

Union Calendar No. 694

119TH CONGRESS
2^D SESSION

H. R. 9329

[Report No. 119-794]

To make improvements to the securities laws, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 2026

Mrs. WAGNER (for herself, Mr. DOWNING, Mr. SESSIONS, and Mr. HUIZENGA)
introduced the following bill; which was referred to the Committee on Fi-
nancial Services

SEPTEMBER 3, 2026

Additional sponsor: Mrs. KIM

SEPTEMBER 3, 2026

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 *italie*]

[For text of introduced bill, see copy of bill as introduced on June 18, 2026]

A BILL

To make improvements to the securities laws, 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; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
 5 *“SEC Reform and Restructuring Act”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *this Act is as follows:*

Sec. 1. Short title; table of contents.

TITLE I—SEC REGULATORY ACCOUNTABILITY

Sec. 101. Consideration by the Securities and Exchange Commission of the costs and benefits of regulations and certain other agency actions of the Commission.

TITLE II—SEC TRANSPARENCY

Sec. 201. Semiannual testimony to Congress regarding activities of the Securities and Exchange Commission.

TITLE III—SEC CYBERSECURITY

Sec. 301. GAO audit of information technology infrastructure and handling of data.

TITLE IV—REVIEW THE EXPANSION OF GOVERNMENT

Sec. 401. Consideration of cumulative effect of regulations required.

**TITLE V—STREAMLINING PUBLIC COMPANY ACCOUNTING
OVERSIGHT**

Sec. 501. Transfer of Public Company Accounting Oversight Board to Securities and Exchange Commission.

Sec. 502. Establishment; administrative provisions.

Sec. 503. Registration with the Office.

Sec. 504. Auditing, quality control, standards, and rules.

Sec. 505. Foreign public accounting firms.

Sec. 506. Funding.

Sec. 507. Definitions.

Sec. 508. Technical and conforming amendments.

Sec. 509. Rule of construction with respect to cooperative arrangements.

Sec. 510. Regulations.

Sec. 511. Effective date.

**TITLE VI—STUDY REGARDING MAJOR RULES ISSUED BY THE
SECURITIES AND EXCHANGE COMMISSION**

Sec. 601. GAO study regarding major rules.

TITLE VII—MINIMUM PUBLIC COMMENT PERIOD

Sec. 701. Minimum public comment period.

TITLE VIII—SECURITIES ENFORCEMENT CLARITY

Sec. 801. Determination of the number of violations.

TITLE IX—SEC MODERNIZATION

Sec. 901. Commission organization.

1 ***TITLE I—SEC REGULATORY***
 2 ***ACCOUNTABILITY***

3 ***SEC. 101. CONSIDERATION BY THE SECURITIES AND EX-***
 4 ***CHANGE COMMISSION OF THE COSTS AND***
 5 ***BENEFITS OF REGULATIONS AND CERTAIN***
 6 ***OTHER AGENCY ACTIONS OF THE COMMIS-***
 7 ***SION.***

8 *Section 23 of the Securities Exchange Act of 1934 (15*
 9 *U.S.C. 78w) is amended by adding at the end the following:*

10 “(e) *CONSIDERATION OF COSTS AND BENEFITS.—*

11 “(1) *CONSIDERATIONS BEFORE PROPOSING A*
 12 *REGULATION.—Before proposing a regulation, the*
 13 *Commission shall—*

14 “(A) *clearly identify the nature and source*
 15 *of the problem that the regulation is designed to*
 16 *address, as well as assess the significance of that*
 17 *problem, to enable assessment of whether any*
 18 *new regulation is warranted; and*

19 “(B) *ensure that the regulation would be*
 20 *within the Commission’s jurisdiction and that*
 21 *the Commission has sufficient experience and ex-*

1 *pertise to regulate the subject matter covered by*
2 *the regulation.*

3 *“(2) REQUIREMENTS FOR ISSUING A PROPOSED*
4 *OR FINAL REGULATION.—*

5 *“(A) IN GENERAL.—In issuing a proposed*
6 *or final regulation, the Commission shall—*

7 *“(i) clearly identify the market par-*
8 *ticipants who will be impacted by the regu-*
9 *lation;*

10 *“(ii) utilize the Chief Economist of the*
11 *Commission to assess the costs and benefits,*
12 *both qualitative and quantitative, of the*
13 *regulation, both on the regulation’s own and*
14 *cumulatively with other existing and related*
15 *proposed regulations;*

16 *“(iii) only issue the regulation if the*
17 *Commission makes a reasoned determina-*
18 *tion that the benefits of the regulation jus-*
19 *tify the costs of the regulation;*

20 *“(iv) ensure that the regulation is ac-*
21 *cessible, consistent, written in plain lan-*
22 *guage, and easy to understand; and*

23 *“(v) ensure that the length of the pub-*
24 *lic comment period is commensurate with*

1 *the complexity of the regulation and the ex-*
2 *pected public interest in the rulemaking.*

3 “(B) *INCLUSION OF INFORMATION IN A PRO-*
4 *POSED OR FINAL REGULATION.—In issuing a*
5 *proposed or final regulation, the Commission*
6 *shall include in the regulation—*

7 “(i) *the results of the identifications*
8 *and assessments required under clauses (i)*
9 *and (ii) of subparagraph (A) with respect*
10 *to the regulation;*

11 “(ii) *an explanation of why the regula-*
12 *tion meets the regulatory objectives of the*
13 *Commission more effectively than other*
14 *available alternatives;*

