

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549–1090

April 13, 2026

Re: Statement on Reforming Regulation S-K

Dear Secretary Countryman:

The undersigned 19 labor unions, investors, and public interest organizations write to urge the Securities and Exchange Commission (SEC) to abstain from eliminating or watering down current Regulation S-K disclosure requirements. The price of admission for companies being able to access public markets used to be increased transparency and accountability to their new dispersed shareholder base. We are concerned by recent SEC actions to make public companies more like private companies by increasing opacity and insulating management from input and accountability from regular investors.

While reforming public company disclosures has been framed as part of the SEC’s goal of increasing the number of companies that go public,¹ **the central reason for the decline in initial public offerings has been the deregulation of private markets, not public company disclosure requirements.** Both the SEC and Congress expanded the number of investors eligible to purchase private securities, how many investors companies can have while remaining private, how widely private companies can solicit purchasers of their securities, and the ability of investors to resell their private securities.² This has allowed many private companies to get their capital and liquidity needs met without accessing the public markets for longer periods of time. Meanwhile, the role of regulatory costs in the decline of initial public offerings is minimal. Indeed, a 2021 study found that “[r]emoving all estimated regulatory costs increases the average IPO likelihood after 2000 from 0.95% to 1.4%, which explains only 7.4% of the decline in IPO likelihood from pre-2000 to post-2000.”³

Additionally, while it has been argued that Regulation S-K reforms are necessary because investors are burdened by too much information,⁴ **investors have not requested less disclosures.** In fact, investors have sought *more* information through rulemaking requests, regulatory comments,

¹ Atkins, Paul S. U.S. Securities and Exchange Commission. “[Testimony Before the U.S. House Financial Services Committee](#).” February 11, 2026.

² Jones, Renee M. Boston College Law School. “[Congressional Testimony: Examining Private Market Exemptions as a Barrier to IPOs and Retail Investment](#).” September 11, 2019.

³ Ewens, Michael, Kairong Xiao, and Ting Xu. “[Regulatory Costs of Being Public: Evidence from Bunching Estimation](#).” National Bureau of Economic Research. August 2021 at 5.

⁴ Atkins, Paul S. U.S. Securities and Exchange Commission. “[Statement on Reforming Regulation S-K](#).” January 13, 2026.

shareholder proposals, and other engagements with companies. The topics for which investors have sought additional disclosures include human capital,⁵ climate-related risks,⁶ political spending,⁷ country-by-country tax reporting,⁸ and stock buybacks.⁹ Investors spend significant resources on private data brokers to fill the gaps in company disclosures but unfortunately, this information is not widely accessible and can be unreliable.

Critically, **the stated goal of reducing the number and scope of disclosures ignores the role of technology.** Investors do not need to read disclosures cover to cover for the information to be useful. Investors can focus on the disclosures that matter most to them and can easily extract the information they need using machine-reading technology, as much of the disclosure is now tagged. Also, investors benefit from more information even when they do not directly consume it, as they benefit from other market participants consuming and acting on it, leading to better price discovery.¹⁰

We are alarmed by the proposal to expand the number of companies that are not required to provide full disclosures.¹¹ Already less than half of public companies are required to provide full disclosures. **Further decreasing this number would put investors in the dark about critical information they need to make investment decisions and make markets less efficient.** A study of Emerging Growth Companies found that taking advantage of certain reduced disclosure requirements was associated with larger underpricing and post initial public offering volatility.¹²

Lastly, **we do not believe disclosures should be subject to an issuer-determined materiality test. Certain disclosures should be mandatory.** Materiality is about what *investors* find important, not issuers, and investors have made clear there are many disclosures they find material that issuers are not currently providing. The Supreme Court has said information is material if there is a “substantial likelihood that the disclosure of the omitted fact would have been viewed by the reasonable *investor* as having significantly altered the ‘total mix’ of information made available.” *TSC*

⁵ Human Capital Management Coalition. “About the Coalition.” Available at <https://www.hcmcoalition.org/about>. Accessed April 2026 and on file with Americans for Financial Reform.

⁶ Rothstein, Steven. Ceres. “[Analysis shows that investors strongly support the SEC’s proposed climate disclosure rule.](#)” October 11, 2022.

⁷ Interfaith Center on Corporate Responsibility. “[Investors File 60 Proposals Calling for Transparency Around Corporate Political Activity.](#)” April 1, 2025.

⁸ FACT Coalition. “[87 Investors Call on Regulators to Require Public Country-by-Country Reporting for U.S.-Listed Multinationals.](#)” July 31, 2024.

⁹ Bertsch, Kenneth A. Council of Institutional Investors. [Comment letter in response to “Business and Financial Disclosure Required by Regulation S-K.”](#) July 8, 2016 at 8; Americans for Financial Reform Education Fund et al. “[Reproposing the Share Repurchase Disclosure Modernization Rule.](#)” February 29, 2024.

¹⁰ Rajgopal, Shivaram. [Redundant Financial Statement Disclosure: What preparers call immaterial, resourceful investors call raw material.](#) Forbes. January 30, 2026. (Stating that “disclosure need not be directly consumed by retail investors to serve them. The channel runs through price efficiency. Cutting disclosures to make filings ‘simpler’ for retail investors may leave them holding securities whose prices reflect less information—hardly a consumer-friendly outcome.”)

¹¹ Uyeda, Mark T. U.S. Securities and Exchange Commission. “[Remarks at the 53rd Annual Securities Regulation Institute.](#)” January 26, 2026.

¹² Barth, Mary E., Wayne R. Landsman, and Daniel J. Taylor. “[The JOBS Act and Information Uncertainty in IPO Firms.](#)” Stanford Graduate School of Business. January 2017.

Industries, Inc. v. Northway, Inc., 426 U.S. 438, 449 (1976) (emphasis added). Additionally, being able to compare disclosures between issuers is important for investors, and having an issuer-determined materiality threshold be the sole determinant of all disclosures undermines comparability. The SEC should continue to require disclosures without necessarily concluding that they are material across all issuers.

Thank you for the opportunity to comment on the importance of Regulation S-K disclosures. For further discussion, please contact Natalia Renta at natalia@ourfinancialsecurity.org.

Sincerely,

AFT

American Association for Justice

American Federation of Labor and Congress of Industrial Unions (AFL-CIO)

Americans for Financial Reform Education Fund

Better Markets

Communications Workers of America (CWA)

Financial Accountability and Corporate Transparency (FACT) Coalition

Friends Fiduciary Corporation

Institute for Policy Studies, Global Economy Project

Interfaith Center on Corporate Responsibility

Majority Action

New York Communities for Change (NYCC)

Public Citizen

Service Employees International Union (SEIU)

Sierra Club

Stance Capital, LLC

Union of Concerned Scientists

United Food and Commercial Workers International Union

Zevin Asset Management