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Will the SEC Propose Rules on Corporate Political Spending by April 2013?

January 9, 2013 | Client Update | 2-minute read

According to a **post** on the Harvard Law School Forum on Corporate Governance and Financial Regulation, the SEC has updated its entry in the Office of Management and Budget?s Unified Agenda to indicate that it plans to issue proposed rulemaking requiring public companies to disclose their political spending this April. The post goes on to discuss the SEC rulemaking **petition** that was submitted by the Committee on Disclosure of Corporate Political Spending, co-chaired by Lucian Bebchuk and Robert Jackson. They report that the petition has received more than 300,000 comment letters in support.

The rulemaking petition supports the concept providing public information but does not give more than a general framework for the specific disclosure than might be proposed, including the possibility of a de minimis exemption. However, one comment letter signed by some of the same institutional investors who are proponents of shareholder proposals seeking political contributions reports not surprisingly advocates for the type of content and form of disclosure that are similar to the requests in their shareholder proposals. This includes information on policies and procedures for political contributions and expenditures as well as more broadly, contributions and expenditures that are ?used to participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office, and used in any attempt to influence the general public, or segments thereof, with respect to elections or referenda.?

As for the OMB Unified Agenda, the SEC list contains fairly extensive and ambitious **timetables**, and include the possibility of rulemaking on the Dodd-Frank executive compensation topics (pay-for-performance, pay ratio, clawback and employee and director hedging) in February 2013 and other timing that has already been missed, including the crowdfunding rules, scheduled for December 2012.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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