15 “(iii) *a description of how the Com-*
16 *mission intends the regulation to interact*
17 *with existing regulations and proposed reg-*
18 *ulations; and*

19 “(iv) *a justification of the length of the*
20 *public comment period for the regulation.*

21 “(3) *CONSIDERATIONS AND ACTIONS.—*

22 “(A) *REQUIRED ACTIONS.—In deciding*
23 *whether and how to regulate, the Commission*
24 *shall assess the costs and benefits of available*
25 *regulatory alternatives, including the alternative*

1 of not regulating, and choose the approach that
2 maximizes benefits net of costs, to the extent
3 practicable. Specifically, the Commission shall—

4 “(i) consistent with the requirements of
5 section 3(f) (15 U.S.C. 78c(f)), section 2(b)
6 of the Securities Act of 1933 (15 U.S.C.
7 77b(b)), section 202(c) of the Investment
8 Advisers Act of 1940 (15 U.S.C. 80b–2(c)),
9 and section 2(c) of the Investment Company
10 Act of 1940 (15 U.S.C. 80a–2(c)), consider
11 whether a rulemaking (both on the regula-
12 tion’s own and cumulatively with other re-
13 lated and proposed regulations), in addition
14 to being in the interest of protecting inves-
15 tors, will promote efficiency, competition,
16 and capital formation; and

17 “(ii) evaluate whether a regulation is
18 inconsistent, incompatible, or duplicative of
19 other Federal regulations.

20 “(B) *ADDITIONAL CONSIDERATIONS.*—In
21 addition, in making a reasoned determination
22 under paragraph (2)(A)(iii) of the costs and ben-
23 efits of a regulation, the Commission shall, to the
24 extent that each is relevant to the particular reg-

1 *ulation, take into consideration the impact of the*
 2 *regulation on—*

3 *“(i) investor choice;*

4 *“(ii) market liquidity in the securities*
 5 *markets;*

6 *“(iii) small businesses;*

7 *“(iv) competition in the marketplace;*

8 *and*

9 *“(v) investor access.*

10 *“(4) POST-ADOPTION IMPACT ASSESSMENT.—*

11 *“(A) IN GENERAL.—Whenever the Commis-*
 12 *sion issues a final regulation that is a ‘major*
 13 *rule’ (as defined under section 804 of title 5,*
 14 *United States Code), it shall state, in the regula-*
 15 *tion, the following:*

16 *“(i) The purposes and intended con-*
 17 *sequences of the regulation.*

18 *“(ii) Appropriate post-implementation*
 19 *quantitative and qualitative metrics to*
 20 *measure the economic impact of the regula-*
 21 *tion and to measure the extent practicable*
 22 *to which the regulation has accomplished*
 23 *the stated purposes.*

1 “(iii) *The assessment plan that will be*
 2 *used, consistent with the requirements of*
 3 *subparagraph (B).*

4 “(iv) *Any unintended or negative con-*
 5 *sequences that the Commission foresees may*
 6 *result from the regulation.*

7 “(B) *REQUIREMENTS OF ASSESSMENT PLAN*
 8 *AND REPORT.—*

9 “(i) *REQUIREMENTS OF PLAN.—For*
 10 *each regulation described under subpara-*
 11 *graph (A), the Commission, in consultation*
 12 *with the Chief Economist, shall establish an*
 13 *assessment plan, which shall—*

14 “(I) *identify the costs, benefits,*
 15 *and intended and unintended con-*
 16 *sequences as identified in the rule-*
 17 *making release of the regulation; and*

18 “(II) *specify the data to be col-*
 19 *lected, the methods for collection and*
 20 *analysis of the data, and a date for*
 21 *completion of the assessment.*

22 “(ii) *TIMING OF ASSESSMENT PLAN*
 23 *REPORT.—A report on each completed as-*
 24 *essment plan described under clause (i)*
 25 *shall be submitted by the Chief Economist*

1 to the Commission not later than the end of
2 the 4-year period beginning on the date the
3 applicable regulation is issued, unless the
4 Commission, at the request of the Chief
5 Economist, publishes at least 90 days before
6 the end of such period a notice in the Fed-
7 eral Register extending the date and pro-
8 viding specific reasons why an extension is
9 necessary.

10 “(iii) *PUBLIC COMMENT.*—Not later
11 than 30 days after the Commission receives
12 an assessment plan report under clause (ii),
13 the Commission shall publish the report in
14 the Federal Register for public comment.

15 “(5) *REGULATION DEFINED.*—In this subsection,
16 the term ‘regulation’—

17 “(A) means an agency statement of general
18 applicability and future effect that is designed to
19 implement, interpret, or prescribe law or policy
20 or to describe the procedure or practice require-
21 ments of an agency, including rules, orders of
22 general applicability, interpretive releases, and
23 other statements of general applicability that the
24 agency intends to have the force and effect of
25 law; and

1 “(B) does not include—

2 “(i) a regulation issued in accordance
3 with the formal rulemaking provisions of
4 section 556 or 557 of title 5, United States
5 Code;

6 “(ii) a regulation that is limited to
7 agency organization, management, or per-
8 sonnel matters;

9 “(iii) a regulation promulgated pursu-
10 ant to statutory authority that expressly
11 prohibits compliance with this provision;
12 and

13 “(iv) a regulation that is certified by
14 the agency to be an emergency action, if
15 such certification is published in the Fed-
16 eral Register.”.

