

118TH CONGRESS
1ST SESSION

H. R. 6027

To amend the Securities Exchange Act of 1934 to revise the definition
of a facility.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 24, 2023

Mr. LOUDERMILK (for himself and Mr. DAVID SCOTT of Georgia) introduced
the following bill

OCTOBER 25, 2023

Referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to revise
the definition of a facility.

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 “Exchange Regulatory
5 Improvement Act of 2023”.

6 **SEC. 2. DEFINITION OF A FACILITY.**

7 Paragraph (2) of section 3(a) of the Securities Ex-
8 change Act of 1934 (15 U.S.C. 78c(a)) is amended to read
9 as follows:

1 “(2) FACILITY.—

2 “(A) IN GENERAL.—The term ‘facility’,
3 when used with respect to an exchange, means
4 only—

5 “(i) the exchange’s trading systems,
6 which are—

7 “(I) the hardware, software, and
8 related network infrastructure an ex-
9 change uses to receive, acknowledge,
10 rank, match, and execute orders in se-
11 curities traded on that exchange; and

12 “(II) the hardware, software, and
13 related network infrastructure an ex-
14 change uses to function as an exclu-
15 sive processor of real-time market
16 data created by the exchange trading
17 systems;

18 “(ii) any premises or services made
19 available by the exchange to an exchange
20 member or other person for the purpose of
21 providing physical space and equipment to
22 enable such member or other person to lo-
23 cate the equipment of the member or other
24 person in close physical proximity to the
25 exchange’s trading systems; and

1 “(iii) any premises or services made
2 available by the exchange to an exchange
3 member or persons associated with mem-
4 bers that exclusively connects such mem-
5 bers and persons associated with members
6 to exchange trading systems for the pur-
7 pose of effecting or reporting a transaction
8 on the exchange.

9 “(B) EXCEPTION.—The term ‘facility’,
10 when used with respect to an exchange, does
11 not include any properties, premises, or services
12 that can legally be offered by a person or entity
13 that is not required to register as a national se-
14 curities exchange registered under section 6.”.

○