

HR 1257

Shareholder Vote on Executive Compensation Act

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Mar 1, 2007

Current Status: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban A

Latest Action: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Apr 23, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/1257>

Sponsor

Name: Rep. Frank, Barney [D-MA-4]

Party: Democratic • **State:** MA • **Chamber:** House

Cosponsors (27 total)

| Cosponsor | Party / State | Role | Date Joined |
|------------------------------------|---------------|------|-------------|
| Rep. Ackerman, Gary L. [D-NY-5] | D · NY | | Mar 1, 2007 |
| Rep. Baca, Joe [D-CA-43] | D · CA | | Mar 1, 2007 |
| Rep. Clay, Wm. Lacy [D-MO-1] | D · MO | | Mar 1, 2007 |
| Rep. Cleaver, Emanuel [D-MO-5] | D · MO | | Mar 1, 2007 |
| Rep. Cooper, Jim [D-TN-5] | D · TN | | Mar 1, 2007 |
| Rep. DeFazio, Peter A. [D-OR-4] | D · OR | | Mar 1, 2007 |
| Rep. Ellison, Keith [D-MN-5] | D · MN | | Mar 1, 2007 |
| Rep. Green, Al [D-TX-9] | D · TX | | Mar 1, 2007 |
| Rep. Gutierrez, Luis V. [D-IL-4] | D · IL | | Mar 1, 2007 |
| Rep. Kanjorski, Paul E. [D-PA-11] | D · PA | | Mar 1, 2007 |
| Rep. Lantos, Tom [D-CA-12] | D · CA | | Mar 1, 2007 |
| Rep. Miller, Brad [D-NC-13] | D · NC | | Mar 1, 2007 |
| Rep. Miller, George [D-CA-7] | D · CA | | Mar 1, 2007 |
| Rep. Perlmutter, Ed [D-CO-7] | D · CO | | Mar 1, 2007 |
| Rep. Rangel, Charles B. [D-NY-15] | D · NY | | Mar 1, 2007 |
| Rep. Scott, David [D-GA-13] | D · GA | | Mar 1, 2007 |
| Rep. Sherman, Brad [D-CA-27] | D · CA | | Mar 1, 2007 |
| Rep. Sires, Albio [D-NJ-13] | D · NJ | | Mar 1, 2007 |
| Rep. Velazquez, Nydia M. [D-NY-12] | D · NY | | Mar 1, 2007 |
| Rep. Wilson, Charles A. [D-OH-6] | D · OH | | Mar 1, 2007 |
| Rep. Woolsey, Lynn C. [D-CA-6] | D · CA | | Mar 1, 2007 |
| Rep. Carson, Julia [D-IN-7] | D · IN | | Mar 7, 2007 |
| Rep. Lynch, Stephen F. [D-MA-9] | D · MA | | Mar 7, 2007 |
| Rep. Maloney, Carolyn B. [D-NY-14] | D · NY | | Mar 7, 2007 |
| Rep. Marshall, Jim [D-GA-8] | D · GA | | Mar 7, 2007 |
| Rep. Meeks, Gregory W. [D-NY-6] | D · NY | | Mar 7, 2007 |
| Rep. Moore, Gwen [D-WI-4] | D · WI | | Mar 7, 2007 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---|---------|-------------|--------------|
| Banking, Housing, and Urban Affairs Committee | Senate | Referred To | Apr 23, 2007 |
| Financial Services Committee | House | Reported By | Apr 16, 2007 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

| Bill | Relationship | Last Action |
|--------------|----------------------|---|
| 110 S 1181 | Related bill | Apr 20, 2007: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. |
| 110 HRES 301 | Procedurally related | Apr 18, 2007: Motion to reconsider laid on the table Agreed to without objection. |

Summary (as of Apr 20, 2007)

Shareholder Vote on Executive Compensation Act - Amends the Securities Exchange Act of 1934 to require a proxy, consent, or authorization for a shareholder meeting occurring on or after January 1, 2009, to permit a separate shareholder vote to approve executive compensation.

States that such shareholder vote shall not be binding on the corporation or board of directors, nor construed: (1) as overruling a board decision; (2) to create or imply additional fiduciary duty by such board; (3) to restrict or limit shareholder ability to make proposals for inclusion in proxy materials related to executive compensation.

Requires proxy solicitation material for a shareholder meeting occurring on or after January 1, 2009, concerning disposition of substantially all of an issuer's assets, to disclose compensation agreements or understandings with principal executive officers of either the issuer, or acquiring issuer, regarding (golden parachute) compensation which: (1) relates to such disposition; and (2) has not been subject to a shareholder vote.

