

[DISCUSSION DRAFT]

116TH CONGRESS
2D SESSION

H. R. 6375

To amend the Securities Exchange Act of 1934 to require issuers to make disclosures related to supply chain disruption risk, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Securities Exchange Act of 1934 to require issuers to make disclosures related to supply chain disruption risk, 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. DISCLOSURES RELATED TO SUPPLY CHAIN DIS-**
4 **RUPTION RISK.**

5 Section 13 of the Securities Exchange Act of 1934
6 (15 U.S.C. 78m) is amended by adding at the end the
7 following:

1 “(s) DISCLOSURES RELATED TO SUPPLY CHAIN DIS-
2 RUPTION RISK.—

3 “(1) IN GENERAL.—Each issuer required to file
4 an annual report under subsection (a) shall disclose
5 in that report—

6 “(A) an identification of—

7 “(i) the risks in the issuer’s sourcing
8 of goods, labor, services, and other supply
9 chain related matters, including—

10 “(I) risks of dependency upon
11 sole sourcing arrangements or
12 sourcing concentrated in one geo-
13 graphic locality;

14 “(II) shipping risks; and

15 “(III) risks arising from natural
16 disasters, pandemics, extreme weath-
17 er, armed conflicts, refugee and re-
18 lated disruptions, trade conflicts or
19 disruptions, and labor wage, safety,
20 and health care practices; and

21 “(ii) the impacts any risk or disrup-
22 tion identified in clause (i) would have on
23 the issuer’s workforce, suppliers, and cus-
24 tomers;

1 “(B) the issuer’s business continuity or
2 other contingency plans that will be imple-
3 mented in the case of a supply chain disruption
4 in order to mitigate such risks and impacts;
5 and

6 “(C) all other material information.

7 “(2) UPDATES.—Disclosures required under
8 this subsection shall be updated when there are ma-
9 terial changes.”.