H. R. 5970

[Report No. 115–]

To require the Securities and Exchange Commission to implement rules simplifying the quarterly financial reporting regime.

IN THE HOUSE OF REPRESENTATIVES

MAY 24, 2018

Mrs. WAGNER introduced the following bill; which was referred to the Committee on Financial Services

JUNE --, 2018

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on May 24, 2018]
A BILL

To require the Securities and Exchange Commission to implement rules simplifying the quarterly financial reporting regime.
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Modernizing Disclosures for Investors Act”.

SEC. 2. FORM 10-Q ANALYSIS.

(a) IN GENERAL.—The Securities and Exchange Commission shall conduct an analysis of the costs and benefits of requiring reporting companies to use Form 10-Q for submitting quarterly financial reports. Such analysis shall consider—

(1) the costs and benefits of Form 10-Q to emerging growth companies;

(2) the costs and benefits of Form 10-Q to the Commission in terms of its ability to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation;

(3) the costs and benefits of Form 10-Q to other reporting companies, investors, market researchers, and other market participants, including the costs and benefits associated with—

(A) the public availability of the information required to be filed on Form 10-Q;
(B) the use of a standardized reporting format across all classes of reporting companies; and

(C) the quarterly disclosure by some companies of financial information in formats other than Form 10-Q, such as a quarterly earnings press release;

(4) the costs and benefits of alternative formats for quarterly reporting for emerging growth companies to emerging growth companies, the Commission, other reporting companies, investors, market researchers, and other market participants; and

(5) the expected impact of the use of alternative formats of quarterly reporting by emerging growth companies on overall market transparency and efficiency.

(b) REPORT REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Commission shall issue a report to Congress that includes—

(1) the results of the analysis required by subsection (a); and

(2) recommendations for decreasing costs, increasing transparency, and increasing efficiency of quarterly financial reporting by emerging growth companies.
Amend the title so as to read: “A bill to require the Securities and Exchange Commission to carry out a cost benefit analysis of the use of Form 10-Q and for other purposes.”.