

Congress of the United States
Washington, DC 20510

December 22, 2015

The Honorable Mary Jo White
Chair
United States Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chair White:

As you know, the President signed the Consolidated Appropriations Act, 2016 into law on December 18, 2015. Section 707 of Division E, Title VII of the law prohibits the Securities and Exchange Commission (SEC) from utilizing fiscal year 2016 funds to finalize, issue, or implement a rule, regulation, or order regarding corporate political spending disclosures.

However, we believe the SEC retains the authority to take important steps to prepare for a rulemaking on this issue. Specifically, this provision does not bar the SEC from discussing, planning, investigating, or developing plans or possible proposals for a rule or regulation relating to the disclosure of political contributions. As such, we expect the SEC to move forward with such plans including, but not limited to, a public roundtable, and other actions to prepare a rule on the disclosure of political contributions. Per that expectation, we will periodically ask for updates on this issue.

We believe that disclosure of corporate political spending has immense value for investors and should be a top priority for the Commission. The ability of corporate executives to spend company resources for political purposes without shareholders' knowledge raises significant investor protection and corporate governance concerns. Without transparency or disclosure, executives are free to spend funds invested by shareholders without accountability or monitoring.

The Supreme Court's 2010 *Citizens United v. FEC* decision fundamentally changed our nation's campaign finance laws, ruling that corporations should be treated as "persons" under the First Amendment and thus enabling corporate executives to make unlimited expenditures from company treasuries to influence election campaigns. Even before *Citizens United*, shareholders of many companies sought greater transparency into how executives were using corporate resources for political purposes. Since *Citizens United*, investor demand has greatly—and justifiably—intensified, as the magnitude of the problem and the potential for abuse has skyrocketed.

Some companies have agreed to voluntarily disclose their political spending, illustrating its feasibility, but many others continue to conceal their political spending from their shareholders and the public. Shareholders of these companies should not be kept in the dark, and their rights must be protected.

To date, more than 1.2 million securities experts, institutional and individual investors, and members of the public have pressed the SEC for a rule requiring public companies to disclose

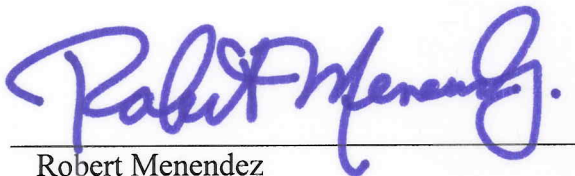
their political spending. Furthermore, in May of this year, two former SEC Chairs urged the Commission to take action, noting that a rule on corporate political spending disclosures fits squarely within the primary mission of the SEC, which is the protection of investors.

The case for disclosure is clear and convincing—purely as a matter of corporate governance and investor protection. This information is material to how shareholders decide where to invest their money and how to vote in corporate elections. Unfortunately, the SEC has thus far failed to act to promote transparency in the amount of shareholder money public companies are spending to influence elections and government policy. Until the SEC moves forward with this rulemaking, investors will continue to be left in the dark with no way of knowing whether executives are spending funds on political causes or campaigns that may be directly adverse to shareholders' interests.

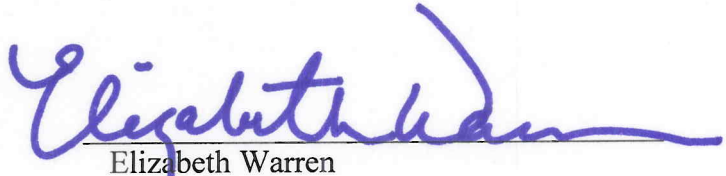
We expect the SEC to weigh seriously the importance of this issue and use its resources, within the confines of the Consolidated Appropriations Act, 2016, to prepare for a rulemaking requiring public companies to disclose their political spending to shareholders.

We appreciate your attention to this matter.

