April 19, 2022

Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

ATTN: File No. S7-10-22


The National Mining Association (NMA) requests an extension of 90 additional days from publication, or until July 11, 2022, to submit comments on the Securities and Exchange Commission’s (SEC) proposed rule, “The Enhancement and Standardization of Climate-Related Disclosures for Investors.” 87 Fed. Reg. 21,344 (Apr. 11, 2022). If adopted, this rule would impose new, complex, and extensive obligations on registrants to provide certain climate-related information in their registration statements and annual reports. The current comment deadline, May 20, 2022, is woefully inadequate to provide the necessary opportunity for meaningful public comment.

The NMA is a national trade association representing the producers of most of America’s coal, metals, industrial and agricultural minerals; the manufacturers of mining and mineral processing machinery, equipment, and supplies; and the engineering and consulting firms, financial institutions and other firms serving the mining industry. NMA members produce energy, metals and minerals that are essential to economic prosperity and a better quality of life and are committed to development that balances social, economic, and environmental considerations. Among NMA’s members are publicly traded companies listed in the United States that are subject to the SEC’s disclosure requirements. Additionally, most NMA companies, whether publicly traded or privately held, already voluntarily disclose key environmental, social and governance matters including on climate through a variety of mechanisms.

The SEC’s rule will impose substantial administrative burdens on companies, estimated at nearly 24.7 million additional paperwork hours each year, with associated costs of approximately $6.4 billion. If finalized, these new burdens represent 131 percent and 164 percent increases over current regulatory baselines, respectively. These are likely
conservative numbers given certain assumptions made in the proposal. In particular, the quantified cost estimates do not include the substantial compliance costs that non-public companies will incur when public companies demand that they provide information on Scope 3 greenhouse gas emissions. Companies deserve more than the 60 days the SEC offered to comment on this economically significant rulemaking.

Beyond cost, this proposed rule is extraordinarily lengthy and complex, spanning 510 pre-publication pages. If finalized as drafted, this rule will make fundamental changes to the SEC's disclosure regime. Last year, the SEC issued a much simpler request for information (RFI) that posed 15 overarching questions, allowing the public to provide comments for 90 days. In comparison, the published version of the rule poses an overwhelming 201 questions covering every legal, technical, and practical component of the rule, as well as alternative approaches. Moreover, the proposal contains over 1,000 additional sources and data points in footnotes supporting the SEC's decisions. As the SEC knows, this is an incredibly consequential and complicated rule. The SEC itself took nearly 9 months from the RFI’s comment deadline to deliberate on the details of and vote on the proposed rule. Providing just 60 days for public comment is simply unjustified.

Notably, almost half of the comment period occurred before the rule was published in the Federal Register. It is our understanding that the published proposal contains new supporting evidence that did not exist in the versions posted on the SEC’s website. New information should have automatically extended the comment deadline beyond May 20, 2022. The fact that the SEC did not extend the deadline upon publication undermines the sincerity expressed at last week’s Ceres investor briefing when SEC Chair Gary Gensler stated that the Commission is “seeking feedback on every line item” to determine “whether and how to adjust the release as we move forward.” A rushed 60-day comment period unnecessarily and arbitrarily limits the time to conduct such a thorough review, consult with experts, and provide detailed analyses and responses. Ultimately, it restricts the ability of companies to provide the quality feedback expected by the Commission.

Companies deserve more time to fully analyze, consider, and comment on this proposed rule. The NMA respectfully requests that the SEC approve a 90-day extension to provide a meaningful opportunity to weigh in on the proposal’s content. This extension request is commensurate with the length, complexity, and significance of this rulemaking.

Sincerely,

Tawny A. Bridgeford
Deputy General Counsel & Vice President, Regulatory Affairs