17 ***TITLE II—SEC TRANSPARENCY***

18 ***SEC. 201. SEMIANNUAL TESTIMONY TO CONGRESS REGARD-*** 19 ***ING ACTIVITIES OF THE SECURITIES AND EX-*** 20 ***CHANGE COMMISSION.***

21 *Section 4 of the Securities Exchange Act of 1934 (15*
22 *U.S.C. 78d) is amended by adding at the end the following:*

23 “(k) *SEMIANNUAL TESTIMONY TO CONGRESS.—The*
24 *Chairman of the Commission shall, not less than once every*
25 *6 months after the date of the enactment of this subsection,*

1 *testify before the Committee on Financial Services of the*
 2 *House of Representatives and the Committee on Banking,*
 3 *Housing, and Urban Affairs of the Senate on the activities*
 4 *of the Commission. At least once annually, the Commis-*
 5 *sioners shall join the Chairman with respect to testifying*
 6 *pursuant to the preceding sentence.”.*

7 ***TITLE III—SEC CYBERSECURITY***

8 ***SEC. 301. GAO AUDIT OF INFORMATION TECHNOLOGY IN-*** 9 ***FRASTRUCTURE AND HANDLING OF DATA.***

10 *The Comptroller General of the United States shall,*
 11 *not later than 1 year after the date of the enactment of this*
 12 *Act—*

13 *(1) perform an independent audit of the infor-*
 14 *mation technology (IT) infrastructure of the Securi-*
 15 *ties and Exchange Commission and the Commission’s*
 16 *handling of data, including—*

17 *(A) a comparison of the Commission’s IT*
 18 *spending to other Federal financial regulators,*
 19 *including—*

20 *(i) the total amount spent on IT equip-*
 21 *ment and services; and*

22 *(ii) the amount of IT spending in pro-*
 23 *portion to each regulator’s total spending;*

24 *(B) examining the quality and effectiveness*
 25 *of the Commission’s IT contracting;*

1 (C) *determining if the Commission’s data*
 2 *and cybersecurity systems and procedures are*
 3 *sufficient; and*

4 (D) *examining any recent Commission IT*
 5 *or data events, such as breaches or hacks, that*
 6 *may have compromised the Commission’s IT in-*
 7 *frastructure or exposed a vulnerability; and*

8 (2) *provide to the Commission, the Committee on*
 9 *Financial Services of the House of Representatives,*
 10 *and the Committee on Banking, Housing, and Urban*
 11 *Affairs of the Senate a report containing—*

12 (A) *all findings and determinations made*
 13 *in conducting the audit; and*

14 (B) *recommendations for steps that can be*
 15 *taken to improve the Commission’s IT infra-*
 16 *structure.*

17 ***TITLE IV—REVIEW THE***
 18 ***EXPANSION OF GOVERNMENT***

19 ***SEC. 401. CONSIDERATION OF CUMULATIVE EFFECT OF***
 20 ***REGULATIONS REQUIRED.***

21 (a) *RULES UNDER THE SECURITIES ACT OF 1933.—*
 22 *Section 2(b) of the Securities Act of 1933 (15 U.S.C. 77b(b))*
 23 *is amended by inserting “, when considered individually*
 24 *or cumulatively with other related rules or regulations or*

1 *other related and recent proposed rules or regulations,” be-*
 2 *fore “will promote”.*

3 *(b) RULES UNDER THE SECURITIES EXCHANGE ACT*
 4 *OF 1934.—Section 23(a)(2) of the Securities Exchange Act*
 5 *of 1934 (15 U.S.C. 78w(a)(2)) is amended by inserting “,*
 6 *when considered individually or cumulatively with other re-*
 7 *lated rules or regulations or other related and recent pro-*
 8 *posed rules or regulations,” after “which would”.*

9 *(c) RULES UNDER THE INVESTMENT COMPANY ACT OF*
 10 *1940.—Section 2(c) of the Investment Company Act of 1940*
 11 *(15 U.S.C. 80a–2(c)) is amended by inserting “, when con-*
 12 *sidered individually or cumulatively with other related*
 13 *rules or regulations or other related and recent proposed*
 14 *rules or regulations,” before “will promote”.*

15 *(d) RULES UNDER THE INVESTMENT ADVISERS ACT*
 16 *OF 1940.—Section 202(c) of the Investment Advisers Act*
 17 *of 1940 (15 U.S.C. 80b–2(c)) is amended by inserting “,*
 18 *when considered individually or cumulatively with other re-*
 19 *lated rules or regulations or other related and recent pro-*
 20 *posed rules or regulations,” before “will promote”.*

1 **TITLE V—STREAMLINING PUB-**
 2 **LIC COMPANY ACCOUNTING**
 3 **OVERSIGHT**

4 **SEC. 501. TRANSFER OF PUBLIC COMPANY ACCOUNTING**
 5 **OVERSIGHT BOARD TO SECURITIES AND EX-**
 6 **CHANGE COMMISSION.**

7 (a) *GLOBAL AMENDMENTS.*—*Except as otherwise pro-*
 8 *vided under this title, title I of the Sarbanes-Oxley Act of*
 9 *2002 (15 U.S.C. 7211 et seq.) is amended—*

10 (1) *in the title heading, by striking “PUBLIC*
 11 *COMPANY ACCOUNTING OVERSIGHT*
 12 *BOARD” and inserting “OFFICE OF PUBLIC*
 13 *ACCOUNTING OVERSIGHT”;*

