

[118H4655RH]

[DISCUSSION DRAFT]119TH 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

Mr. NORMAN 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Businesses Over Activ-
5 ists Act”.

1 **SEC. 2. LIMITATION WITH RESPECT TO COMPELLING THE**
2 **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 COMPEL-
8 LING INCLUSION OR DISCUSSION OF SHAREHOLDER
9 PROPOSALS.—Except as provided in paragraph (2),
10 the Commission may not compel an issuer to include
11 in a proxy statement of the issuer—

12 “(A) any shareholder proposal; or

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

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