

U.S. Rep. Fitzgerald: Bill to keep politics out of boardrooms passes Financial Services Committee

Posted on Friday, Jul 28, 2023

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

WASHINGTON, DC – Today, Congressman Scott Fitzgerald (WI-05) issued the following statement in response to the House Financial Services Committee’s passage of his bill, the *Performance over Politics Act*.

“This Congress must make it a priority to protect retail investors from repeat, costly ESG proposals activist shareholders are peddling in boardrooms across America,” **said Rep. Fitzgerald.** *“I’m grateful to Chairman McHenry and my colleagues for supporting my proposal in committee today. It is my hope that the Performance over Politics Act will protect everyday investors and empower shareholders focused on the strategic direction and long-term goals of the company.”*

The *Performance over Politics Act* permits issuers to set aside for three years resubmission of shareholder proposals that are substantially similar to proposals that received less than 10% of the vote once in the previous five years, received less than 20% twice in the previous five years, or received less than 40% three times in the previous five years. A 2009 study noted that costs directly incurred by companies due to such proposals were estimated at \$87,000 per proposal, totaling \$90 million annually. The goal of the bill is to respect the decisions of the majority of shareholders and encourage more rather than less public companies – and get politics out of the boardroom.

This bill was passed as a part of H.R. 4767, the *Protecting Americans’ Retirement Savings from Politics Act*. The package consists of 11 bills involving the proxy advisor process, SEC rulemaking, and ESG policies.