AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

114TH CONGRESS
1ST SESSION

H. R. 1525

IN THE SENATE OF THE UNITED STATES

OCTOBER 7, 2015
Received; read twice and referred to the Committee on Banking, Housing, and Urban Affairs

AN ACT

To require the Securities and Exchange Commission to make certain improvements to form 10–K and regulation S–K, 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. SHORT TITLE.

This Act may be cited as the ''Disclosure Modernization and Simplification Act of 2015''.

SEC. 2. SUMMARY PAGE FOR FORM 10–K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall issue regulations to permit issuers to submit a summary page on form 10–K (17 CFR 249.310), but only if each item on such summary page includes a cross-reference (by electronic link or otherwise) to the material contained in form 10–K to which such item relates.

SEC. 3. IMPROVEMENT OF REGULATION S–K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall take all such actions to revise regulation S–K (17 CFR 229.10 et seq.)—

(1) to further scale or eliminate requirements of regulation S–K, in order to reduce the burden on emerging growth companies, accelerated filers, smaller reporting companies, and other smaller issuers, while still providing all material information to investors;

(2) to eliminate provisions of regulation S–K, required for all issuers, that are duplicative, overlapping, outdated, or unnecessary; and

(3) for which the Commission determines that no further study under section 4 is necessary to determine the efficacy of such revisions to regulation S–K.

SEC. 4. STUDY ON MODERNIZATION AND SIMPLIFICATION OF REGULATION S–K.

(a) STUDY.—The Securities and Exchange Commission shall carry out a study of the requirements contained in regulation S–K (17 CFR 229.10 et seq.). Such study shall—

(1) determine how best to modernize and simplify such requirements in a manner that reduces the costs and burdens on issuers while still providing all material information;

(2) emphasize a company by company approach that allows relevant and material information to be disseminated to investors without boilerplate language or static requirements while preserving completeness and comparability of information across registrants; and

(3) evaluate methods of information delivery and presentation and explore methods for discouraging repetition and the disclosure of immaterial information.

(b) CONSULTATION.—In conducting the study required under subsection (a), the Commission shall consult with the Investor Advisory Committee and the Advisory Committee on Small and Emerging Companies.

(c) REPORT.—Not later than the end of the 360-day period beginning on the date of enactment of this Act, the Commission shall issue a report to the Congress containing—

(1) all findings and determinations made in carrying out the study required under subsection (a);

(2) specific and detailed recommendations on modernizing and simplifying the requirements in regulation S–K in a manner that reduces the costs and burdens on companies while still providing all material information; and

(3) specific and detailed recommendations on ways to improve the readability and navigability of disclosure documents and to discourage repetition and the disclosure of immaterial information.

(d) RULEMAKING.—Not later than the end of the 360-day period beginning on the date that the report is issued to the Congress under subsection (c), the Commission shall issue a proposed rule to implement the recommendations of the report issued under subsection (c).

(e) RULE OF CONSTRUCTION.—Revisions made to regulation S–K by the Commission under section 3 shall not be construed as satisfying the rulemaking requirements under this section.

Passed the House of Representatives October 6, 2015.

Attest: KAREN L. HAAS,

Clerk.