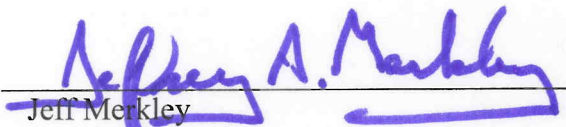
Sincerely,



Robert Menendez
United States Senator



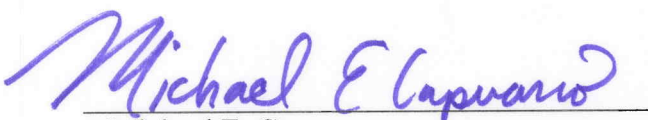
Elizabeth Warren
United States Senator



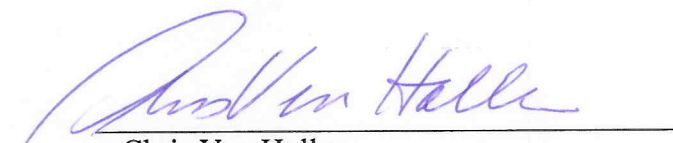
Jeff Merkley
United States Senator



Charles E. Schumer
United States Senator



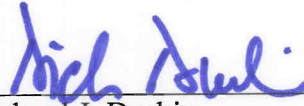
Michael E. Capuano
Member of Congress



Chris Van Hollen
Member of Congress



Jack Reed
United States Senator



Richard J. Durbin
United States Senator



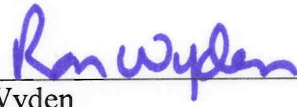
Kirsten Gillibrand
United States Senator



Tom Udall
United States Senator



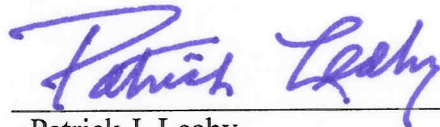
Al Franken
United States Senator



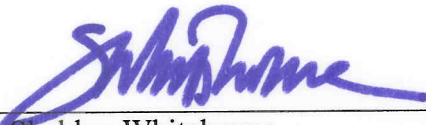
Ron Wyden
United States Senator



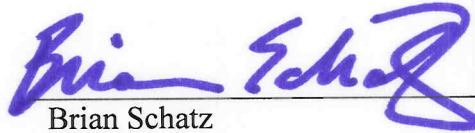
Mazie K. Hirono
United States Senator



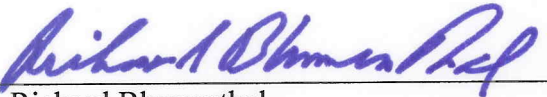
Patrick J. Leahy
United States Senator



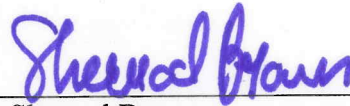
Sheldon Whitehouse
United States Senator



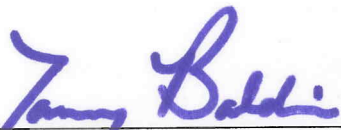
Brian Schatz
United States Senator



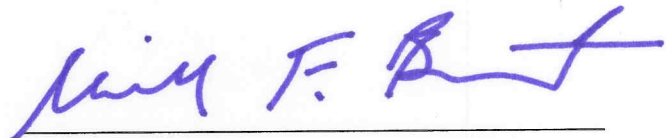
Richard Blumenthal
United States Senator




Sherrod Brown
United States Senator



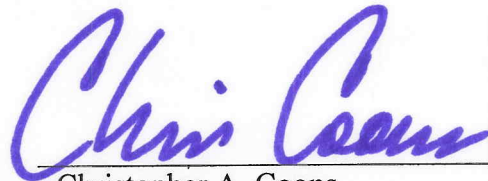
Tammy Baldwin
United States Senator



Michael F. Bennet
United States Senator



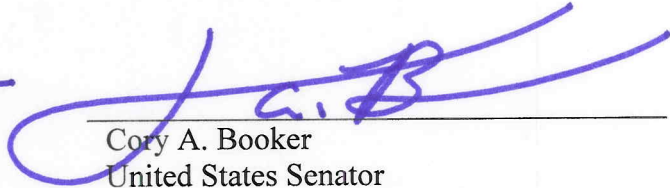
Christopher Murphy
United States Senator



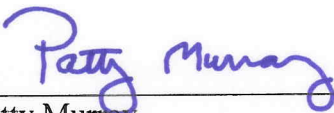
Christopher A. Coons
United States Senator



