

[118H4652]

[DISCUSSION DRAFT]119TH CONGRESS
1ST SESSION**H. R.** _____

To amend the Securities Exchange Act of 1934 to establish within the Securities and Exchange Commission the Public Company Advisory Committee, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. LUCAS introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend the Securities Exchange Act of 1934 to establish within the Securities and Exchange Commission the Public Company Advisory Committee, 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 “Public Company Advi-
5 sory Committee Act of 2025”.

1 **SEC. 2. PUBLIC COMPANY ADVISORY COMMITTEE.**

2 The Securities Exchange Act of 1934 is amended by
3 inserting after section 40 (15 U.S.C. 78qq) the following:

4 **“SEC. 40A. PUBLIC COMPANY ADVISORY COMMITTEE.**

5 “(a) ESTABLISHMENT AND PURPOSE.—

6 “(1) ESTABLISHMENT.—There is established
7 within the Commission the Public Company Advi-
8 sory Committee (referred to in this section as the
9 ‘Committee’).

10 “(2) PURPOSE.—The Committee shall—

11 “(A) provide the Commission with advice
12 on its rules, regulations, and policies with re-
13 gard to its mission of protecting investors,
14 maintaining fair, orderly, and efficient markets,
15 and facilitating capital formation, as they relate
16 to the following:

17 “(i) “existing and emerging regulatory
18 priorities of the Commission;

19 “(ii) issues relating to the public re-
20 porting and corporate governance of public
21 companies;

22 “(iii) issues relating to the proxy proc-
23 ess for shareholder meetings held by public
24 companies;

25 “(iv) issues relating to trading in the
26 securities of public companies; and

1 “(v) issues relating to capital forma-
2 tion; and

3 “(B) submit to the Commission such find-
4 ings and recommendations as the Committee
5 determines are appropriate, including rec-
6 ommendations for proposed regulatory and leg-
7 islative changes.

8 “(b) MEMBERSHIP.—

9 “(1) IN GENERAL.—The membership of the
10 Committee shall be not fewer than 10, and not more
11 than 20, members appointed by the Commission
12 from among individuals who—

13 “(A) are officers, directors, or senior offi-
14 cials of public companies registered with the
15 Commission under the Securities Act of 1933
16 and this Act, except for those public companies
17 that own asset management, fixed income, in-
18 vestment advisory, broker-dealer, or proxy serv-
19 ices businesses;

20 “(B) are executives or other individuals
21 with senior managerial responsibility in busi-
22 ness, professional, trade, and industry associa-
23 tions that represent the interests of such public
24 companies; and

1 “(C) are professional advisers and service
2 providers to such public companies (including
3 attorneys, accountants, investment bankers, and
4 financial advisers).

5 “(2) QUALIFICATIONS.—At least 50 percent of
6 the Committee membership shall be drawn from in-
7 dividuals who would qualify for membership under
8 paragraph (1)(A).

9 “(3) TERM.—Each member of the Committee
10 appointed under paragraph (1) shall serve for a
11 term of four years. Vacancies among the members,
12 whether caused by the resignation, death, removal,
13 expiration of a term, or otherwise, will be filled con-
14 sistent with the Commission’s procedures then in ef-
15 fect.

16 “(4) STAGGERED TERMS.—The members of the
17 Committee shall serve staggered terms, with one-
18 third of the initial members of the Committee each
19 serving for 1, 2, or 3 years.

20 “(5) MEMBERS NOT ON OTHER ADVISORY COM-
21 MITTEES.—Public companies and other organiza-
22 tions that are currently represented on any other
23 Commission Advisory Committee are not eligible to
24 have representatives also serve on the Public Com-
25 pany Advisory Committee.

1 “(6) MEMBERS NOT COMMISSION EMPLOY-
2 EES.—Members appointed under paragraph (1) shall
3 not be considered to be employees or agents of the
4 Commission solely because of membership on the
5 Committee.

6 “(c) CHAIR; VICE CHAIR; SECRETARY; ASSISTANT
7 SECRETARY.—

8 “(1) IN GENERAL.—The members of the Com-
9 mittee shall elect, from among the members of the
10 Committee—

11 “(A) a Chair;

12 “(B) a Vice Chair;

13 “(C) a Secretary; and

14 “(D) an Assistant Secretary.

15 “(2) TERM.—Each member elected under para-
16 graph (1) shall serve for a term of two years in the
17 capacity the member was elected under paragraph
18 (1).

19 “(3) SUBCOMMITTEES.—The Chair may create
20 subcommittees that hold public or non-public meet-
21 ings and provide recommendations to the full Com-
22 mittee.

23 “(d) MEETINGS.—

24 “(1) FREQUENCY OF MEETINGS.—The Com-
25 mittee shall meet—

1 “(A) not less frequently than twice annu-
2 ally, at the call of the chair of the Committee;
3 and

4 “(B) from time to time, at the call of the
5 Commission.

6 “(2) NOTICE.—The Chair of the Committee
7 shall give the members of the Committee written no-
8 tice of each meeting, not later than two weeks before
9 the date of the meeting.

10 “(e) COMPENSATION AND TRAVEL EXPENSES.—
11 Each member of the Committee who is not a full-time em-
12 ployee of the United States shall—

13 “(1) be entitled to receive compensation at a
14 rate not to exceed the daily equivalent of the annual
15 rate of basic pay in effect for a position at level V
16 of the Executive Schedule under section 5316 of title
17 5, United States Code, for each day during which
18 the members is engaged in the actual performance
19 of the duties of the Committee; and

20 “(2) while away from the home or regular place
21 of business of the member in the performance of
22 services for the Committee, be allowed travel ex-
23 penses, including per diem in lieu of subsistence, in
24 the same manner as persons employed intermittently

1 in the Government service are allowed expenses
2 under section 5703(b) of title 5, United States Code.

3 “(f) STAFF.—The Commission shall make available
4 to the Committee such staff as the chairman of the Com-
5 mittee determines are necessary to carry out this section.

6 “(g) REVIEW BY COMMISSION.—The Commission
7 shall—

8 “(1) review the findings and recommendations
9 of the Committee; and

10 “(2) each time the Committee submits a finding
11 or recommendation to the Commission, promptly
12 issue a public statement—

13 “(A) assessing the finding or recommenda-
14 tion of the Committee; and

15 “(B) disclosing the action, if any, the Com-
16 mission intends to take with respect to the find-
17 ing or recommendation.

18 “(h) COMMITTEE FINDINGS.—Nothing in this section
19 shall require the Commission to agree to or act upon any
20 finding or recommendation of the Committee.

21 “(i) NONAPPLICABILITY OF FACA.—Chapter 10 of
22 part I of title 5, United States Code, shall not apply to
23 the Committee and its activities.”.