

SEC Considers Shift to Semiannual Reporting for Public Companies

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The Securities and Exchange Commission (SEC) is actively evaluating whether to transition from the current quarterly reporting regime for domestic public companies to a semiannual reporting framework. Although no formal proposal or timeline has been released, recent public statements by President Donald Trump and SEC Chair Paul Atkins indicate strong support for such a shift. However, significant hurdles and practical considerations remain before any such implementation can take effect.

Key Takeaways

- The SEC is considering a shift from quarterly to semiannual reporting for public companies.
- No formal proposal has been issued, but recent statements suggest movement toward this change.
- Implementation would require significant regulatory updates and substantial market buy-in, which could take years.
- Companies should monitor developments and assess potential impacts on compliance and reporting practices.

Background

Semiannual reporting is not new to the U.S. capital markets, and this is not the first time the SEC has considered a change in reporting frequency. Before 1970, the U.S. was on a semiannual reporting schedule. The SEC adopted the Quarterly Report on Form 10-Q in 1970, after years of semiannual Form 9-K practice in the 1950s and 1960s, moving the U.S. from semiannual to quarterly periodic disclosure. Between 2018 and 2019, during President Trump's first term, the SEC actively considered semiannual reporting after support for the change was also voiced by the president. The SEC initially requested data in a request for comment (RFC) at the end of 2018 covering: (i) overlaps between 10-Qs and earnings releases; (ii) whether earnings releases and Current Reports on Form 8-Ks could satisfy core 10-Q requirements; and (iii) whether rules should allow flexibility in frequency (issuer-wide or by class). Commentators were largely split between companies and their industry groups pushing for less frequent reporting against some investors (including banks, fund managers, etc.) pushing to maintain quarterly reporting. However, the SEC dropped the potential policy change by delaying the issuance of any official rulemaking proposal during the final year of President Trump's first term. In 2021, however, shortly after President Joseph Biden took office and appointed then-SEC Chair Gary Gensler, the SEC officially withdrew the proposal from consideration and further development.

What's New in September 2025 and Why This Time May Be Different

On September 15, 2025, President Trump called on the SEC to consider a regulatory shift to semiannual reporting over quarterly reporting by domestic public companies. President Trump's support for less frequent reporting stems from two areas of concern: (i) reducing "short-termism concerns," where investors and companies only focus on short-term improvements rather than long-term growth, and (ii) reducing compliance and reporting burdens for public companies to incentivize more companies to go — and stay — public. Shifting to semiannual reporting would also align the U.S. capital markets reporting scheme with other international reporting schemes (including Australia, the UK, and Europe) which already maintain a semiannual reporting frequency.

Atkins has also publicly signaled support for the reporting change. He briefly addressed the concept of semiannual reporting during an open SEC meeting on September 17, which was held to vote on [mandatory arbitration clauses in initial public offerings](#) (IPOs). Atkins described these measures as "among the first steps of my goal" to reinvigorate IPO activity. He has repeatedly stated that one of his main policy goals as SEC chair is to make becoming a public company more attractive by eliminating compliance requirements that do not provide meaningful investor protections, minimizing regulatory uncertainty, and reducing legal complexities in the SEC's rules.

On September 30, the SEC received a formal petition from the Long-Term Stock Exchange, a San Francisco-based securities exchange, to permit public companies to report on a semiannual basis, although the SEC has yet to comment.

Proponents argue that semiannual reporting would reduce costs and duplicative efforts, while freeing management's attention for strategic moves that may negatively impact a company's earnings in the short term but result in better long-term outcomes. A shift to semiannual reporting would also ensure the U.S. is consistent with international markets and result in parity with foreign private issuers (public companies which are domiciled outside the U.S. but are required to, or voluntarily, report with the SEC), as many such international issuers operate without mandated quarterly filings.