Provides that proxy solicitation material containing such executive compensation disclosures shall require a separate shareholder vote to approve such agreements or understandings.

States such a shareholder vote shall not be binding on the corporation or the board of directors, nor construed: (1) as overruling a board decision; (2) to create or imply additional fiduciary duty by such board; (3) to constrain shareholder ability to make proposals for inclusion in proxy materials related to executive compensation.

Actions Timeline

- **Apr 23, 2007:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Apr 20, 2007:** Considered as unfinished business. (consideration: CR H3699-3714)
- **Apr 20, 2007:** The House resolved into Committee of the Whole House on the state of the Union for further consideration.
- **Apr 20, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Price of Georgia amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Price of Georgia demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 20, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Putnam amendment under the five-minute rule.
- **Apr 20, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Putnam amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Putnam demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 20, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Price of Georgia amendment under the five-minute rule.
- **Apr 20, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Price of Georgia amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mr. Frank demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 20, 2007:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 1257.
- **Apr 20, 2007:** The previous question was ordered pursuant to the rule.
- **Apr 20, 2007:** The House adopted the amendment in the nature of a substitute as agreed to by the Committee of the Whole House on the state of the Union.
- **Apr 20, 2007:** Mr. Feeney moved to recommit with instructions to Financial Services.
- **Apr 20, 2007:** DEBATE - The House proceeded with ten minutes of debate on the motion to recommit with instructions on H.R. 1257. The instructions contained in the motion seek to require the bill to be reported back to the House with an amendment inserting a new paragraph providing a clarification on the non-binding nature of the vote.
- **Apr 20, 2007:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H3712-3713)
- **Apr 20, 2007:** On motion to recommit with instructions Failed by the Yeas and Nays: 184 - 222 (Roll no. 243). (consideration: CR H3712-3713; text: CR H3712)
- **Apr 20, 2007:** Passed/agreed to in House: On passage Passed by recorded vote: 269 - 134 (Roll no. 244).
- **Apr 20, 2007:** On passage Passed by recorded vote: 269 - 134 (Roll no. 244).
- **Apr 20, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Apr 18, 2007:** Rule H. Res. 301 passed House.
- **Apr 18, 2007:** Considered under the provisions of rule H. Res. 301. (consideration: CR H3530-3550; text of measure as reported in House: CR H3539)
- **Apr 18, 2007:** Rule provides for consideration of H.R. 1257 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill.
- **Apr 18, 2007:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 301 and Rule XVIII.
- **Apr 18, 2007:** The Speaker designated the Honorable Anthony D. Weiner to act as Chairman of the Committee.
- **Apr 18, 2007:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 1257.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Bachus amendment under the five-minute rule.

- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Roskam amendment under the five-minute rule.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Jackson-Lee amendment under the five-minute rule.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Sessions amendment under the five-minute rule.
- **Apr 18, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Sessions amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Sessions demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Garrett amendment under the five-minute rule.
- **Apr 18, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Garrett amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Garrett demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the Campbell amendment under the five-minute rule.
- **Apr 18, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Campbell amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. Campbell demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 18, 2007:** DEBATE - The Committee of the Whole proceeded with debate on the McHenry amendment under the five-minute rule.
- **Apr 18, 2007:** POSTPONED PROCEEDINGS - At the conclusion of debate on the McHenry amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the noes had prevailed. Mr. McHenry demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until a later time.
- **Apr 18, 2007:** Mr. Frank (MA) moved that the Committee rise.
- **Apr 18, 2007:** On motion that the Committee rise Agreed to by voice vote.
- **Apr 18, 2007:** Committee of the Whole House on the state of the Union rises leaving H.R. 1257 as unfinished business.
- **Apr 17, 2007:** Rules Committee Resolution H. Res. 301 Reported to House. Rule provides for consideration of H.R. 1257 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill.
- **Apr 16, 2007:** Reported (Amended) by the Committee on Financial Services. H. Rept. 110-88.
- **Apr 16, 2007:** Placed on the Union Calendar, Calendar No. 53.
- **Mar 28, 2007:** Committee Consideration and Mark-up Session Held.
- **Mar 28, 2007:** Ordered to be Reported (Amended) by the Yeas and Nays: 37 - 29.
- **Mar 21, 2007:** Committee Consideration and Mark-up Session Held.
- **Mar 8, 2007:** Committee Hearings Held.
- **Mar 1, 2007:** Introduced in House
- **Mar 1, 2007:** Referred to the House Committee on Financial Services.