



**For immediate release**

Thursday, June 7, 2018

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**\*\*Press Release\*\***

**Data Coalition Opposes Anti-Open Data Bill in House Financial Services Committee**

*House Committee will markup SEC open data exemption for fourth consecutive year*

**Washington, D.C.** - Today, the House Financial Services Committee will mark up the *Small Company Disclosure Simplification Act*, [H.R. 5054](#). The legislation was first introduced in 2013 and the bill will [exempt a majority of public companies](#) from the obligation to file financial statements in a searchable and standardized data format with the U.S. Securities and Exchange Commission (SEC).

The *Small Company Disclosure Simplification Act* would direct the SEC to exempt all public companies with annual revenues \$250 million or less from its requirement to file financial statements in the eXtensible Business Reporting Language (XBRL) open data format. Supporters of the bill claim that the XBRL filing requirement [costs companies too much](#) – citing high and anecdotal [compliance costs](#). But a [study by the non-profits XBRL-US and the American Institute of CPAs](#) shows [that these figures do not align with industry-reported filing costs](#). The median cost for small companies is \$8,000.

The committee has voted to approve the proposal many times – sometimes as a stand-alone bill - but more often as part of [larger](#) legislative [package](#). In recent years, the committee has struggled to get House rank-and-file members to support the anti-open data bill and the Senate has refused to consider it so far.

The increasing opposition to the bill is due in large part to current support and industry reliance on the SEC's machine-readable corporate disclosure data. Recently, [Thomson Reuters](#), [Morningstar, Inc.](#), [The Council of Institutional Investors](#), and [XBRL-US](#) have issued letters of opposition. Additionally, [JP Morgan Chase](#), the [CFA Institute](#), and the [Data Foundation](#) have authored white papers and blogs supporting the adoption of structured data in financial regulatory markets, which is the very innovation that the *Small Company Disclosure Simplification Act* would mostly eliminate.

“The Data Coalition strongly opposes the *Small Company Disclosure Simplification Act*,” said **Hudson Hollister, Executive Director of the Data Coalition**. “The Financial Services Committee is fixated on this anti-open-data proposal, which is based on outdated facts and incomplete stakeholder engagement. The bill is overly simplistic and would hinder the SEC’s ongoing efforts to modernize. If this House legislative proposal is enacted, it will also hurt the SEC’s ability to provide adequate oversight, publish accurate and comparable investor data—which many entities rely on—and combat fraud and abuses. Modern business analytics and emerging technology relies on access to standardized and machine-readable open data.”

**About the Data Coalition:** The Data Coalition is the world's first, and only, open data trade association. We empower data companies to make our government more efficient and transparent through the standardization and publication of its information. Open data enhances accountability, improves government management, reduces compliance costs, and stimulates innovation. Our members represent a cross-section of the technology industry and implementers, employ over two hundred thousand Americans, and have a combined market capitalization exceeding \$1.5 trillion. For more information, visit [datacoalition.org](http://datacoalition.org).

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