Opponents raise concerns that transparency and market efficiency will suffer, as bad news may be delayed, volatility may increase, and analyst coverage could diminish. Such a change could also lead to detrimental impacts for insiders and controlling shareholders, as quarterly filings help manage the release of material nonpublic information and available trading windows, allowing potentially larger windows of time in which such insiders may freely trade in company securities. Less frequent mandated public reporting can complicate trading compliance unless companies supplement with robust current reports or make voluntary updates. Empirically, critics of semiannual reporting argue, a reporting change would not cure short-termism, as companies may still face quarterly expectations from markets, institutional investors, and creditors even without a legal mandate.

There May Be Considerable Regulatory Changes to Implement Semiannual Reporting

Rules 13a-13 and 15d-13 under the Securities Exchange Act of 1934, along with Form 10-Q instructions, establish quarterly periodic reports and their requirements. A move to semiannual reporting would require amending those rules and forms with coordinated updates to Regulation S-K, Regulation S-X interim presentations, review expectations by auditors (and the rules of the Public Company Accounting Oversight Board (PCAOB)), Financial Accounting Standards Board (FASB) and securities exchange rules (such as the New York Stock Exchange and Nasdaq). As a result, even if the SEC implements a rule change, a rolling implementation process would be

necessary before the capital markets are fully aligned on semiannual reporting. This process could take several months if not years.

There may be some clues to the SEC's potential course of action from the 2018 RFC. The SEC provided several potential options for shifting to a semiannual reporting scheme, while understanding and maintaining the market's expectations for quarterly information. The SEC, at least in 2018, did not expect a hard or immediate shift to semiannual reporting but rather carveouts and/or exceptions to support the market's expectations. Instead, the SEC asked for public opinions on options related to:

- Using the earnings release as the “core” of the Form 10-Q, trimming duplicative items and various guidance to better streamline quarterly reporting. Under this regime, there would still be quarterly reporting, but at a far lesser extent than what is currently required in Form 10-Q.
- Issuer- or class-based flexibility (e.g., by size or reporting status), where the SEC would preserve quarterly reporting for some issuers but allow semiannual for others. This could align with the trend and current regulations carving out or altering reporting requirements for smaller reporting companies and emerging growth companies.
- Elimination of quarterly reporting entirely and broadening the scope of Current Reports on Form 8-K to serve as the safety net for material, between-period events, and consider coordination with FASB and PCAOB if interim review/reporting standards change.

Another potential option briefly discussed by Atkins was to allow issuers the choice to provide quarterly reports and remove the mandated reporting requirements for the first and third quarters.

Practical Implications

From a practical perspective, reporting companies would need to consider the impact of the following if semiannual reporting is implemented:

- Insider trading and other transactions in company securities (including certain M&A or capital-raising activity) may be delayed or prohibited if there are longer periods of time in which insiders or companies possess material nonpublic information that will not be disclosed until the semiannual report.
- Staleness dates for financials/comfort letters, incorporation-by-reference timing, and shelf takedown readiness may need recalibration if interim financials are less frequent.
- Many credit agreements with lenders include covenants for quarterly reporting, which could greatly impact a company's ability to shift to semiannual reporting. Companies seeking new debt arrangements may also be restricted in moving away from quarterly reports if creditors or debt investors still expect and demand quarterly reports.
- Issuers that move to semiannual reporting while their peers stay quarterly, if such an option is provided, could see relative information deficits that affect analyst coverage and liquidity resulting in market practices converging on voluntary quarterly reporting. As quarterly reporting in the U.S. has been the standard since 1970, over five decades of reliance and expectations on quarterly reports may make the actual shift to semiannual reporting less likely in practice even with a rule change.
- Sarbanes-Oxley (SOX) certifications and PCAOB interim reviews would need to be mapped to the new cadence, and internal controls would need to support timely event-driven Form 8-Ks and Regulation FD disclosures. This would require internal shifts to ensure SOX certifications can be properly made and controls maintained.

Where Things Stand Today; Looking Ahead

No proposed rule or new RFC has been published yet, but the SEC's recent regulatory agenda suggests active consideration of disclosure reforms. Recent Supreme Court decisions have heightened scrutiny of administrative rulemaking, so any substantial change will likely involve extensive public comment and participation and could take more than a year to finalize. The effective date of any new rule could be months or years after adoption, depending on implementation details.

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