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(Original Signature of Member)

113TH CONGRESS
2D SESSION

H. R.

To require the Securities and Exchange Commission to make certain improvements to form 10-K and regulation S-K, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GARRETT introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Securities and Exchange Commission to make certain improvements to form 10-K and regulation S-K, 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 “Disclosure Moderniza-
5 tion and Simplification Act of 2014”.

6 **SEC. 2. SUMMARY PAGE FOR FORM 10-K.**

7 Not later than the end of the 180-day period begin-
8 ning on the date of the enactment of this Act, the Securi-

1 ties and Exchange Commission shall issue regulations to
2 permit issuers to submit a summary page on form 10-K
3 (17 C.F.R. 249.310), but only if each item on such sum-
4 mary page includes a cross-reference (by electronic link
5 or otherwise) to the material contained in form 10-K to
6 which such item relates.

7 **SEC. 3. IMPROVEMENT OF REGULATION S-K.**

8 Not later than the end of the 180-day period begin-
9 ning on the date of the enactment of this Act, the Securi-
10 ties and Exchange Commission shall revise regulation S-
11 K (17 C.F.R. 229.10 et seq.)—

12 (1) to further scale or eliminate requirements of
13 regulation S-K, in order to reduce the burden on
14 emerging growth companies, accelerated filers, and
15 smaller reporting companies, and other smaller
16 issuers; and

17 (2) to eliminate provisions of regulation S-K,
18 required for all issuers, that are duplicative, overlap-
19 ping, outdated, or unnecessary.

20 **SEC. 4. STUDY ON MODERNIZATION AND SIMPLIFICATION**
21 **OF REGULATION S-K.**

22 (a) **STUDY.**—The Securities and Exchange Commis-
23 sion shall carry out a study of the requirements contained
24 in regulation S-K (17 C.F.R. 229.10 et seq.). Such study
25 shall—

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

5 (2) emphasize a company by company approach
6 that allows relevant and material information to be
7 disseminated to investors without boilerplate lan-
8 guage or static requirements while preserving com-
9 pleteness and comparability of information across
10 registrants; and

11 (3) evaluate methods of information delivery
12 and presentation and explore methods for discour-
13 aging repetition and the disclosure of immaterial in-
14 formation.

15 (b) REPORT.—Not later than the end of the 360-day
16 period beginning on the date of enactment of this Act, the
17 Commission shall issue a report to the Congress con-
18 taining—

19 (1) all findings and determinations made in car-
20 rying out the study required under subsection (a);

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

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

5 (c) RULEMAKING.—Not later than the end of the
6 360-day period beginning on the date that the report is
7 issued to the Congress under subsection (b), the Commis-
8 sion shall issue a proposed rule to implement the rec-
9 ommendations of the report issued under subsection (b).

10 (d) RULE OF CONSTRUCTION.—Revisions made to
11 regulation S-K by the Commission under section 3 shall
12 not be construed as satisfying the rulemaking require-
13 ments under this section.