chap. 934, Stats. 2000) required the Insurance Commissioner to request and obtain from insurers operating in the state any records in their possession indicating that the company, or any predecessor entity, provided coverage to slaveholders for damage to enslaved persons. That bill led to the creation of the Slavery Era Insurance Registry which can still be accessed on the Department of Insurance website. Between 2002 and 2006, the California Department of Insurance received reports from at least eight companies, including major companies like New York Life, AIG, and ACE USA. The disclosures resulted in the Commissioner obtaining 690 records of policies sold to slaveholders to insure enslaved persons. [See Calvin Schermerhorn, “California Slavery Era Insurance Registry,” *Journal of Slavery and Data Preservation* (2025), at <http://doi.org/10.14321/jsdp.6.1.0068>.]

This bill requires companies operating in California and having annual worldwide gross receipts that exceed \$100M to complete an affidavit, under penalty of perjury, verifying that it has searched its records, and those of any related entity, to determine whether they participated in or facilitated the business of slavery in the era of slavery. Existing law requires every retail seller and manufacturer doing business in this state and having annual worldwide gross receipts that exceed \$100,000,000 to disclose, as specified, its efforts to eradicate slavery and human trafficking from its direct supply chain. That existing requirement, however, only requires companies to disclose present efforts to eradicate present-day slavery, while this bill would require the company to conduct research into the company’s historical records – including the

records of any predecessor in interest – to identify ways that it might have profited from chattel slavery of the pre-Civil War period. The bill would also require a state agency to create a public digital platform containing the company affidavits, reported disclosures, and associated information. Finally, the bill amends an existing section of the Public Contracts Code to require a company seeking certain contracts with the state to verify that it has complied with the provisions of this bill. Currently, this section requires contract bidders to attest that they have complied Unruh Civil Rights Act and FEHA. They would now need to also attest that they had complied with this bill.

What is “due diligence?” The depth of any historical research can vary greatly. The historians cited above spent years, and sometimes entire careers, conducting their research. The companies subject to this bill will have less than two years to complete their work, so the amount of research required by this bill will necessarily reflect that reality. The bill requires the companies to search the records with “due diligence.” The bill does not define this term, but Black’s Law Dictionary defines “due diligence” as a “measure of prudence, activity, or assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent [person] under the particular circumstances.” It is “not measured by any absolute standard but depends on the relative facts of the case.” Here, “the particular circumstances” are the two year limit, the fact that businesses are not historians, and the fact that businesses cannot be expected to set aside the normal conduct of business to engage in research. Black’s Law Dictionary distinguishes “due diligence” from “extraordinary diligence” and “great diligence,” again suggesting that under the due diligence standard one is only required to do what a reasonably prudent person would do under the circumstances. Presumably, the businesses covered by this bill will be expected to exercise the same degree of diligence as did the insurance companies that complied with SB 2199.

Presumably, where neither the company nor any of its related entities existed before 1865, and where there was no predecessor in interest operating before 1865, the company’s affidavit could simply declare this fact. However, where companies either existed during the era of chattel slavery or can trace their companies to a predecessor in interest, the task could become more complex. Other obstacles to conducting this research may also emerge. For example, the bill requires companies to search not only their own records but also to search the records of any “related entities.” This term is defined to include (1) parent companies and subsidiaries operating in the state; and (2) “predecessors in interest,” regardless of whether they operate in this state. Many companies that existed before 1865 might not have records dating from that era, and companies that have a predecessor in interest may have difficulty accessing the records of a defunct company that operated in another state.

Insurance company proposed amendment. Several organizations representing insurance companies submitted a joint letter opposing this bill unless it is amended. Specifically, they argue that because many of their companies have already conducted this research and submitted it to the Department of Insurance, they seek an amendment providing that compliance with the requirements of SB 2199 shall constitute compliance with the requirements of this bill. *The author may wish to consider this reasonable request if the bill moves out of this Committee.*

Proposed author amendments. The author wishes to take the following amendments in this Committee. In addition to technical amendments, the major changes (1) add new findings and declarations; (2) apply the bill’s requirements to a business with annual worldwide gross receipts of \$100 million, instead of identifying specific industries; (3) require additional information on

the affidavit; (4) authorize the Attorney General to bring an action for injunctive relief; and (5) amend the Public Contract Code to require any person seeking a contract with the state to verify that they have complied with the provisions of this bill. Specifically, the amendments do the following:

- On page 2, line 3, strike out “that the purpose,” and strike out lines 4-7 and insert new findings and declarations.
- On page 2, line 3, strike out “that the purpose,” and strike out lines 4-7 and insert new findings and declarations.
- On page 2, in line 9, insert: *(2) Doing business in the state” has the same meaning as that set forth in Section 23101 of the Revenue and Taxation Code.*
- On page 2, in line 13, strike out “a textile, tobacco, railroad, shipping” and strike out line 14 and insert: *any business or enterprise that is doing business in the state.*
- On page 2, in line 20, after “entity” insert: *having annual worldwide gross receipts that exceed one hundred million dollars (\$100,000,000)*
- On page 3, between lines 5 and 6, insert: *(C) To the extent applicable, records from 1849 onward indicating the following:*

(i) Insurance policies relating to slaveholding,

(ii) Evidence of purchase, sale, or lease or enslaved persons.

