

108TH CONGRESS  
2D SESSION

# H. R. 4125

To require corporations to publish what they pay to foreign governments.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2004

Mr. WEINER (for himself and Mr. ISRAEL) introduced the following bill; which  
was referred to the Committee on Financial Services

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## A BILL

To require corporations to publish what they pay to foreign  
governments.

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 “Publish What You Pay  
5       Act of 2004”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds the following:

8               (1) Each year, corporations pay resource-de-  
9       pendent developing countries billions of dollars in re-  
10      turn for the opportunity to extract natural re-  
11      sources.

1           (2) Foreign governments often misappropriate  
2           or misuse those billions of dollars, thereby causing  
3           political instability and increasing the risk of violent  
4           internal conflict.

5           (3) Investors managing \$6.9 trillion in funds  
6           have recently made a public statement that lack of  
7           transparency may lead to oil and mining corpora-  
8           tions being accused of colluding in corruption, and  
9           may therefore undermine their social legitimacy and  
10          future business prospects in resource-dependent de-  
11          veloping countries.

12          (4) Regular reporting by corporations of pay-  
13          ments to foreign governments would aid efforts to  
14          end corruption, and enable citizens of such countries  
15          to better hold their governments to account for the  
16          use of their natural wealth.

17          (5) Transparency will aid shareholders in evalu-  
18          ating the corporations in which they invest.

19 **SEC. 3. RULEMAKING REQUIRED.**

20          (a) REVISION OF DISCLOSURE REQUIREMENTS RE-  
21          QUIRED.—The Securities and Exchange Commission shall  
22          revise its rules and regulations under sections 13 and  
23          15(d) of the Securities Exchange Act of 1934 (15 U.S.C.  
24          78m, 78o(d)) to require each issuer subject to such sec-  
25          tions to disclose in the annual and quarterly reports of

1 such issuer the aggregate payments by such issuer made  
2 in connection with the securing of exploration, develop-  
3 ment, exploitation, extraction, and production rights for  
4 natural resources to any foreign government or any other  
5 public entity of a foreign country. Such aggregate pay-  
6 ments shall include taxes, royalties, fees, and other  
7 amounts paid in such connection.

8 (b) MINIMUM PAYMENTS EXCEPTED.—The disclo-  
9 sure required by subsection (a) shall not apply to an issuer  
10 if the amount of such aggregate payments by such issuer  
11 for the reporting period are less than \$250,000.

12 (c) DEFINITION OF NATURAL RESOURCES.—For  
13 purposes of this section, the term “natural resources”  
14 means oil, gas, and minerals.

15 **SEC. 4. INJUNCTIVE RELIEF; INVESTIGATIONS.**

16 (a) INJUNCTIONS AUTHORIZED.—When it appears to  
17 the Attorney General that any domestic concern to which  
18 section 3 applies, or any officer, director, employee, agent,  
19 or stockholder thereof, is engaged, or about to engage, in  
20 any act or practice constituting a violation of the rules  
21 and regulations required by that section, the Attorney  
22 General may, in his or her discretion, bring a civil action  
23 in an appropriate district court of the United States to  
24 enjoin such act or practice, and upon a proper showing,

1 a permanent injunction or a temporary restraining order  
2 shall be granted without bond.

3 (b) INVESTIGATIONS.—For purposes of any civil in-  
4 vestigation that, in the opinion of the Attorney General,  
5 is necessary and proper to enforce the rules and regula-  
6 tions prescribed under section 3, the Attorney General or  
7 his designee is empowered to administer oaths and affir-  
8 mation, subpoena witnesses, take evidence, and required  
9 the production of any documents deemed relevant to such  
10 investigation.

11 **SEC. 5. ENFORCEMENT.**

12 (a) WILLFUL VIOLATIONS.—Any person who willfully  
13 violates any rule or regulation prescribed under section 3  
14 shall be fined not more than \$2,000,000, or imprisoned  
15 not more than 5 years, or both.

16 (b) OTHER VIOLATIONS.—Except as provided in sub-  
17 section (a), any person who violates any rule or regulation  
18 prescribed under section 3 shall be fined not more than  
19 \$100,000.

20 **SEC. 6. REPORTS.**

21 (a) REPORTS.—The Securities and Exchange Com-  
22 mission, in conjunction with the Secretary of the Treasury  
23 and the Attorney General, shall submit an annual report  
24 to the President and the Congress, reporting compiling the

1 aggregate amount of payments reported under the rules  
2 and regulations prescribed under section 3.

3 (b) TITLE; DEADLINE.—The report required by sub-  
4 section (a), which shall be entitled the “Publish What You  
5 Pay Report”, shall be issued on 1 July of each year.

6 **SEC. 7. DEADLINE FOR REVISIONS.**

7 The Securities and Exchange Commission shall pre-  
8 scribe the revisions to its rules and regulations required  
9 by section 3(a) not later than 6 months after the date  
10 of enactment of this Act.

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