

**AMENDMENT TO H.R. 2799, AS REPORTED
OFFERED BY MR. LIEU OF CALIFORNIA**

Add at the end the following:

1 **DIVISION D—PROTECTIONS AND**
2 **TRANSPARENCY IN THE**
3 **WORKPLACE**

4 **SEC. 4001. COVERED DISCRIMINATION AND HARASSMENT**
5 **DISCLOSURES.**

6 (a) DEFINITION.—Section 3(a) of the Securities Ex-
7 change Act of 1934 (15 U.S.C. 78c(a)) is amended—

8 (1) by redesignating the second paragraph (80)
9 (related to funding portals) as paragraph (81); and

10 (2) by adding at the end the following:

11 “(82) COVERED DISCRIMINATION AND HARASS-
12 MENT.—The term ‘covered discrimination and har-
13 assment’ means—

14 “(A) discrimination because of race, color,
15 religion, sex (including sexual orientation and
16 gender identity), or national origin under title
17 VII of the Civil Rights Act of 1964 (42 U.S.C.
18 2000e et seq.);

1 “(B) discrimination because of age under
2 the Age Discrimination in Employment Act of
3 1967 (29 U.S.C. 621 et seq.);

4 “(C) discrimination on the basis of dis-
5 ability under—

6 “(i) title I of the Americans with Dis-
7 abilities Act of 1990 (42 U.S.C. 12111 et
8 seq.); or

9 “(ii) section 501 of the Rehabilitation
10 Act of 1973 (29 U.S.C. 791);

11 “(D) discrimination because of genetic in-
12 formation under title II of the Genetic Informa-
13 tion Nondiscrimination Act of 2008 (42 U.S.C.
14 2000ff et seq.);

15 “(E) discrimination on the basis of status
16 concerning service in a uniformed service under
17 section 4311(a) of title 38, United States Code;

18 “(F) sexual harassment; or

19 “(G) sexual assault or abuse.”.

20 (b) DISCLOSURES.—Section 13 of the Securities Ex-
21 change Act of 1934 (15 U.S.C. 78m) is amended by add-
22 ing at the end the following:

23 “(t) COVERED DISCRIMINATION AND HARASSMENT
24 DISCLOSURES.—

1 “(1) ANNUAL AND QUARTERLY DISCLO-
2 SURES.—Each issuer required to file an annual or
3 quarterly report under subsection (a) shall disclose,
4 in each such report, the following:

5 “(A) IN GENERAL.—

6 “(i) The number of covered discrimi-
7 nation and harassment claims received
8 within the reporting period.

9 “(ii) The current number of covered
10 discrimination and harassment claims
11 being investigated at the time of the re-
12 port.

13 “(iii) The number of covered discrimi-
14 nation and harassment claims that were
15 resolved within the reporting period.

16 “(iv) The number of settlements in
17 connection with covered discrimination and
18 harassment claims within the reporting pe-
19 riod.

20 “(v) The number of court judgements
21 in connection with covered discrimination
22 and harassment claims within the report-
23 ing period.

24 “(vi) The aggregate amount of pay-
25 ments made in connection with covered

1 discrimination and harassment claims, in-
2 cluding payments made by persons other
3 than the issuer (including amounts that
4 may have been paid under an insurance
5 policy or directly by an employee of the
6 issuer).

7 “(vii) The outcomes of all adjudicated
8 covered discrimination and harassment
9 cases, including which party was the pre-
10 vailing party or, if there was no prevailing
11 party, whether there was a settlement with
12 no admission of guilt.

13 “(B) ADDITIONAL DISCLOSURES.—

14 “(i) The number of repeat settlements
15 of covered discrimination and harassment
16 claims with respect to a specific individual.

17 “(ii) The efforts taken by the issuer,
18 including mandatory covered discrimina-
19 tion and harassment training, to prevent
20 the perpetration of harassment, discrimina-
21 tion, or abuse by employees.

22 “(iii) The average length of time it
23 takes for the issuer to resolve covered dis-
24 crimination and harassment claims.

