

**[DISCUSSION DRAFT]**

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend the Securities Exchange Act of 1934 to reform certain requirements with respect to the registration and operation of national securities exchanges, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M\_\_\_\_. \_\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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**A BILL**

To amend the Securities Exchange Act of 1934 to reform certain requirements with respect to the registration and operation of national securities exchanges, 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 “[To be added] Act  
5 of 2022”.

1 **SEC. 2. LIMITATION ON IMMUNITY.**

2 Section 6 of the Securities Exchange Act of 1934 (15  
3 U.S.C. 78f) is amended by adding at the end the following:

4 “(m) **LIMITATION ON IMMUNITY.**—A national securi-  
5 ties exchange shall not be immune from the jurisdiction  
6 of courts of the United States or of the States in any case  
7 in which the action is based upon an activity carried on  
8 by such exchange in the operation of the exchange’s own  
9 market or the sale of products and services arising out  
10 of such activity.”.

11 **SEC. 3. LIMITATIONS ON LIABILITY.**

12 Section 6(b) of the Securities Exchange Act of 1934  
13 (15 U.S.C. 78f(b)) is amended by adding at the end the  
14 following:

15 “(11) **LIMITATIONS ON LIABILITY.**—

16 “(A) **IN GENERAL.**—The rules of the ex-  
17 change do not include any rules-based limita-  
18 tion on the liability of the exchange for any  
19 loss, expense, damages or claims that arise out  
20 of the use or enjoyment of the facilities or serv-  
21 ices afforded by the exchange, any interruption  
22 in or failure or unavailability of any such facili-  
23 ties or services, or any action taken or omitted  
24 to be taken in respect to the business of the ex-  
25 change.

1                   “(B) EXCEPTION.—Subparagraph (A)  
2                   shall not apply to a rules-based limitation that  
3                   limits the liability of the exchange above a par-  
4                   ticular dollar amount if the Commission ap-  
5                   proves such dollar amount.”.

6 **SEC. 4. NATIONAL MARKET SYSTEM GOVERNANCE.**

7                   Section 11A(a) of the Securities Exchange Act of  
8                   1934 (15 U.S.C. 78k-1(a)) is amended by adding at the  
9                   end the following:

10                   “(4) Any self-regulatory organizations acting  
11                   jointly pursuant to paragraph (3)(B) to plan, de-  
12                   velop, operate, or regulate a national market system  
13                   (or subsystem thereof) shall include as voting mem-  
14                   bers of such national market system Non-SRO Vot-  
15                   ing Representatives in the manner described under  
16                   section 4.2(b) of the order of the Commission titled  
17                   ‘Joint Industry Plan; Order Approving, as Modified,  
18                   a National Market System Plan Regarding Consoli-  
19                   dated Equity Market Data’ (86 Fed. Reg. 44142;  
20                   published Aug. 11, 2021).”.

21 **SEC. 5. EFFECTIVE DATE.**

22                   The amendments made by this Act shall take effect  
23                   after the end of the [\_\_\_\_\_-day period] beginning on  
24                   the date of the enactment of this Act.