



[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Securities Exchange Act of 1934 to prohibit the Securities and Exchange Commission from compelling the inclusion or discussion of shareholder proposals or proxy or consent solicitation materials, 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 Exchange Act of 1934 to prohibit the Securities and Exchange Commission from compelling the inclusion or discussion of shareholder proposals or proxy or consent solicitation materials, 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,*

1 **SECTION 1. LIMITATION WITH RESPECT TO COMPELLING**
2 **THE INCLUSION OR DISCUSSION OF SHARE-**
3 **HOLDER PROPOSALS.**

4 Section 14(a) of the Securities Exchange Act of 1934
5 (15 U.S.C. 78n(a)) is amended by adding at the end the
6 following:

7 “(3) LIMITATION WITH RESPECT TO COMPELLING
8 DISCUSSION OF SHAREHOLDER PROPOSALS.—Except as
9 provided in paragraph (2), the Commission may not com-
10 pel an issuer to include in a proxy statement of the
11 issuer—

12 “(A) any shareholder proposal; or

13 “(B) any discussion (either from the issuer or
14 otherwise) related to a shareholder proposal con-
15 tained in the proxy statement.

16 “(4) RULE OF CONSTRUCTION RELATING TO STATE
17 AUTHORITY.—Nothing in this Act or any other securities
18 law shall be construed to provide the Commission the au-
19 thority to preempt the State regulation of shareholder pro-
20 posals or proxy or consent solicitation materials.”.