

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5310

October 17, 2019

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce opposes H.R. 1815 and H.R. 3624, which the House is expected to vote on this week.

H.R. 1815, the “SEC Disclosure Effectiveness Testing Act,” would mandate prescriptive investor testing requirements on new rulemakings by the Securities and Exchange Commission (SEC). The Chamber generally supports efforts by regulators to assess the effect of new rulemakings and we support existing efforts by the SEC to incorporate testing into their current regulatory initiatives, but H.R. 1815 would impose unnecessary and burdensome requirements on the SEC.

This legislation would delay implementation of critical SEC rulemakings such as Regulation Best Interest (BI) and Form Customer Relationship Summary (Form CRS), which already incorporates investor testing. The SEC has already incorporated testing into rulemakings related to retail investor disclosure and is retroactively reviewing previous corporate public disclosures as part of its disclosure effectiveness initiative.

H.R. 3624, the “Outsourcing Accountability Act of 2019,” would require public companies to disclose the total numbers of workers they employ in the United States and in every country they operate in abroad, as well as the yearly increase or decrease of employees in each country. Companies that operate internationally already disclose—via mandated as well as voluntary disclosure—significant detail about their business lines in different countries. Much like the Dodd-Frank Act’s pay ratio and conflict minerals requirement, investors and shareholders would not find this information decision-useful in any way, and they would ultimately bear the costs of this mandate.

Sincerely,



Neil L. Bradley