

worst casualty of war is to be forgotten.

And that is just the way it is.

Mr. PEARCE. Mr. Speaker, I yield myself the balance of the time.

First of all, thanks to Mr. CLEAVER and Mr. LAMBORN for bringing this bill to the floor today. Thanks for your dedicated work on that.

Thanks to Mr. POE. Around here we just simply know him as "Judge," but thanks for his poignant comments.

As a Vietnam veteran returning to the United States in the 1973 era, I found a Nation that was disrespectful to young men and women who had served, myself included. I took my uniform off and put it in a closet, never to pull it out until I ran for Congress and people began to ask why I didn't tell about the military story.

That is a condition and a mindset that no matter how you are registered, no matter what culture you are in, what race, what religion, we must never let this happen again. We must be willing to sacrifice for those who have sacrificed for us and those who have been willing to make the sacrifice.

My grandfather was in World War I. As I was approaching my time to go to Vietnam, he visited with me about being in the Argonne Forest and about being gassed there. It left him with a lung condition and frailty throughout the rest of his life. But he never was sorry for serving, never was sorry for those things that had happened to him.

It is young men and women who are willing to do anything for others' freedom that we are honoring here today. And again, I would urge all to support this legislation. It is a noble concept and a noble tradition of remembering those who have served this country in the military.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico (Mr. PEARCE) that the House suspend the rules and pass the bill, H.R. 2366, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. PEARCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

DISCLOSURE MODERNIZATION AND SIMPLIFICATION ACT OF 2014

Mr. GARRETT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4569) to require the Securities and Exchange Commission to make certain improvements to form 10-K and regulation S-K, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Disclosure Modernization and Simplification Act of 2014".

SEC. 2. SUMMARY PAGE FOR FORM 10-K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall issue regulations to permit issuers to submit a summary page on form 10-K (17 C.F.R. 249.310), but only if each item on such summary page includes a cross-reference (by electronic link or otherwise) to the material contained in form 10-K to which such item relates.

SEC. 3. IMPROVEMENT OF REGULATION S-K.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Securities and Exchange Commission shall take all such actions to revise regulation S-K (17 C.F.R. 229.10 et seq.)—

(1) to further scale or eliminate requirements of regulation S-K, in order to reduce the burden on emerging growth companies, accelerated filers, smaller reporting companies, and other smaller issuers, while still providing all material information to investors;

(2) to eliminate provisions of regulation S-K, required for all issuers, that are duplicative, overlapping, outdated, or unnecessary; and

(3) for which the Commission determines that no further study under section 4 is necessary to determine the efficacy of such revisions to regulation S-K.

SEC. 4. STUDY ON MODERNIZATION AND SIMPLIFICATION OF REGULATION S-K.

(a) STUDY.—The Securities and Exchange Commission shall carry out a study of the requirements contained in regulation S-K (17 C.F.R. 229.10 et seq.). Such study shall—

(1) determine how best to modernize and simplify such requirements in a manner that reduces the costs and burdens on issuers while still providing all material information;

(2) emphasize a company by company approach that allows relevant and material information to be disseminated to investors without boilerplate language or static requirements while preserving completeness and comparability of information across registrants; and

(3) evaluate methods of information delivery and presentation and explore methods for discouraging repetition and the disclosure of immaterial information.

(b) CONSULTATION.—In conducting the study required under subsection (a), the Commission shall consult with the Investor Advisory Committee and the Advisory Committee on Small and Emerging Companies.

(c) REPORT.—Not later than the end of the 360-day period beginning on the date of enactment of this Act, the Commission shall issue a report to the Congress containing—

(1) all findings and determinations made in carrying out the study required under subsection (a);

(2) specific and detailed recommendations on modernizing and simplifying the requirements in regulation S-K in a manner that reduces the costs and burdens on companies while still providing all material information; and

(3) specific and detailed recommendations on ways to improve the readability and navigability of disclosure documents and to discourage repetition and the disclosure of immaterial information.

(d) RULEMAKING.—Not later than the end of the 360-day period beginning on the date that the report is issued to the Congress under subsection (c), the Commission shall issue a proposed rule to implement the recommendations of the report issued under subsection (c).