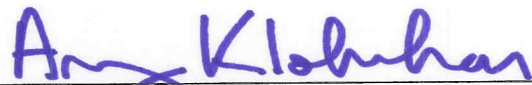
Debbie Stabenow
United States Senator



Cory A. Booker
United States Senator



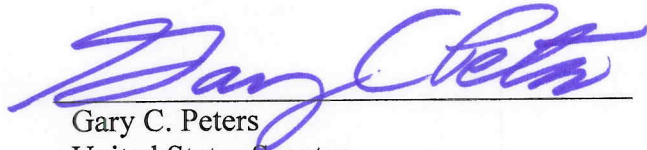
Patty Murray
United States Senator



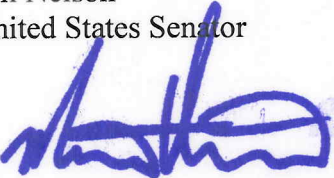
Amy Klobuchar
United States Senator



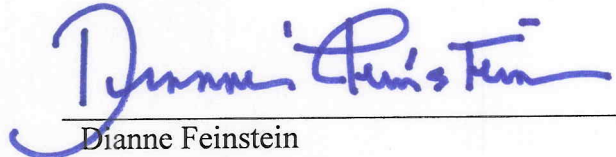
Bill Nelson
United States Senator



Gary C. Peters
United States Senator



Martin Heinrich
United States Senator



Dianne Feinstein
United States Senator

Daniel J. Meehan

Member of Congress

Mark DeSantis

Member of Congress

Alli R. King

Member of Congress

Mark DeSantis

Member of Congress

Al Lewis

Member of Congress

Ted W. Lieu

Member of Congress

Elizabeth H. Esty

Member of Congress

Jim McGovern

Member of Congress

Robert Murphy

Member of Congress

Rosa L. DeLauro

Member of Congress

Adam B. Schiff

Member of Congress

Charles B. Rangel

Member of Congress

Alex D. Hastings

Member of Congress

Lois Capps

Member of Congress

Elyah F. Trnka

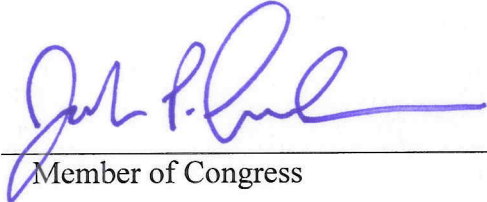
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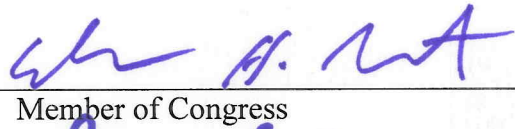
Arnold E. Cannon

Member of Congress

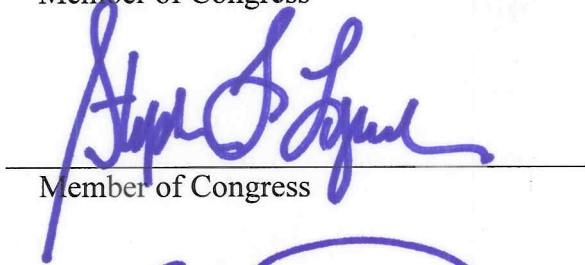

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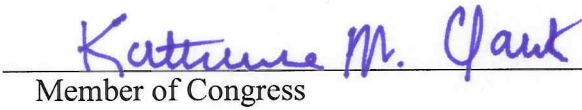

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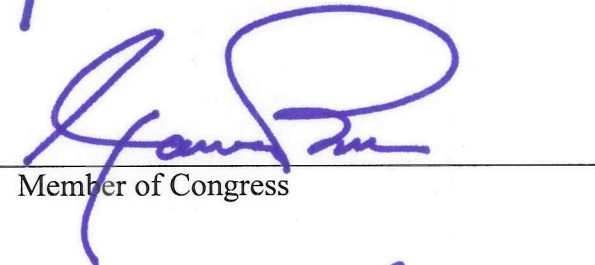

