



Legislation Details (With Text)

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On agenda: 10/17/2018

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Title: Resolution calling upon the United States Congress to pass, and the President to sign S.2605/H.R.6096, known as the "Reward Work Act of 2018," which bans unjustified stock buy-backs and requires every listed company to enable employees to elect one-third of the board of directors.

Sponsors:

Indexes:

Attachments: 1. Res. No. 567, 2. H.R. 6096, 3. S. 2605, 4. October 17, 2018 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 10-17-2018, 6. Minutes of the Stated Meeting - October 17, 2018

Date	Ver.	Action By	Action	Result
10/17/2018	*	City Council	Introduced by Council	
10/17/2018	*	City Council	Referred to Comm by Council	
12/31/2021	*	City Council	Filed (End of Session)	

Res. No. 567

Resolution calling upon the United States Congress to pass, and the President to sign S.2605/H.R.6096, known as the "Reward Work Act of 2018," which bans unjustified stock buy-backs and requires every listed company to enable employees to elect one-third of the board of directors.

By Council Member Rosenthal

Whereas, In many industrialized nations employees at large companies elect representatives to their firm's board of directors in order to advocate the employees' interests and point of view to management; and

Whereas, This practice, known as codetermination, has been shown by research to be a positive attribute for companies, particularly when it comes to raising productivity; and

Whereas, codetermination can provide workers with real power over decision-making that can have a direct impact on their employment; and

Whereas, Support for codetermination is based upon the conviction that the interests of workers are currently massively undervalued and empirical evidence shows that codetermination rights both at the board-

and workplace-level help to redress this balance; and

Whereas, Codetermination is a widely-practiced concept in Europe, and economic studies have shown that, especially in Germany where codetermination is extensively integrated into the workplace, codetermined firms that achieved parity between workers and shareholders were likely to be more diversified, at reduced risk of the firm failing and also less likely to undergo restructuring and layoffs; and

Whereas, Evidence from Europe shows that when employees are given meaningful power through codetermination, workers actively participate in the running of their companies, often increasing productivity and making their workplace a better place to work; and

Whereas, The practice of codetermination has a long history abroad as a successful policy to reduce income disparities, strengthen local communities, improve job security and grow real wages; and

Whereas, An April 2018 survey by Civis Analytics found that a majority (53 percent) of American, support the concept of codetermination; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass, and the President to sign S.2605/H.R.6096, known as the “Reward Work Act of 2018,” which bans unjustified stock buy-backs and requires every listed company to enable employees to elect one-third of the board of directors.

MMB
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