July 11, 2022

The Honorable Gary Gensler, Chair
Secretary Vanessa Countryman
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

RE: Response to Request for Public Input on Climate Change Disclosures

Dear Chairman Gensler:

Thank you for the opportunity to provide input on the Securities and Exchange Commission’s proposed climate disclosure rules. Climate-related financial risks pose a serious, measurable threat to the investment community and our economy altogether. I applaud the Commission for acknowledging this complex yet important issue.

It is my belief that the Commission’s proposed disclosure rule should serve as a reminder that the most effective solution to mitigating climate-related financial risks will be through bipartisan, congressional action.

One promising legislative solution is carbon pricing. Not only would this policy support broad emission reductions and put our economy on the path towards a low-carbon future, but it would also achieve the very thing the Commission’s proposed rules set out to do: empower investors and businesses to understand and confidently reduce their exposure to climate-related financial risks.

An economy-wide price on carbon would drive companies, both public and private, to incorporate the costs and damages of carbon into their long-term business planning, investments, risk management processes, and day-to-day operations. This policy would give investors the confidence in knowing that companies have key information needed to adequately consider the cost of emissions on their business, putting them one major step closer towards robustly managing and reducing climate-related risks, in addition to setting themselves on course for a low-carbon world.

It is important to acknowledge that in the absence of congressional action and a clear market signal, such as a price on carbon, regulators and financial institutions are forced to go the extra mile to ensure companies are properly accounting for how climate-related financial risks and associated costs may affect their business. With this in mind, I encourage the SEC to consider how the proposed climate-disclosure rules can respond to an evolving legislative landscape and avoid redundancy with any future carbon pricing mechanisms that may be implemented by Congress.

Sincerely,

Kelsey Grant