25 “(C) INCLUSION OF RELATED ENTITIES.—

1 “(i) IN GENERAL.—In making any
2 disclosure under this paragraph, the issuer
3 shall disclose such information with re-
4 spect to itself as well as any parent, sub-
5 sidiary, or affiliate.

6 “(ii) DATA FORMAT.—In making any
7 disclosure under this paragraph, the issuer
8 shall report each of the following sets of
9 data:

10 “(I) In an aggregated format in-
11 cluding the disclosures with respect to
12 the issuer and all parents, subsidi-
13 aries, and affiliates of the issuer.

14 “(II) The aggregate of the disclo-
15 sures for all parents, subsidiaries, and
16 affiliates of the issuer.

17 “(III) Separate disclosures for
18 the issuer and each parent, sub-
19 sidiary, or affiliate.

20 “(2) ATTESTATION REQUIREMENT.—Each
21 issuer required to file an annual or quarterly report
22 under subsection (a) shall include with such report
23 a separate attestation by the general counsel, the
24 chief financial officer, the chief executive officer, and

1 each member of the board of directors of the issuer
2 that the issuer—

3 “(A) has in place policies and systems to
4 ensure that the management of the issuer is
5 aware of the requirements of this subsection,
6 section 14C, and section 14D, and any rules
7 issued thereunder; and

8 “(B) is in compliance with such require-
9 ments and rules.

10 “(3) CURRENT REPORTS.—

11 “(A) IN GENERAL.—Each issuer required
12 to file current reports under this section shall—

13 “(i) file such a report each time the
14 issuer enters or exits any agreement re-
15 lated to the resolution of a covered dis-
16 crimination and harassment claim against
17 the issuer (or a parent, subsidiary, or other
18 affiliate of the issuer); and

19 “(ii) state in such report whether the
20 agreement involved a claim against an em-
21 ployee who has had 2 or more previous
22 covered discrimination and harassment
23 claims made against them.

24 “(B) REDACTIONS.—In making a report
25 required under subparagraph (A), the issuer—

1 “(i) may redact the names of specific
2 individuals involved with the agreement;
3 and

4 “(ii) unless the issuer has received
5 consent from a complainant, shall redact
6 the name of the complainant.

7 “(4) CLAIM DEFINED.—In this subsection, the
8 term ‘claim’ means any allegation, assertion, or for-
9 mal legal action.”.

10 **SEC. 4002. INDEPENDENT AND IMPARTIAL INVESTIGATORY**
11 **REQUIREMENTS.**

12 The Securities Exchange Act of 1934 (15 U.S.C. 78a
13 et seq.) is amended by inserting after section 14B the fol-
14 lowing:

15 **“SEC. 14C. INDEPENDENT AND IMPARTIAL INVESTIGATORY**
16 **REQUIREMENTS.**

17 “(a) IN GENERAL.—In investigating any covered dis-
18 crimination and harassment claim, an issuer shall engage
19 and pay for a third-party law firm to investigate reports
20 of covered discrimination and harassment on an impartial,
21 fact-finding basis rather than at the direction of or scope
22 defined by the issuer.

23 “(b) SELECTION OF LAW FIRM.—In choosing the
24 third-party law firm to be engaged under subsection (a),

1 the issuer may only choose a law firm agreed to by all
2 employees involved with the claim.

3 “(c) CLAIM DEFINED.—In this section, the term
4 ‘claim’ means any allegation, assertion, or formal legal ac-
5 tion.”.

