

United States Senate

WASHINGTON, DC 20510

March 21, 2022

The Honorable Gary Gensler
Chair, Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

Dear Chair Gensler:

Today, the Securities and Exchange Commission (SEC) issued a draft rule requiring American businesses to calculate and disclose their greenhouse gas emissions, as well as the emissions generated by their suppliers and partners. This proposal will significantly impact the American economy and cuts across numerous policymaking areas and economic sectors. If adopted, these rules would substantially increase compliance costs for publicly traded companies, which would have the effect of raising prices for American consumers, reducing American jobs, and lowering returns for American investors.

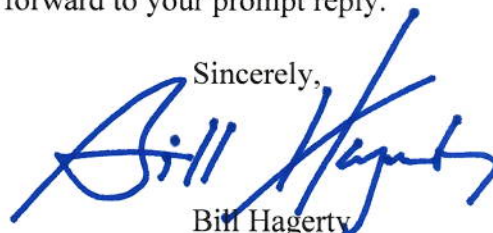
Given this broad impact, Congress should be setting American policy in this area, and therefore, it is imperative that this rule receive congressional review. I write to confirm that you will comply with the requirements of the Congressional Review Act (CRA) in issuing this rule.

Under the CRA, an agency action that falls within the definition of a "rule" must be submitted to Congress for review before it can take effect. 5 U.S.C. § 801(a)(1)(A). "The definition of a rule under the CRA is very broad." Government Accountability Office B-323772, at 3 (Sept. 4, 2012), *available at* <https://www.gao.gov/assets/b-323772.pdf>. In pertinent part, the CRA defines a rule as: "the whole or a part of an agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or describing the organization, procedure, or practice requirements of an agency." 5 U.S.C. § 551(4). This is not limited to directives requiring notice, public comment, or similar Administrative Procedure Act procedures.

Plainly, this climate disclosure rule imposing significant new requirements on American businesses and new costs on the American people is a rule for CRA purposes. So that Americans' elected representatives may timely review this rule as required under federal law, please confirm by Monday, April 4, that you will submit it to Congress before it purports to take effect.

Thank you, and I look forward to your prompt reply.

Sincerely,



Bill Hagerty
United States Senator