14 (2) *by striking “the Board” each place it ap-*
 15 *pears and inserting “the Commission”;*

16 (3) *by striking “The Board” each place it ap-*
 17 *pears and inserting “The Commission”; and*

18 (4) *by striking “the Board’s” each place it ap-*
 19 *pears and inserting “the Commission’s”.*

20 (b) *REPEALS.*—*Sections 104, 105, and 107 of the Sar-*
 21 *banes-Oxley Act of 2002 (15 U.S.C. 7214; 15 U.S.C. 7215;*
 22 *15 U.S.C. 7217) are repealed.*

23 (c) *REFERENCES.*—*Beginning on the date that is 2*
 24 *years after the date of the enactment of this Act, any ref-*
 25 *erence to the Public Company Accounting Oversight Board*

1 *in any law, regulation, map, document, record, or other*
 2 *paper of the United States shall be deemed to be a reference*
 3 *to the Office of Public Accounting Oversight of the Office*
 4 *of the Chief Accountant of the Securities and Exchange*
 5 *Commission.*

6 (d) *TERMINATION OF EXISTING BOARD.—The Public*
 7 *Company Accounting Oversight Board shall terminate on*
 8 *the date that is 2 years after the date of the enactment of*
 9 *this Act.*

10 **SEC. 502. ESTABLISHMENT; ADMINISTRATIVE PROVISIONS.**

11 (a) *IN GENERAL.—Section 101 of the Sarbanes-Oxley*
 12 *Act of 2002 (15 U.S.C. 7211) is amended—*

13 (1) *by amending subsection (a) to read as fol-*
 14 *lows:*

15 “(a) *ESTABLISHMENT OF OFFICE.—There is estab-*
 16 *lished in the Office of the Chief Accountant of the Commis-*
 17 *sion an Office of Public Accounting Oversight, to oversee*
 18 *the audit of companies that are subject to the securities*
 19 *laws, and related matters, in order to protect the interests*
 20 *of investors and further the public interest in the prepara-*
 21 *tion of informative, accurate, and independent audit re-*
 22 *ports.”;*

23 (2) *by amending subsection (b) to read as fol-*
 24 *lows:*

1 “(b) *DIRECTOR.*—*The Chief Accountant of the Office*
 2 *of the Chief Accountant of the Commission shall serve as*
 3 *the Director of the Office of Public Accounting Oversight.*”;

4 *(3) in subsection (c)—*

5 *(A) in the heading, by striking “THE*
 6 *BOARD” and inserting “THE COMMISSION”;*

7 *(B) by striking “, subject to action by the*
 8 *Commission under section 107, and once a deter-*
 9 *mination is made by the Commission under sub-*
 10 *section (d) of this section”;*

11 *(C) in paragraph (3), by striking “section*
 12 *104” and inserting “subsection (e)”;*

13 *(D) in paragraph (4), by striking “section*
 14 *105” and inserting “subsection (f)”;*

15 *(E) in paragraph (5)—*

16 *(i) by striking “the Board (or the Com-*
 17 *mission, by rule or order)” and inserting*
 18 *“the Commission”; and*

19 *(ii) by inserting “and” after the semi-*
 20 *colon;*

21 *(F) in paragraph (6)—*

22 *(i) by striking “the rules of the Board”*
 23 *and inserting “the rules of the Commis-*
 24 *sion”; and*

1 (ii) by striking “; and” and inserting
2 a period; and

3 (G) by striking paragraph (7);
4 (4) in subsection (d)—

5 (A) by striking “The members of the Board”
6 and inserting “The Chief Accountant of the Com-
7 mission”;

8 (B) by striking “270 days after the date of
9 enactment of this Act” and inserting “1 year
10 after the date of the enactment of the SEC Re-
11 form and Restructuring Act”; and

12 (C) by striking the last sentence;

13 (5) by striking subsections (e), (f), (g), and (h);
14 and

15 (6) by inserting after subsection (d) the fol-
16 lowing:

17 “(e) *INSPECTIONS OF REGISTERED PUBLIC ACCOUNT-*
18 *ING FIRMS.—The Office shall conduct a continuing pro-*
19 *gram of inspections to assess the degree of compliance of*
20 *each registered public accounting firm and associated per-*
21 *sons of that firm with this Act, the rules of the Commission,*
22 *or professional standards, in connection with its perform-*
23 *ance of audits, issuance of audit reports, and related mat-*
24 *ters involving issuers.*

1 “(f) *INVESTIGATIONS AND DISCIPLINARY PRO-*
 2 *CEEDINGS.—The Commission shall establish, by rule, fair*
 3 *procedures for the investigation and disciplining of reg-*
 4 *istered public accounting firms and associated persons of*
 5 *such firms.”.*

6 (b) *PUBLICATION OF RULES.—The Commission shall,*
 7 *promptly after the creation of the Office, cause to be pub-*
 8 *lished in the Federal Register a notice that all rules of the*
 9 *Public Company Accounting Oversight Board shall remain*
 10 *in effect as Commission rules upon the termination of the*
 11 *Public Company Accounting Oversight Board.*

12 **SEC. 503. REGISTRATION WITH THE OFFICE.**

13 *Section 102 of the Sarbanes-Oxley Act of 2002 (15*
 14 *U.S.C. 7212) is amended—*

15 (1) *in the section heading by striking “**THE***
 16 ***BOARD**” and inserting “**THE OFFICE**”;*

17 (2) *in subsection (b)(2)(H), by striking “the*
 18 *Board or”;*

19 (3) *in subsection (c)—*

20 (A) *by striking “APPLICATIONS.—” and all*
 21 *that follows through “The Board” and inserting*
 22 *“APPLICATIONS.—The Board”; and*

23 (B) *by striking paragraph (2);*

24 (4) *in subsection (d), by striking “the Board or”;*

25 *and*

1 (5) in subsection (e), by striking “the Board or”.

