

106TH CONGRESS
1ST SESSION

H. R. 2441

To amend the Securities Exchange Act of 1934 to reduce fees on securities transactions.

IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1999

Mr. LAZIO (for himself, Mr. REYNOLDS, Mr. TOWNS, Mr. COOK, Mr. FORBES, Mr. BILBRAY, Mr. LARGENT, Mrs. KELLY, Mr. BAKER, Mr. SWEENEY, Mr. ENGEL, Mr. CROWLEY, Mr. SESSIONS, Mr. BARTON of Texas, Mr. SCHAFFER, Mr. DEAL of Georgia, Mr. RILEY, Mr. GILLMOR, Mrs. MALONEY of New York, Mr. BRYANT, Mr. DELAY, Mr. SHAYS, Mr. MEEKS of New York, Mr. PALLONE, Mr. BURR of North Carolina, Mr. ARMEY, Mr. TAUZIN, and Mr. HALL of Texas) introduced the following bill; which was referred to the Committee on Commerce

A BILL

To amend the Securities Exchange Act of 1934 to reduce fees on securities transactions.

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 “Fairness in Securities
5 Transactions Act”.

1 **SEC. 2. FEE REDUCTION.**

2 (a) REDUCTIONS OF FEES.—Section 31 of the Secu-
3 rities Exchange Act of 1934 (15 U.S.C. 78ee) is amended
4 by striking “1/300 of one percent” each place it appears
5 and inserting “1/500 of one percent”.

6 (b) PREVENTION OF SHORTFALLS IN COMMISSION
7 APPROPRIATIONS.—Section 31 of the Securities Exchange
8 Act of 1934 is further amended by adding at the end the
9 following new subsection:

10 “(h) INSUFFICIENT FEES.—In any year in which the
11 total amount of fees collected under this section and sec-
12 tion 6(b) of the Securities Act of 1933 (including any bal-
13 ance in the account providing appropriations to the Com-
14 mission) are insufficient to provide for the Commission’s
15 budget authority as provided by an appropriations Act,
16 such appropriations Act may provide that the fee under
17 this section shall be increased, with all such increased
18 amounts deposited and credited as offsetting collections
19 to the account providing appropriations to the Commis-
20 sion.”.

21 **SEC. 3. REVISION OF SECURITIES TRANSACTION FEE PRO-**
22 **VISIONS.**

23 (a) AMENDMENTS.—Section 31 of the Securities Ex-
24 change Act of 1934 (15 U.S.C. 78ee) is amended—

25 (1) in the last sentence of subsection (b), by in-
26 serting before the period the following: “, except

1 that 10 percent of such fees shall be deposited and
2 credited as offsetting collections to the account pro-
3 viding appropriations to the Commission”;

4 (2) in the last sentence of subsection (c), by in-
5 serting before the period the following: “, except
6 that 10 percent of such fees shall be deposited and
7 credited as offsetting collections to the account pro-
8 viding appropriations to the Commission”; and

9 (3) in subsection (d), by striking paragraphs
10 (2) and (3) and inserting the following:

11 “(2) DEPOSIT OF FEES.—Fees collected pursu-
12 ant to this subsection shall be deposited and col-
13 lected as general revenue of the Treasury, except
14 that 10 percent of such fees shall be deposited and
15 credited as offsetting collections to the account pro-
16 viding appropriations to the Commission.”.

17 **SEC. 4. EFFECTIVE DATE.**

18 The amendments made by this Act—

19 (1) shall take effect on October 1, 1999; and

20 (2) shall cease to be effective on October 1,
21 2007.

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