

115TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To prohibit public companies from repurchasing their shares on the open market, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To prohibit public companies from repurchasing their shares on the open market, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PROHIBITION ON STOCK BUYBACKS ON THE**

4 **OPEN MARKET.**

5 (a) DEFINITIONS.—In this section—

6 (1) the terms “equity security”, “exchange”,  
7 and “issuer” have the meanings given the terms in  
8 section 3 of the Securities Exchange Act of 1934  
9 (15 U.S.C. 78c); and



1 1934 (15 U.S.C. 781(b)(1)) is amended by adding at the  
2 end the following:

3 “(4) No issuer may register securities on a na-  
4 tional exchange unless at least  $\frac{1}{3}$  of the issuer’s di-  
5 rectors are chosen by the issuing company’s employ-  
6 ees in a one-employee-one-vote election process.”.

7 (c) POLICY.—The Securities and Exchange Commis-  
8 sion, in consultation with the National Labor Relations  
9 Board, shall promulgate regulations—

10 (1) to ensure that director elections at issuing  
11 firms are fair and democratic;

12 (2) to ensure that  $\frac{1}{3}$  of an issuer’s board of di-  
13 rectors will be composed of employee representatives  
14 within 2 years of the date of enactment of this Act.

15 **SEC. 3. REGULATIONS.**

16 The Securities and Exchange Commission shall pro-  
17 mulgate regulations to direct national securities exchanges  
18 and issuers, as defined in section 1(a), to comply with this  
19 Act and the amendments made by this Act.