



# AMERICANS *for* TAX REFORM

January 31, 2017

The Honorable Paul Ryan  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, DC 20510

Dear Speaker Ryan and Majority Leader McConnell:

On behalf of Americans for Tax Reform (ATR) I write to express ATR's strong support for using the Congressional Review Act to repeal the Securities and Exchange Commission's (SEC) rule relating to resource extraction pursuant to section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

While increased transparency is a laudable goal, the SEC rule falls short of achieving this goal in a sensible and productive manner. **Instead, the SEC's Resource Extraction Rule under section 1504 of the Dodd-Frank Act has created an excessive compliance burden that puts U.S. companies at a competitive disadvantage internationally, and actually harms rather than protects investors.**

The SEC rule adds to an already unreasonable compliance burden on U.S. companies. The SEC's own estimates found that the ongoing compliance costs of the resource extraction rule would be between \$173 million and \$385 million annually.

Additionally, by requiring U.S. companies to publicly disclose proprietary information under the rule, the SEC is giving America's international competitors an enormous advantage in the global market. Such unnecessary and self-inflicted regulatory wounds only serve to reduce American prosperity by harming U.S. competitiveness and consumers in the long run.

The SEC's stated mission is to "protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation." However the required disclosure of proprietary information and resulting compliance burden from the Resource Extraction Rule serves only to harm investors and shareholders and impede capital formation.

I urge you and your colleagues in Congress to use the authority granted under the Congressional Review Act to repeal the SEC's Resource Extraction Rule.

Sincerely,

Grover G. Norquist  
President  
Americans for Tax Reform

722 12<sup>th</sup> Street N.W.

Fourth Floor

Washington, D.C.

20005

T: (202) 785-0266

F: (202) 785-0261

[www.atr.org](http://www.atr.org)