

AMENDMENT TO THE RULES COMMITTEE PRINT

117-5

OFFERED BY MR. PHILLIPS OF MINNESOTA

Page 9, after line 10, insert the following:

1 **SEC. 105. STUDY ON SHAREHOLDER COLLECTIVE ACTION.**

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

5 (1) conduct a study on—

6 (A) the emergence, viability, and signifi-
7 cance of coalitions of shareholders who wish to
8 preserve and promote critical employment and
9 ESG standards;

10 (B) whether and to what extent share-
11 holder collective action—

12 (i) occurs; and

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

17 (C) any possible anticompetitive activities
18 associated with shareholder collective action;
19 and

1 (2) submit to Congress a report that includes—

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

4 (B) guidance, which may include an ap-
5 proved list, of shareholder engagement activities
6 that are not considered to involve questions of
7 corporate control; and

8 (C) recommendations on regulatory safe
9 harbors for engagement with respect to sustain-
10 ability guardrails and similar restrictions on
11 portfolio company conduct with a goal of—

12 (i) preserving economic justice, envi-
13 ronmental systems, and social institutions;
14 and

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