(e) RULE OF CONSTRUCTION.—Revisions made to regulation S-K by the Commission under section 3 shall not be construed as satisfying the rulemaking requirements under this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. GARRETT) and the gentlewoman from Wisconsin (Ms. MOORE) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey.

GENERAL LEAVE

Mr. GARRETT. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days within which to revise and extend their remarks and include extraneous materials for the RECORD on H.R. 4569, as amended, that is currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GARRETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise now in support of H.R. 4569, which is the Disclosure Modernization and Simplification Act of 2014. Having access to the U.S. capital markets and the broad investor base that comes with it is vital—literally vital—for U.S. companies to be able to grow their businesses and create jobs in this country.

Over time, as our securities laws have continued to grow and evolve, the number of new SEC rules and regulations that have been weighing down on public companies continue now to multiply, and it is becoming more and more difficult and costly for small businesses to succeed and eventually go public.

Many of the disclosure rules that have been added over time are both duplicative and are no longer needed due to many technological advancements that we are all familiar with. And yet the SEC has taken little action to review these unnecessary and outdated regulations and to make appropriate changes to help U.S. companies and also investors.

So we have H.R. 4569 before us, and it seeks to do what? It removes some of the outdated and unnecessary red tape and allows for the small companies and investors to benefit from a more streamlined and efficient public disclosure regime.

Specifically, the legislation would direct the SEC to simplify the public company disclosure regime for issuers and investors by permitting the issuers to submit a summary page of annual reports on Form 10-Ks with cross references to the contents of the report. It is that simple.

Because the typical 10-K filed by issuers is hundreds of pages long and

written in legalese, investors do find it difficult to locate and to digest the truly important information about the company in the report. So permitting issuers to submit a summary page would enable companies to concisely disclose pertinent information to investors without exposing them to liability.

This summary page would also enable investors to more easily access the most relevant information about that company.

This legislation would also direct the SEC to revise Regulation S-K—"Reg S-K," it is called—to better scale disclosure rules for emerging growth companies and smaller issuers, and to eliminate other duplicative, outdated, or unnecessary Reg S-K disclosure rules for all issuers.

In testimony before the Capital Markets Subcommittee, one witness stated: "The burdens imposed by existing regulation, primarily Reg S-K and Reg S-X, effectively deny small companies access to the public market and make investors less willing to invest."

He added: "This bill, H.R. 4569, is very constructive, and the Commission is likely to be receptive to it. It might well launch a process that would substantially reduce unneeded impediments to smaller firms being able to access the public capital markets."

Additionally, another commenter testified:

Over the course of time, proxies have become voluminous, some required disclosures have become obsolete, and the delivery of information has changed, though the legal mandated forms of disclosure have not.

This situation has commonly been referred to as "disclosure overload" and it is apparent that investors are not being given information in a decision-useful manner and, in some cases, they are simply overwhelmed with non-relevant information.

Even SEC Chair Mary Jo White has, on several occasions, stated that a review of our current disclosure system is a top priority for the Commission this year. So this bill would help augment the SEC's effort by requiring the Commission to, first, eliminate wholly unnecessary or outdated disclosure requirements and to allow issuers to include a summary of material in the form 10-K.

So this legislation builds on section 108 of the Jumpstart Our Business Startups bill—you remember that, the JOBS Act—which directed the SEC to study Reg S-K in order to simplify and modernize disclosure rules. The SEC completed the study in December of 2013. Unfortunately, the study proposed few substantive reform measures. Instead, it recommended further study of Reg S-K disclosure rules.

Let me conclude with this. Given our continued economic difficulties, I believe we need to stop studying and start taking action. Simplifying and streamlining disclosure requirements will enable companies to divert fewer resources to compliance, freeing up additional capital to create American jobs.

Mr. Speaker, I reserve the balance of my time.

Ms. MOORE. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong support of Mr. GARRETT's bill, H.R. 4569, which was favor-

ably reported from the House Financial Services Committee, and championed by my friend from New York (Mrs. MALONEY).

I would like to associate myself with the long and extended explanation by Mr. GARRETT of New Jersey, and just to say, Mr. Speaker, that, in short, this bill will make disclosures that public companies make more streamlined, manageable, and user friendly.

