

SEC Proposes to Rescind Climate Disclosure Rules

June 3, 2026

On May 29, 2026, the U.S. Securities and Exchange Commission (the “SEC” or “Commission”) proposed to rescind in their entirety its Climate-Related Disclosure Rules (the “Rules”). The proposed rescission follows the SEC staff’s May 4 submission to the Office of Information and Regulatory Affairs (“OIRA”) of a proposed rulemaking entitled “Rescission of Climate-Related Disclosure Rules” and the SEC’s May 7 notification to the U.S. Court of Appeals for the Eighth Circuit (the “Eighth Circuit”) that the Commission would not renew its defense of the Rules.

In a statement accompanying the proposal, the SEC wrote that the Rules exceed its statutory authority. The Commission also cited independent policy grounds for rescission, including that the Rules are, in the Commission’s view, unnecessary and inconsistent with a registrant-specific, materiality-based disclosure framework; extend beyond the policy concerns of federal securities laws; impose costs not justified by their informational benefits; and conflict with the Commission’s objectives of facilitating capital formation and promoting public company status. In announcing the proposed rescission, SEC Chair Paul S. Atkins observed: “SEC disclosure obligations should comply with the Commission’s statutory authority, be guided by materiality as the North Star, avoid the practical effect of dictating corporate behavior, and be imposed only when the expected benefits justify the likely costs and burdens.”

Adopted in March 2024, the Rules required registrants, including foreign private issuers, to disclose climate-related information in registration statements and annual reports, including information regarding greenhouse gas emissions, climate-related risks and, in certain cases, the financial statement effects of severe weather events and other natural conditions. The Rules were quickly challenged in multiple federal courts, and the petitions were consolidated in the Eighth Circuit. In April 2024, the SEC stayed the Rules pending judicial review. In March 2025, the SEC voted to end its defense of the Rules, and in September 2025, the Eighth Circuit held the consolidated petitions in abeyance until the Commission either reconsidered the Rules through notice-and-comment rulemaking or renewed its defense.

The proposed rescission was published in the Federal Register on June 3 and has been assigned File No. S7-2026-19. The public comment period will remain open through August 3, after which the SEC will determine whether to take the final action as proposed.

Regardless of the SEC's actions related to the Rules, California's Climate Corporate Data Accountability Act—known as SB 253—will require many large companies doing business in California to disclose certain direct and indirect greenhouse gas emissions to the California Air Resources Board by August 10, 2026. Similar laws are under consideration in other states, including New York, New Jersey, Illinois, Colorado, and Washington.

LINKS:

[SEC Proposed Rule: Rescission of Climate-Related Disclosure Rules](#)

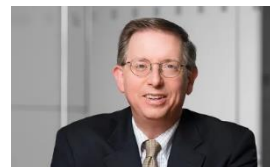
[SEC Press Release: SEC Proposes Rescission of Climate-Related Disclosure Rules](#)



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