

Union Calendar No. 105

119TH CONGRESS
1ST SESSION

H. R. 2441

[Report No. 119–136]

To provide for the electronic delivery of certain regulatory document required
under the securities laws.

IN THE HOUSE OF REPRESENTATIVES

MARCH 27, 2025

Mr. HUIZENGA (for himself, Mr. SHERMAN, Mr. STEIL, and Mr. AUCHINCLOSS) introduced the following bill; which was referred to the Committee on Financial Services

JUNE 4, 2025

Additional sponsors: Ms. PETTERSEN, Mrs. WAGNER, Mrs. McCLAIN, and Mr. VINDMAN

JUNE 4, 2025

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on March 27, 2025]

A BILL

To provide for the electronic delivery of certain regulatory
document required under the securities laws.

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 “Improving Disclosure*
5 *for Investors Act of 2025”.*

6 **SEC. 2. ELECTRONIC DELIVERY.**

7 (a) *PROMULGATION OF RULES.*—Not later than 180
8 *days after the date of the enactment of this section, the Secu-*
9 *rities and Exchange Commission shall propose and, not*
10 *later than 1 year after the date of the enactment of this*
11 *section, the Commission shall finalize rules, regulations,*
12 *amendments, or interpretations, as appropriate, to allow*
13 *a covered entity to satisfy the entity’s obligation to deliver*
14 *regulatory documents required under the securities laws to*
15 *investors using electronic delivery.*

16 (b) *REQUIRED PROVISIONS.*—Rules, regulations,
17 *amendments, or interpretations the Commission promul-*
18 *gates pursuant to subsection (a) shall:*

19 (1) *With respect to investors that do not receive*
20 *all regulatory documents by electronic delivery, pro-*
21 *vide for—*

22 (A) *delivery of an initial communication in*
23 *paper form regarding electronic delivery;*

1 (B) a transition period not to exceed 180
2 days until such regulatory documents are deliv-
3 ered to such investors by electronic delivery; and

4 (C) during a period not to exceed 2 years
5 following the transition period set forth in sub-
6 paragraph (B), delivery of an annual notice in
7 paper form solely reminding such investors of the
8 ability to opt out of electronic delivery at any
9 time and receive paper versions of regulatory
10 documents.

11 (2) Set forth requirements for the content of the
12 initial communication described in paragraph (1)(A).

13 (3) Set forth requirements for the timing of de-
14 livery of a notice of website availability of regulatory
15 documents and the content of the appropriate notice
16 described in subsection (g)(3)(B).

17 (4) Provide a mechanism for investors to opt out
18 of electronic delivery at any time and receive paper
19 versions of regulatory documents.

20 (5) Require measures reasonably designed to
21 identify and remediate failed electronic deliveries of
22 regulatory documents.

23 (6) Set forth minimum requirements regarding
24 readability and retainability for regulatory docu-
25 ments that are delivered electronically.

1 (7) *For covered entities other than brokers, deal-*
2 *ers, investment advisers registered with the Commis-*
3 *sion, and investment companies, require measures*
4 *reasonably designed to ensure the confidentiality of*
5 *personal information in regulatory documents that*
6 *are delivered to investors electronically.*

7 (c) *EXEMPTION FROM CERTAIN REQUIREMENTS.—*
8 *Section 101(c) of the Electronic Signatures in Global and*
9 *National Commerce Act (15 U.S.C. 7001(c)) shall not apply*
10 *with respect to a regulatory document delivered in accord-*
11 *ance with this section.*

12 (d) *RULE OF CONSTRUCTION.—Nothing in this section*
13 *shall be construed as altering the substance or timing of*
14 *any regulatory document obligation under the securities*
15 *laws or regulations of a self-regulatory organization.*

16 (e) *TREATMENT OF REVISIONS NOT COMPLETED IN A*
17 *TIMELY MANNER.—If the Commission fails to finalize the*
18 *rules, regulations, amendments, or interpretations required*
19 *under subsection (a) before the date specified in such sub-*
20 *section—*

21 (1) *a covered entity may deliver regulatory docu-*
22 *ments using electronic delivery in accordance with*
23 *subsections (b) and (c); and*

24 (2) *such electronic delivery shall be deemed to*
25 *satisfy the obligation of the covered entity to deliver*

1 regulatory documents required under the securities
2 laws.

3 (f) *OTHER REQUIRED ACTIONS.*—

4 (1) *REVIEW OF RULES.*—The Commission
5 shall—

6 (A) within 180 days of the date of enact-
7 ment of this Act, conduct a review of the rules
8 and regulations of the Commission to determine
9 whether any such rules or regulations require de-
10 livery of written documents to investors; and

11 (B) within 1 year of the date of enactment
12 of this Act, promulgate amendments to such rules
13 or regulations to provide that any requirement
14 to deliver a regulatory document “in writing”
15 may be satisfied by electronic delivery.

16 (2) *ACTIONS BY SELF-REGULATORY ORGANIZA-*
17 *TIONS.*—Each self-regulatory organization shall adopt
18 rules and regulations, or amend the rules and regula-
19 tions of the self-regulatory organization, consistent
20 with this Act and consistent with rules, regulations,
21 amendments, or interpretations finalized by the Com-
22 mission pursuant to subsection (a).

