



May 6, 2022

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Secretary, Security and Exchange Commission
100F Street, NE
Washington, DC 20549-1090

SUBJECT: SEC rules regarding Climate change and litigation risk

The stock market has always been a place where the majority of the investors whether directly or thru bunch of different retirement fund options, using professional brokers and traders to place orders, track results, change investment and ultimately disperse funds as a portion of the retirement finding. The majority of investors are aware investing has risk and have made the decision to invest.

The investment professionals in theory assisted the investor in making decisions based on the there life situations and the investor's tolerance for risk vs potential gains. In the last two decades trading has changed from largely people driven trades to nearly all computer generated trades. This fundamental change seems to align with the SEC proposed rule making which seems under the guise of providing considerable more information for the investor about the risk and value of publicly traded companies to require the disclosure of climate change, litigation, process and supply chain risk by adding extensive new reporting requirement in these areas.

In my view the driving reasons for these changes are:

1. Allow the trading community to create algorithms which quantify and qualify a large segments of risk for every public traded company in order to permit over time a drastic reduction in the number of the people involve in the stock market decision process. This will result in a true productivity gain for the industry and potentially the loss of thousands of high paying and high value jobs across the nation. While that might be great for the Wall Street employees of these companies, it likely could have a profound impact on the rest of the nation. Local broker jobs are generally among the higher paid in every community and with this database the need for the local brokers is likely to be much reduced.
2. The required disclosure of the environmental and climate change risk for the publicly traded companies could and in my view will likely result in a huge open door the trial lawyers fire up an unending boat load of lawsuits which could destroy many companies with the cost of the litigation even if they win the cases. The complexity of compiling the reporting required data in multi-state complex operational companies and locations in Manufacturing, Retailing, Trucking and Transportation and Distribution. I don't know enough to even fathom how the Agricultural sector which is largely not publicly traded companies could comply with the thousands of requests (demands) for information from them for their customers to be in compliance.

3. As minimum this rule should be changed to only apply to what is in the direct control of the companies and NOT to other companies upstream or downstream in their supply chain.
4. Any information regards ongoing or threatened litigation MUST be omitted from the reports as they are subject to the jurisdiction of the courts and NOT to the full public disclosure via the SEC website. It is not and should not be the role of the SEC to put its government thumb of the scales of justice, prior to the conclusion of any court actions and the resulting appeals of such court actions. As we have seen in recent years, the ruling from the courts in these complex cases often varies considerably by jurisdiction among the state and federal courts. The SEC doesn't have today and should never have the ability to lean on the scale of justice in these cases. Any serious investor or brokerage operation has the ability now to find the publicly available data on just cases, without the need to any assistance from the SEC. The private sector has a better track record of providing good information than many if not most government agencies. The constantly changing CDC information on vaccines, variants and mask polies are but a small example of inconsistent and rapidly changing government information.

It is our strong opinion without getting into the hundreds of detailed questions in your draft, that this is such a monumental change in the relationship between Government and the Business Community as to REQUIRE action by the legislative process and cannot or at least should not be imposed by any department of agency of the federal government. To open up hundreds of companies to a continual stream of trial bar litigation, based not on science, real injuries, but rather on the Securities and Exchange Commission's demand for data which may be based on allegations and have no or limited basis in fact is pure folly.

Regard,



Raymond E. Bacon
Executive Director