

115TH CONGRESS
2D SESSION

H. R. 5630

To amend the Clayton Act to clarify that an acquisition that tends to create a monopsony violates the Clayton Act.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2018

Mr. CICILLINE (for himself, Mr. NADLER, Mr. ELLISON, and Mr. CROWLEY) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Clayton Act to clarify that an acquisition that tends to create a monopsony violates the Clayton Act.

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 “Economic Freedom
5 and Financial Security for Working People Act of 2018”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds the following:

1 (1) Competition is a critical for promoting inno-
2 vation and entrepreneurship, creating economic op-
3 portunity and spurring growth, promoting an equi-
4 table distribution of wealth, and ensuring choice for
5 consumers and workers.

6 (2) Growing concerns over declining competition
7 are driven by evidence of higher levels of concentra-
8 tion, slower rates of market entry, and widening in-
9 equality gaps. Evidence also shows a decline in busi-
10 ness dynamism, which reduces the mobility of work-
11 ers.

12 (3) In competitive labor markets, employers
13 compete hard to provide better wages, benefits, and
14 conditions for workers. In the absence of competi-
15 tion, employers in concentrated labor markets have
16 monopsony power. If exercised, monopsony power al-
17 lows employers to dictate wages and other critical
18 factors to the detriment of workers. Employers with
19 market power may also use anticompetitive contracts
20 to restrict the opportunity and mobility of workers.

21 (4) Much like monopoly power, the exercise of
22 monopsony power can harm workers, consumers, in-
23 novation, and economic growth.

24 (5) The antitrust laws are an important tool for
25 promoting competition in all markets, including mar-

1 kets for consumer goods and services, and for in-
2 puts, including labor.

3 (b) PURPOSE.—The purpose of this Act is to promote
4 working Americans’ economic opportunity by ensuring
5 that they have the full benefit of competition by amending
6 the Clayton Act to include the term “monopsony” to clar-
7 ify that an acquisition that tends to create a monopsony
8 violates the Clayton Act.

9 **SEC. 3. UNLAWFUL ACQUISITIONS THAT TEND TO CREATE**
10 **A MONOPSONY.**

11 Section 7 of the Clayton Act (15 U.S.C. 18) is
12 amended by inserting “or a monopsony” after “monopoly”
13 each place that term appears.

14 **SEC. 4. STUDY ON MONOPSONY POWER IN LABOR MAR-**
15 **KETS.**

16 Not later than 2 years after the date of enactment
17 of this Act, the Comptroller General of the United States
18 shall conduct and publish a study incorporating public
19 comment on the economic and social effect of rising con-
20 centration in labor markets, including the impact of mo-
21 nopsony power on the wages and benefits, mobility, and
22 income equality of workers, including employees and inde-
23 pendent contractors.

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