

United States Senate

May 7, 2025

Ms. Sharon Bowen
Chairwoman
New York Stock Exchange
11 Wall Street
New York, NY 10005

Ms. Lynn Martin
President
New York Stock Exchange
11 Wall Street
New York, NY 10005

Ms. Adena Friedman
Chairwoman and CEO
Nasdaq, Inc.
151 W 42nd Street
New York, NY 10036

Dear Ms. Bowen, Ms. Martin, and Ms. Friedman:

As the world's two largest stock exchanges by market capitalization, the New York Stock Exchange (NYSE) and Nasdaq play a critical role in maintaining the integrity and transparency of U.S. capital markets. Given Communist China's consistent record of lies, deception, and blatant refusal to comply with U.S. securities laws and regulatory oversight, I urge your full cooperation with the new Chairman of the Securities and Exchange Commission (SEC), Paul Atkins, to fully enforce the Holding Foreign Companies Accountable Act (HFCAA).

For years, I have warned of the dangers posed by Chinese companies listed on U.S. exchanges and the risks they present to American investors, national security, and economic security. Communist China is an adversary of the United States, yet it has been allowed to profit from our exchanges and use Americans' investments to fuel its regime's mission of global domination—including the destruction of the U.S. economy. My colleagues and I passed the HFCAA in 2020 to address threats to the integrity of the free market and delist and deregister foreign companies that fail to meet the same regulatory and transparency standards required of U.S. companies. By law, a company's noncompliance with the reporting requirements of this legislation for two consecutive years authorizes the SEC Chairman to both prohibit trading of that company's securities on a national securities exchange and any "over-the-counter" trading.¹

There are currently about 300 Chinese companies listed on U.S. exchanges², putting the integrity of our exchanges and American investors at risk. This figure likely underestimates the influence of other financial arrangements weaponized by Communist China. As you work with the SEC to ensure that Communist Chinese companies are complying with U.S. law, I also urge you to revise your listing standards to condition *ongoing* eligibility on full compliance with the HFCAA, including unobstructed audits by the Public Company Accounting Oversight Board (PCAOB) and disclosure of any information that might compromise investor protection audits by the Public

¹ <https://www.congress.gov/bill/116th-congress/senate-bill/945/text>

² <https://www.politico.com/news/2025/04/15/trump-tariffs-trade-china-wall-street-00291026>

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Company Accounting Oversight Board (PCAOB) and disclosure of any information that might compromise investor protection and confidence – including foreign government control of, or equity in, the company in question.

The Biden-Harris administration's tacit approval of Chinese companies' lawlessness in our capital markets allowed bad actors to use American exchanges to fund their operations – with no penalty or accountability from U.S. regulators for noncompliance with U.S. law. The longer we refuse to enforce disclosure requirements and deadlines, the greater the risk to American investors and the integrity of our exchanges.

It is in the best interest of American investors, and our economic and national security to require transparency from the companies operating on our domestic exchanges – and the HFCAA requires exactly that. Our capital markets remain the envy of the world because of the financial and legal obligations to stakeholders. That reputation is actively undermined by allowing Chinese companies to operate on U.S. exchanges under different rules, regulations, and transparency standards than those expected of American businesses, as well as by the lack of enforcement of U.S. laws under the previous administration and former SEC Chairman.

I have received a commitment from Chairman Atkins that he will fully enforce the HFCAA and punish, including by delisting and deregistering, Chinese companies that are not following U.S. law. As he does so, I again urge your full cooperation and transparency with the SEC Chairman as we work to preserve market integrity, compliance, and transparency in our capital markets. You have my commitment to working with you to keep bad actors off our exchanges to protect American investors.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott", with a stylized, cursive script.

Rick Scott
United States Senator

cc: Public Company Accounting Oversight Board Chair Erica Williams
Securities and Exchange Chairman Paul S. Atkins