

118TH CONGRESS
1ST SESSION

H. R. 6695

To authorize private parties to compel the Securities and Exchange Commission to seek sanctions by filing civil actions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2023

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

A BILL

To authorize private parties to compel the Securities and Exchange Commission to seek sanctions by filing civil actions, 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 “Due Process Restora-
5 tion Act of 2023”.

1 **SEC. 2. PRIVATE PARTIES AUTHORIZED TO COMPEL THE**
2 **SECURITIES AND EXCHANGE COMMISSION TO**
3 **SEEK SANCTIONS BY FILING CIVIL ACTIONS.**

4 Title I of the Securities Exchange Act of 1934 (15
5 U.S.C. 78a et seq.) is amended by adding at the end the
6 following:

7 **“SEC. 42. PRIVATE PARTIES AUTHORIZED TO COMPEL THE**
8 **COMMISSION TO SEEK SANCTIONS BY FILING**
9 **CIVIL ACTIONS.**

10 “(a) **TERMINATION OF ADMINISTRATIVE PRO-**
11 **CEEDING.**—In the case of any person who is a party to
12 a proceeding brought by the Commission under a securi-
13 ties law, to which section 554 of title 5, United States
14 Code, applies, and against whom an order imposing a
15 cease and desist order and a penalty may be issued at
16 the conclusion of the proceeding, that person may, not
17 later than 20 days after receiving notice of such pro-
18 ceeding, and at that person’s discretion, require the Com-
19 mission to terminate the proceeding.

20 “(b) **CIVIL ACTION AUTHORIZED.**—If a person re-
21 quires the Commission to terminate a proceeding pursuant
22 to subsection (a), the Commission may bring a civil action
23 against that person for the same remedy that might be
24 imposed.

25 “(c) **VENUE.**—An action brought by the Commission
26 under subsection (b) may be brought only in accordance

1 with the requirements relating to venue under section
2 1391 of title 28, United States Code.”.

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