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:

(h) Preference for Covered Entities With Certain Compensation Ratios.—Section 9902 of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283) is amended by adding at the end the following:

“(h) Preference for Covered Entities With Certain Compensation Ratios.—

“(1) Preference.—In the evaluation of applications of covered entities for financial assistance under this section, the Secretary shall provide a preference to a covered entity that for the previous calendar year has a compensation ratio of less than 50-to-1.

“(2) Definitions.—In this subsection:

“(A) Compensation ratio.—The term ‘compensation ratio’ means, with respect to any calendar year, a ratio—
“(i) the numerator of which is the amount equal to the greater of the compensation of the chief executive officer or the highest paid employee of the covered entity for the calendar year; and

“(ii) the denominator of which is the amount equal to the median compensation of all employees employed by the covered entity in the United States for the calendar year.

“(B) COMPENSATION.—

“(i) EMPLOYEES.—In the case of employees of the covered entity other than the chief executive officer or the highest paid employee, the term ‘compensation’ means wages (as defined in section 3121(a) of the Internal Revenue Code of 1986) paid by the entity during a calendar year.

“(ii) CEO AND HIGHEST PAID EMPLOYEE.—In the case of the chief executive officer and the highest paid employee of the covered entity, the term ‘compensation’ means total compensation for the calendar year, as reported in the Summary Compensation Table reported to the Secu-
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ing Securities and Exchange Commission pursuant
to Item 402 of Regulation S–K of the Se-
curities and Exchange Commission.”.