

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To authorize the exclusion of shareholder proposals from proxy or consent solicitation material if such proposals are substantially similar to previously included proposals.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To authorize the exclusion of shareholder proposals from proxy or consent solicitation material if such proposals are substantially similar to previously included proposals.

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. EXCLUSION OF CERTAIN SUBSTANTIALLY SIMI-**
4 **LAR SHAREHOLDER PROPOSALS.**

5 The Securities and Exchange Commission shall revise
6 the resubmission requirements in section 240.14a-8(i)(12)
7 of title 17, Code of Federal Regulations, to provide that
8 a shareholder proposal may be excluded by an issuer from

1 its proxy or consent solicitation material for a meeting of
2 the shareholders of such issuer if the shareholder proposal
3 addresses substantially the same subject matter as a pro-
4 posal, or proposals, previously included in the proxy or
5 consent solicitation material for a meeting of the share-
6 holders of such issuer—

7 (1) for a meeting of the shareholders conducted
8 in the preceding 5 calendar years; and

9 (2) if the most recent vote—

10 (A) occurred in the preceding 3 calendar
11 years; and

12 (B)(i) if voted on once during such 5-year
13 period, received less than 10 percent of the
14 votes cast;

15 (ii) if voted on twice during such 5-year
16 period, received less than 20 percent of the
17 votes cast; or

18 (iii) if voted on three or more times during
19 such 5-year period, received less 40 percent of
20 the votes cast.