

113TH CONGRESS
2D SESSION

H. R. 4569

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

MAY 6, 2014

Mr. GARRETT (for himself and Mr. HURT) 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 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-
9 ties and Exchange Commission shall issue regulations to
10 permit issuers to submit a summary page on form 10-K

1 (17 C.F.R. 249.310), but only if each item on such sum-
2 mary page includes a cross-reference (by electronic link
3 or otherwise) to the material contained in form 10-K to
4 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 revise regulation S-
9 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, and
13 smaller reporting companies, and other smaller
14 issuers; and

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17 ping, outdated, or unnecessary.

18 **SEC. 4. STUDY ON MODERNIZATION AND SIMPLIFICATION**
19 **OF REGULATION S-K.**

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

24 (1) determine how best to modernize and sim-
25 plify such requirements in a manner that reduces

1 the costs and burdens on issuers while still providing
2 all material information;

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

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

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

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

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

24 (3) specific and detailed recommendations on
25 ways to improve the readability and navigability of

1 disclosure documents and to discourage repetition
2 and the disclosure of immaterial information.

3 (c) RULEMAKING.—Not later than the end of the
4 360-day period beginning on the date that the report is
5 issued to the Congress under subsection (b), the Commis-
6 sion shall issue a proposed rule to implement the rec-
7 ommendations of the report issued under subsection (b).

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

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