



EUREKA COUNTY BOARD OF COMMISSIONERS

J.J. Goicoechea, Chairman ♦ Mike Sharkozy, Vice Chair ♦ Rich McKay, Member

PO Box 694, 10 South Main Street, Eureka, Nevada 89316

Phone: (775) 237-7211 ♦ Fax: (775) 237-4610 ♦ www.co.eureka.nv.us

June 9, 2022

The Honorable Gary Gensler, Chair
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090.

Submitted electronically through web portal at <https://www.sec.gov/cgi-bin/ruling-comments> and to rule-comments@sec.gov

RE: Proposed Rulemaking "The Enhancement and Standardization of Climate-Related Disclosures for Investors" File Number S7-10-22

Dear Chair Gensler:

Much like Nevada as a whole, Eureka County is composed of a large federal land holding. Eighty-one percent of Eureka County's land area is made up of federally administered land, primarily Bureau of Land Management and US Forest Service managed lands. Private land makes up only 13% of Eureka County's total land area. Nearly all of Eureka County's employment is in the natural resources sector and Eureka County's socioeconomic viability is driven primarily by farming, ranching, and mining.

We have significant concerns with the Securities and Exchange Commission's (SEC) proposed rule, "The Enhancement and Standardization of Climate-Related Disclosures for Investors" and the new, undue and burdensome impact the rule will have on our agricultural and mining producers, as well as our other businesses. This is in addition to being a departure from the SEC's mission to protect investors and ensure fair, orderly, and efficient markets. It is not within the purview of the SEC to regulate environmental factors. But, the rule would do so by requiring public companies to disclose their Scope 3 greenhouse gas (GHG) emissions.

To do business with public companies, our local farms, ranches, and mines (and other small businesses) would be required to disclose climate-related information. But unlike large corporations, our local agricultural producers and many small mining companies do not have the financial or human capacity to ensure compliance. The additional climate-related reporting requirements sought by SEC could severely hamper, if not preclude, small or marginal agricultural and mining enterprises (many family owned) from doing business with public companies. This would assuredly lead to more consolidation in the agriculture and mining sectors at the expense of rural socioeconomic stability.

Agriculture and mining are already heavily regulated by agencies at the state and federal levels. There are also currently multiple programs at all these levels to incentivize and implement conservation

practices. Adding another layer of regulatory burden, especially through unelected SEC staff, who have no jurisdiction over environmental matters and who are greatly disconnected from the land, is disingenuous. Farmers, ranchers, and miners play a leading role in climate sustainability. It is the job of elected lawmakers, not unelected regulators at the SEC, to adopt conservation policies.

Furthermore, we also have concerns about and it is unclear to us what would be the specific information that would have to be reported under the proposed rule. The valuable time and energy needed to comply would divert agriculture and mining producers away from providing food, fuel, fiber, and minerals needed by the nation and mankind.

It is also unclear how our producers' privacy and proprietary information would be protected because they are not public corporations and many live and raise their families at their places of business where they would now have to disclose significant amounts of information. The SEC must analyze, weigh, and disclose how required Scope 3 GHG emissions disclosure would have privacy implications. Better yet, the SEC should scrap this rulemaking process entirely to ensure private property information would not end up on any public disclosures.

The proposed rule's focus on the value chain for climate-related risks and impacts under Scope 3 means the start of the value chain, like farms, ranches, and mines, will face a disproportionate burden in having to provide unknown costs.

We urge SEC to stay within its proper jurisdiction and cease and dispense with the proposed rulemaking.

Sincerely,



J.J. Goicoechea, DVM, Chairman
Eureka County Board of Commissioners

cc: Eureka County NRAC