

January 13, 2024

Subject: SR-NYSE-2023-09

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Please include file number SR-NYSE-2023-09 on the subject line.

I am submitting these comments in response to the SEC proposed rule, New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change To Amend the NYSE Listed Company Manual To Adopt Listing Standards for Natural Asset Companies (SR-NYSE-2023-09). I strongly oppose this rule and will urge my Congressional representative to oppose it as well. Some of my objections are listed below.

The SEC is overstepping its authority.

The SEC is proposing to go around Congress and create a new law via regulatory rulemaking. I remind the SEC that it is just a regulatory agency. It has no authority to legislate. The purpose of regulatory agencies are to enforce the provisions of laws passed by Congress and signed into law by the President. There is no current law authorizing the SEC to develop regulations to enforce. The American people have no opportunity via their elected representatives to have any say in this. Environmental regulations are usually proposed by EPA, not the SEC. Given the scope and impact of what SEC is proposing, it must originate in Congress. This alone is more than enough reason to reject this rule. But there are other reasons.

This proposed rule is reckless and would undermine our economy.

You claim in your proposed rule that implementing this rule will increase the size of our economy and value of its assets by 4-fold and *use these newfound "assets" as collateral to increase spending and increase the national debt (emphasis added)*. This is utterly reckless. The national debt has grown to \$34T dollars. We are at the point where a very large percentage of annual income is being spent just to pay the interest on the debt. Left uncorrected, this threatens to collapse our economy. Yet Congress is continuing unrestrained spending, our currency is being devalued, and inflation is skyrocketing. This while two-thirds of the American people are living paycheck-to-paycheck and struggling to pay the grocery bill. This is irresponsible and utterly outrageous and is more than sufficient basis to reject this proposal.

The SEC rule is running an economic experiment on the American people.

The proposed rule creates out of thin air an entirely new form of business that would make sweeping changes to the economy. The SEC has no authority to do anything like this. This new form of business would produce absolutely nothing and has no assets in the traditional form. Rather, it creates a novel form of business premised on the premise that what exists in nature such as forests, lakes, rivers have ecological value which can be quantified to underpin this new form of business. These companies would make their profits through determining the dollar value of 'ecological benefits' and selling these estimates to customers. In effect they are selling their estimated cost of oxygen, or the value of a forest based on an estimate of how much CO2 it removes from the air to help protect against climate change.

The consequences would be far-reaching. It would permit an NAC to intrude on the private property rights of all the American people. An NAC can control what type of crop a farmer is allowed to grow to enhance the ecologic value of their crops, not which crops will bring them a greater profit. Or seize the family farm altogether. And this is just one example – there are countless more.

Inventory of natural assets

Your proposed rule would by necessity require an inventory of all natural assets in specific locations (e.g., forests, lakes, rivers, and assign ‘ecologic value’ to all of them. This in turn requires creating a new bureaucracy to develop and administer the massive amount of information this would develop. Or the NACs themselves, creating ‘ecological assets’ and deciding the dollar values of their assets they created for themselves?

The proposed rule ignores the Constitutional rights of private property owners

How and when will property owners be made aware of this? Will they simply receive notification out of thin air that a private NAC company they never heard of is taking control of their family farm? Does the SEC believe it has the authority to just take this action based on a regulation it wrote. Regardless of what it may believe, the answer is no. You have no authority to do this.

Provides property rights to foreign nations.

This proposed rule would enable foreign governments including China and other hostile countries to seize control or even ownership of properties such as our farmlands and minerals from the American people.

Proposes an indefensible wealth transfer

Your rule would result in a wealth transfer from ordinary, middle-class Americans to already affluent elites who would control the privately owned NAC companies. How does the SEC justify this? It can't. It is indefensible and would be to the detriment of most Americans.

Climate change is insufficient justification.

This proposed rule is being justified as necessary to protect the environment and the American people from the threat of climate change. However, what if any risk is posed by climate change is not settled science, let alone climate change caused by human activities. There is certainly no ‘climate emergency’ and no justification whatsoever to create and impose this far-reaching regulation on the American people.

