

May 1, 2014

The Honorable Mary Jo White  
Chair  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090

Dear Chair White:

We write to urge the Securities and Exchange Commission (SEC) to release a revised rule implementing Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). The DC District Court remanded the rule back to the SEC in June 2013 and to date the SEC has yet to provide any indication that it is working to complete a new rule.

We were disappointed to find that Section 1504 does not appear on this year's rulemaking agenda for the Commission. While we appreciate the Commission's workload, the SEC was legally bound to issue a rule no later than 270 days after the enactment of the July 2010 Dodd-Frank Act. The Commission was over one year overdue when it issued the original rule in August 2012. While the lawsuit in the District Court added a subsequent delay that was outside the control of the SEC, the fact remains that now that the District Court has remanded the rule back to the SEC, the SEC has the statutory obligation to enact a rule in a timely manner.


Investors stand to benefit from greater transparency of payments that oil, gas, and mining companies make to governments for the right to extract natural resources. Disaggregated, project-level payment information for each company is necessary to enable investors to make decisions with a sufficient understanding of the risks and opportunities associated with investing in extractive companies. Current disclosure requirements are outdated and do not provide information that reflects current key industry dynamics. That is why dozens of investor groups with more than \$5.6 trillion in assets under management, including the world's largest private wealth manager, have urged the SEC to act swiftly to reissue a strong rule to implement Section 1504. The SEC's mandate requires it to act to protect investors, and it should do so promptly.

Strong mandatory disclosure requirements for oil, gas, and mining companies are important for businesses as well. Companies such as Newmont Mining, Rio Tinto, Statoil, and Tullow Oil have publicly emphasized the benefits their companies receive from increased transparency. In fact, in recognition of the role of transparency in creating stable operating environments, strong reporting requirements enjoy robust support across a wide swath of extractive companies. For instance, Canada's two largest mining associations – with a combined membership of more than 1,300 companies and organizations – have publicly endorsed a mandatory reporting framework modeled on the SEC's August 2012 rule, and have urged the government of Canada to use the framework as the basis for developing Canada's regulations.

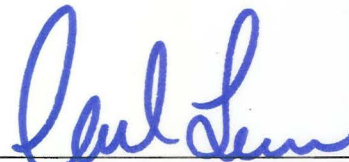
The SEC's August 2012 rule catalyzed a number of significant international developments that highlight the growing momentum toward a global transparency standard for the extractive industries. In just the past 10 months: 1) the Extractive Industries Transparency Initiative (EITI) approved a new set of standards, requiring project-level reporting consistent with the U.S. and EU rules; 2) the 28 member states of the European Union approved mandatory rules modeled on the SEC's August 2012 rule; 3) the G8 pledged to make progress toward developing a common global reporting standard, and urged other countries to implement mandatory reporting regimes that "move towards project-level reporting"; and 4) the government of Canada committed to implement mandatory extractives disclosure rules, and is making steady progress toward achieving that objective by 2015.

Prompt enactment of a robust rule will help protect U.S. investors, promote U.S. national and energy security, and create more stable operating environments for American businesses. Based on these reasons, as well as the SEC's statutory obligation, we strongly urge you to prioritize the issuance of a new rule for Section 1504 in 2014.

Sincerely,



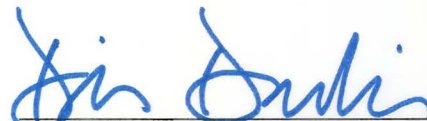
BENJAMIN L. CARDIN  
United States Senator



CARL LEVIN  
United States Senator



EDWARD J. MARKEY  
United States Senator



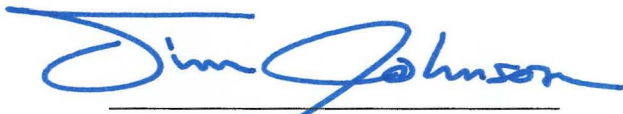
RICHARD J. DURBIN  
United States Senator



PATRICK LEAHY  
United States Senator



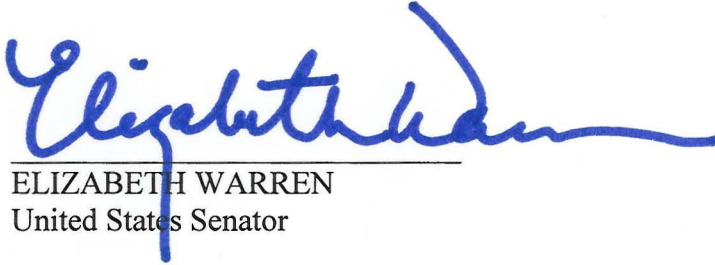
BERNARD SANDERS  
United States Senator



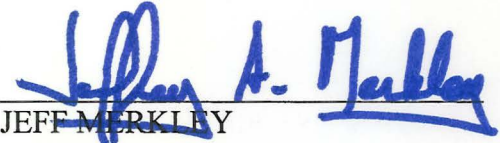
TIM JOHNSON  
United States Senator



SHELDON WHITEHOUSE  
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