

114TH CONGRESS
1ST SESSION

H. R. 1525

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

MARCH 23, 2015

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

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 2015”.

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-
9 ties and Exchange Commission shall issue regulations to
10 permit issuers to submit a summary page on form 10-

1 K (17 C.F.R. 249.310), but only if each item on such
2 summary page includes a cross-reference (by electronic
3 link or otherwise) to the material contained in form 10-
4 K to which such item relates.

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

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

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

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18 ping, outdated, or unnecessary; and

19 (3) for which the Commission determines that
20 no further study under section 4 is necessary to de-
21 termine the efficacy of such revisions to regulation
22 S-K.

1 **SEC. 4. STUDY ON MODERNIZATION AND SIMPLIFICATION**
2 **OF REGULATION S-K.**

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

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

11 (2) emphasize a company by company approach
12 that allows relevant and material information to be
13 disseminated to investors without boilerplate lan-
14 guage or static requirements while preserving com-
15 pleteness and comparability of information across
16 registrants; and

17 (3) evaluate methods of information delivery
18 and presentation and explore methods for discour-
19 aging repetition and the disclosure of immaterial in-
20 formation.

21 (b) **CONSULTATION.**—In conducting the study re-
22 quired under subsection (a), the Commission shall consult
23 with the Investor Advisory Committee and the Advisory
24 Committee on Small and Emerging Companies.

25 (c) **REPORT.**—Not later than the end of the 360-day
26 period beginning on the date of enactment of this Act, the

1 Commission shall issue a report to the Congress con-
2 taining—

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

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

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

14 (d) RULEMAKING.—Not later than the end of the
15 360-day period beginning on the date that the report is
16 issued to the Congress under subsection (c), the Commis-
17 sion shall issue a proposed rule to implement the rec-
18 ommendations of the report issued under subsection (c).

19 (e) RULE OF CONSTRUCTION.—Revisions made to
20 regulation S–K by the Commission under section 3 shall
21 not be construed as satisfying the rulemaking require-
22 ments under this section.

○