

H.R. 5930, Workforce Investment Disclosure Act of 2020

As ordered reported by the House Committee on Financial Services on February 28, 2020

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
* = between zero and \$500,000.			

H.R. 5930 would require public companies to disclose in their annual reports to the Securities and Exchange Commission (SEC) certain policies, practices, and performance information related to human capital management, including data on workforce demographics, skills, and compensation. The bill would require the SEC to issue final rules on those requirements and to report to the Congress on various disclosures of workforce-related data.

CBO estimates that implementing the reporting requirements would cost the SEC \$1 million over the 2020-2025 period. However, because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that any net change in discretionary spending over the 2020-2025 period would be negligible, assuming appropriation actions consistent with that authority.

H.R. 5930 contains private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the cost to comply with those mandates would be small and would not exceed the threshold established in UMRA (\$168 million in 2020, adjusted annually for inflation).

H.R. 5930 would impose a mandate on publicly traded companies by requiring them to annually disclose to the SEC their policies regarding human capital management. The



incremental cost of the mandate would be small because the mandated entities already collect or possess the information to be reported under the bill and would use an established reporting process.

If the SEC increased fees to offset the costs associated with implementing the bill, H.R. 5930 would increase the cost of an existing mandate on private entities required to pay those fees. CBO estimates that the incremental cost of that mandate would be small.

H.R. 5930 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Sofia Guo (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.