2 **SEC. 504. AUDITING, QUALITY CONTROL, STANDARDS, AND**
 3 **RULES.**

4 Section 103 of the Sarbanes-Oxley Act of 2002 (15
 5 U.S.C. 7213) is amended—

6 (1) in the heading, by striking “**AND INDE-**
 7 **PENDENCE STANDARDS**” and inserting “**STAND-**
 8 **ARDS,**”;

9 (2) in subsection (a)(3)—

10 (A) in subparagraph (A)(i), by striking “,
 11 subject to the terms of section 107,”;

12 (B) by striking subparagraph (B); and

13 (C) by redesignating subparagraph (C) as
 14 subparagraph (B);

15 (3) in subsection (c) in the heading of paragraph
 16 (2), by striking “BOARD” and inserting “OFFICE”;
 17 and

18 (4) in subsection (d), by striking “The Board
 19 shall include in the annual report required by section
 20 101(h)” and inserting “The Commission shall include
 21 in the Commission’s annual performance report to
 22 Congress”.

23 **SEC. 505. FOREIGN PUBLIC ACCOUNTING FIRMS.**

24 Section 106 of the Sarbanes-Oxley Act of 2002 (15
 25 U.S.C. 7216) is amended—

1 (1) *in the heading of subsection (a)(2), by strik-*
 2 *ing “BOARD” and inserting “OFFICE”;*

3 (2) *by striking “or the Board” each place such*
 4 *term appears;*

5 (3) *in subsection (a), by striking “the Board*
 6 *and”;* and

7 (4) *in subsection (c)—*

8 (A) *by striking “and the Board, subject to*
 9 *the approval of the Commission, may,”; and*

10 (B) *by striking “(or Board)”.*

11 **SEC. 506. FUNDING.**

12 *Section 109 of the Sarbanes-Oxley Act of 2002 (15*
 13 *U.S.C. 7219) is amended—*

14 (1) *by amending subsection (b) to read as fol-*
 15 *lows:*

16 “(b) *ANNUAL BUDGETS.—*

17 “(1) *STANDARD SETTING BODY.—The standard*
 18 *setting body referred to in subsection (a) shall estab-*
 19 *lish a budget for each fiscal year, which shall be—*

20 “(A) *reviewed and approved according to*
 21 *their respective internal procedures not less than*
 22 *1 month prior to the commencement of the fiscal*
 23 *year to which the budget pertains; and*

24 “(B) *subject to approval by the Commis-*
 25 *sion.*

1 “(2) *THE OFFICE*.—*The Commission shall estab-*
 2 *lish the budget for the Office for each fiscal year.*”;

3 (2) *in subsection (c)*—

4 (A) *by amending paragraph (1) to read as*
 5 *follows:*

6 “(1) *RECOVERABLE BUDGET EXPENSES*.—

7 “(A) *STANDARD SETTING BODY*.—*The budg-*
 8 *et of the standard setting body referred to in sub-*
 9 *section (a) for each fiscal year shall be payable*
 10 *from annual accounting support fees, in accord-*
 11 *ance with subsections (d) and (e). Accounting*
 12 *support fees and other receipts of such standard-*
 13 *setting body shall not be considered public mon-*
 14 *ies of the United States.*

15 “(B) *THE OFFICE*.—*The budget of the Office*
 16 *(reduced by any registration or annual fees re-*
 17 *ceived under section 102(f) for the year preceding*
 18 *the year for which the budget is being computed)*
 19 *for each fiscal year may be payable from annual*
 20 *accounting support fees, in accordance with sub-*
 21 *sections (d) and (e). Accounting support fees and*
 22 *other receipts of the Office shall not be considered*
 23 *public monies of the United States.*”;

24 (B) *in paragraph (2), by striking “shall”*
 25 *and inserting “may”;*

1 (3) in subsection (d)—

2 (A) in the heading, by striking “THE
3 BOARD” and inserting “THE OFFICE”;

4 (B) in paragraph (1), by striking “The
5 Board shall establish, with the approval of the
6 Commission,” and inserting “The Commission
7 may establish”;

8 (C) in paragraph (2), by striking “shall”
9 and inserting “may”; and

10 (D) by striking paragraph (3);

11 (4) in subsection (j)—

12 (A) by striking “either the Board,”; and

13 (B) by striking “, or both,”; and

14 (5) by striking subsection (k).

15 **SEC. 507. DEFINITIONS.**

16 Section 110 of the Sarbanes-Oxley Act of 2002 (15
17 U.S.C. 7220) is amended—

18 (1) in paragraph (1), by striking “the Board
19 or”;

20 (2) by redesignating paragraphs (5) and (6) as
21 paragraphs (6) and (7);

22 (3) by inserting after paragraph (4) the fol-
23 lowing:

1 “(5) *OFFICE*.—The term ‘Office’ means the Office
2 of Public Accounting Oversight of the Office of the
3 Chief Accountant of the Commission.”; and

4 (4) in subparagraph (B) of paragraph (6), as so
5 redesignated, by striking “the Board or”.

