Mr. Speaker, I urge my colleagues to support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3339, 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.

ENHANCING MULTI-CLASS SHARE DISCLOSURES ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3357) to amend the Securities Exchange Act of 1934 to require issuers with a multi-class stock structure to make certain disclosures in any proxy or consent solicitation material, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3357

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 ''Enhancing Multi-Class Share Disclosures Act''.

SEC. 2. DISCLOSURE RELATING TO MULTI-CLASS SHARE STRUCTURES.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following:

''(l) DISCLOSURE RELATING TO MULTI-CLASS SHARE STRUCTURES.—

''(1) DISCLOSURE.—The Commission shall, by rule, require each issuer with a multi-class share structure to disclose the information described in paragraph (2) in any proxy or consent solicitation material for an annual meeting of the shareholders of the issuer, or any other filing as the Commission determines appropriate.

''(2) CONTENT OF DISCLOSURE.—A disclosure made under paragraph (1) shall include, with respect to each person who is a director, director nominee, or named executive officer of the issuer, or who is the beneficial owner of securities with 5 percent or more of the total combined voting power of all classes of securities entitled to vote in the election of directors—

''(A) the number of shares of all classes of securities entitled to vote in the election of directors beneficially owned by such person, expressed as a percentage of the total number of the outstanding securities of the issuer entitled to vote in the election of directors; and

''(B) the amount of voting power held by such person, expressed as a percentage of the total combined voting power of all classes of the securities of the issuer entitled to vote in the election of directors.

''(3) MULTI-CLASS SHARE STRUCTURE.—In this subsection, the term 'multi-class share structure' means a capitalization structure that contains 2 or more types of securities that have differing amounts of voting rights in the election of directors.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on this bill.

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

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3357, the Enhancing Multi-Class Share Disclosures Act.

Mr. Speaker, multiclass structures have existed in American capital markets for many decades, helping founders retain control of their companies without holding a majority of the economic interest. These structures are important for certain business models, like family businesses, but they also raise questions about transparency and shareholder rights.

Since this information is not required to be disclosed, shareholders might not always understand how control is concentrated within a public company.

Mr. MEEKS' bill rightsizes this issue by requiring companies to provide clear information about voting power, especially where insiders or significant shareholders hold outsized influence.

Mr. Speaker, I urge my colleagues to join me in supporting this bill, and I reserve the balance of my time.

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

Mr. Speaker, Mr. MEEKS' bill closes documented gaps around multiclass governance structures. Multiclass governance structures are those where corporate insiders or beneficial owners retain an outsized amount of voting power relative to their shares.

These structures, while they may add value, pose significant risk, making transparency ever more important for investors. Specifically, these structures pose significant risks for investors, including limiting investors' ability to influence management, direct strategy, and hold misaligned boards accountable.

Under current rules, the difference between a corporate insider's voting power and their ownership interest, regardless of how large that gap may be, is often disclosed in ways that are difficult for an ordinary investor to comprehend.

Accordingly, the SEC Investor Advisory Committee recommended that the Commission amend its rules to ensure that this gap is better identified and quantified for investors via disclosed ratio.

This commonsense bill adopts this recommendation to ensure that investors have the clearest information available to make the best decisions for themselves. This bill is supported by the Council of Institutional Investors, whose members manage trillions in working families' assets.

Mr. Speaker, I urge my colleagues to vote ''yes'' on this bill, and I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I include in the RECORD the CBO estimate for this bill.

H.R. 3357, ENHANCING MULTI-CLASS SHARE DISCLOSURES ACT, AS REPORTED BY THE HOUSE COMMITTEE ON HOUSE FINANCIAL SERVICES ON JUNE 3, 2025

	By fiscal year, millions of dollars—		
	2025	2025–2030	2025–2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (−) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	**

* = between −$500,000 and $500,000.
** not estimated.

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2036? No.

Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:

Contains intergovernmental mandate? No.

Contains private-sector mandate? Yes, Under Threshold.

H.R. 3357 would direct the Securities and Exchange Commission (SEC) to issue rules requiring securities issuers with multi-class stock structures to disclose to all shareholders information about the shares of all classes of securities owned by and the voting power of particular shareholders specified in the bill. A multi-class stock structure is one in which a company offers two or more classes of securities with different voting rights in an election of directors.

Using information about the cost of similar rulemakings, CBO estimates that implementing H.R. 3357 would cost $1 million over the 2025–2030 period. CBO expects the commission would need three employees, at an average annual cost of $330,000 for each employee, to issue rules over one year. Because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increased fees to offset the costs for rulemaking as required by the bill, H.R. 3357 would increase the cost of an existing mandate as defined in the Unfunded Mandates Reform Act (UMRA) on private entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold for private-sector mandates established in UMRA ($206 million in 2025, adjusted annually for inflation).

The bill would not impose any intergovernmental mandates.

The CBO staff contacts for this estimate are Aurora Swanson (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

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

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. MEEKS), ranking member of the House Committee on Foreign Affairs and the sponsor of this legislation.

Mr. MEEKS. Mr. Speaker, I rise today in support of my bill, H.R. 3357, the Enhancing Multi-Class Share Disclosures Act.

Mr. Speaker, I thank Chairman HILL and Ranking Member WATERS for their leadership and efforts to bring my bill to the floor today.

Publicly traded companies are critical to this country's economic dynamism and wealth creation. Their shareholders, including everyday American families, believe in the potential of these companies and demonstrate this faith by investing in their equities. This flood of new capital allows companies to do research and development, hire Americans, and innovate for the greater good.

My legislation strengthens our capital markets by requiring more transparency around multiclass shareholder companies.

For annual shareholder meetings, companies will have to disclose the true distribution of voting power of insiders, like directors or executives, who hold more voting rights than their ownership share would suggest.

