

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to require that information required to be disclosed to the Securities and Exchange Commission by issuers be material to investors of those issuers, 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 Act of 1933 and the Securities Exchange Act of 1934 to require that information required to be disclosed to the Securities and Exchange Commission by issuers be material to investors of those issuers, 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. SHORT TITLE.**

4 This Act may be cited as the “Mandatory Materiality
5 Requirement Act of 2022”.

1 **SEC. 2. LIMITATION ON DISCLOSURE REQUIREMENTS.**

2 (a) SECURITIES ACT OF 1933.—Section 2(b) of the
3 Securities Act of 1933 (15 U.S.C. 77b(b)) is amended—

4 (1) in the subsection heading, by inserting “;
5 LIMITATION ON DISCLOSURE REQUIREMENTS” after
6 “FORMATION”;

7 (2) by striking “Whenever” and inserting the
8 following:

9 “(1) IN GENERAL.—Whenever”; and

10 (3) by adding at the end the following:

11 “(2) LIMITATION.—

12 “(A) IN GENERAL.—Whenever pursuant to
13 this title the Commission is engaged in rule-
14 making regarding disclosure obligations of
15 issuers, the Commission shall expressly provide
16 that an issuer is only required to disclose infor-
17 mation in response to such disclosure obliga-
18 tions to the extent the issuer has determined
19 that such information is material with respect
20 to a voting or investment decision regarding the
21 securities of such issuer.

22 “(B) APPLICABILITY.—Subparagraph (A)
23 shall not apply with respect to the removal of
24 any disclosure requirement with respect to an
25 issuer.

1 “(C) RULE OF CONSTRUCTION.—For the
2 purposes of this paragraph, information is con-
3 sidered material with respect to a voting or in-
4 vestment decision regarding the securities of an
5 issuer if there is a substantial likelihood that a
6 reasonable investor would view the failure to
7 disclose that information as having significantly
8 altered the total mix of information made avail-
9 able to the investor.”.

10 (a) SECURITIES EXCHANGE ACT OF 1934.—Section
11 3(f) of the Securities Exchange Act of 1934 (15 U.S.C.
12 78c(f)) is amended—

13 (1) in the subsection heading, by inserting “;
14 LIMITATION ON DISCLOSURE REQUIREMENTS” after
15 “FORMATION”;

16 (2) by striking “Whenever” and inserting the
17 following:

18 “(1) IN GENERAL.—Whenever”; and

19 (3) by adding at the end the following:

20 “(2) LIMITATION.—

21 “(A) IN GENERAL.—Whenever pursuant to
22 this title the Commission is engaged in rule-
23 making regarding disclosure obligations of
24 issuers, the Commission shall expressly provide
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