

116TH CONGRESS
1ST SESSION

H. R. 3624

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

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”.

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

3 Section 13 of the Securities Exchange Act of 1934
4 (15 U.S.C. 78m) is amended by adding at the end the
5 following:

6 “(s) DISCLOSURE OF NUMBER OF DOMESTIC AND
7 FOREIGN EMPLOYEES.—

8 “(1) DEFINITION.—In this subsection, the term
9 ‘covered subsidiary’ means, with respect to an issuer,
10 any subsidiary of the issuer that is—

11 “(A) a consolidated subsidiary; or

12 “(B) a subsidiary with respect to which the
13 issuer accounts for the investment of the issuer
14 by using the equity method of accounting.

15 “(2) REQUIREMENT.—Except as provided in
16 paragraph (3), beginning in the first full fiscal year
17 that begins after the date of enactment of this sub-
18 section, each issuer that is required to file a report
19 with the Commission under subsection (a) shall dis-
20 close annually to the Commission and to share-
21 holders of the issuer—

22 “(A) the total number of employees of the
23 issuer and covered subsidiaries with respect to
24 the issuer who are domiciled in the United
25 States, listed by number in each State;

1 “(B) the total number of employees of the
2 issuer who physically work in and are domiciled
3 in any country other than the United States,
4 listed by number in each country;

5 “(C) the total number of employees of cov-
6 ered subsidiaries with respect to the issuer who
7 physically work in and are domiciled in any
8 country other than the United States, listed by
9 the number of employees at each such covered
10 subsidiary in each such country; and

11 “(D) as compared with the previous re-
12 porting year, the percentage amount by which
13 the numbers described in subparagraphs (A),
14 (B), and (C) increased or decreased with re-
15 spect to the applicable number.

16 “(3) EXEMPTION FOR EMERGING GROWTH COM-
17 PANIES.—An emerging growth company shall not be
18 subject to paragraph (2).

19 “(4) RULES.—The Commission may promul-
20 gate such rules as the Commission considers nec-
21 essary to implement the requirement under para-
22 graph (2).”.

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