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SEC No Longer Obligated to Respond to Press, Says Fox

By TIERNAN RAY

Fox Business Network this morning reported that a suit it filed against the **Securities & Exchange Commission** in March for information pertaining to Bernie Madoff's fraud was greeted yesterday by the Commission with the rather startling assertion that the SEC no longer has to respond to public requests for information under new rules brought on by financial reform legislation.

As Fox's **Dunstan Priol** puts it:

The law, signed last week by President Obama, exempts the SEC from disclosing records or information derived from surveillance, risk assessments, or other regulatory and oversight activities." Given that the SEC is a regulatory body, the provision covers almost every action by the agency, lawyers say. Congress and federal agencies can request information, but the public cannot.

Priol reports he hasn't gotten any response to his request for comment on the matter from the SEC.

The article includes a document link from Scribd with text of the new law, HR 4173, Section 929I, in which it states the SEC Act of 1934 is amended to state the SEC is not compelled to disclose records or information obtained [...] including surveillance, risk assessments, or other regulatory and oversight activities."

The lawyer for Fox, **Steven Mintz**, with **Mintz & Gold LLC** in New York, says the network plans to challenge the SEC on its interpretation of the law.

Does this mean the SEC has just brazenly stepped outside Freedom of Information Act rules? I'm not sure. I plan to inquire with the SEC on its side of the story and will let you know what, if anything I find.

Note: Fox Business, of course, is a part of News Corp., also the publisher of Barron's and of this blog.

Correction: As a few readers noted, the wrong section number was listed above for the relevant passage in HR 4173. It is Section 929I, as in Internet, not a numeral "1" on the end. You can see the passage in the **Library of Congress posting** of the final version of the bill. My apologies for any confusion caused by the error.

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