AMENDMENT TO THE RULES COMMITTEE PRINT

117–5

OFFERED BY MR. PHILLIPS OF MINNESOTA

Page 9, after line 10, insert the following:

SEC. 105. STUDY ON SHAREHOLDER COLLECTIVE ACTION.

Not later than 1 year after the date of the enactment of this Act, the Securities and Exchange Commission shall—

(1) conduct a study on—

(A) the emergence, viability, and significance of coalitions of shareholders who wish to preserve and promote critical employment and ESG standards;

(B) whether and to what extent shareholder collective action—

(i) occurs; and

(ii) has implications with respect to filing requirements under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.); and

(C) any possible anticompetitive activities associated with shareholder collective action; and
(2) submit to Congress a report that includes—

(A) the findings of the study conducted under paragraph (1);

(B) guidance, which may include an approved list, of shareholder engagement activities that are not considered to involve questions of corporate control; and

(C) recommendations on regulatory safe harbors for engagement with respect to sustainability guardrails and similar restrictions on portfolio company conduct with a goal of—

(i) preserving economic justice, environmental systems, and social institutions; and

(ii) otherwise protecting the common interests of corporate shareholders and stakeholders.