

The Sunlight in Workplace Harassment Act

Sponsored by Senator Elizabeth Warren (D-MA) and Representative Jacky Rosen (D-NV-03)

About

In recent months, the press has reported on numerous high-profile sexual harassment and abuse settlement cases related to the conduct of corporate executives. These disputes, along with other sexual harassment allegations, have sparked a national conversation on the appropriate response to workplace harassment—including discrimination under Title VII of the Civil Rights Act, the Americans with Disabilities Act, and the Age Discrimination in Employment Act, and other federal statutes.

Secrecy in harassment cases, enabled through non-disclosure agreements in settlements and forced arbitration clauses, perpetuates harassment.¹ And in the case of publicly-traded companies, secret settlements pose a material risk to investors. Some investors argue that the way companies treat their workers—including the company's response to harassment allegations—is critical to a company's financial success or failure.² Furthermore, investors deserve to know the amount of money that companies spend on settlements related to discriminatory behavior.

Bill Summary

The bill would:

- Require public companies to publicly disclose the total number and aggregate dollar amount of disputes settled by the company related to sexual abuse or harassment or discrimination based on race, religion, sex, national origin, age, disability, genetic information, service member status, gender identity, or sexual orientation.
- Require public companies to disclose the average length of time it takes to resolve harassment complaints, as well as the total number of pending harassment complaints the company seeking to resolve through internal processes or through litigation.
- Prohibit the SEC from disclosing the names of accusers and provide accusers with the option of limiting the extent to which details of their settlements are disclosed to the public.
- Require public companies to disclose information on their efforts to prevent the perpetration of harassment, discrimination, and abuse by their employees.

Endorsements

National Organization for Women (NOW)

Feminist Majority

Public Citizen

The Arc of the United States

Human Rights Campaign

Michael W. Frerichs, Illinois State Treasurer

Thomas P. DiNapoli, New York State Comptroller

¹ <https://www.wired.com/story/how-to-pierce-the-secrecy-around-sexual-harassment-cases/>

² <https://www.prnewswire.com/news-releases/28-trillion-investor-coalition-petitions-us-sec-to-require-increased-disclosure-of-human-capital-management-information-300485332.html>