

Union Calendar No. 630

115TH CONGRESS
2^D SESSION

H. R. 5970

[Report No. 115–811]

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

JULY 10, 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.

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. SHORT TITLE.**

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

6 **SEC. 2. FORM 10-Q ANALYSIS.**

7 *(a) IN GENERAL.—The Securities and Exchange Com-*
8 *mission shall conduct an analysis of the costs and benefits*
9 *of requiring reporting companies to use Form 10-Q for sub-*
10 *mitting quarterly financial reports. Such analysis shall*
11 *consider—*

12 *(1) the costs and benefits of Form 10-Q to emerg-*
13 *ing growth companies;*

14 *(2) the costs and benefits of Form 10-Q to the*
15 *Commission in terms of its ability to protect inves-*
16 *tors, maintain fair, orderly, and efficient markets,*
17 *and facilitate capital formation;*

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

22 *(A) the public availability of the informa-*
23 *tion required to be filed on Form 10-Q;*

1 (B) the use of a standardized reporting for-
2 mat across all classes of reporting companies;
3 and

4 (C) the quarterly disclosure by some compa-
5 nies of financial information in formats other
6 than Form 10-Q, such as a quarterly earnings
7 press release;

8 (4) the costs and benefits of alternative formats
9 for quarterly reporting for emerging growth compa-
10 nies to emerging growth companies, the Commission,
11 other reporting companies, investors, market research-
12 ers, and other market participants; and

13 (5) the expected impact of the use of alternative
14 formats of quarterly reporting by emerging growth
15 companies on overall market transparency and effi-
16 ciency.

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

20 (1) the results of the analysis required by sub-
21 section (a); and

22 (2) recommendations for decreasing costs, in-
23 creasing transparency, and increasing efficiency of
24 quarterly financial reporting by emerging growth
25 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.”.

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