

WASHINGTON (February 3, 2010) - Congressman Spencer Bachus (AL-6) today questioned a regulatory proposal that would force companies in Alabama and across the nation to predict the impact that climate change might have on their financial condition.

Bachus said he wants to know if the White House has asked the Securities and Exchange Commission (SEC) to attempt to address climate change through securities laws. Under the plan, publicly traded companies would be required to project how they might be affected by climate change when they submit financial disclosure forms.

In a letter to SEC Chairman Mary Schapiro, Bachus said, "With legislative progress on climate change having stalled, this guidance suggests an attempt by the SEC to promote a political agenda through regulation. The guidance reaches beyond the SEC's expertise and will impose potentially significant compliance costs on issuers with little apparent benefit to investors."

Bachus said it is unfair to impose higher costs on companies, such as manufacturers in Alabama, by forcing them to make speculative projections. He said the SEC should focus its limited resources on its core mission of protecting investors, including preventing another Madoff-like Ponzi scheme.

Bachus has asked Chairman Schapiro to provide answers to 11 questions, including whether the White House asked the SEC to pursue the guidance; when the Division of Corporate Finance was directed to draft the climate change guidance; why the draft was not public prior to the Commission's open meeting; whether the Commission performed an economic analysis prior to issuing the guidance; and what specific examples the SEC received that could be construed as inadequate climate change disclosure.

[Click here](#) to view a copy of the letter.

