

**AMENDMENT TO RULES COMMITTEE PRINT 117-**

**31**

**OFFERED BY MR. CASTEN OF ILLINOIS**

Page 69, line 11, strike “; and” and insert a semi-colon.

Page 69, after line 11, insert the following (and redesignate the succeeding paragraph accordingly):

1           (4) by adding at the end of subsection (a) the  
2 following:

3           “(6) CONDITIONS OF RECEIPT.—

4                   “(A) REQUIRED AGREEMENT.—A covered  
5 entity to which the Secretary awards Federal fi-  
6 nancial assistance under this section shall enter  
7 into an agreement that specifies that, during  
8 the 5-year period immediately following the  
9 award of the Federal financial assistance—

10                   “(i) the covered entity will not—

11                           “(I) repurchase an equity secu-  
12 rity that is listed on a national securi-  
13 ties exchange of the covered entity or  
14 any parent company of the covered  
15 entity, except to the extent required

1 under a contractual obligation that is  
2 in effect as of the date of enactment  
3 of this paragraph;

4 “(II) pay dividends, or make  
5 other capital distributions, with re-  
6 spect to the common stock (or equiva-  
7 lent interest) of the covered entity; or

8 “(III) abrogate existing collective  
9 bargaining agreements; and

10 “(ii) the covered entity will remain  
11 neutral in any union organizing effort.

12 “(B) WAIVER.—The Secretary may waive  
13 the requirement of subparagraph (A) with re-  
14 spect to an award of Federal financial assist-  
15 ance under this section upon a determination  
16 that such waiver is necessary to protect the in-  
17 terests of the Federal Government and Amer-  
18 ican competitiveness. If the Secretary exercises  
19 a waiver under this subparagraph, the Sec-  
20 retary shall be available to testify before the  
21 Committee on Banking, Housing, and Urban  
22 Affairs of the Senate and the Committee on Fi-  
23 nancial Services of the House of Representa-  
24 tives regarding the reasons for the waiver.

1           “(C) CLAWBACK.—The Secretary shall  
2 provide for any Federal financial assistance  
3 awarded to a covered entity under this section  
4 to be subject to such requirements for audits of  
5 the compliance of the covered entity with the  
6 agreement entered into under subparagraph  
7 (A), and for the clawback of such assistance in  
8 the event of noncompliance, as the Secretary  
9 determines appropriate.

10           “(D) FINANCIAL PROTECTION OF GOVERN-  
11 MENT.—

12           “(i) IN GENERAL.—The Secretary  
13 may not award Federal financial assistance  
14 to a covered entity under this section, un-  
15 less—

16           “(I)(aa) the covered entity has  
17 issued securities that are traded on a  
18 national securities exchange; and

19           “(bb) the Secretary of the Treas-  
20 ury receives a warrant or equity inter-  
21 est in the covered entity; or

22           “(II) in the case of any covered  
23 entity other than a covered entity de-  
24 scribed in subclause (I), the Secretary  
25 of the Treasury receives, in the discre-

1 tion of the Secretary of the Treas-  
2 ury—

3 “(aa) a warrant or equity  
4 interest in the covered entity; or

5 “(bb) a senior debt instru-  
6 ment issued by the covered enti-  
7 ty.

8 “(ii) TERMS AND CONDITIONS.—The  
9 terms and conditions of any warrant, eq-  
10 uity interest, or senior debt instrument re-  
11 ceived under clause (i) shall be set by the  
12 Secretary and shall meet the following re-  
13 quirements:

14 “(I) PURPOSES.—Such terms  
15 and conditions shall be designed to  
16 provide for a reasonable participation  
17 by the Secretary, for the benefit of  
18 taxpayers, in equity appreciation in  
19 the case of a warrant or other equity  
20 interest, or a reasonable interest rate  
21 premium, in the case of a debt instru-  
22 ment.

23 “(II) AUTHORITY TO SELL, EX-  
24 ERCISE, OR SURRENDER.—For the  
25 primary benefit of taxpayers, the Sec-

1           retary may sell, exercise, or surrender  
2           a warrant or any senior debt instru-  
3           ment received under this subpara-  
4           graph. The Secretary shall not exer-  
5           cise voting power with respect to any  
6           shares of common stock acquired  
7           under this subparagraph.

8                       “(III) SUFFICIENCY.—If the Sec-  
9           retary determines that a covered enti-  
10          ty cannot feasibly issue warrants or  
11          other equity interests as required by  
12          this subparagraph, the Secretary may  
13          accept a senior debt instrument in an  
14          amount and on such terms as the Sec-  
15          retary deems appropriate.”; and