23 (3) *RULE OF APPLICATION.*—This subsection
24 shall not apply to a rule or regulation issued pursu-
25 ant to a Federal statute if that Federal statute spe-

1 *cifically requires delivery of paper documents to in-*
 2 *vestors.*

3 *(g) DEFINITIONS.—In this section:*

4 *(1) COMMISSION.—The term “Commission”*
 5 *means the Securities and Exchange Commission.*

6 *(2) COVERED ENTITY.—The term “covered enti-*
 7 *ty” means—*

8 *(A) an investment company (as defined in*
 9 *section 3(a)(1) of the Investment Company Act*
 10 *of 1940 (15 U.S.C. 80a–3(a)(1))) that is reg-*
 11 *istered under such Act;*

12 *(B) a business development company (as de-*
 13 *finied in section 2(a) of the Investment Company*
 14 *Act of 1940 (15 U.S.C. 80a–2(a))) that has elect-*
 15 *ed to be regulated as such under such Act;*

16 *(C) a registered broker or dealer (as such*
 17 *terms are defined, respectively, in paragraphs*
 18 *(4) and (5) of section 3(a) of the Securities Ex-*
 19 *change Act of 1934 (15 U.S.C. 78c(a)));*

20 *(D) a registered municipal securities dealer*
 21 *(as defined in section 3(a)(30) of the Securities*
 22 *Exchange Act of 1934 (15 U.S.C. 78c(a)(30)));*

23 *(E) a registered government securities*
 24 *broker or government securities dealer (as such*
 25 *terms are defined, respectively, in paragraphs*

1 (43) and (44) of section 3(a) of the Securities
2 Exchange Act of 1934 (15 U.S.C. 78c(a));

3 (F) a registered investment adviser (as de-
4 fined in section 202(a)(11) of the Investment Ad-
5 visers Act of 1940 (15 U.S.C. 80b-1(a)(11)));

6 (G) a registered transfer agent (as defined
7 in section 3(a)(25) of the Securities Exchange
8 Act of 1934 (15 U.S.C. 78c(a)(25))); or

9 (H) a registered funding portal (as defined
10 in the second paragraph (80) of section 3(a) of
11 the Securities Exchange Act of 1934 (15 U.S.C.
12 78c(a))).

13 (3) *ELECTRONIC DELIVERY.*—The term “elec-
14 tronic delivery”, with respect to regulatory docu-
15 ments, includes—

16 (A) the direct delivery of such regulatory
17 document to an electronic address of an investor;

18 (B) the posting of such regulatory document
19 to a website, and direct delivery of an appro-
20 priate notice of the availability of the regulatory
21 document to an electronic address of the investor;
22 or

23 (C) any other electronic method reasonably
24 designed to ensure receipt of such regulatory doc-
25 ument by the investor.

1 (4) *REGULATORY DOCUMENTS.*—*The term “regu-*
2 *latory documents” includes—*

3 (A) *prospectuses meeting the requirements*
4 *of section 10(a) of the Securities Act of 1933 (15*
5 *U.S.C. 77j(a));*

6 (B) *summary prospectuses meeting the re-*
7 *quirements of—*

8 (i) *section 230.498 of title 17, Code of*
9 *Federal Regulations; or*

10 (ii) *section 230.498A of title 17, Code*
11 *of Federal Regulations;*

12 (C) *statements of additional information, as*
13 *described under section 270.30e–3(h)(2) of title*
14 *17, Code of Federal Regulations;*

15 (D) *annual and semi-annual reports to in-*
16 *vestors meeting the requirements of section 30(e)*
17 *of the Investment Company Act of 1940 (15*
18 *U.S.C. 80a–29(e));*

19 (E) *notices meeting the requirements under*
20 *section 270.19a–1 of title 17, Code of Federal*
21 *Regulations;*

22 (F) *confirmations and account statements*
23 *meeting the requirements under section 240.10b*
24 *of title 17, Code of Federal Regulations;*

1 (G) proxy statements meeting the require-
2 ments under section 240.14a-3 of title 17, Code
3 of Federal Regulations;

4 (H) privacy notices meeting the require-
5 ments of Regulation S-P under subpart A of
6 part 248 of title 17, Code of Federal Regulations;

7 (I) affiliate marketing notices meeting the
8 requirements of Regulation S-AM under subpart
9 B of part 248 of title 17, Code of Federal Regu-
10 lations; and

11 (J) all other regulatory documents required
12 to be delivered by covered entities to investors
13 under the securities laws and the rules and regu-
14 lations of the Commission and the self-regulatory
15 organizations.

16 (5) *SECURITIES LAWS*.—The term “securities
17 laws” has the meaning given the term in section 3(a)
18 of the Securities Exchange Act of 1934 (15 U.S.C.
19 78c(a)).

20 (6) *SELF-REGULATORY ORGANIZATION*.—The
21 term “self-regulatory organization” means—

22 (A) a self-regulatory organization, as de-
23 fined in section 3(a)(26) of the Securities Ex-
24 change Act of 1934 (15 U.S.C. 78c(a)(26)); and

1 *(B) the Municipal Securities Rulemaking*
2 *Board.*

3 *(7) WEBSITE.—The term “website” means an*
4 *internet website or other digital, internet, or elec-*
5 *tronic-based information repository, including a mo-*
6 *bile application.*

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