I really appreciate the participation of my good friend, Representative MALONEY, who really worked hard to make sure that this legislation was balanced and it included language to emphasize that we needed to reduce burdens on companies, but we need to preserve investment protection.

So, given the changes that Mrs. MALONEY made with the Maloney amendment, I strongly support the legislation, would urge all my colleagues to support it, and I yield back the balance of my time.

Mr. GARRETT. Mr. Speaker, I thank the gentlelady for her assistance in this matter.

Also, you made reference to Mrs. MALONEY from New York for her work as well. She is not on the floor right now, but I certainly do appreciate her efforts with the legislation and in full committee and in subcommittee as well in order to move forward on this piece of legislation before the House, H.R. 4569.

And to your comment about perhaps I should have taken the substance of the bill to heart, I did streamline the 10 pages down to four pages to make it not duplicative, unnecessary, and outdated information.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. CAROLYN B. MALONEY of New York. Mr. Speaker, I want to thank my colleague for his hard work on this bill. I did want to come to the floor and support it because it is one of the areas where we did work together in a positive way.

I would like to also take this opportunity to congratulate him on being reappointed as chairman of the Capital Markets Committee on which I serve. And I look forward to working with you in the next Congress.

When the Financial Services Committee marked up the JOBS Act in 2012, Mr. GARRETT included an amendment requiring the SEC to conduct a study on how to modernize and simplify the disclosure process for emerging growth companies.

The SEC published that study last December, and while the study failed to make any specific recommendations on how to streamline the disclosure process, it did provide, I thought, a very fascinating history of all the different efforts to simplify registration and disclosure processes, especially for smaller companies, which is a concern for many Members of this Congress who want to relieve the regulatory burden on particularly smaller companies.

□ 1530

For example, here are some of the studies that they did: the SEC's 1969

Disclosure Policy Study; the 1977 Advisory Committee on Corporate Disclosure; the simplified Form S-18 for small companies in 1979; a new simplified Form S-B in 1992; the 1996 Task Force on Disclosure Simplification; the 2005 Advisory Committee on Smaller Public Companies; the Advisory Committee on Improvements to Financial Reporting in 2007; and, most recently, the Advisory Committee on Small and Emerging Companies.

What this history demonstrates is that the process of scaling and streamlining the reporting requirements for smaller companies is something that we all need to focus on in order to keep pace with the ever-evolving marketplace, and it is one that historically has been revisited every 7 to 10 years. It requires strong oversight by the SEC and also by Congress.

I believe that now is an excellent time for the SEC to revisit the disclosure requirements for smaller companies and to figure out how to best modernize these requirements. This bill directs the SEC to build on its 2013 study by making immediate improvements to reg S-K in the short term and then by making specific and detailed recommendations on how to simplify and modernize reg S-K in the long term.

We were able to work in a bipartisan manner on this bill to clarify that any revisions the SEC makes should reduce burdens on small businesses, while also ensuring that investors still have access to all important information.

This bill will ensure that the SEC properly tailors its regulations to the needs of small businesses and doesn't get caught up in a one-size-fits-all reaction. I urge my colleagues to support this commonsense bill.

Mr. GARRETT. I thank the gentlewoman for her efforts.

Mr. Speaker, at this point, I yield 2 minutes to the gentleman from Indiana (Mr. STUTZMAN).

Mr. STUTZMAN. Mr. Speaker, I rise today in strong support of the Disclosure Modernization and Simplification Act of 2014.

For far too long, our economy has remained weak, and small businesses and wage earners have suffered greatly. Part of the reason they have suffered is from too many regulations and from an increase in red tape from Federal Government agencies, which has hindered growth and kept businesses from expanding. They also present big challenges for startup companies that are looking to gain solid footing in this shaky economy.

If we are going to move this country in the right direction, we need to make it easier and not harder for Americans to do business. The least we can do in Washington is to make sure Federal regulators do not force business managers to report the same information over and over. That is what this act is all about.

This legislation, along with others we will consider today, will help remove the Federal Government from the backs of small business owners and make it easier for all Americans to succeed.

