
THIRD READING

Bill No: AB 2599
Author: Bryan (D), Bonta (D), Elhawary (D), Gipson (D), Jackson (D), McKinnor (D) and Sharp-Collins (D), et al.
Amended: 8/21/26 in Senate
Vote: 21

SENATE JUDICIARY COMMITTEE: 11-1, 6/23/26
AYES: Umberg, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern, Wahab, Weber Pierson, Wiener
NOES: Niello
NO VOTE RECORDED: Valladares

SENATE PUBLIC SAFETY COMMITTEE: 5-1, 6/30/26
AYES: Arreguín, Caballero, Cortese, Pérez, Wiener
NOES: Seyarto

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/13/26
AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab
NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 58-17, 5/26/26 - See last page for vote

SUBJECT: Slavery: corporate disclosures

SOURCE: Alliance for Reparations, Reconciliation and Truth

DIGEST: This bill, upon appropriation by the Legislature, requires covered entities, as defined, with gross annual receipts of over $100 million to provide information and records relating to their past commercial activities related to slavery, as specified, to the Civil Rights Department (CRD), and for the CRD to make that information publicly available.

Senate Floor amendments of 8/21/26 made the bill's reporting provisions and the CRD's obligations contingent upon an appropriation by the Legislature; narrowed the scope of companies required to provide information under this bill; and delayed the due date for covered entities to submit the required information to the CRD.

ANALYSIS:

Existing law:

1) Requires every retail seller and manufacturer doing business in the state and having annual worldwide gross receipts that exceed $100 million to disclose, as set forth in 2), its efforts to eradicate slavery and human trafficking from its direct supply chain for tangible goods offered for sale; the disclosure must be posted on the retailer or manufacturer's website, as specified. (Civil [Civ.] Code, § 1714.43.)

2) Requires a person that submits a bid or proposal to, or otherwise proposes to enter into or renew a contract with, a state agency with respect to any contract in the amount of $100,000 or more to certify, under penalty of perjury, at the time the bid or proposal is submitted or the contract is renewed, all of the following:

   a) That they are in compliance with the Unruh Civil Rights Act.

   b) That they are in compliance with the California Fair Employment and Housing Act (FEHA).

   c) That any policy they have against any sovereign peoples recognized by the government of the United States, including, but not limited to, the nation and people of Israel, is not used to discriminate in violation of the Unruh Civil Rights Act of the FEHA; any policy adopted by a person or actions taken thereunder that are reasonably necessary to comply with federal or state sanction laws or laws affecting sovereign nations or their nationals shall not be construed as unlawful discrimination in violation of the Unruh Civil Rights Act or the FEHA. (California Public [Cal. Pub.] Contract Code, § 2010.)

3) Requires the Insurance Commissioner to request and obtain information from insurers licensed and doing business in California regarding any records of slaveholder insurance policies issued by any predecessor corporation during the slavery era. (Insurance [Ins.] Code, § 13810.)

4) Requires the Insurance Commissioner to obtain the names of any slaveholders or slaves described in the insurance records in 4) and make the information available to the public and the Legislature. (Ins. Code, § 13811.)

5) Requires each insurer licensed and doing business in California to research and report to the Insurance Commissioner with respect to any records within the insurer's possession or knowledge relating to insurance policies issued to slaveholders that provided coverage for damage to, or death of, their slaves. (Ins. Code, § 13812.)

6) Provides that descendants of slaves, whose ancestors were defined as private property, dehumanized, divided from their families, forced to perform labor without appropriate compensation or benefits, and whose ancestors' owners were compensated for damages by insurers, are entitled to full disclosure. (Ins. Code, § 13813.)

This bill:

1) Makes findings and declarations relating to the prevalence of California businesses that profited from the exploitation of the uncompensated labor of enslaved persons and the need for transparency regarding profits attained through slavery.

