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Emmer Urges SEC Accountability in Crypto Regulation (/press-releases?ID=1CBC0402-1770-4E05-A14A-C91698E75872)

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Washington, D.C.— Today, Congressman Tom Emmer (MN-06) sent a bipartisan letter to Securities and Exchange Commission (SEC) Chair Gary Gensler seeking clarity on the SEC's information seeking process.

Emmer said, "Crypto startups must not be weighed down by extra-jurisdictional and burdensome reporting requirements. The SEC must ensure that its information-seeking requests to private crypto and blockchain firms are not overburdensome, unnecessary, and do not stifle innovation."

Specifically, the letter asks SEC Chair Gensler to provide details about the frequency and manner of its voluntary document requests to private, non-SEC regulated crypto and blockchain firms. While the SEC has the authority to secure transparent information from market participants for rulemaking purposes, the SEC must ensure that these inquiries do not infringe on the standards established in the Paperwork Reduction Act, which limits the burden the federal government imposes on private businesses and citizens.

Background:

The SEC's Division of Enforcement's manual allows the agency to request the voluntary production of documents, the voluntary creation of documents, and voluntary interviews and testimonies from regulated entities. The Commission's Division of Examination may submit requests for voluntary document production as well. However, the SEC has extended these requests to gather information on companies not under their jurisdiction.

Under the Paperwork Reduction Act, in seeking information from the American public, federal agencies must be good stewards of the public's time, and not overwhelm them with unnecessary or duplicative requests for information.

The letter is available in its entirety here (https://iqconnect.house.gov/iqextranet/iqClickTrk.aspx?&cid=MN06TE&crop=0000.0000.0000.0000&report_id=&redirect=https%3a%2f%2femmer.house.gov%2f_cache%2ffiles%2f0%2fc%2f7916-4b19-bc44-52bef772287e%2f9B0B9D1CA9B3C215DDC762DF5B0F6864.3.16.22.emmer.sec.letter.pdf&redir_log=927416207536836).

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