6 **SEC. 508. TECHNICAL AND CONFORMING AMENDMENTS.**

7 (a) *DEFINITIONS*.—Section 2(a) of the Sarbanes-Oxley
8 Act of 2002 (15 U.S.C. 7201(a)) is amended—

9 (1) in paragraph (2), by striking “the Board or
10 the Commission (or, for the period preceding the
11 adoption of applicable rules of the Board under sec-
12 tion 103, in accordance with then-applicable gen-
13 erally accepted auditing and related standards for
14 such purposes)” and inserting “the Commission”;

15 (2) by striking paragraphs (5) and (13);

16 (3) by redesignating paragraphs (6) through (12)
17 and (14) through (17) as paragraphs (5) through
18 (15), respectively;

19 (4) in paragraph (8), as so redesignated—

20 (A) in subparagraph (B), by striking
21 “Board” each place such term appears and in-
22 serting “Commission”; and

23 (B) in subparagraph (C)—

24 (i) by striking “, 101(c), 105, and
25 107(c) and the rules of the Board and Com-

1 mission issued thereunder” and inserting
 2 “and 101(c) and the rules of the Commis-
 3 sion thereunder”; and

4 (ii) in clause (ii)(II), by striking
 5 “Board” and inserting “Commission”;

6 (5) in subparagraph (B) of paragraph (9), as so
 7 redesignated—

8 (A) by striking “the Board or”;

9 (B) in clause (ii), by striking “Board” and
 10 inserting “Commission”;

11 (6) in subparagraph (B) of paragraph (10), as
 12 so redesignated, by striking “Board” and inserting
 13 “Commission”; and

14 (7) in paragraph (11), as so redesignated, by
 15 striking “Board” and inserting “Commission”.

16 (b) COMMISSION RULES AND ENFORCEMENT.—Section
 17 3 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7202) is
 18 amended—

19 (1) in subsection (b), by striking “or any rule of
 20 the Board”; and

21 (2) in subsection (c), by striking “or the rules of
 22 the Board”.

23 (c) EXEMPTION AUTHORITY.—Section 201(b) of the
 24 Sarbanes-Oxley Act of 2002 (15 U.S.C. 7231(b)) is amend-
 25 ed—

1 (1) by striking “The Board may” and inserting
2 “The Commission may”; and

3 (2) by striking “in the same manner as for rules
4 of the Board under section 107”.

5 (d) *INTERNAL CONTROL EVALUATION AND REPORT-*
6 *ING.*—Section 404(b) of the Sarbanes-Oxley Act of 2002 (15
7 U.S.C. 7262(b)) is amended by striking “Board” and in-
8 serting “Commission”.

9 (e) *SELF-REGULATORY ORGANIZATION.*—Section
10 603(y)(3) of the Consumer Credit Protection Act (15 U.S.C.
11 1681a(y)(3)) is amended by striking “any entity established
12 under title I of the Sarbanes-Oxley Act of 2002,”.

13 (f) *CLERICAL AMENDMENT.*—The table of contents in
14 section 1(b) of the Sarbanes-Oxley Act of 2002 is amend-
15 ed—

16 (1) by striking the item relating to title I and
17 inserting the following new item:

“TITLE I—OFFICE OF PUBLIC ACCOUNTING OVERSIGHT”;

18 (2) in the item relating to section 102, by strik-
19 ing “the Board” and inserting “the Office”;

20 (3) in the item relating to section 103, by strik-
21 ing “and independence standards” and inserting
22 “standards,”; and

23 (4) by striking the items relating to sections 104,
24 105, and 107.

1 **SEC. 509. RULE OF CONSTRUCTION WITH RESPECT TO CO-**
 2 **OPERATIVE ARRANGEMENTS.**

3 *Nothing in this title, or the amendments made by this*
 4 *title, shall be construed to invalidate or otherwise affect a*
 5 *cooperative arrangement or agreement between the Public*
 6 *Company Accounting Oversight Board and a foreign audi-*
 7 *tor oversight authority (as defined in section 2(a) of the*
 8 *Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a))) in effect*
 9 *on the date that is 2 years after the date of the enactment*
 10 *of this Act.*

11 **SEC. 510. REGULATIONS.**

12 *The Securities and Exchange Commission may issue*
 13 *such regulations as may be necessary to carry out this title.*

14 **SEC. 511. EFFECTIVE DATE.**

15 *The amendments made by this title shall take effect*
 16 *on the date that is 2 years after the date of the enactment*
 17 *of this Act.*

18 **TITLE VI—STUDY REGARDING**
 19 **MAJOR RULES ISSUED BY THE**
 20 **SECURITIES AND EXCHANGE**
 21 **COMMISSION**

22 **SEC. 601. GAO STUDY REGARDING MAJOR RULES.**

23 *Section 4 of the Securities Exchange Act of 1934 (15*
 24 *U.S.C. 78d), as amended by section 201, is further amended*
 25 *by adding at the end the following:*

26 *“(l) GAO STUDY REGARDING MAJOR RULES.—*

1 “(1) *STUDY REQUIRED.*—

2 “(A) *IN GENERAL.*—Subject to subpara-
3 graph (C), not later than 1 year after the date
4 of the enactment of this subsection, and every 3
5 years thereafter, the Comptroller General of the
6 United States shall carry out a study on each of
7 the major rules issued by the Commission since
8 the last such review.

