

AMENDMENT TO RULES COMMITTEE PRINT 117-

31

OFFERED BY MR. DESAULNIER OF CALIFORNIA

Page 73, line 3, strike “(d)” and insert “(g)”.

Page 76, after line 13, insert the following:

1 (h) PREFERENCE FOR COVERED ENTITIES WITH
2 CERTAIN COMPENSATION RATIOS.—Section 9902 of the
3 William M. (Mac) Thornberry National Defense Author-
4 ization Act for Fiscal Year 2021 (Public Law 116–283)
5 is amended by adding at the end the following:

6 “(h) PREFERENCE FOR COVERED ENTITIES WITH
7 CERTAIN COMPENSATION RATIOS.—

8 “(1) PREFERENCE.—In the evaluation of appli-
9 cations of covered entities for financial assistance
10 under this section, the Secretary shall provide a
11 preference to a covered entity that for the previous
12 calendar year has a compensation ratio of less than
13 50-to-1.

14 “(2) DEFINITIONS.—In this subsection:

15 “(A) COMPENSATION RATIO.—The term
16 ‘compensation ratio’ means, with respect to any
17 calendar year, a ratio—

1 “(i) the numerator of which is the
2 amount equal to the greater of the com-
3 pensation of the chief executive officer or
4 the highest paid employee of the covered
5 entity for the calendar year; and

6 “(ii) the denominator of which is the
7 amount equal to the median compensation
8 of all employees employed by the covered
9 entity in the United States for the cal-
10 endar year.

11 “(B) COMPENSATION.—

12 “(i) EMPLOYEES.—In the case of em-
13 ployees of the covered entity other than the
14 chief executive officer or the highest paid
15 employee, the term ‘compensation’ means
16 wages (as defined in section 3121(a) of the
17 Internal Revenue Code of 1986) paid by
18 the entity during a calendar year.

19 “(ii) CEO AND HIGHEST PAID EM-
20 PLOYEE.—In the case of the chief execu-
21 tive officer and the highest paid employee
22 of the covered entity, the term ‘compensa-
23 tion’ means total compensation for the cal-
24 endar year, as reported in the Summary
25 Compensation Table reported to the Secu-

1 rities and Exchange Commission pursuant
2 to Item 402 of Regulation S–K of the Se-
3 curities and Exchange Commission.”.

