To amend the Securities Exchange Act of 1934 to allow the Securities and Exchange Commission to seek and Federal courts to grant disgorgement of unjust enrichment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. McAdams introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to allow the Securities and Exchange Commission to seek and Federal courts to grant disgorgement of unjust enrichment, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL RELIEF.

Section 21(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)) is amended by adding at the end the following:

“(7) ADDITIONAL RELIEF.—
“(A) IN GENERAL.—In any action or proceeding brought or instituted by the Commission under any provision of the securities laws, the Commission may seek, and any Federal court may grant the following additional relief:

“(i) Disgorgement in the amount of any unjust enrichment obtained as a result of act or practice with respect to which the Commission is bringing such an action or proceeding.

“(ii) Injunctions, including officer and director bars.

“(B) RULE OF CONSTRUCTION.—Additional relief sought under this paragraph may not be construed to be a civil fine, penalty, or forfeiture subject to chapter 163 of part VI of title 28, United States Code.”.