

**MEEKS/025**  
*Pasey*

**AMENDMENT TO H.R. \_\_\_\_\_**

**OFFERED BY MR. MEEKS OF NEW YORK**

*Pasey*

At the end of title IV, insert the following new section:

**1 SEC. 414. STREAMLINING OF SEC FILING PROCEDURES.**

2 (a) FILING PROCEDURES.—Section 19(b)(2) of the  
3 Securities Exchange Act of 1934 (15 U.S.C. 78s(b)(2))  
4 is amended to read as follows:

5 “(2) APPROVAL PROCESS.—

6 “(A) IN GENERAL.—Within 35 days of the  
7 date of publication of notice of the filing of a  
8 proposed rule change in accordance with para-  
9 graph (1) of this subsection, or within such  
10 longer period as the Commission may designate  
11 up to 90 days of such date if it finds such  
12 longer period to be appropriate and publishes  
13 its reasons for so finding or as to which the  
14 self-regulatory organization consents, the Com-  
15 mission shall—

16 “(i) by order approve such proposed  
17 rule change; or

18 “(ii) institute proceedings described in  
19 subparagraph (B) to determine whether

1           the proposed rule change should be dis-  
2           approved.

3           “(B) PROCEEDINGS REQUIREMENTS.—  
4           Proceedings described under this subparagraph  
5           shall include notice of the grounds for dis-  
6           approval under consideration and opportunity  
7           for hearing and be concluded within 180 days  
8           of the date of publication of notice of the filing  
9           of the proposed rule change. At the conclusion  
10          of such proceedings the Commission, by order,  
11          shall approve or disapprove such proposed rule  
12          change. The Commission may extend the time  
13          for conclusion of such proceedings for up to  
14          sixty days if it finds good cause for such exten-  
15          sion and publishes its reasons for so finding or  
16          for such longer period as to which the self-regu-  
17          latory organization consents.

18          “(C) STANDARDS FOR APPROVAL.—The  
19          Commission shall approve a proposed rule  
20          change of a self-regulatory organization if it  
21          finds that such proposed rule change is con-  
22          sistent with the requirements of this title and  
23          the rules and regulations hereunder applicable  
24          to such organization. The Commission shall dis-  
25          approve a proposed rule change of a self-regu-

1 latory organization if it does not make such  
2 finding. The Commission shall not approve any  
3 proposed rule change prior to 30 days after the  
4 date of publication of notice of the filing there-  
5 of, unless the Commission finds good cause for  
6 so doing and publishes its reasons for so find-  
7 ing.

8 “(D) RESULT OF FAILURE TO INSTITUTE  
9 OR CONCLUDE PROCEEDINGS.—

10 “(i) If, after the 35-day period begin-  
11 ning on the date of publication of the no-  
12 tice of the filing of the proposed rule  
13 change, together with any permitted exten-  
14 sions of such period, the Commission has  
15 neither approved such proposed rule  
16 change nor instituted proceedings as re-  
17 quired under subparagraph (A), such pro-  
18 posed rule change shall be deemed to have  
19 been approved by the Commission.

20 “(ii) If, after the 180-day period be-  
21 ginning on the date of publication of the  
22 notice of the filing of the proposed rule  
23 change, together with any permitted exten-  
24 sions of such period, the Commission has  
25 not concluded proceedings to determine

1           whether to disapprove the proposed rule  
2           change, such proposed rule change shall be  
3           deemed to have been approved by the Com-  
4           mission.

5           “(E) PUBLICATION DATE BASED ON  
6           WEBSITE PUBLISHING.—For purposes of this  
7           paragraph, if, after filing a proposed rule  
8           change with the Commission pursuant to para-  
9           graph (1), a self-regulatory organization pub-  
10          lishes a notice of the filing of such proposed  
11          rule change, together with the substantive  
12          terms of such proposed rule change, on a pub-  
13          licly accessible website, the date of publication  
14          of notice of the filing of such proposed rule  
15          change shall be deemed to be the date such  
16          website publication is made.”.

17          (b) CLARIFICATION OF FILING DATE.—Section 19(b)  
18 of such Act is amended by adding at the end the following  
19 new paragraph:

20           “(10) FILING DATE OF PROPOSED RULE  
21          CHANGES.—

22           “(A) IN GENERAL.—For purposes of this  
23          subsection, the date of filing of a proposed rule  
24          change shall be the date on which the self-regu-

1 latory organization delivers such proposed rule  
2 change to the Commission.

3 “(B) EXCEPTION.—Subparagraph (A)  
4 shall not apply to the delivery of a proposed  
5 rule change if, within the 3-day period begin-  
6 ning on the date of such delivery, the Commis-  
7 sion determines that such proposed rule change  
8 does not comply with the rules and regulations  
9 issued by the Commission pertaining to the re-  
10 quired form of such proposed rule change.”.

11 (c) EFFECTIVE DATE OF PROPOSED RULES.—Sec-  
12 tion 19(b)(3) of such Act is amended—

13 (1) in subparagraph (A), by striking “proposed  
14 rule change may” and inserting “proposed rule  
15 change shall”;

16 (2) in subparagraph (A)(ii), by striking “charge  
17 imposed by the self-regulatory organization” and in-  
18 serting “charge imposed by the self-regulatory orga-  
19 nization on any person, regardless of whether such  
20 person is a member of such organization”; and

21 (3) in subparagraph (C)—

22 (A) by striking the second sentence and in-  
23 serting the following: “At any time within the  
24 60-day period beginning on the date of filing of  
25 such a proposed rule change in accordance with

1 the provisions of paragraph (1), the Commis-  
2 sion summarily may temporarily suspend the  
3 change in the rules of the self-regulatory orga-  
4 nization made thereby, if it appears to the  
5 Commission that such action is necessary or ap-  
6 propriate in the public interest, for the protec-  
7 tion of investors, or otherwise in furtherance of  
8 the purposes of this title. If the Commission  
9 takes such action, the Commission shall imme-  
10 diately institute proceedings described in para-  
11 graph (2)(B) to determine if such proposed rule  
12 should be approved or disapproved.”; and

13 (B) by striking “preceding sentence” and  
14 inserting “preceding two sentences”.

15 (d) CONFORMING CHANGE.—Section 19(b) of such  
16 Act is amended by striking paragraph (4), subparagraph  
17 (D) and inserting the following:

18 “(D) The Commission shall order the tem-  
19 porary suspension of any change in the rules of  
20 such a clearing agency made by a proposed rule  
21 change which has taken effect pursuant to  
22 paragraph (3) of this subsection if the appro-  
23 priate regulatory agency for such clearing agen-  
24 cy notifies the Commission within thirty days of  
25 the date of filing of such proposed rule change

1 of such appropriate regulatory agency's (i) de-  
2 termination that the rules of such clearing  
3 agency as so changed may be inconsistent with  
4 the safeguarding of securities or funds in the  
5 custody or control of such clearing agency or  
6 for which it is responsible and (ii) reasons for  
7 such determination. If the Commission takes  
8 such action, the Commission shall immediately  
9 institute proceedings described in paragraph  
10 (2)(B) to determine if such proposed rule  
11 change should be approved or disapproved.”.

