

107TH CONGRESS  
2D SESSION

# H. R. 3769

To require disclosure of the sale of securities by an officer, director, affiliate, or principal shareholder of an issuer of the securities of such issuer to be made available to the Commission and to the public in electronic form, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2002

Mr. BENTSEN introduced the following bill; which was referred to the  
Committee on Financial Services

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## A BILL

To require disclosure of the sale of securities by an officer, director, affiliate, or principal shareholder of an issuer of the securities of such issuer to be made available to the Commission and to the public in electronic form, 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.**

4       This Act may be cited as the “Insider Trading Full  
5       Disclosure Act of 2002”.

1 **SEC. 2. ELECTRONIC DISCLOSURE OF AFFILIATE TRANS-**  
2 **ACTIONS.**

3 (a) IN GENERAL.—Except as specifically provided in  
4 this Act, and notwithstanding any other provision of law,  
5 any disclosure required by the securities laws or the rules  
6 or regulations thereunder of the sale of any securities by  
7 an officer or director or other affiliated person of the  
8 issuer of those securities shall be made available in elec-  
9 tronic form—

10 (1) to the Commission by the affiliated person,  
11 before the end of the calendar day immediately fol-  
12 lowing the calendar day on which the transaction oc-  
13 curs;

14 (2) to the public by the Commission, upon re-  
15 ceipt, but in no case later than the end of the next  
16 business day following the calendar day on which the  
17 disclosure is received under paragraph (1); and

18 (3) in any case in which the issuer maintains a  
19 corporate website that is accessible only internally,  
20 on that internal website, before the end of the cal-  
21 endar day immediately following the calendar day on  
22 which the transaction occurs.

23 (b) OTHER FORMATS.—The requirement of disclo-  
24 sures in electronic form under subsection (a) shall not be  
25 in lieu of any other format required for such disclosures,  
26 and the disclosure in electronic form required by sub-

1 section (a)(1) shall be followed, within 7 calendar days,  
2 by a disclosure on paper.

3 (c) INCORPORATED DEFINITIONS.—In this Act, the  
4 terms “affiliated person”, “Commission”, “issuer”, and  
5 “securities” have the same meanings as in section 3 of  
6 the Securities Exchange Act of 1934.

7 (d) OTHER DEFINITIONS.—In this Act—

8 (1) the term “sale” includes a sale to the issuer  
9 of the securities; and

10 (2) the term “securities laws” means the Secu-  
11 rities Act of 1933 (15 U.S.C. 78a et seq.), the Secu-  
12 rities Exchange Act of 1934 (15 U.S.C. 78a et seq.),  
13 the Trust Indenture Act of 1939 (15 U.S.C. 77aaa  
14 et seq.), the Investment Company Act of 1940 (15  
15 U.S.C. 80a–1 et seq.), the Investment Advisers Act  
16 of 1940 (15 U.S.C. 80b et seq.), and the Securities  
17 Investor Protection Act of 1970 (15 U.S.C. 78aaa et  
18 seq.).

19 **SEC. 3. EFFECTIVE DATE.**

20 This Act shall become effective 90 days after the date  
21 of enactment of this Act.

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