

# THE IMPROVING DISCLOSURES FOR INVESTORS ACT

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**BACKGROUND:** Currently, the Securities Exchange Commission (SEC) requires paper as the default delivery method for several required documents, including investment account statements, trade confirmations, and investment advisory brochures — despite growing public support, across age demographics, for online banking and financial-services products. Additionally, even though existing SEC regulations allow certain documents to be delivered electronically, investors must actively opt in. **These regulations have not been updated in over 20 years.** Today's economy runs on access to digital platforms. It's time that our policies catch up by giving investors more flexibility to go paperless.

## **BILL SUMMARY**

The Improving Disclosures for Investors Act directs the SEC to propose new rules giving investors the option to receive more of their documents electronically. Specifically, the bill:

- Requires the SEC to create rules that allow investment companies, business development companies, brokers, dealers and municipal securities dealers to provide certain documents, including semiannual and annual reports and regulatory documents, to investors electronically.
- Requires the SEC to issue rules guiding how companies notify the investor about the introduction of new e-delivery options. **Those rules will also require that companies inform investors that they can opt in to receive paper documents at any time.**
- Requires the SEC to issue a rule requiring participating companies to enact policies guiding how they will identify and fix failed electronic disclosures and provide a mechanism where investors can opt out and continue to receive paper disclosures.

## **SUPPORT FOR E-DELIVERY:**

- E-Delivery for retirement documents has been [supported](#) by the Trump and Biden Administrations.
- An [estimated 94% of tax payers](#) have been paying their taxes electronically since the introduction of e-filing in 2022.
- In a 2022 [survey of investors](#), **79% of respondents already received their investment notices electronically**, and 81% of investors would prefer to have an electronic option for at least some of their investment disclosures.

**SUPPORTERS:** Fidelity, Empower, National Association of Independent Financial Advisors, Investment Company Institute, Charles Schwab, The Securities Industry and Financial Markets Association (SIFMA), and the U.S. Chamber of Commerce.

