

## S 2391

Stock Buyback Reform and Worker Dividend Act of 2019

**Congress:** 116 (2019–2021, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Jul 31, 2019

**Current Status:** Committee on Banking, Housing, and Urban Affairs. Hearings held.

**Latest Action:** Committee on Banking, Housing, and Urban Affairs. Hearings held. (Nov 17, 2020)

**Official Text:** <https://www.congress.gov/bill/116th-congress/senate-bill/2391>

### Sponsor

**Name:** Sen. Brown, Sherrod [D-OH]

**Party:** Democratic • **State:** OH • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

| Committee                                     | Chamber | Activity                     | Date         |
|---|---------|------------------------------|--------------|
| Banking, Housing, and Urban Affairs Committee | Senate  | Hearings By (full committee) | Nov 17, 2020 |

### Subjects & Policy Tags

**Policy Area:**

Finance and Financial Sector

### Related Bills

*No related bills are listed.*

## **Stock Buyback Reform and Worker Dividend Act of 2019**

This bill revises requirements related to stock buybacks (i.e., a company repurchasing shares of common stock). Specifically, issuers of securities must provide an annual dividend to non-executive employees in certain circumstances. The calculation of this dividend is based on (1) the amount the issuer spends on stock buybacks, (2) increases in dividends, and (3) any special dividends.

Additionally, an issuer is prohibited from repurchasing shares unless details of the buyback are disclosed to the Securities and Exchange Commission (SEC), including the rationale for the repurchase. The buyback must also comply with certain purchasing requirements. The bill lowers the allowed daily amount of repurchased shares. Executive officers may not sell shares for seven days beginning on the date of an announced buyback, subject to certain exceptions.

The SEC may enforce these provisions. Employees are afforded a private right of action against an issuer regarding required employee dividends.

### **Actions Timeline**

---

- **Nov 17, 2020:** Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 116-456.
- **Nov 17, 2020:** Committee on Banking, Housing, and Urban Affairs. Hearings held.
- **Jul 31, 2019:** Introduced in Senate
- **Jul 31, 2019:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.