6 **SEC. 4003. MANDATORY COVERED DISCRIMINATION AND**
7 **HARASSMENT TRAINING, INCLUDING BY-**
8 **STANDER TRAINING, AND WORKPLACE SUR-**
9 **VEY.**

10 The Securities Exchange Act of 1934 (15 U.S.C. 78a
11 et seq.), as amended by section 4003, is further amended
12 by inserting after section 14C the following:

13 **“SEC. 14D. MANDATORY COVERED DISCRIMINATION AND**
14 **HARASSMENT TRAINING, INCLUDING BY-**
15 **STANDER TRAINING, AND WORKPLACE SUR-**
16 **VEY.**

17 “(a) WORKPLACE TRAINING PROGRAMS.—

18 “(1) IN GENERAL.—Each covered issuer shall
19 develop and disseminate workplace training pro-
20 grams to educate employees at all levels, no matter
21 what position, about what constitutes prohibited cov-
22 ered discrimination and harassment, how to report
23 covered discrimination and harassment, how to pre-
24 vent covered discrimination and harassment, and

1 what rights employees have with respect to covered
2 discrimination and harassment.

3 “(2) SPECIAL TRAINING FOR CERTAIN EMPLOY-
4 EES.—Each training program developed under para-
5 graph (1) shall require separate training for man-
6 agers and human resources employees.

7 “(3) SPECIFIC CONTENTS OF TRAINING PRO-
8 GRAM.—Each training program developed under
9 paragraph (1) shall contain the following:

10 “(A) An explanation of what constitutes
11 covered discrimination and harassment.

12 “(B) An explanation of how covered dis-
13 crimination and harassment can impact victims.

14 “(C) The rights of individuals with respect
15 to covered discrimination and harassment and
16 how to report it.

17 “(D) How individuals, including bystand-
18 ers who encounter covered discrimination and
19 harassment, can intervene or report covered dis-
20 crimination and harassment and what their
21 rights are should they report.

22 “(E) How employers and managers can
23 prevent covered discrimination and harassment
24 from occurring in the workplace.

1 “(F) An identification of available re-
2 sources for making complaints, including con-
3 tact information for the head of human re-
4 sources, contact information for the whistle-
5 blower tip line established under this section,
6 and other public resources where further infor-
7 mation can be obtained, such as law enforce-
8 ment agencies, hospitals, and mental health re-
9 sources.

10 “(4) FREQUENCY OF TRAINING.—Each training
11 program developed under paragraph (1) shall—

12 “(A) require new employees to complete
13 the training program not later than 60 days
14 after the employee assumes their position;

15 “(B) require all employees to complete the
16 training program once annually; and

17 “(C) require any employee found to have
18 committed covered discrimination and harass-
19 ment to retake the training as soon as possible.

20 “(b) ANNUAL SURVEY.—Each covered issuer shall
21 conduct an annual survey of the issuer’s employees to de-
22 termine—

23 “(1) whether employees feel safe;

24 “(2) whether employees would be comfortable
25 reporting sexual harassment; and

1 “(3) if there are ways the issuer could create
2 better avenues for employees to report sexual har-
3 assment.

4 “(c) USE OF OUTSIDE LAW FIRMS.—

5 “(1) IN GENERAL.—Each covered issuer shall
6 contract with a third-party law firm to carry out the
7 workplace training program required under sub-
8 section (a) and the annual survey required under
9 subsection (b).

10 “(2) SENSE OF CONGRESS.—It is the sense of
11 the Congress that covered issuers should use the
12 same law firm to carry out the annual survey and
13 the workplace training program.

14 “(d) WHISTLEBLOWER TIP LINE.—Each covered
15 issuer shall—

16 “(1) establish an anonymous whistleblower tip
17 line for employees; and

18 “(2) with respect to any report made to the tip
19 line, immediately provide the report to the general
20 counsel of the issuer, the head of human resources
21 for the issuer, and the members of the board of di-
22 rectors of the issuer.

23 “(e) DEFINITIONS.—In this section:

1 “(1) COVERED ISSUER.—The term ‘covered
2 issuer’ means an issuer of a security registered pur-
3 suant to section 12.

4 “(2) EMPLOYEE.—With respect to an issuer,
5 the term ‘employee’ means—

6 “(A) an employee of the issuer, including
7 a volunteer or other individual working for the
8 issuer without pay; and

9 “(B) an independent contractor who is
10 contracting with the issuer, and each employee
11 of the independent contractor, including a vol-
12 unteer or other individual working for the con-
13 tractor without pay.”.

