II

119TH CONGRESS
1ST SESSION

S. 1356

To amend the Securities Exchange Act of 1934 to require national securities exchanges to identify issuers that are consolidated variable interest entities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 8, 2025

Mr. SCOTT of Florida (for himself and Mrs. SHAHEEN) 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 amend the Securities Exchange Act of 1934 to require national securities exchanges to identify issuers that are consolidated variable interest entities, 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 ‘‘Trading and Investing with Clear Knowledge and Expectations about Risk Act’’ or the ‘‘TICKER Act’’.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) variable interest entities based in foreign jurisdictions, including the People's Republic of China, pose a specific and significant risk to investors in the United States, including because investors that purchase shares of those entities—

(A) have no equity or direct ownership interest; and

(B) lack legal recourse; and

(2) investors in the United States should more clearly be made aware of the risk described in paragraph (1) in a transparent, easily accessible, and standardized manner that is recognizable to all persons that have invested, or seek to invest, in entities that are described in that paragraph and are listed on exchanges in the United States, such as through clearly visible warning indicators on ticker symbols and other company symbols used by those exchanges.

SEC. 3. IDENTIFICATION OF RISK WITH RESPECT TO CERTAIN ENTITIES.

(a) DEFINITIONS.—In this section—

(1) the terms ''broker'', ''dealer'', ''exchange'', and ''security'' have the meanings given those terms in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a));

(2) the term "Commission" means the Securities and Exchange Commission;

(3) the term "covered entity" means a consolidated variable interest entity;

(4) the term "national securities exchange" means an exchange that is registered as a national securities exchange pursuant to section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f), as amended by subsection (b) of this section; and

(5) the term "variable interest entity" has the meaning given the term under generally accepted accounting principles.

(b) REQUIREMENTS.—

(1) NATIONAL SECURITIES EXCHANGES.—

(A) IN GENERAL.—Section 6(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(b)) is amended by adding at the end the following:

"(11)(A) In this paragraph, the term 'covered entity' has the meaning given the term in section 3(a) of the Trading and Investing with Clear Knowledge and Expectations about Risk Act.

"(B) The rules of the exchange require the identification of each covered entity, the securities of which are listed on the exchange, as a covered entity in the symbol for the covered entity used on the exchange.''.

(B) EFFECTIVE DATE; APPLICABILITY.—The amendment made by subparagraph (A) shall—

(i) take effect on the date that is 180 days after the date of enactment of this Act; and

(ii) apply with respect to a covered entity, the securities of which are listed on a national securities exchange on or after the date that is 180 days after the date of enactment of this Act.

(2) BROKERS AND DEALERS.—Beginning not later than 180 days after the date of enactment of this Act, the Commission shall require brokers and dealers to provide warnings to investors investing in covered entities that those investors may lack legal recourse with respect to such an investment.

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