

116TH CONGRESS
2D SESSION

H. R. 6339

To temporarily ban stock buybacks until the impact of COVID–19 on the American financial system has ended.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2020

Mr. CASTEN of Illinois introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To temporarily ban stock buybacks until the impact of COVID–19 on the American financial system has ended.

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. TEMPORARY BAN ON STOCK BUYBACKS.**

4 (a) IN GENERAL.—It shall be unlawful for any issuer,
5 the securities of which are traded on a national securities
6 exchange, to purchase securities of the issuer during the
7 period beginning on the date of enactment of this Act and
8 ending 120 days after the end of the COVID–19 emer-
9 gency period.

1 (b) EARLY TERMINATION.—The Securities and Ex-
2 change Commission may terminate the prohibition under
3 subsection (a) after the end of the COVID–19 emergency
4 period and before the end of the 120-day period described
5 under subsection (a), if—

6 (1) the Commission determines such termi-
7 nation is in the public interest; and

8 (2) immediately notifies the Congress and the
9 public of such determination and the reason for such
10 determination, including on the website of the Com-
11 mission.

12 (c) ENFORCEMENT; RULEMAKING.—

13 (1) IN GENERAL.—The Securities and Ex-
14 change Commission shall have the authority to en-
15 force this Act and may issue such rules as may be
16 necessary to carry out this Act.

17 (2) COMMISSION VOTING.—Any action taken by
18 the Commission pursuant to this section may only be
19 taken upon a unanimous vote of the commissioners.

20 (d) DEFINITIONS.—In this section:

21 (1) COVID–19 EMERGENCY PERIOD.—The
22 term “COVID–19 emergency period” means the pe-
23 riod that begins upon the date of the enactment of
24 this Act and ends upon the date of the termination
25 by the Federal Emergency Management Agency of

1 the emergency declared on March 13, 2020, by the
2 President under the Robert T. Stafford Disaster Re-
3 lief and Emergency Assistance Act (42 U.S.C. 4121
4 et seq.) relating to the Coronavirus Disease 2019
5 (COVID–19) pandemic.

6 (2) OTHER DEFINITIONS.—The terms “issuer”,
7 “national securities exchange”, and “security” have
8 the meaning given those terms, respectively, under
9 section 3 of the Securities Exchange Act of 1934.

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