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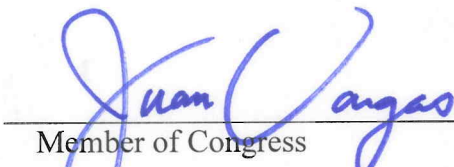

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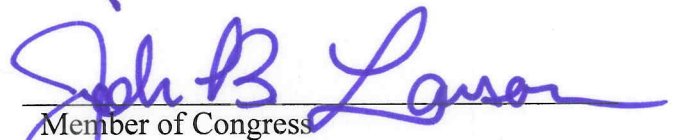

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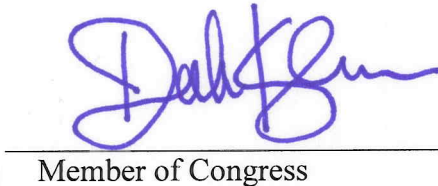

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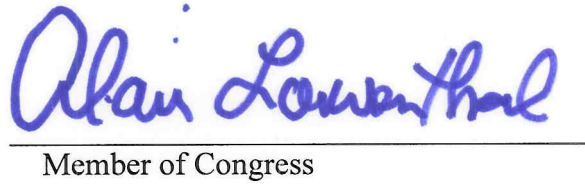

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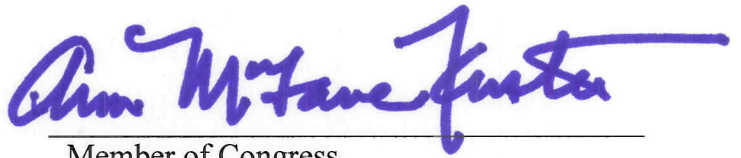

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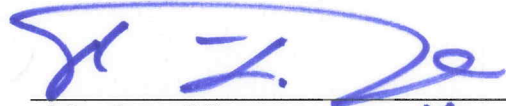
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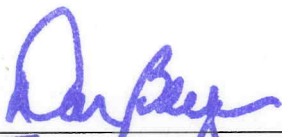
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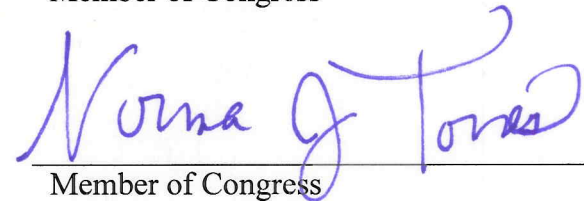
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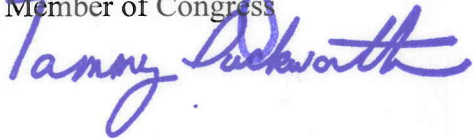
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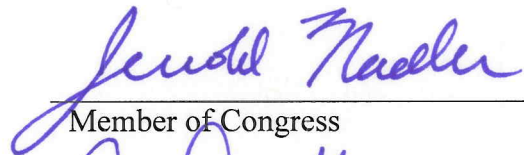
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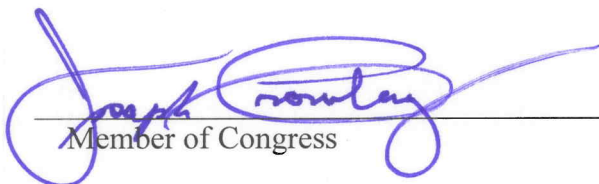
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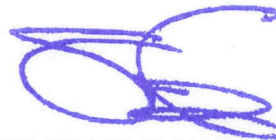
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Judy Chu

Member of Congress

Pete Welch

Member of Congress

Steve Cohen

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Richard Hanna

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Jim Schakowsky

Member of Congress

Al Green

Member of Congress

Lucille Roybal-Allard

Member of Congress

Gregory W. Meeks

Member of Congress

Jeannette "Mimi" Wang

Member of Congress

David Souder

Member of Congress

Rowan Brady

Member of Congress

Niki Bonanos

Member of Congress

Tulsi Gabbard

Member of Congress

Ti Bode

Member of Congress

Shirley D. Clarke

Member of Congress

Jim Cooper

Member of Congress