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## SEC Speaks About Disclosure Reform

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SEC officials addressed the need to examine current disclosure models at last week's "SEC Speaks" conference in Washington. [Commissioner Troy Paredes' remarks](#) on February 22 highlighted the importance of disclosure as "the cornerstone of the federal securities laws." But he also commented at length on "information overload." Asserting that "disclosures have continued to pile up, with some of them being of questionable value," he suggested that "we should be open to the idea that certain current disclosures should be more narrowly focused or otherwise scaled back, if not excluded entirely from what is mandated to be disclosed." He added, "At a minimum, going forward we should not add to the problem by expanding what companies must disclose to include information that is not material to evaluating a company's business." Commissioner Paredes called for "a top-to-bottom review of our disclosure regime," including means of presentation that are more accessible and that evolve to accommodate changes in how individuals react and keep themselves informed, such as through social media and mobile devices.

In a similar vein, SEC Chief Accountant Paul Beswick reportedly told the conference on February 23 that the SEC will issue a staff paper on disclosures within the next few months and will hold a disclosure roundtable in the late spring or early summer. Mr. Beswick referred to comments on the Financial Accounting Standards Board's concept release on the Disclosure Framework which noted an apparent increasing frequency of information traditionally housed in MD&A, particularly forward-looking information, being moved to the financial statement footnotes. (Here is a link to [FASB's summary of comments received on the Disclosure Framework release](#).)