How to Comment on the SEC's Proposed Recession of the Shareholder Proposal Rule

On September 16, 2026, the SEC solicited public comment on its proposed rescission of its longstanding shareholder proposal rule in a notice of proposed rulemaking. If adopted, the SEC's proposed rulemaking will eliminate the longstanding right of stockholders under the federal proxy rules to have their shareholder proposals included in company proxy statements. Concerned investors are encouraged to submit written comments to the SEC on the proposed rulemaking prior to the November 20, 2026 comment period deadline.

Rescission of Rule 14a-8's Federal Regulation of Shareholder Proposals and Amendments to Rule 14a-4 [Release No. 34-106383; File No. S7-2026-32]

Notice of Proposed Rulemaking:
https://www.sec.gov/files/rules/proposed/2026/34-106383.pdf

Proposed Rule Fact Sheet:
https://www.sec.gov/files/34-106383-fact-sheet.pdf

SEC Comment Letter Portal:
https://www.sec.gov/comments/s7-2026-32/rescission-rule-14a-8s-federal-regulation-shareholder-proposals-amendments-rule-14a-4

File of Received Comments:
https://www.sec.gov/rules-regulations/public-comments/s7-2026-32

Why Comments Matter

Your organization has important experience and information that can change the course of the SEC's rulemaking proposal. By law, the SEC must consider all public comments received. While the SEC can group similar comments, its internal guidance on economic analysis commits it to include in the release accompanying the final rule "a complete economic analysis of the final rule, addressing comments and realistic alternatives to the approach chosen." Rules that are arbitrary or capricious – e.g., if the SEC ignores evidence and research contravening their purported effects and benefits – can be challenged in court. For this reason, a rulemaking's success depends in part on the quantity and quality of the comments received by the SEC.

How and When to File Your Comment

Comments are due on Friday, November 20, 2026. While the SEC may consider comments received after the comment period deadline, filing your comments before the due date will ensure that your comments are part of the SEC's administrative record for judicial review under the Administrative Procedures Act. The best way to submit comments is through the SEC's comment letter portal where you can upload a PDF file. Be sure to include the name and file number of the rulemaking in in your letter ("Rescission of Rule 14a-8's Federal Regulation of Shareholder Proposals and Amendments to Rule 14a-4, File Number S7-2026-32").

Tips for Effective Comment Letters

Commentators do not need to respond to every question asked by the proposed rulemaking. Even a short comment letter in opposition to the proposed rulemaking is beneficial. Letters from a range of institutional investors as well as individuals are important. However, specific evidence and examples are generally more useful to the SEC's rulemaking process (and any subsequent legal challenge) than opinions or general statements of opposition.

For example, such evidence could include an estimate of the financial benefits of shareholder proposals. You may also wish to explain how you or your organization has historically relied on the shareholder proposal process (e.g., you filed or co-filed a proposal; participated in a dialogue stimulated by the submission of a shareholder proposal; voted on others' shareholder proposals), and the costs and negative impact on investors if the shareholder proposal rule is repealed.

Consider submitting research on the value of shareholder proposal process (such as academic papers or your own data) as well as commenting on flaws in proposed rulemaking's economic analysis. You may also wish to challenge the SEC's claim that it does not have legal authority to require the inclusion of shareholder proposals in company proxy statements.

A professional and respectful tone in your comment letter will be more persuasive to the SEC as well as for a judge who reviews the SEC's rulemaking. Try to avoid jargon and write for a general audience. Your comment letter will also help educate the public, members of Congress, and a future Presidential administration about the need to restore Rule 14a-8.

Resources on Rule 14a-8

SEC comment letter file for the 2020 amendments to Rule 14a-8:
https://www.sec.gov/comments/s7-23-19/s72319.htm

ICCR/USSIF/Shareholder Rights Group Report on Shareholder Proposals
https://www.iccr.org/reports/shareholder-proposals-an-essential-investor-right/

CII Fact Sheet on Proxy Advisory Firms and Shareholder Proposals
https://www.cii.org/files/about_us/press_releases/2019/11-05-19%20CII%20Fact%20Sheet%20on%20Proxy%20Advisory%20Firms%20and%20Shareholder%20Proposals.pdf

State Financial Officer Statement on Defending Fundamental Shareowner Rights
https://www.cii.org/files/issues_and_advocacy/financial_regulation/Joint%20Statement%20on%20Shareowner%20Rights%206_2_2017%20FINAL.pdf

CERES Freedom to Invest Webinar on Shareholder Rights
https://www.freedomtoinvest.org/shareholder-rights