2) Defines the following terms:

   a) "Company type" means the industry or primary focus of the company.

   b) "Company value" means estimated value and profit to the company for each year information has been submitted.

   c) "Covered entity" means any business or enterprise that is doing business in the state that was in existence or whose predecessor company was in existence on or before December 31, 1964.

   d) "Department" means the CRD.

   e) "Doing business in the state" has the same meaning as in Section 23101 of the Revenue and Taxation Code.

   f) "Financial company" includes, but is not limited to, any bank in which the state deposits public funds and investment managers.

   g) "In-state entities" means any business or enterprise that is doing business in the state, as defined in the Revenue and Taxation Code.

   h) "Multiyear review of data" means disaggregated data by year.

   i) "Related entities " means both of the following:

   i) The covered entity's parent entities or subsidiaries that do business in the state.

   ii) A predecessor in interest, regardless of whether that predecessor did business in the state.

3) Requires each covered entity with annual worldwide gross receipts that exceed $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 covered entity or its related entities bought or sold persons subjected to slavery, used persons subjected to slavery as collateral, provided loans to purchase persons subjected to slavery, insured transactions or the persons subjected to slavery, or provided related or other services to aid or otherwise facilitate those transactions.

4) Requires an affidavit in 4) to include all of the following:

   a) The names of each slave and slaveholder described in the records.

   b) Evidence of transactions that benefited or otherwise profited from slavery in the United States financially or through the exchange of goods or services.

   c) To the extent applicable, records from 1849 onward indicating all of the following:

      i) Insurance policies related to slaveholding.

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

      iii) The use of enslaved persons as collateral for insurance 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) An index summarizing and describing the records provided, including the years referenced in the records, the industry and names of the companies referenced in those records, if the predecessor or subsidiary company had a different name, and the types of documentation or records submitted.

   e) A statement from the covered entity verifying that it has exercised due diligence to search through any and all records in its entities' possession.

5) Requires an affidavit in 4) to be submitted to the CRD by one of the following dates:

   a) For covered entities doing business in the state as of January 1, 2028, by January 15, 2029, or by January 15 of the year following the development of the digital platform in accordance with 8), whichever is later.

   b) For covered entities commencing business in the state following January 1, 2028, by January 15 of the second year following the establishment of the business or one year after an appropriation has been made for the bill, whichever is later.

6) Provides that an insurance company that submitted documentation to the Department of Insurance pursuant to existing slavery disclosure laws may include that documentation as part of its required submission pursuant to this measure.

7) Requires a covered entity to submit an updated affidavit to the CRD upon the discovery of new reportable information.

8) Requires the CRD to do all of the following:

   a) Provide, within two years after an appropriation has been made and by March 1 annually thereafter, a report to the Legislature regarding affidavits received during the prior calendar year.

   b) Create, within one year after an appropriation has been made, a public digital platform with a database of all affidavits and records received, reported information disaggregated based on a variety of data points, as specified, and all of the CRD's annual reports to the Legislature.

   c) Make affidavits and records received by January 15 of the first reporting year available on the platform within one year, and subsequent affidavits and records received available on the platform within six months of receipt.

   d) Notwithstanding any other law, ensure that all affidavits, reports, information, and data remain indefinitely on the platform.

9) Permits the CRD to adopt, promulgate, and amend regulations to implement and interpret this bill's provisions.

10) Provides that nothing in this measure shall be construed to limit any of the Attorney General's enforcement powers under the Business and Professions Code or otherwise.

11) Provides that implementation of 1)-10) is contingent upon an appropriation by the Legislature, and that those requirements shall become operative upon appropriation

12) Adds, to the list of certifications that must be made, under penalty of perjury, by a person that submits a bid or proposal, or otherwise proposes to enter or renew a contact with, a state agency with respect to any contract in the amount of $100,000 or more, that, if they are an in-state entity with annual worldwide gross receipts of over $100 million, they have submitted an affidavit in compliance with 2).

Comments

The Nineteenth Century American economy is inextricably intertwined with the practice of chattel enslavement. Even here in California, an ostensibly "free" state, enslavement affected the state's growth through enslaved persons brought into the state from states where slavery was legal, and through the economic activities of corporations relating to enslavement. Banks financed the acquisition of slave property; shipping companies and railroad companies transported enslaved persons; and insurance companies insured slaveholders against loss of human "property." While historians have done admirable work to uncover the details of this era, there is still much that remains unknown about which companies benefitted from slavery-related commerce, and to what extent. The absence of records also hurts the descendants of enslaved persons, who are left without information about their family histories.

