

HR 2861

Shareholder Empowerment Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Jun 12, 2009

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Jun 12, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/2861>

Sponsor

Name: Rep. Peters, Gary C. [D-MI-9]

Party: Democratic • **State:** MI • **Chamber:** Senate

Cosponsors (11 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Capuano, Michael E. [D-MA-8]	D · MA		Jun 12, 2009
Rep. DeFazio, Peter A. [D-OR-4]	D · OR		Jun 12, 2009
Rep. Dingell, John D. [D-MI-15]	D · MI		Jun 12, 2009
Rep. Holt, Rush [D-NJ-12]	D · NJ		Jun 12, 2009
Rep. Waters, Maxine [D-CA-35]	D · CA		Jun 12, 2009
Rep. Welch, Peter [D-VT-At Large]	D · VT		Jun 12, 2009
Rep. Carson, Andre [D-IN-7]	D · IN		Jun 16, 2009
Rep. Miller, Brad [D-NC-13]	D · NC		Jun 16, 2009
Rep. Schakowsky, Janice D. [D-IL-9]	D · IL		Jun 16, 2009
Rep. Hinchey, Maurice D. [D-NY-22]	D · NY		Jul 7, 2009
Rep. Ellison, Keith [D-MN-5]	D · MN		Jul 15, 2009

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Jun 12, 2009

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Shareholder Empowerment Act of 2009 - Amends the Securities Exchange Act of 1934 to direct the Securities and Exchange Commission (SEC) to prohibit national securities exchanges and associations from listing the securities of any issuer unless, to the extent permitted by state law, such issuer requires: (1) the election of directors who receive the majority of votes in uncontested elections or a plurality of votes in contested elections; and (2) directors who are not reelected to offer to tender their resignations.

Directs the SEC to: (1) require issuers to identify and provide security holders with an opportunity to vote on director candidates who have been nominated by holders of at least 1% of the issuer's voting securities for at least two years, provided security holders have nominated fewer than a majority of the directors then authorized to serve; (2) prohibit brokers from voting securities on an uncontested election to the board of directors without having received specific instructions from the securities' beneficial owners; and (3) requires listed issuers, to the extent possible, to have an independent chairman of their board of directors who has not served as an executive of the issuer.

Requires any proxy or consent or authorization for an annual or other meeting of a securities issuer to permit a separate shareholder vote on executive compensation, though such vote shall not be binding on its board of directors.

Directs the SEC to direct the national securities exchanges and national securities associations to prohibit: (1) issuers from retaining advisors in negotiating executive employment or compensation agreements that are not independent or are protected from liability by such issuers; (2) the listing of issuers that do not have a (clawback) policy of recovering executive payments that were unearned due to fraud, faulty financial statements, or some other cause; and (3) the listing of issuers that provide severance payments to senior executives who are terminated for poor performance.

Directs the SEC to require additional disclosure of specific performance targets issuers use in determining a senior executive's eligibility for bonuses, equity, and incentive compensation.

Actions Timeline

- **Jun 12, 2009:** Introduced in House
- **Jun 12, 2009:** Referred to the House Committee on Financial Services.