9 “(B) *ELEMENTS.*—The study required
10 under subparagraph (A) shall include, with re-
11 spect to each major rule described in such sub-
12 paragraph—

13 “(i) a cost benefit analysis of such
14 major rule;

15 “(ii) a comparison between the cost
16 benefit analysis under clause (i) and the
17 cost benefit analysis for the same major rule
18 carried out by the Commission;

19 “(iii) a comparison between the pro-
20 jected costs of the major rule and the actual
21 costs of the major rule; and

22 “(iv) an evaluation of whether each
23 major rule—

24 “(I) facilitates capital formation;

1 “(II) promotes fair, efficient mar-
2 kets; and

3 “(III) protects investors.

4 “(C) *SPECIAL RULE.*—If a study required
5 under subparagraph (A) would apply to more
6 than 10 major rules, the Comptroller General
7 shall review only the 10 major rules that are the
8 most significant, as determined by the Com-
9 ptroller General.

10 “(2) *REPORT.*—Not later than 1 year after com-
11 pleting a study under paragraph (1), the Comptroller
12 General shall submit to the Committee on Financial
13 Services of the House of Representatives and the Com-
14 mittee on Banking, Housing, and Urban Affairs of
15 the Senate a report that includes—

16 “(A) the results of such study; and

17 “(B) with respect to any major rule re-
18 viewed in such study that has not yet been fully
19 implemented by the Commission, a statement
20 that the Comptroller General is unable to fully
21 analyze the costs of the major rule at the time
22 the report is submitted.

23 “(3) *MAJOR RULE DEFINED.*—In this subsection,
24 the term ‘major rule’ has the meaning given the term
25 in section 804 of title 5, United States Code.”.

TITLE VII—MINIMUM PUBLIC COMMENT PERIOD

SEC. 701. MINIMUM PUBLIC COMMENT PERIOD.

Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d), as amended by section 601, is further amended by adding at the end the following:

“(m) MINIMUM PUBLIC COMMENT PERIOD.—

“(1) IN GENERAL.—With respect to a proposed rulemaking for which a public comment period is required under section 553 of title 5, United States Code, the Commission shall provide a public comment period of—

“(A) at least 60 days; or

“(B) if the Commission determines the proposed rule addresses imminent investor harm, at least 30 days.

“(2) CALCULATION OF PERIODS.—For purposes of calculating the number of days in a period under paragraph (1) with respect to a proposed rulemaking—

“(A) a Federal holiday shall not be counted; and

“(B) the period shall begin on the date the proposed rule is published in the Federal Register.”.

**TITLE VIII—SECURITIES
ENFORCEMENT CLARITY**

**SEC. 801. DETERMINATION OF THE NUMBER OF VIOLA-
TIONS.**

*(a) SECURITIES ACT OF 1933.—The Securities Act of
1933 is amended—*

*(1) in section 8A(g) (15 U.S.C. 77h–1(g)), by
adding at the end the following:*

*“(4) DETERMINATION OF NUMBER OF VIOLA-
TIONS.—For purposes of determining the number of
violations for which to impose penalties under para-
graph (1), separate acts of noncompliance are a single
violation when the acts are the result of—*

*“(A) a common or a substantially overlap-
ping originating cause;*

“(B) the same misstatement or omission; or

“(C) a continuing failure to comply.”; and

*(2) in section 20(d) (15 U.S.C. 77t(d)), by add-
ing at the end the following:*

*“(5) DETERMINATION OF NUMBER OF VIOLA-
TIONS.—For purposes of determining the number of
violations for which to impose penalties under para-
graph (1), separate acts of noncompliance are a single
violation when the acts are the result of—*

1 “(A) a common or a substantially overlap-
2 ping originating cause;

3 “(B) the same misstatement or omission; or

4 “(C) a continuing failure to comply.”.

5 (b) SECURITIES EXCHANGE ACT OF 1934.—*The Secu-*
6 rities Exchange Act of 1934 is amended—

7 (1) in section 21(d)(3) (15 U.S.C. 78u(d)(3)), by
8 adding at the end the following:

9 “(E) DETERMINATION OF NUMBER OF VIOLA-
10 TIONS.—*For purposes of determining the number of*
11 *violations for which to impose penalties under sub-*
12 *paragraph (A)(i), separate acts of noncompliance are*
13 *a single violation when the acts are the result of—*

14 “(i) a common or a substantially overlap-
15 ping originating cause;

16 “(ii) the same misstatement or omission; or

17 “(iii) a continuing failure to comply.”;

18 (2) in section 21B(a) (15 U.S.C. 78u–2(b)), by
19 adding at the end the following:

20 “(3) DETERMINATION OF NUMBER OF VIOLA-
21 TIONS, ACTS, OR OMISSIONS.—*For purposes of deter-*
22 *mining the number of violations, acts, or omissions*
23 *for which to impose penalties under this subsection,*
24 *separate acts of noncompliance are a single violation,*
25 *act, or omission when the acts are the result of—*

1 “(A) a common or a substantially overlap-
2 ping originating cause;

3 “(B) the same misstatement or omission; or

4 “(C) a continuing failure to comply.”; and

5 (3) in section 32 (15 U.S.C. 78ff), by adding at
6 the end the following:

7 “(d) DETERMINATION OF NUMBER OF VIOLATIONS.—

8 For purposes of determining the number of violations for
9 which to impose penalties under subsection (c), separate
10 acts of noncompliance are a single violation when the acts
11 are the result of—

12 “(1) a common or a substantially overlapping
13 originating cause;

14 “(2) the same misstatement or omission; or

15 “(3) a continuing failure to comply.”.

