

AMENDMENT TO H.R. 6800
OFFERED BY MS. OCASIO-CORTEZ OF NEW YORK

At the end of title IX of division K, add the following:

1 SEC. 110905. EQUITY PAYMENTS TO EMPLOYEES WHILE RECEIVING FEDERAL AID.

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3 (a) IN GENERAL.—Any major corporation that receives Federal aid related to COVID–19 shall, until the

4 ceives Federal aid related to COVID–19 shall, until the

5 date on which all such Federal aid is repaid to the Federal

6 Government, make an annual grant of equity to the employees of the corporation as provided under this section.

7

8 (b) PAYMENT AMOUNT.—

9 (1) TOTAL AMOUNT.—

10 (A) IN GENERAL.—The aggregate number

11 of shares of stock granted by a corporation

12 under this section with respect to a year shall,

13 as a percentage of the corporation’s total shares

14 outstanding, be equal to or greater than the

15 prior annual stock grant percentage.

16 (B) PRIOR ANNUAL STOCK GRANT PERCENTAGE.—In this paragraph, the term “prior

17 annual stock grant percentage” means the average,

18 over the 3 years preceding January 1,

19

1 2020, of the annual total number of shares of
2 stock in any equity plans of the corporation and
3 shares underlying any stock option plans of the
4 corporation, taken together, as a percent to the
5 corporation's total shares outstanding.

6 (2) INDIVIDUAL AMOUNTS.—The equity grant
7 for each individual employee shall be at least in pro-
8 portion to a formula taking into account that em-
9 ployee's salary adjusted for tenure with each year of
10 tenure counting equally, and with a wage limit of
11 \$137,700.

12 (c) OTHER REQUIREMENTS AND AUTHORITIES.—

13 (1) FORM OF GRANT.—A grant of equity under
14 this section shall be a grant of whole shares of stock
15 through a restricted stock plan, a leveraged or non-
16 leveraged Employee Stock Ownership Plan, or a
17 stock bonus plan.

18 (2) PROHIBITION ON CONDITIONS.—A grant of
19 equity to an employee under this section may not be
20 conditioned on the purchase of company stock or
21 any employee performance evaluations of any kind.

22 (3) VOTING AND DIVIDEND RIGHTS.—Equity
23 granted under this section shall be equal, in terms
24 of voting rights and dividend rights, to the class of
25 securities of the corporation other than those issued

1 under this section that carry the highest voting
2 rights and dividend rights.

3 (4) RIGHT TO USE FEDERAL AID.—In the case
4 of a leveraged Employee Stock Ownership Plan, the
5 Federal aid related to COVID–19 may be used by
6 the corporation to finance the Employee Stock Own-
7 ership Plan.

8 (d) SENSE OF CONGRESS.—It is the sense of the
9 Congress that annual grants of equity made under this
10 section should not substitute for any wages or benefits of
11 any kind that were part of the total compensation of an
12 employee in the year before such grants are received.

13 (e) RULEMAKING; ENFORCEMENT.—The Securities
14 and Exchange Commission shall issue such rules as may
15 be necessary to carry out this section and may enforce
16 the requirements of this section.

17 (f) DEFINITIONS.—In this Section:

18 (1) EMPLOYEE.—The term “employee”—

19 (A) means any full-time or part-time em-
20 ployee in good standing working for the cor-
21 poration on the date of the receipt of Federal
22 aid related to COVID–19; and

23 (B) does not include—

1 (i) any individual who owns more than
2 5 percent of the voting shares of the cor-
3 poration;

4 (ii) a Named Executive Officer; and

5 (iii) any management employee par-
6 ticipating in an equity compensation plan
7 before the corporation received the Federal
8 aid related to COVID-19.

9 (2) FEDERAL AID.—The term “Federal aid”
10 means any emergency lending provided under section
11 13(3) of the Federal Reserve Act or any Federal fi-
12 nancial support in the form of a grant, loan, or loan
13 guarantee.

14 (3) MAJOR CORPORATION.—The term “major
15 corporation” means any issuer—

16 (A) the securities of which are traded on a
17 national securities exchange;

18 (B) the securities of which are required to
19 be registered with the Securities and Exchange
20 Commission under section 12(g) or 15(d) of the
21 Securities Exchange Act of 1934; or

22 (C) that is an accelerated filed, as defined
23 in section 240.12b-2 of title 17, Code of Fed-
24 eral Regulations.

1 (4) MANAGEMENT EMPLOYEE.—The term
2 “management employee” means any employee who
3 supervises another employee.

4 (5) SECURITIES TERMS.—The terms “issuer”,
5 “national securities exchange”, and “security” have
6 the meaning give those terms, respectively, under
7 section 3 of the Securities Exchange Act of 1934
8 (15 U.S.C. 78e).

