

118TH CONGRESS
1ST SESSION

H. R. 2795

AN ACT

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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Enhancing Multi-Class
3 Share Disclosures Act”.

4 **SEC. 2. DISCLOSURE RELATING TO MULTI-CLASS SHARE**
5 **STRUCTURES.**

6 Section 14 of the Securities Exchange Act of 1934
7 (15 U.S.C. 78n) is amended by adding at the end the fol-
8 lowing:

9 “(1) DISCLOSURE RELATING TO MULTI-CLASS SHARE
10 STRUCTURES.—

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

18 “(2) CONTENT.—A disclosure made under
19 paragraph (1) shall include, with respect to each
20 person who is a director, director nominee, or named
21 executive officer of the issuer, or who is the bene-
22 ficial owner of securities with 5 percent or more of
23 the total combined voting power of all classes of se-
24 curities entitled to vote in the election of directors—

25 “(A) the number of shares of all classes of
26 securities entitled to vote in the election of di-

1 rectors beneficially owned by such person, ex-
2 pressed as a percentage of the total number of
3 the outstanding securities of the issuer entitled
4 to vote in the election of directors; and

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

10 “(3) MULTI-CLASS SHARE STRUCTURE.—In this
11 subsection, the term ‘multi-class share structure’
12 means a capitalization structure that contains 2 or
13 more classes of securities that have differing
14 amounts of voting rights in the election of direc-
15 tors.”.

Passed the House of Representatives May 30, 2023.

Attest:

Clerk.

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