To amend the Securities Exchange Act of 1934 to further enhance anti-retaliation protections for whistleblowers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “SEC Whistleblower Reform Act of 2023”.

SEC. 2. WHISTLEBLOWER PROTECTIONS FOR INTERNAL DISCLOSURES.

(a) IN GENERAL.—Section 21F of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6) is amended—
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(1) in subsection (a)(6)—

(A) by striking “The term” and inserting the following:

“(A) IN GENERAL.—The term”; and

(B) by adding at the end the following:

“(B) SPECIAL RULE.—Solely for the purposes of subsection (h)(1), the term ‘whistleblower’ includes any individual who takes, or 2 or more individuals acting jointly who take, an action described in subsection (h)(1)(A), that the individual or 2 or more individuals reasonably believe relates to a violation of any law, rule, or regulation subject to the jurisdiction of the Commission, the Public Company Accounting Oversight Board, the Municipal Securities Rulemaking Board, or a self-regulatory organization.”; and

(2) in subsection (h)(1)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by inserting “or post-employment” after “of employment”;

(ii) in clause (i), by inserting “, in writing or orally if the oral report is documented,” after “to the Commission”;}
(iii) in clause (ii), by striking “or” at
the end;

(iv) in clause (iii), by striking the pe-
riod at the end and inserting “; or”; and

(v) by adding at the end the following:

“(iv) in providing information regard-
ing any conduct that the whistleblower rea-
sonably believes constitutes a violation of
any law, rule, or regulation subject to the
jurisdiction of the Commission to—

“(I) a person with supervisory
authority over the whistleblower at the
employer of the whistleblower, if that
employer is an entity registered with,
or required to be registered with, or
otherwise subject to the jurisdiction
of, the Commission, the Public Com-
pany Accounting Oversight Board, a
self-regulatory organization, or a
State securities commission or office
performing like functions; or

“(II) another individual working
for the employer described in sub-
clause (I) who the whistleblower rea-
sonably believes has the authority to—

“(aa) investigate, discover, or terminate the misconduct; or

“(bb) take any other action to address the misconduct.”; and

(B) in subparagraph (B), by adding at the end the following:

“(iv) JURY TRIAL.—A person against which an action is brought under this subsection shall be entitled to a jury trial.”.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to any claim involving a violation of section 21F(h)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6(h)(1)), including a claim in an enforcement action or proceeding brought by the Securities and Exchange Commission, that is—

(1) pending in any appropriate judicial or administrative forum, as of the date of enactment of this Act; or

(2) filed after the date of enactment of this Act.

SEC. 3. PROMPT PAYMENT OF AWARDS.

Section 21F(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6(b)) is amended by adding at the end the following:
“(3) **Timely processing of claims.**—

“(A) **Initial disposition.**—

“(i) **In general.**—Except as provided in subparagraph (B), the Commission shall make an initial disposition with respect to a claim submitted by a whistleblower for an award under this section (referred to in this paragraph as an ‘award claim’) not later than the later of—

“(I) the date that is 1 year after the deadline established by the Commission, by rule, for the whistleblower to file the award claim; or

“(II) the date that is 1 year after the final resolution of all litigation, including any appeals, concerning the covered action or related action.

“(ii) **Multiple actions.**—If an award claim involves 1 or more related actions, the requirement under clause (i) shall apply with respect to the latest deadline with respect to the actions.

“(B) **Exceptions.**—

“(i) **Initial extension.**—If the Director of the Division of Enforcement of
the Commission (referred to in this paragraph as the ‘Director’), or the designee of the Director, determines that an award claim is sufficiently complex or involves more than 1 whistleblower, or if other good cause exists such that the Commission cannot reasonably satisfy the requirements under subparagraph (A), as determined by the Director or the designee, as applicable, the Director or the designee, after providing notice to the Chairman of the Commission (referred to in this paragraph as the ‘Chairman’), may extend the deadline with respect to the satisfaction of those requirements by not more than 180 days.

“(ii) ADDITIONAL EXTENSIONS.—If, after providing an extension under clause (i), the Director, or the designee of the Director, determines that good cause exists such that the Commission cannot reasonably satisfy the requirement under subparagraph (A), the Director or the designee of the Director, may extend the deadline described in clause (i) as needed for 1 or more additional successive 180-
day periods only after providing notice to
and receiving approval from the Commis-

“(iii) NOTICE TO WHISTLEBLOWER
required.—If the Director, or the des-
ignee of the Director, exercises authority
under clause (i) or (ii), the Director or the
designee, as applicable, shall submit to the
whistleblower who filed the award claim
that is subject to that action by the Direc-
tor or the designee a written notification of
that action.

“(C) APPLICABILITY.—This paragraph
shall apply only to an award claim that the Di-
rector of the designee of the Director deter-
mines is timely submitted under a deadline es-
tablished by the Commission after the date of
enactment of this paragraph.”.

SEC. 4. NONENFORCEABILITY OF CERTAIN PROVISIONS.

(a) IN GENERAL.—Section 21F of the Securities Ex-
change Act of 1934 (15 U.S.C. 78u–6) is amended by add-
ing at the end the following:

“(k) NONENFORCEABILITY OF CERTAIN PROVISIONS
WAIVING RIGHTS AND REMEDIES OR REQUIRING ARBI-
TRATION.—
“(1) Waiver of Rights and Remedies.—The rights and remedies provided in this section may not be waived by any agreement, policy form, or condition of employment, including by a predispute arbitration agreement.

“(2) Predispute Arbitration Agreement.—

No predispute arbitration agreement shall be valid or enforceable if the agreement requires the arbitration of a dispute arising under this section.”.

(b) Applicability.—Subsection (k) of section 21F of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6), as added by subsection (a), shall apply with respect to any action that is filed on or after, or that is pending as of, the date of enactment of this Act.

SEC. 5. RULEMAKING AUTHORITY.

The Securities and Exchange Commission may issue any rules that are necessary or appropriate to carry out this Act consistent with the purposes of section 21F of the Securities Exchange Act of 1934 (15 U.S.C. 78u–6), as amended by this Act.