

113TH CONGRESS  
2D SESSION

# S. 2868

To establish a statute of limitations for certain actions of the Securities and Exchange Commission, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 18, 2014

Mr. REED (for himself, Mr. LEVIN, Mr. MARKEY, Mrs. SHAHEEN, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To establish a statute of limitations for certain actions of the Securities and Exchange Commission, 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. STATUTE OF LIMITATIONS FOR COMMISSION**  
4 **ACTIONS.**

5 (a) IN GENERAL.—Section 21 of the Securities Ex-  
6 change Act of 1934 (15 U.S.C. 78u) is amended by adding  
7 at the end the following:

8 “(j) STATUTE OF LIMITATIONS.—

9 “(1) CIVIL MONETARY PENALTIES.—

1           “(A) IN GENERAL.—An action or pro-  
2           ceeding brought or instituted by the Commis-  
3           sion under any provision of the securities laws  
4           for a civil monetary penalty may be brought not  
5           later than 10 years after the violation.

6           “(B) EXCLUSION.—The period of limita-  
7           tions in subparagraph (A) does not run during  
8           any time when an alleged violator is absent  
9           from the United States or has no reasonably as-  
10          certtainable place of abode or work within the  
11          United States.

12          “(2) DEFINITION.—For purposes of this sub-  
13          section, the term ‘civil monetary penalty’ means re-  
14          lief sought by the Commission under—

15               “(A) section 20(d) of the Securities Act of  
16               1933 (15 U.S.C. 77t(d));

17               “(B) section 21(d)(3), 21A(a), subsections  
18               (a) through (d) of section 21B, section 32(b),  
19               32(c)(1)(B), or 32(c)(2)(B) of this title (15  
20               U.S.C. 78u(d)(3), 15 U.S.C. 78u–1(a), 15  
21               U.S.C. 78u–2(a)-(d), 15 U.S.C. 78ff(b), 15  
22               U.S.C. 78ff(c)(1)(B), 15 U.S.C. 78ff(c)(2)(B));

23               “(C) section 9(d) or 42(e) of the Invest-  
24               ment Company Act of 1940 (15 U.S.C. 80a–  
25               9(d), 15 U.S.C. 80a–41(e)); or

1                   “(D) section 203(i) or 209(e) of the In-  
2                   vestment Advisers Act of 1940 (15 U.S.C. 80b-  
3                   3(i), 15 U.S.C. 80b-9(e)).”.

4           (b) CONFORMING AMENDMENT.—Section 21A(d) of  
5 the Securities Act of 1934 (15 U.S.C. 78u-1(d)) is  
6 amended by striking paragraph (5).

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