This bill, contingent upon an appropriation by the Legislature, requires covered entities with annual worldwide gross receipts of over $100 million to complete an affidavit, under penalty of perjury, verifying that it has searched through all of its records, and its subsidiaries' and related entities' records, for records indicating that the entity engaged in the commerce of enslavement. A "covered entity" is a business doing business in the state that was in existence, or whose predecessor company, was in existence on or before December 31, 1964. Each covered entity's affidavit must provide specified information relating their relevant commercial activities, and be accompanied by copies of records from 1849 and forward reflecting specified transactions and information; insurance companies that have already provided similar information to the Insurance Commissioner may include that documentation as part of their submission under this bill. Each covered entity doing business in the state on or before January 1, 2028, must submit its affidavit on or before January 15, 2029, or by January 15 of the year following the CRD's development of a public digital platform to display the reported information. The CRD must develop the platform within two years after an appropriation is made, and must take specified steps to maintain and update the platform.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee, the fiscal effect is as follows:

> Estimated $2.65 million in FY 2027-28 for personnel and $2.2 million in FY 2028-29 and annually thereafter to the Civil Rights Department for legal, administrative, research, and information technology personnel, including contract personnel and hardware associated with the requirements of the bill. (General Fund)
>
> Cost pressures of an unknown but potentially significant amount to the courts. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case (Trial Court Trust Fund, General Fund).

SUPPORT: (Verified 8/21/26)

Alliance for Reparations, Reconciliation and Truth (source)
All of Us or None Orange County
Black Women Organized for Political Action
Congregations Organized for Prophetic Engagement
Ella Baker Center for Human Rights
Families Inspiring Reentry & Reunification 4 Everyone
Healing Justice Santa Barbara
Healthy Black Families, Inc.
Inland Empire Black Worker Center
Japanese American Citizens' League, Berkeley Chapter
LA Voice
League of Women Voters of California
LiveFree California
Nikkei Progressives
San Jose Nikkei Resisters
Starting Over Inc.
Starting Over Strong

OPPOSITION: (Verified 8/21/26)

American Council of Life Insurers

Association of California Life and Health Insurance Companies
American Property and Casualty Insurance Association
National Association of Mutual Life Companies
Personal Insurance Federation

ARGUMENTS IN SUPPORT: According to Black Women Organizing for Political Action:

> AB 2599 is a critical piece of legislation that builds on the work of the California Reparations Task Force which began the historical process of identifying harm at the state level. Since then, this research has expanded through local commissions who are also identifying the role local governments played in slavery, as well as subsequent racial violence and discrimination. This research at the government level, has been a significant first step in acknowledging the harm and exploitation of African Americans which has generated substantial wealth, and inflicted lasting economic and social harm. It is, however, missing acknowledgement and disclosure of the role and benefit to companies who owned and profited from the labor of slaves.
> 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 are primarily focused on modern-day slavery, but transparency regarding historical practices is also essential to informed public dialogue, responsible governance, and ethical business standards.
>
> We believe that repair for descendants of U.S. chattel slavery and the larger African American community as a group, begins 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 acknowledgement, public disclosure and apology for the harm.

ARGUMENTS IN OPPOSITION: According to a coalition of the bill's opponents:

> We recognize and appreciate the Legislature's longstanding interest in ensuring transparency regarding any historical connections between insurance companies and the slave trade. In 2000, the Legislature addressed this issue through SB

2199 (Hayden), which was supported by organizations including the Southern Christian Leadership Conference (SCLC), the NAACP, and the Rainbow PUSH Coalition. That legislation required insurers doing business in California to investigate and report any records of slave-era insurance policies.

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.

As currently drafted, AB 2599 appears to require reporting that substantially overlaps with the work already completed pursuant to SB 2199 and codified in CA INS 13810.

ASSEMBLY FLOOR: 58-17, 5/26/26
AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas
NOES: Castillo, Chen, Davies, DeMaio, Dixon, Ellis, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Macedo, Patterson, Sanchez, Tangipa, Wallis
NO VOTE RECORDED: Alanis, Flora, Muratsuchi, Celeste Rodriguez, Ta

Prepared by: Allison Whitt Meredith / JUD. / (916) 651-4113
8/24/26 11:46:16

****** END ******