

ENVIRONMENTAL DEVELOPMENTS TO WATCH FOR IN 2026

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With 2026 just around the corner, we wanted to take a moment to highlight some environmental developments we are anticipating in the upcoming year. While some of these are still *potential* developments at this stage, it is important for business owners and executives to know what is on the horizon, as complying with new environmental laws and regulations can be a time- and resource-intensive process in many cases. With this in mind, here is a look at what lies ahead (and what may lie ahead) from the California environmental attorneys at Bick Law LLP:

California's New Sustainability & Greenhouse Gas Emissions Reporting Requirements

California's new sustainability and greenhouse gas emissions reporting requirements are set to take effect in 2026. The Climate Corporate Data Accountability Act (SB 253) applies to entities formed in the U.S. that do business in California and that have total annual revenues of \$1 billion or more, while the Climate-Related Financial Risk Act (SB 261) applies to U.S.-based entities doing business in California that have total annual revenues of \$500 million or more.

The Climate Corporate Data Accountability Act establishes three separate disclosure requirements—referred to as Scope 1, Scope 2, and Scope 3—and the Scope 1 and Scope 2 requirements take effect next year. The Climate-Related Financial Risk Act establishes a requirement to publish biannual “climate-related financial risk reports,” with the first report due on January 1, 2026. As we [discussed previously](#), while the U.S. Court of Appeals for the Ninth Circuit paused enforcement of the Climate-Related Financial Risk Act in November, the underlying litigation remains ongoing, so covered entities must still prepare for the possibility that they will need to comply in the near future.

Cal EPA & EPA Crackdown on Waste Segregation and Diversion

The California Environmental Protection Agency (Cal EPA) has been cracking down on the disposal of medical and hazardous waste, with a particular emphasis on segregation and diversion. We expect Cal EPA's focus in this area to continue in 2026. The U.S. Environmental Protection Agency (EPA) plays a major role in enforcing hazardous waste compliance as well, though it [does not have a direct hand](#) in regulating medical waste, except for waste that would fall within the scope of the Resource Conservation and Recovery Act (RCRA).

Companies facing scrutiny from EPA or Cal EPA related to hazardous waste segregation and diversion can face substantial penalties. As a result, a proactive approach to [compliance](#) is essential. For companies that have made mistakes in 2025 (or in previous years), assessing the potential consequences and developing a plan to come into compliance as quickly as possible will be essential for mitigating their risk going forward.

EPA Crackdown on Clean Water Act Compliance (Including Stormwater Compliance)

We have also recently seen continued heightened enforcement by non-governmental organizations (NGOs) under the Clean Water Act, focusing on stormwater compliance. Noncompliance can expose companies to substantial penalties.

While stormwater compliance is largely enforced by citizens' suits, EPA and the Army Corps of Engineers govern any activity taken that may impact Waters of the United States (WOTUS).- The definition of WOTUS and applicability of the CWA to projects is in flux as EPA's proposed rule works its way through court challenges. In the meantime, EPA and the Army Corps are working under a [conforming rule that is consistent with the U.S. Supreme Court's ruling in U.S. v. Sackett](#). If you have questions or concerns, our California environmental attorneys can explain everything you need to know.

New Disclosure and Remediation Requirements Related to PFAS Contamination

As awareness of the risks associated with per- and polyfluoroalkyl substances (PFAS)—and the prevalence of PFAS contamination in the environment—continues to grow, we are seeing increased activity in the area of PFAS-related enforcement and litigation as well. We also expect this trend to continue in 2026.

In particular, we expect to see the new disclosure and remediation requirements related to PFAS contamination impact property sales to an even greater degree than they have previously. EPA designated PFAS as “hazardous substances” under the Comprehensive Environmental Response, Compensation & Liability Act (CERCLA) in 2024. Since then, the environmental and liability risks associated with PFAS contamination have played an increasingly important role in commercial real estate transactions, and we don't see this changing any time soon.

Other EPA Initiatives Currently Under Consideration

Here are some additional potential environmental developments to watch for in 2026:

- **Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards** – EPA is currently reviewing comments submitted in response to its proposed rule, [Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards](#), and we expect the agency to issue a final rule next year. This new rule has the potential to have far-reaching implications in all segments of the automotive industry.
- **Repeal of Greenhouse Gas Emissions Standards for Fossil Fuel-Fired Electric Generating Units** – EPA is also currently reviewing comments on its proposed rule, [Repeal of Greenhouse Gas Emissions Standards for Fossil Fuel-Fired Electric Generating Units](#). We are expecting EPA to issue its final rule in 2026 here as well, and we expect the final rule to affirm the administration's stance that EPA lacks authority to regulate greenhouse gas emissions from electricity generation.
- **Updated Definition of “Waters of the United States”** – EPA is accepting comments on its proposed rule, [Updated Definition of “Waters of the United States”](#), through January 5, 2026. This proposal is a response to the U.S. Supreme Court's decision in the 2023 case of *Sackett v. EPA*, which addressed the scope of EPA's authority under the Clean Water Act.

These are just examples. We are currently monitoring and anticipating several other pending and potential developments as well, and we are actively working with many of our clients to help them get ready for the year ahead. If you would like to know more about what your company needs to do to prepare for 2026, we invite you to get in touch.

Contact the California Environmental Attorneys at Bick Law LLP

To schedule a call with a California environmental attorney at Bick Law LLP, give us a call at 949-432-3500 today. We will arrange a time to speak with you at a location convenient to you, or via video conference if possible.

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