It will revise regulations to include startup companies, to eliminate redundant and duplicative provisions, and to discourage the disclosure of immaterial information, among other simplifications. Now is the time to remove these roadblocks on the pathway to success.

The American people are looking for us to ease some of these painful economic burdens, and today, we have an opportunity to support legislation that will have a positive impact on our economy, that which limits the challenges on small business owners and job creators.

Let's work together in this Chamber and pass this series of bills in a bipartisan fashion. Let's show our constituents that we are serious about recharging our economic engine by pursuing commonsense regulatory reforms.

I would like to thank Chairman HENSARLING, Representative GARRETT, Representative HURT, and the rest of the members of the Financial Services Committee, who worked hard on this issue. I urge my colleagues in the House to support this legislation.

Mr. GARRETT. I appreciate the gentleman's coming to the floor. More importantly, I appreciate the gentleman's efforts and hard work on this legislation in committee. Thank you very much.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. GARRETT) that the House suspend the rules and pass the bill, H.R. 4569, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

H.R. 5739, by the yeas and nays;

H.R. 3240, by the yeas and nays;

H.R. 2366, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

NO SOCIAL SECURITY FOR NAZIS ACT

The SPEAKER pro tempore. The unfinished business is the vote on the mo-

tion to suspend the rules and pass the bill (H.R. 5739) to amend the Social Security Act to provide for the termination of social security benefits for individuals who participated in Nazi persecution, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SAM JOHNSON) that the House suspend the rules and pass the bill.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 14, as follows:

[Roll No. 537]

YEAS—420

Adams	Cotton	Grimm
Amash	Courtney	Guthrie
Amodei	Cramer	Gutiérrez
Bachmann	Crawford	Hahn
Bachus	Crenshaw	Hanabusa
Barber	Crowley	Hanna
Barletta	Cuellar	Harper
Barr	Culberson	Harris
Barrow (GA)	Cummings	Hartzler
Barton	Daines	Hastings (FL)
Bass	Davis (CA)	Hastings (WA)
Beatty	Davis, Rodney	Heck (NV)
Becerra	DeFazio	Heck (WA)
Benishek	DeGette	Hensarling
Bentivolio	Delaney	Herrera Beutler
Bera (CA)	DeLauro	Higgins
Bilirakis	DeBene	Himes
Bishop (GA)	Denham	Hinojosa
Bishop (NY)	Dent	Holding
Bishop (UT)	DeSantis	Honda
Black	DesJarlais	Horsford
Blackburn	Deutch	Hoyer
Blumenauer	Diaz-Balart	Hudson
Bonamici	Dingell	Huelskamp
Boustany	Doggett	Huffman
Brady (PA)	Duffy	Huizenga (MI)
Brady (TX)	Duncan (SC)	Hultgren
Braley (IA)	Duncan (TN)	Hunter
Brat	Edwards	Hurt
Bridenstine	Ellison	Israel
Brooks (AL)	Ellmers	Issa
Brooks (IN)	Engel	Jackson Lee
Broun (GA)	Enyart	Jeffries
Brown (FL)	Eshoo	Jenkins
Brownley (CA)	Esty	Johnson (GA)
Buchanan	Farenthold	Johnson (OH)
Bucshon	Farr	Johnson, E. B.
Burgess	Fattah	Johnson, Sam
Bustos	Fincher	Jolly
Butterfield	Fitzpatrick	Jones
Byrne	Fleischmann	Jordan
Calvert	Fleming	Joyce
Camp	Flores	Kaptur
Campbell	Forbes	Keating
Capito	Fortenberry	Kelly (IL)
Capps	Poster	Kelly (PA)
Cárdenas	Fox	Kennedy
Carney	Frankel (FL)	Kildee
Carson (IN)	Franks (AZ)	Kilmer
Carter	Frelinghuysen	Kind
Cartwright	Fudge	King (IA)
Castor (FL)	Gabbard	King (NY)
Castro (TX)	Gallego	Kingston
Chabot	Garamendi	Kinzing (IL)
Chaffetz	Garcia	Kirkpatrick
Chu	Gardner	Kline
Ciilline	Garrett	Kuster
Clark (MA)	Gerlach	Labrador
Clarke (NY)	Gibbs	LaMalfa
Clawson (FL)	Gibson	Lamborn
Clay	Gingrey (GA)	Lance
Cleaver	Gohmert	Langevin
Clyburn	Goodlatte	Lankford
Coble	Gosar	Larsen (WA)
Coffman	Gowdy	Larson (CT)
Cohen	Granger	Latham
Cole	Graves (GA)	Latta
Collins (GA)	Graves (MO)	Lee (CA)
Collins (NY)	Grayson	Levin
Conaway	Green, Al	Lewis
Connolly	Green, Gene	Lipinski
Conyers	Griffin (AR)	LoBiondo
Cook	Griffith (VA)	Loebach
Cooper	Grijalva	Lofgren
Costa		Long

