

Union Calendar No. 173

116TH CONGRESS
1ST SESSION

H. R. 3624

[Report No. 116-220]

To amend the Securities Exchange Act of 1934 to require the disclosure of the total number of domestic and foreign employees of certain public companies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 5, 2019

Mrs. AXNE (for herself and Mr. MCNERNEY) introduced the following bill;
which was referred to the Committee on Financial Services

OCTOBER 4, 2019

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on July 5, 2019]

A BILL

To amend the Securities Exchange Act of 1934 to require the disclosure of the total number of domestic and foreign employees of certain public companies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Outsourcing Account-*
5 *ability Act of 2019”.*

6 **SEC. 2. REQUIRED DISCLOSURE OF NUMBER OF DOMESTIC**
7 **AND FOREIGN EMPLOYEES.**

8 *Section 13 of the Securities Exchange Act of 1934 (15*
9 *U.S.C. 78m) is amended by adding at the end the following:*

10 “(s) *DISCLOSURE OF NUMBER OF DOMESTIC AND FOR-*
11 *EIGN EMPLOYEES.—*

12 “(1) *DEFINITION.—In this subsection, the term*
13 *‘covered subsidiary’ means, with respect to an issuer,*
14 *any subsidiary of such issuer that is—*

15 “(A) *a consolidated subsidiary; or*

16 “(B) *a subsidiary with respect to which the*
17 *issuer accounts for the investment of the issuer*
18 *in the subsidiary using the equity method of ac-*
19 *counting.*

20 “(2) *DISCLOSURE REQUIREMENT.—Except with*
21 *respect to an emerging growth company, beginning in*
22 *the first full fiscal year that begins after the date of*
23 *the enactment of this subsection, each issuer that is*
24 *required to file a report with the Commission pursu-*
25 *ant to subsection (a) shall disclose in such report—*

1 “(A) the total number of employees of the
2 issuer and any covered subsidiary of the issuer
3 who are domiciled in the United States—

4 “(i) disaggregated by State, District of
5 Columbia, commonwealth, territory, or pos-
6 session of the United States; and

7 “(ii) compared using a percentage
8 change calculation to any such total re-
9 ported by the issuer in the most recent an-
10 nual report of the issuer;

11 “(B) the total number of employees of the
12 issuer who physically work in and are domiciled
13 in any country other than the United States—

14 “(i) disaggregated by country; and

15 “(ii) compared using a percentage
16 change calculation to any such total re-
17 ported by the issuer in the most recent an-
18 nual report of the issuer; and

19 “(C) the total number of employees of any
20 covered subsidiary of the issuer who physically
21 work in and are domiciled in any country other
22 than the United States—

23 “(i) disaggregated by country; and

24 “(ii) compared using a percentage
25 change calculation to any such total re-

1 *ported by the issuer in the most recent an-*
2 *nual report of the issuer.*

3 *“(3) RULEMAKING.—The Commission may issue*
4 *such rules as the Commission considers necessary to*
5 *implement this subsection.”.*

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