

By: Meyer, Button, Anchía

H.B. No. 4115

Substitute the following for H.B. No. 4115:

By: Button

C.S.H.B. No. 4115

A BILL TO BE ENTITLED

AN ACT

relating to the submission and approval of certain proposals by
shareholders of nationally listed corporations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter [H](#), Chapter [21](#), Business Organizations
Code, is amended by adding Section 21.373 to read as follows:

Sec. 21.373. NATIONALLY LISTED CORPORATIONS: SHAREHOLDER
PROPOSALS. (a) In this section:

(1) "Nationally listed corporation" means a
corporation that:

(A) has a class of equity securities registered
under Section 12(b) of the Securities Exchange Act of 1934 (15
U.S.C. Section 781(b));

(B) is admitted to listing on a national
securities exchange; and

(C) either:

(i) has its principal office in this state;
or

(ii) is admitted to listing on a stock
exchange that:

(a) has its principal office in this
state; and

(b) has received approval by the
securities commissioner under Subchapter [C](#), Chapter [4005](#),

Government Code.

(2) "Voting shares" means shares that entitle the holders of the shares to vote on a proposal.

(b) This section applies only to a nationally listed corporation that makes an affirmative election to be governed by this section under an amendment to the corporation's governing documents.

(c) A nationally listed corporation shall provide notice to shareholders of the proposed adoption of an amendment under Subsection (b) in any proxy statement provided to shareholders preceding the amendment's adoption.

(d) Except as provided by Subsection (e) and subject to the corporation's governing documents, to submit a proposal on a matter to the shareholders for approval at a meeting of shareholders, a shareholder or group of shareholders must:

(1) hold an amount of voting shares of the corporation, determined as of the date of submission of the proposal, equal to at least:

(A) \$1 million in market value; or

(B) three percent of the corporation's voting shares;

(2) hold the shares described by Subdivision (1):

(A) for a continuous period of least six months before the date of the meeting; and

(B) throughout the entire duration of the meeting; and

(3) solicit the holders of shares representing at

1 least 67 percent of the voting power of shares entitled to vote on
2 the proposal.

3 (e) Subsection (d) does not apply to:

4 (1) director nominations; and

5 (2) procedural resolutions that are ancillary to the
6 conduct of the meeting.

7 SECTION 2. This Act takes effect September 1, 2025.