An imbalanced power structure could limit other investors' abilities to direct strategy or hold boards accountable. Basically, this bill gives Main Street investors the complete and full picture and the necessary information to make smart and informed decisions.

Let me be clear: I very much understand the benefit of multiclass share structures and think they have a place in corporate governance. Major companies from outside of the United States have chosen to list in New York City precisely because we have more flexible multiclass structures. Yet, our advantage over other financial hubs, like Hong Kong and Shanghai, is not just one set of regulations. It is the transparency and openness of our capital markets, and transparency strengthens markets.

By doubling down on our strengths, this bill will further cement our competitive lead and aid investors along the way.

Mr. Speaker, I call on my colleagues to support my legislation.

Mr. HILL of Arkansas. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, Mr. MEEKS' bill clarifies for investors the truth around multiclass shares—specifically, the difference between a corporate insider's ownership interests versus their true voting power. These two things are generally disclosed in ways that are hard for everyday investors to understand.

This bill solves that problem by ensuring that this gap is quantified for investors via a clearly disclosed ratio, as was recommended by the SEC Investor Advisory Committee.

Mr. Speaker, I urge my colleagues to support this bill, and I yield back the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I rise, as I said, in support of this bill. I agree with the ranking member of the full committee. It deserves strong bipartisan support, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MOORE of North Carolina). The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3357, 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. HILL of Arkansas. 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.

□ 1740

FINANCIAL TECHNOLOGY PROTECTION ACT OF 2025

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2384) to establish an Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2384

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 ''Financial Technology Protection Act of 2025''.

SEC. 2. INDEPENDENT FINANCIAL TECHNOLOGY WORKING GROUP TO COMBAT TERRORISM AND ILLICIT FINANCING.

(a) ESTABLISHMENT.—There is established the Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing (in this section referred to as the ''Working Group''), which shall consist of the following:

(1) The Secretary of the Treasury, acting through the Under Secretary for Terrorism and Financial Crimes, who shall serve as the chair of the Working Group.

(2) A senior-level representative from each of the following:

(A) The Department of the Treasury.

(B) The Office of Terrorism and Financial Intelligence.

(C) The Internal Revenue Service.

(D) The Department of Justice.

(E) The Federal Bureau of Investigation.

(F) The Drug Enforcement Administration.

(G) The Department of Homeland Security.

(H) The United States Secret Service.

(I) The Department of State.

(J) The Office of the Director of National Intelligence.

(3) At least five individuals appointed by the Under Secretary for Terrorism and Financial Crimes to represent the following:

(A) Financial technology companies.

(B) Blockchain intelligence companies.

(C) Financial institutions.

(D) Institutions or organizations engaged in research.

(E) Institutions or organizations focused on individual privacy and civil liberties.

(4) Such additional individuals as the Secretary of the Treasury may appoint as necessary to accomplish the duties described under subsection (b).

(b) DUTIES.—The Working Group shall—

(1) conduct research on terrorist and illicit use of digital assets and other related emerging technologies; and

(2) develop legislative and regulatory proposals to improve anti-money laundering, counter-terrorist, and other counter-illicit financing efforts in the United States.

(c) REPORTS.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, and annually for the 3 years thereafter, the Working Group shall submit to the Secretary of the Treasury, the heads of each agency represented in the Working Group pursuant to subsection (a)(2), and the appropriate congressional committees a report containing the findings and determinations made by the Working Group in the previous year and any legislative and regulatory proposals developed by the Working Group.

(2) FINAL REPORT.—Before the date on which the Working Group terminates under subsection (d)(1), the Working Group shall submit to the appropriate congressional committees a final report detailing the findings, recommendations, and activities of the Working Group, including any final results from the research conducted by the Working Group.

(d) SUNSET.—

(1) IN GENERAL.—The Working Group shall terminate on the later of—

(A) the date that is 4 years after the date of the enactment of this Act; or

(B) the date on which the Working Group completes any wind-up activities described under paragraph (2).

(2) AUTHORITY TO WIND UP ACTIVITIES.—If there are ongoing research, proposals, or other related activities of the Working Group ongoing as of the date that is 4 years after the date of the enactment of this Act, the Working Group may temporarily continue working in order to wind-up such activities.

(3) RETURN OF APPROPRIATED FUNDS.—On the date on which the Working Group terminates under paragraph (1), any unobligated funds appropriated to carry out this section shall be transferred to the Treasury.

SEC. 3. PREVENTING ROGUE AND FOREIGN ACTORS FROM EVADING SANCTIONS.

(a) REPORT AND STRATEGY WITH RESPECT TO DIGITAL ASSETS AND OTHER RELATED EMERGING TECHNOLOGIES.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President, acting through the Secretary of the Treasury and in consultation with the head of each agency represented on the Independent Financial Technology Working Group to Combat Terrorism and Illicit Financing pursuant to section 2(a)(2), shall submit to the appropriate congressional committees a report that describes—

(A) the potential uses of digital assets and other related emerging technologies by States, non-State actors, foreign terrorist organizations, and other terrorist groups to evade sanctions, finance terrorism, or launder monetary instruments, and threaten the national security of the United States; and

(B) a strategy for the United States to mitigate and prevent the illicit use of digital assets and other related emerging technologies.

(2) FORM OF REPORT; PUBLIC AVAILABILITY.—

(A) IN GENERAL.—The report required by paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(B) PUBLIC AVAILABILITY.—The unclassified portion of each report required by paragraph (1) shall be made available to the public and posted on a publicly accessible website of the Department of the Treasury—

(i) in precompressed, easily downloadable versions, in all appropriate formats; and

(ii) in machine-readable format, if applicable.