



RUSSELL W. BOENING
President

SAM SNYDER
Vice President

J. WALT HAGOOD
Secretary-Treasurer

JARED L. BLANKENSHIP
Hereford

J. WALT HAGOOD
Wolfforth

GREG BUENGER, DVM
Newcastle

JOHN PAUL DINEEN, III
Waxahachie

KEVIN WILKERSON
Mabank

WARREN CUDE
Fort Stockton

SAM SNYDER
Moran

MICKY EDWARDS
Lampasas

JOHN K. GRIFFITH
Alto

PETE J. PAWELEK
Poteet

STUART TRAYLOR
Conroe

BRIAN ADAMEK
Victoria

BRIAN JONES
Edcouch

January 2, 2024

Via ELECTRONIC SUBMISSION

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

Subject: SR-NYSE-2023-09 – Notice of Filing of Proposed Rule Change to Amend the NYSE Listed Company Manual to Adopt Listing Standards for Natural Asset Companies

Secretary Countryman:

Texas Farm Bureau (TFB) is a grassroots membership organization consisting of more than 550,000 members families in Texas. It is our organization's goal to benefit all Texans through the promotion of a vibrant agricultural sector capable of producing a safe and affordable, domestic supply of food, fuel, and fiber for present and future generations.

TFB has serious concerns regarding the "Proposed Rule Change to Amend the NYSE Listed Company Manual to Adopt Listing Standards for Natural Asset Companies (NACs)" and potential impacts to agriculture, rural economies, and national security.

Our comments are listed below:

(1) The underlying premise for the creation of NACs is fundamentally flawed.

The proposal presumes the only motive for businesses is profit, at the expense of nature and NACs are needed to protect natural assets.

Contrary to past history, virtually every publicly traded company has adopted business practices focused on conservation, environmental stewardship, and sustainability throughout their supply chains because the market demands it. Those that wish to invest in the environment or certain production practices over others, can do so now by investing in and/or purchasing goods from entities that promoted preferred practices. As such, there is no need to create a new investment classification.

(2) "Natural assets", "ecosystem services", and "community well-being" are not tangible assets that can be easily valued. Their value is (and will continue to be) highly subjective. This makes these investments ripe for fraud and abuse.

In addition, a single natural disaster (flood, hurricane, drought, wildfire, etc.) could wipe out large amounts of assets in a matter of moments.

Since these assets are so subjective, even a change in political priorities could result in significant financial gains or losses. Financial investments should not be so closely tied to political outcomes.

(3) The proposal states that *"agriculture is contributing to the loss of natural habitat and soil degradation. These are significant threats to life on earth and the economy."* This statement is unsubstantiated and blatantly false.

Farmers, ranchers, foresters, and other agriculturalist continue to improve farming practices and production efficiencies – particularly within the United States. As evidence, agricultural output has increased by more than 270% since 1948 despite an ever-declining number of farmland acres. In fact, between 1997 and 2017, the United States Department of Agriculture (USDA National Agricultural Statistics Service (NASS) estimates that more than 55 million acres of farmland were converted to other land uses.

Currently, more than 140 million acres of privately held agricultural lands are enrolled in USDA conservation and wildlife habitat programs. In addition, hundreds of thousands of acres of land in Texas alone are managed primarily for wildlife habitat and hunting.

The gains of modern agriculture should be celebrated and not demonized. They have enabled U.S. farmers and rancher to produce the safest, most affordable, and most reliable domestic supply of food, fuel, and fiber in the world.

And while the Intergovernmental Panel on Climate Change (IPCC) has approximated that agriculture, globally, contributes 25% of the world's carbon emissions, the U.S. Environmental Protection Agency (EPA) has calculated that U.S. agricultural emissions are only ~10%. In fact, in EPA's *"Inventory of Greenhouse Gas Emissions and Sinks"* indicates that agricultural land stores carbon, rather than contributes to emissions.

(4) The foundation of the rulemaking is relegated to a footnote on page 7 of the proposal, referencing the United Nation's (UN) (2021) System of Environmental Economic Accounting-Ecosystem Accounting (SEEA EA).

Any standard or methodology considered for adoption should be open and available for comment and not hidden in the footnotes of a proposal.

Furthermore, the UN accounting methodology would seem to subvert long-standing U.S. policy on public lands, incentivize less productive agricultural practices, and artificially inflate both property and rental values – making those lands either unavailable or unaffordable for the next generation of farmers.

The methodology also appears to prohibit mineral and energy production on NAC controlled lands.

Conceivably, foreign adversaries could invest in NACs to manipulate or block U.S. production of essential agricultural goods, energy resources, and even rare-earth minerals on both public and private lands.

Clearly, this poses a national security risk.

(5) Most significantly, rural economies are typically based on use of land to generate economic activity – be it farming, ranching, forestry, mining, etc. Allowing external forces, with no tie to these rural communities to compete for land drives up land values without an economic driver or multiplier(s) and is a detriment to rural communities all over the country.

For the above state reasons, we would ask the SEC to reject this rulemaking.

Sincerely,

A handwritten signature in black ink that reads "Jay Bragg". The signature is written in a cursive style with a large, looped initial "J".

Jay Bragg
Texas Farm Bureau
Associate Director, Commodities and Regulatory Activities