

Bachus Statement on SEC's Proposed Rules regarding Credit Ratings

June 11, 2008

Ranking Member Spencer Bachus (AL) today released the following statement on the Securities and Exchange Commission's (SEC) proposed rules relating to Nationally Recognized Statistical Rating Organizations (NRSROs).

"Today's action by the SEC is a vital step to begin restoring confidence in the ratings issued by NRSROs. Inaccurate credit ratings played a major role in the current turmoil in our financial markets, and I commend Chairman Cox for using the statutory authority that Congress granted the SEC in 2006 to reevaluate the framework that governs the rating agencies. Coupled with the reforms that the rating agencies have already instituted, the SEC's initiative will hopefully help to foster transparency, accountability, and competition in the credit rating industry, and restore the credibility of the credit rating process, which has been badly undermined by recent events."