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Majority Action Condemns Attacks on the SEC's Regulatory Authority During House Hearing

WASHINGTON - In response to the House Financial Services Subcommittee on Capital Markets hearing entitled "SEC Overreach: Examining the Need for Reform", Eli Kasargod-Staub, executive director of [Majority Action](#), said:

"Today's hearing was a thinly veiled effort to advance the agenda of the fossil fuel industry which has repeatedly concealed the risks their products present to the economy and capital markets under the guise of congressional oversight. The SEC plays a critical role as the federal regulatory body that is tasked with ensuring that publicly traded corporations fully disclose risks to current and potential investors. Rather than discussing the outstanding regulatory gaps that enable corporations to continue to evade disclosure of risks, today's hearing focused on how to undermine the SEC's ability to issue regulations that allow investors to make informed decisions. The legislation discussed today would hamstring the SEC's regulatory authority, and sits in opposition to the needs of investors, including workers saving for retirement.

The hearing today is not an isolated event, but rather part of a broader effort to undermine the SEC and limit the ability of investors and shareholders to influence corporate behavior. Instead of taking the necessary steps to achieve a 1.5C° pathway, the fossil fuel industry is waging war on efforts to ensure that investors are fully informed about climate risks. Last week, the SEC's recently finalized climate disclosure rule was halted by a case put forward in the Fifth Circuit Court of Appeals in spite of the devastating effects of climate change on the economy and to the portfolios of long-term diversified investors. Ongoing litigation by Exxon challenging a now withdrawn shareholder proposal on climate risk disclosure marks yet another example of the broader effort to gut shareholder engagement and shield corporate management from accountability and oversight.

Make no mistake: there is an orchestrated effort to undermine efforts for corporate transparency that threatens not only the retirement security of millions of people across the country, but seeks to erode a critical pillar of corporate governance that enables shareholders to advance some degree of corporate accountability. It is paramount that this effort be effectively and swiftly countered and stamped out."

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility. www.majorityaction.us