16 (c) INVESTMENT COMPANY ACT OF 1940.—The Invest-
17 ment Company Act of 1940 is amended—

18 (1) in section 9(d) (15 U.S.C. 80a–9(d)), by add-
19 ing at the end the following:

20 “(5) DETERMINATION OF NUMBER OF VIOLA-

21 TIONS, ACTS, OR OMISSIONS.—For purposes of deter-
22 mining the number of violations, acts, or omissions

23 for which to impose penalties under paragraph (1),

24 separate acts of noncompliance are a single violation,

25 act, or omission when the acts are the result of—

1 “(A) a common or a substantially overlap-
2 ping originating cause;

3 “(B) the same misstatement or omission; or

4 “(C) a continuing failure to comply.”; and

5 (2) in section 42(e) (15 U.S.C. 80a–41(e)), by
6 adding at the end the following:

7 “(5) DETERMINATION OF NUMBER OF VIOLA-
8 TIONS.—For purposes of determining the number of
9 violations for which to impose penalties under para-
10 graph (1), separate acts of noncompliance are a single
11 violation when the acts are the result of—

12 “(A) a common or a substantially overlap-
13 ping originating cause;

14 “(B) the same misstatement or omission; or

15 “(C) a continuing failure to comply.”.

16 (d) INVESTMENT ADVISORS ACT OF 1940.—The Invest-
17 ment Advisers Act of 1940 is amended—

18 (1) in section 203(i) (15 U.S.C. 80b–3(i)), by
19 adding at the end the following:

20 “(5) DETERMINATION OF NUMBER OF VIOLA-
21 TIONS, ACTS, OR OMISSIONS.—For purposes of deter-
22 mining the number of violations, acts, or omissions
23 for which to impose penalties under paragraph (1),
24 separate acts of noncompliance are a single violation,
25 act, or omission when the acts are the result of—

1 “(A) a common or a substantially overlap-
2 ping originating cause;

3 “(B) the same misstatement or omission; or

4 “(C) a continuing failure to comply.”; and

5 (2) in section 209(e) (15 U.S.C. 80b–9(e)), by
6 adding at the end the following:

7 “(5) *DETERMINATION OF NUMBER OF VIOLA-*
8 *TIONS.—For purposes of determining the number of*
9 *violations for which to impose penalties under para-*
10 *graph (1), separate acts of noncompliance are a single*
11 *violation when the acts are the result of—*

12 “(A) a common or a substantially overlap-
13 ping originating cause;

14 “(B) the same misstatement or omission; or

15 “(C) a continuing failure to comply.”.

16 ***TITLE IX—SEC MODERNIZATION***

17 ***SEC. 901. COMMISSION ORGANIZATION.***

18 (a) *REVIEW OF THE ORGANIZATION OF THE COMMIS-*
19 *SION.—*

20 (1) *REVIEW REQUIRED.—Not later than 180*
21 *days after the date of enactment of this Act, the*
22 *Chairman of the Securities and Exchange Commis-*
23 *sion shall conduct a review of the organizational*
24 *structure of the Commission, including the offices and*
25 *officials that report directly to the Chairman.*

1 (2) *REORGANIZATION*.—Not later than 90 days
2 after completing the review required under paragraph
3 (1), the Chairman shall, to the extent practicable and
4 consistent with applicable law, reduce the number of
5 offices and officials reporting directly to the Chair-
6 man by reassigning such offices and officials within
7 the organizational structure of the Commission.

8 (3) *REPORT*.—Not later than 30 days after com-
9 pleting the reorganization required under paragraph
10 (2), the Chairman shall submit to the Committee on
11 Financial Services of the House of Representatives
12 and the Committee on Banking, Housing, and Urban
13 Affairs of the Senate a report containing—

14 (A) a description of the offices and officials
15 that reported directly to the Chairman on the
16 date of enactment of this Act;

17 (B) an identification of the offices and offi-
18 cials whose reporting relationships are required
19 by statute;

20 (C) a description of the changes made pur-
21 suant to paragraph (2);

22 (D) an identification of any offices or offi-
23 cials that continue to report directly to the
24 Chairman and the reasons such reporting rela-
25 tionships were retained; and

1 (E) any legislative recommendations for
2 further reducing the number of offices and offi-
3 cials reporting directly to the Chairman.

4 (4) *PRESERVATION OF COMMISSION AUTHOR-*
5 *ITY.—This subsection shall not prohibit the Commis-*
6 *sion from reorganizing the offices described in this*
7 *subsection in the future, if the Commission determines*
8 *such reorganization is necessary or appropriate in the*
9 *public interest or for the protection of investors.*

10 (b) *REGIONAL OFFICE CONSOLIDATION.—The Securi-*
11 *ties and Exchange Commission shall, if the Commission de-*
12 *termines it appropriate, consolidate the regional offices of*
13 *the Commission.*

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119TH CONGRESS
2D Session

H. R. 9329

[Report No. 119-794]

A BILL

To make improvements to the securities laws, and
for other purposes.

SEPTEMBER 3, 2026

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