



December 12, 2017

U.S. House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Representative:

The United Steelworkers (USW) is writing today to express strong opposition to H.R. 4519, scheduled for mark-up today. The bill would provide for congressional disapproval of the Securities and Exchange Commission (SEC) laws regarding the disclosure of payments by resource extraction issuers to implement Section 1504 of the Dodd-Frank Act.

The USW is the principal labor union representing oil and gas workers and workers in the metals, iron ore and saline mining industries in North America. We have collective bargaining relationships with many of the companies covered by Section 1504. Many of our members also own shares of these companies either directly or through benefit funds.

We would like to address concerns that may have been brought to your attention linking H.R. 4519 with employee safety. For our Union, there is no higher priority than defending the health and safety of our members and of workers in general. We work closely with labor unions and community organizations in countries around the world, including for example Liberia, Zambia, Peru and many others, who are attempting to negotiate with multinational extractive industry companies and national as well as subnational governments to ensure that community and worker interests are given fair consideration.

The enhanced transparency mandated by the law will enhance employee safety. Revenue transparency is necessary for citizens to be able to hold their governments accountable, a significant issue here and in many countries where institutions are less well-developed. This law creates a strong incentive for resource companies to resist pressure by governments to enter into investment agreements that only benefit select groups of government insiders. It also creates a strong incentive for governments to promote investment agreements that can serve as pathways to poverty reduction, stable economic growth and development. One key aspect of such developments is safer workplaces.

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union
Legislative Department, 1155 Connecticut Ave., Suite 500, N.W., Washington, D.C. 20036 • 202-778-4384 • 202-419-1486
(Fax)

www.usw.org



Revenue transparency mitigates against an investment environment where benefits accrue to the few while conditions for the many suffer. It is in such closed, opaque environments where the health and safety conditions of workers are poorest.

The project level disclosure provided under the law is essential for workers and their communities to achieve benefits from investment transparency.

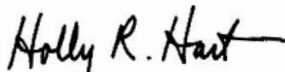
This information is also important for residents of communities where a resource extraction project is located, as they would have a far more difficult time identifying the degree to which their government has represented their interests effectively if they don't know what resources have flowed to their government in connection with the project.

As a labor union that represents workers in the extractive industries, we understand the importance of specific project level disclosure. For example, if a company knows what benefits it derives from an operation but won't disclose that to the union, it promotes adversarial relations and increases the likelihood of a labor dispute. Likewise, secrecy surrounding flows of resources from companies to governments at the project level contributes to an environment where disputes can thrive. In the case of resource extraction projects, these disputes can turn violent, thereby destabilizing investments to the detriment of workers, communities and shareholders.

If passed and signed by the President, H.R. 4519 will be a step backward for the United States. For this reason and for the additional reasons stated above, we urge you to vote "NO" on passage.

Thank you very much for your consideration.

Sincerely,



Holly R. Hart

Assistant to the International President
Legislative Director

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union

Legislative Department, 1155 Connecticut Ave., Suite 500, N.W., Washington, D.C. 20036 • 202-778-4384 • 202-419-4186
(Fax)

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