

Union Calendar No. 321

116TH CONGRESS
2^D SESSION

H. R. 3701

[Report No. 116-399]

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

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2019

Mr. GONZALEZ of Texas introduced the following bill; which was referred to
the Committee on Financial Services

FEBRUARY 21, 2020

Additional sponsor: Mr. CLEAVER

FEBRUARY 21, 2020

Reported with an amendment; 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 *italie*]

[For text of introduced bill, see copy of bill as introduced on July 11, 2019]

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. SHORT TITLE.**

4 *This Act may be cited as the “Strengthening Fraud*
5 *Protection Provisions for SEC Enforcement Act of 2019”*

6 **SEC. 2. STATUTE OF LIMITATIONS FOR COMMISSION AC-**
7 **TIONS.**

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

11 “(j) *STATUTE OF LIMITATIONS.—*

12 “(1) *CIVIL MONETARY PENALTIES.—*

13 “(A) *IN GENERAL.—An action or pro-*
14 *ceeding brought or instituted by the Commission*
15 *under any provision of the securities laws for a*
16 *civil monetary penalty may be brought not later*
17 *than 10 years after the alleged violation.*

18 “(B) *EXCLUSION.—The period of limita-*
19 *tions in subparagraph (A) does not run during*
20 *any time when an alleged violator is absent from*
21 *the United States or has no reasonably ascer-*
22 *tainable place of abode or work within the*
23 *United States.*

1 “(2) *DEFINITION.*—For purposes of this sub-
2 section, the term ‘civil monetary penalty’ means relief
3 sought by the Commission under—

4 “(A) subsection (d)(3), section 10A(d), sec-
5 tion 21A(a), section 21B(a), or subsection (b),
6 (c)(1)(B), or (c)(2)(B) of section 32 (15 U.S.C.
7 78j-1(d), 78u-2(a), 78ff(b), 78ff(c)(1)(B), or
8 78ff(c)(2)(B));

9 “(B) section 8A(g)(2) or section 20(d)(2) of
10 the Securities Act of 1933 (15 U.S.C. 77h-
11 1(g)(2), 77t(d)(2));

12 “(C) section 9(d)(1) or 42(e)(1) of the In-
13 vestment Company Act of 1940 (15 U.S.C. 80a-
14 9(d)(1), 80a-41(e)(1));

15 “(D) section 203(i)(1) or 209(e)(1) of the
16 Investment Advisers Act of 1940 (15 U.S.C. 80b-
17 3(i)(1), 80b-9(e)(1)); or

18 “(E) section 304(a) of the Sarbanes-Oxley
19 Act of 2002 (15 U.S.C. 7243(a)).”.

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

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