(iii) The use of enslaved persons as collateral for insurances policies, loans, or other transactions.

(iv) Evidence of the provision, or receipt, of loans to purchase enslaved persons.

(v) Insuring transactions for enslaved persons.

(vi) Any other company or contractor records evidencing participation in slaveholding or participation in the slave trade.

(D) A statement from the in-state entity verifying that it has exercised due diligence to search through any and all records in its or its related entities’ possession.

- On page 4, between lines 2 and 3, insert:

(c)(1) The Attorney General may bring an action for injunctive relief for a violation of this section.

(2) Nothing in this section shall limit remedies available for a violation of any other state or federal law.

- At the end of the bill, add a new subdivision to Section 2010 of the Public Contracts Code to read as follows:

(d)(1) That is they are an in-state entity having annual worldwide gross receipts that exceed \$100,000,000, they have submitted an affidavit in compliance with Section 1714.44 of the Civil Code.

(2) For purposes of this subdivision, the “in-state entity” has the same meaning as defined in Section 1714.44 of the Civil Code.

ARGUMENTS IN SUPPORT: The Ella Baker Center for Human Rights (EBC) believes that AB 2599 is a “critical piece of legislation that builds on the work of the California Reparations Task Force.” EBC explains further:

Corporations have a moral and ethical responsibility to conduct business practices in alignment with human rights. It is important that we acknowledge the financial benefit gained from businesses with historical ties to human trafficking and slavery. This legislation is building on current disclosure laws and transparency efforts like the California Transparency in Supply Chains Act (CTSCA), which already requires certain companies to disclose their efforts to eradicate slavery and human trafficking from their supply chains. Current disclosure laws primarily focus on modern-day slavery, but transparency about historical practices is also essential for informed public dialogue, responsible governance, and ethical business standards.

We believe that reparations for descendants of U.S. chattel slavery and the larger African American community as a group begin with naming and admitting the harm done. This is in accordance with the principle of Satisfaction as defined by the United Nations (UN), which requires acknowledgment, public disclosure, and apology for the harm. Harm cannot be repaired unless and until one acknowledges that it occurred. AB 2599 supports the ongoing historical effort in California to tell true history and acknowledge the historical and ongoing impacts of slavery.

ARGUMENTS IN OPPOSITION, UNLESS AMENDED: A coalition of groups representing the insurance industry support the aims of this bill but seek an amendment exempting them from the new requirement if they have already complied with SB 2199. They point out that “SB 2199 resulted in a comprehensive report to the Legislature and the public. The findings were compiled and published by the California Department of Insurance, and the report remains publicly available on the Department’s website today. As a result of that statutory process, insurers have already complied with California law requiring disclosure of historical slave-era insurance policies.”

To avoid duplication, they propose adding a subdivision (e) in section 1744.44 to read as follows:

(e) Compliance by an insurance company with California Insurance Code Division 3, Chapter 5, Slavery Era Insurance Policies, Section 13810 et seq. shall be deemed full compliance with this section.

REGISTERED SUPPORT / OPPOSITION:

Support

African Communities Public Health Coalition
Bay Area Regional Health Inequity Initiative
Black Jewish Justice Alliance
California Calls
CFT – a Union of Educators & Classified Professionals
Community Coalition
Community Interventions
Concrete Development INC
Congregations Organized for Prophetic Engagement
Ella Baker Center for Human Rights
Emerging Leaders Program of the Leadership Institute At Allen Temple Baptist Church
Equal Justice Society
Fund for Reparations Now!
Inland Empire Black Worker Center
Live Free California
Los Angeles Black Worker Center
Nikkei Progressives
Power California Action
Starting Over
The Amelia Ann Adams Whole Life Center
The Southern California Black Worker Hub for Regional Organizing

Opposition (unless amended)

American Council of Life Insurers
American Property Casualty Insurance Association
Association of California Life & Health Insurance Companies
National Association of Mutual Insurance Companies
Personal Insurance Federation of California

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