To amend the Coronavirus Economic Stabilization Act of 2020 to place certain requirements on corporations receiving Federal aid related to COVID–19.

IN THE HOUSE OF REPRESENTATIVES

M. introduced the following bill; which was referred to the Committee on

A BILL

To amend the Coronavirus Economic Stabilization Act of 2020 to place certain requirements on corporations receiving Federal aid related to COVID–19.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the [“Act of 2020”].
SEC. 2. REQUIREMENTS ON ALL CORPORATIONS RECEIVING FEDERAL AID RELATED TO COVID–19.

(a) IN GENERAL.—The CARES Act (Public Law 116–136) is amended by inserting after section 4029 the following:

“SEC. 4030. REQUIREMENTS ON ALL CORPORATIONS RECEIVING FEDERAL AID RELATED TO COVID–19.

“(a) IN GENERAL.—Notwithstanding section 4004, any corporation that receives Federal aid related to COVID–19 shall, during the covered period, comply with the following:

“(1) RESTRICTIONS ON EXECUTIVE BONUSES.—The corporation may not pay a bonus to any executive of the corporation.

“(2) BAN ON EXECUTIVE GOLDEN PARACHUTES.—The corporation may not pay any type of compensation (whether present, deferred, or contingent) to an executive of the corporation, if such compensation is in connection with the termination of employment of the executive.

“(3) BAN ON STOCK BUYBACKS.—The corporation may not purchase securities of the corporation.

“(4) BAN ON DIVIDENDS.—The corporation may not pay dividends on securities of the corporation.
“(b) Enforcement; Rulemaking.—The Securities and Exchange Commission shall have the authority to enforce this section and may issue such rules as may be necessary to carry out this section.

“(c) Definitions.—In this section:

“(1) Covered Period.—With respect to a receipt of Federal aid related to COVID–19, the term ‘covered period’ means the period—

“(A) beginning on the date such Federal aid is first received; and

“(B) ending after the 1-year period beginning on the later of—

“(i) the termination date of the emergency declared by the President on March 13, 2020, under section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)) with respect to the coronavirus disease 2019 (COVID–19); or

“(ii) the date on which all such Federal aid has been repaid.

“(2) Federal Aid.—The term ‘Federal aid’ means any emergency lending provided under section 13(3) of the Federal Reserve Act or any Federal fi-
nancial support in the form of a grant, loan, or loan

guarantee.

“(3) SECURITY.—The term ‘security’ has the
meaning given that term under section 3 of the Se-
curities Exchange Act of 1934.”.

(b) CLERICAL AMENDMENT.—The table of contents
in section 2 of the CARES Act is amended by inserting
after the item relating to section 4029 the following:

“Sec. 4030. Requirements on all corporations receiving Federal aid related to
COVID–19.”.