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SEC Delays Implementation of Dodd-Frank Provisions

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") imposed numerous rule-making requirements on the SEC. Some of the most controversial, such as proxy access, have been delayed because of legal challenge. The SEC has now quietly delayed implementation of certain other proposals by as much as six months.

The delay will affect proposed rules relating to:

- Listing standards relating to compensation committee and compensation advisor independence and disclosure regarding conflicts of compensation consultants (Dodd-Frank §952)
- Executive compensation clawback rules (Dodd-Frank §954)
- Disclosure of pay-for-performance, pay ratios and hedging transactions by directors and officers (Dodd-Frank §953 and 955)
- Disclosure of certain executive compensation structures and arrangements and related prohibitions (Dodd-Frank §956)
- Disclosure related to conflict minerals, mine safety disclosure and resource extraction (Dodd-Frank §1502, 1503 and 1504)

No reasons were given for the delay and it is uncertain whether further delays will occur in the future, although SEC Chairperson Mary Schapiro has publicly stated on several occasions that the SEC lacks the resources to implement all of the rule-making required by Dodd-Frank. The new schedule appears on the SEC's Dodd-Frank timeline found here.

We will continue to update you as there are further developments related to Dodd-Frank rule-making.

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