

116TH CONGRESS
1ST SESSION

H. R. 3624

IN THE SENATE OF THE UNITED STATES

OCTOBER 21, 2019

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Outsourcing Account-
3 ability Act of 2019”.

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

6 Section 13 of the Securities Exchange Act of 1934
7 (15 U.S.C. 78m) is amended by adding at the end the
8 following:

9 “(s) DISCLOSURE OF NUMBER OF DOMESTIC AND
10 FOREIGN EMPLOYEES.—

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

14 “(A) a consolidated subsidiary; or

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

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

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
5 of Columbia, commonwealth, territory, or
6 possession 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
4 issue such rules as the Commission considers nec-
5 essary to implement this subsection.”.

Passed the House of Representatives October 18,
2019.

Attest: CHERYL L. JOHNSON,
Clerk.