Lowey	Pearce	Sherman
Lucas	Pelosi	Shimkus
Luetkemeyer	Perry	Shuster
Lujan Grisham	Peters (CA)	Simpson
(NM)	Peters (MI)	Sinema
Luján, Ben Ray	Peterson	Sires
(NM)	Petri	Slaughter
Lummis	Pingree (ME)	Smith (MO)
Lynch	Pittenger	Smith (NE)
Maffei	Pitts	Smith (NJ)
Maloney,	Pocan	Smith (TX)
Carolyn	Poe (TX)	Smith (WA)
Maloney, Sean	Polis	Southerland
Marchant	Pompeo	Speier
Marino	Posey	Stewart
Massie	Price (GA)	Stivers
Matheson	Price (NC)	Stockman
Matsui	Quigley	Stutzman
McAllister	Rahall	Swalwell (CA)
McCarthy (CA)	Rangel	Takano
McCaul	Reed	Terry
McClintock	Reichert	Thompson (CA)
McCollum	Renacci	Thompson (MS)
McDermott	Ribble	Thompson (PA)
McGovern	Rice (SC)	Thornberry
McHenry	Richmond	Tiberi
McIntyre	Rigell	Tierney
McKeon	Roby	Tipton
McKinley	Roe (TN)	Titus
McMorris	Rogers (AL)	Tonko
Rodgers	Rogers (KY)	Tsongas
McNerney	Rohrabacher	Turner
Meadows	Rokita	Upton
Meehan	Rooney	Valadao
Meeks	Ros-Lehtinen	Van Hollen
Meng	Roskam	Vargas
Messer	Ross	Veasey
Mica	Rothfus	Vela
Michaud	Roybal-Allard	Velázquez
Miller (FL)	Royce	Visclosky
Miller (MI)	Ruiz	Wagner
Miller, George	Runyan	Walberg
Moore	Ruppersberger	Walden
Moran	Rush	Walorski
Mullin	Ryan (OH)	Walz
Mulvaney	Ryan (WI)	Wasserman
Murphy (FL)	Salmon	Schultz
Murphy (PA)	Sánchez, Linda	Waters
Nadler	T.	Waxman
Napolitano	Sanchez, Loretta	Weber (TX)
Neal	Sanford	Webster (FL)
Neugebauer	Sarbanes	Welch
Noem	Scalise	Wenstrup
Nolan	Schakowsky	Westmoreland
Norcross	Schiff	Whitfield
Nugent	Schneider	Williams
Nunes	Schock	Wilson (FL)
Nunnelee	Schwartz	Wilson (SC)
O'Rourke	Schweikert	Wittman
Olson	Scott (VA)	Wolf
Owens	Scott, Austin	Womack
Palazzo	Scott, David	Woodall
Pallone	Sensenbrenner	Yarmuth
Pascarell	Serrano	Yoder
Pastor (AZ)	Sessions	Yoho
Paulsen	Sewell (AL)	Young (AK)
Payne	Shea-Porter	Young (IN)

NOT VOTING—14

Aderholt	Hall	Negrete McLeod
Capuano	Holt	Perlmutter
Cassidy	Lowenthal	Rogers (MI)
Doyle	McCarthy (NY)	Schrader
Duckworth	Miller, Gary	

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Mr. MCNERNEY changed his vote from "nay" to "yea."

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REGULATION D STUDY ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 3240) to instruct the Comptroller General of the United States to study the impact of Regulation D, and