

Court affirms decision to strike down SEC conflict mineral rule

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On August 18, the U.S. Court of Appeals for the District of Columbia Circuit voted 2–1 to affirm its prior decision to strike down a regulation in the U.S. Securities and Exchange Commission’s (SEC) conflict mineral rule. The regulation would require companies to disclose on their websites if mineral components in their goods may have originated in conflict areas. The SEC developed the rule under the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act to discourage the use of conflict minerals—gold, tantalum, tin, and tungsten—that are sold to finance militias in war-torn Democratic Republic of the Congo in Africa.

The D.C. Circuit panel struck down the disclosure regulation in April 2014, reasoning that it violated free speech. The SEC and human rights groups petitioned the court to reconsider the decision in light of a later ruling by the same court upholding Department of Agriculture regulations that mandate the disclosure of the country of origin of meat products on labels. The panel ruled that the meat labeling regulation did not require the reversal of its conflict minerals ruling.

Sources: E&E News, U.S. Securities and Exchange Commission
