

JAMES B. RENACCI  
16TH DISTRICT, OHIO

FINANCIAL SERVICES COMMITTEE  
SUBCOMMITTEES  
VICE CHAIRMAN,  
FINANCIAL INSTITUTIONS AND  
CONSUMER CREDIT  
OVERSIGHT AND INVESTIGATIONS

**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-3516

130 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-3876

4150 BELDEN VILLAGE STREET  
SUITE 408  
CANTON, OH 44718  
(330) 489-4414

March 6, 2012

The Honorable Mary L. Schapiro  
Chairman  
Securities and Exchange Commission  
100 F St NE  
Washington, DC 20549

RECEIVED  
141064  
MAR 18 2012

Office of Legislative and Intergovernmental Affairs

Dear Chairman Schapiro:

As the Securities and Exchange Commission (SEC) moves forward with pending regulations pursuant to Section 1502 of the Dodd-Frank Act, I ask that you take into account all of the humanitarian, economic and environmental consequences these regulations might impose.

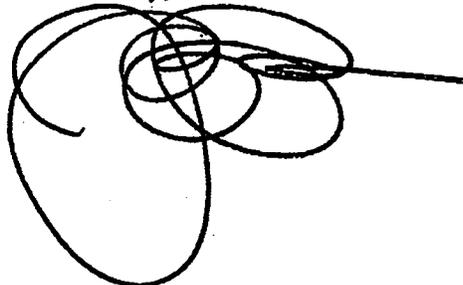
I ask you to pay special attention to the impact your proposed regulations will have on the use of recycled materials. Currently the SEC's proposed rule categorizes scrap as "DRC Conflict-Free," citing formidable challenges to tracing recycled materials' lifecycle. *However, it is my understanding that the SEC may still impose full (burdensome and costly) disclosure standards.*

In addition to the humanitarian and environmental benefits, the use of recycled materials can help minimize the negative economic impact of Section 1502 on U.S. companies. Access to recycled materials provides companies with a more financially feasible alternative to the potentially expensive sourcing requirements while fulfilling the original intent of the conflict mineral amendment.

Exempting scrap will help ensure manufacturers continue to use environmentally friendly recycled materials, whereas subjecting scrap to the costly and burdensome audit requirements may force some buyers to forgo that opportunity. We believe it is imperative that the SEC protect the incentives for using recycled materials and should include an audit exemption for recycled materials in any proposed rule.

Thank you for your consideration of this request.

Sincerely,



PRINTED ON RECYCLED PAPER