

SEC Modernizes Shareholder Proposal Rules

Yesterday, September 23rd, the Securities and Exchange Commission (SEC) adopted its [final rule](#) to reform and modernize shareholder proposal rules.

What's in it: It includes reforms such as the amount of shares needed to submit a shareholder proposal and raising resubmission thresholds for shareholder proposals. The U.S. Chamber has advocated for these changes for years.

Why it matters: These actions will help rebalance corporate governance procedures and rein in special interest activists who push narrow agendas unrelated to the success of public companies. The final rules will improve communications between investors and businesses and promote a modern and effective regulatory structure.

Looking ahead: The SEC has now taken meaningful steps to reform the corporate governance landscape in line with many recommendations from the Chamber's Center for Capital Markets Competitiveness (CCMC). We will continue to monitor the recent reforms at the SEC and Labor Department to ensure these changes are working as intended.

Dig deeper:

- A 2018 report produced by CCMC recommended [raising the resubmission thresholds](#) on shareholder proposals.

–Tom Quaadman, Executive Vice President, U.S. Chamber's Center for Capital Markets Competitiveness

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