

1-1 By: Parker S.B. No. 1057
1-2 (In the Senate - Filed February 3, 2025; February 24, 2025,
1-3 read first time and referred to Committee on Business & Commerce;
1-4 March 31, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 10, Nays 0; March 31, 2025,
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Schwertner	X			
1-10	King			X	
1-11	Blanco	X			
1-12	Campbell	X			
1-13	Creighton	X			
1-14	Johnson	X			
1-15	Kolkhorst	X			
1-16	Menéndez	X			
1-17	Middleton	X			
1-18	Nichols	X			
1-19	Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1057 By: Campbell

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to the submission and approval of certain proposals by
1-24 shareholders of nationally listed corporations.
1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-26 SECTION 1. Subchapter H, Chapter 21, Business Organizations
1-27 Code, is amended by adding Section 21.373 to read as follows:
1-28 Sec. 21.373. NATIONALLY LISTED CORPORATIONS: SHAREHOLDER
1-29 PROPOSALS. (a) In this section:
1-30 (1) "Nationally listed corporation" means a
1-31 corporation that:
1-32 (A) has a class of equity securities registered
1-33 under Section 12(b) of the Securities Exchange Act of 1934 (15
1-34 U.S.C. Section 781(b));
1-35 (B) is admitted to listing on a national
1-36 securities exchange; and
1-37 (C) either:
1-38 (i) has its principal office in this state;
1-39 or
1-40 (ii) is admitted to listing on a stock
1-41 exchange that:
1-42 (a) has its principal office in this
1-43 state; and
1-44 (b) has received approval by the
1-45 securities commissioner under Subchapter C, Chapter 4005,
1-46 Government Code.
1-47 (2) "Voting shares" means shares that entitle the
1-48 holders of the shares to vote on a proposal.
1-49 (b) This section applies only to a nationally listed
1-50 corporation that makes an affirmative election to be governed by
1-51 this section under an amendment to the corporation's governing
1-52 documents.
1-53 (c) A nationally listed corporation shall provide notice to
1-54 shareholders of the proposed adoption of an amendment under
1-55 Subsection (b) in any proxy statement provided to shareholders
1-56 preceding the amendment's adoption.
1-57 (d) Except as provided by Subsection (e) and subject to the
1-58 corporation's governing documents, to submit a proposal on a matter
1-59 to the shareholders for approval at a meeting of shareholders, a
1-60 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 least 67 percent of the voting power of shares entitled to vote on the proposal.

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

(1) director nominations; and

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

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

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