



December 12, 2017

The Honorable Jeb Hensarling
Chair, House Committee on Financial
Services
129 Cannon House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member, House Committee on
Financial Services
2221 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling and Ranking Member Waters:

I write you today to urge you to vote against H.R. 4519 when it comes up in committee for markup this afternoon. This bill, innocuously titled “To amend the Securities Exchange Act of 1934 to repeal certain disclosure requirements related to resource extraction, and for other purposes,” would repeal a provision of law aimed at protecting U.S. national security and energy security interests.

Section 1504 of the Dodd-Frank Act requires oil, gas, and mining companies listed on U.S. stock exchanges to disclose the royalties and taxes they pay to the U.S. and foreign governments in order to extract natural resources, including those that are publicly owned. Repealing this section will allow companies to continue to keep the public in the dark about how much, if anything, the oil and gas industry is paying in taxes.

Reuters recently reported that for the third year in a row ExxonMobil, Chevron, and Shell each paid no taxes in Australia on billions in revenue from operations in the country.¹ I am worried that these companies are taking similar advantage of our public lands, and this bill will allow them to continue to do so with no public scrutiny or accountability.

Until recently, I served as the Civil Society Chair of the U.S. Advisory Committee for the Extractive Industries Transparency Initiative (EITI), the international initiative that requires governments to publicly disclose their revenues from oil, gas, and mining assets, and for companies to make parallel disclosure so taxpayers know they are getting every dollar due to them for extraction on public lands. In that context, Extractive Industry representatives stated that they would only make these tax disclosures if they were legally required to do so.² Based on this experience, I strongly urge you and your colleagues to vote against this dangerous and irresponsible legislation.

¹ Sonali Paul, “ExxonMobil, Chevron, Shell paid no tax in Australia for 2016,” *Reuters*, December 7, 2017.

https://www.reuters.com/article/us-australia-taxavoidance/exxonmobil-chevron-shell-paid-no-tax-in-australia-for-2016-idUSKBN1E11FN?utm_source=applenews (Downloaded December 12, 2017)

² “United States Extractive Industries Transparency Initiative Multi-Stakeholder Group Advisory Committee Meeting Summary of Proceedings,” September 2016, US Department of Interior, pg. 9.

https://www.doi.gov/sites/doi.gov/files/uploads/useiti_msg_-_mar_2016_mtg_summary_final.pdf (Downloaded December 12, 2017)

My staff and I are available to discuss this matter further, and I thank you for your time and consideration of this matter.

Sincerely,

A handwritten signature in blue ink that reads "Danielle Brian". The signature is written in a cursive, flowing style.

Danielle Brian
Executive Director

CC: House Committee on Financial Services Members