

**AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 3701  
OFFERED BY MR. GONZALEZ OF TEXAS**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Strengthening Fraud  
3 Protection Provisions for SEC Enforcement Act of 2019”

**4 SEC. 2. STATUTE OF LIMITATIONS FOR COMMISSION AC-  
5 TIONS.**

6 (a) IN GENERAL.—Section 21 of the Securities Ex-  
7 change Act of 1934 (15 U.S.C. 78u) is amended by adding  
8 at the end the following:

9 “(j) STATUTE OF LIMITATIONS.—

10 “(1) CIVIL MONETARY PENALTIES.—

11 “(A) IN GENERAL.—An action or pro-  
12 ceeding brought or instituted by the Commis-  
13 sion under any provision of the securities laws  
14 for a civil monetary penalty may be brought not  
15 later than 10 years after the alleged violation.

16 “(B) EXCLUSION.—The period of limita-  
17 tions in subparagraph (A) does not run during  
18 any time when an alleged violator is absent

1 from the United States or has no reasonably as-  
2 certainable place of abode or work within the  
3 United States.

4 “(2) DEFINITION.—For purposes of this sub-  
5 section, the term ‘civil monetary penalty’ means re-  
6 lief sought by the Commission under—

7 “(A) subsection (d)(3), section 10A(d),  
8 section 21A(a), section 21B(a), or subsection  
9 (b), (c)(1)(B), or (c)(2)(B) of section 32 (15  
10 U.S.C. 78j-1(d), 78u-2(a), 78ff(b),  
11 78ff(c)(1)(B), or 78ff(c)(2)(B));

12 “(B) section 8A(g)(2) or section 20(d)(2)  
13 of the Securities Act of 1933 (15 U.S.C. 77h-  
14 1(g)(2), 77t(d)(2));

15 “(C) section 9(d)(1) or 42(e)(1) of the In-  
16 vestment Company Act of 1940 (15 U.S.C.  
17 80a-9(d)(1), 80a-41(e)(1));

18 “(D) section 203(i)(1) or 209(e)(1) of the  
19 Investment Advisers Act of 1940 (15 U.S.C.  
20 80b-3(i)(1), 80b-9(e)(1)); or

21 “(E) section 304(a) of the Sarbanes-Oxley  
22 Act of 2002 (15 U.S.C. 7243(a)).”.

1 (b) CONFORMING AMENDMENT.—Section 21A(d) of  
2 the Securities Exchange Act of 1934 (15 U.S.C. 78u–  
3 1(d)) is amended by striking paragraph (5).

