

January 16, 2024

Vanessa A. Countryman, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090

RE: Proposed Rulemaking on Self-Regulatory Organizations; 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  
Release No. 34-98665  
File No. SR-NYSE-2023-09

Dear Secretary Countryman:

Wisconsin Farm Bureau is the states largest general agricultural organization representing farms of all sizes and management styles. Representing 47,000 members across the state, Wisconsin Farm Bureau is a grass roots organization that prides itself on being a voice for farmers and rural communities.

Wisconsin Farm Bureau writes to offer limited comments on the public notice issued by the Securities and Exchange Commission on October 4, 2023, titled "Self-Regulatory Organizations; 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" (the "Proposed Rule").

The Proposed Rule defines a Natural Asset Company ("NAC") as "a corporation whose primary purpose is to actively manage, maintain, restore (as applicable), and grow the value of natural assets and their production of ecosystem services. In addition, where doing so is consistent with the company's primary purpose, the company will seek to conduct sustainable revenue-generating operations. Sustainable operations are those activities that do not cause any material adverse impact on the condition of the natural assets under a NAC's control and that seek to replenish the natural resources being used...."

Noting that the basis for the Proposed Rule cites agriculture as "contributing to the loss of natural habitat and soil degradation." This is inconsistent with the United States Department of Agriculture assessment of agriculture which states "farmers' conservation efforts have improved soil health, decreased erosion and sediment movement, and reduced nutrient losses via surface pathways." With the entire basis for the rule inconsistent with what is happening in the field, it questions the need for the proposed regulation.

The Proposed Rule proscribes NACs from participating in "unsustainable activities" by stating: "The NAC will be prohibited from engaging directly or indirectly in unsustainable activities. These are defined as activities that cause any material adverse impact on the condition of the natural assets under its control, and that extract resources without replenishing them (including, but not limited to, traditional fossil fuel development, mining, unsustainable logging, or perpetuating industrial agriculture). The NAC will be prohibited from using its funds to finance such unsustainable activities."

The term "sustainable agriculture" ([U.S. Code Title 7, Section 3103](#)) means an integrated system of plant and animal production practices having a site-specific application that will over the long-term:

- Satisfy human food and fiber needs.
- Enhance environmental quality and the natural resource base upon which the agriculture economy depends.
- Make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls.
- Sustain the economic viability of farm operations.
- Enhance the quality of life for farmers and society as a whole.

With legal definition of sustainable agriculture in mind and according to the rule, “perpetuating industrial agriculture” is described as an unsustainable activity, we ask that you further clarify the following:

- 1) Under the Proposed Rule, what does “industrial agriculture” mean and why is “perpetuating industrial agriculture” considered unsustainable?
- 2) Does mere participation in an “industrial agriculture” enterprise constitute “perpetuating” an unsustainable activity, or is something more required for industrial agriculture to be considered unsustainable?
- 3) Referencing the questions outlined above, if a farmer or rancher diverts water from a river for the purposes of growing food, fiber, or fuel, the Proposed Rule appears to suggest the water resource would be deemed “extract[ed]” without being “replenish[ed]”; would this water diversion be an example of a “material adverse impact” on the river?

As outlined above, the Proposed Rule raises significant practical and policy issues that impact the management and control of our nation’s natural resources and our farming communities. Moreover, it broadly casts as “unsustainable” the industry that feeds our nation and the world. Wisconsin Farm Bureau encourages the Commission to carefully consider and respond to the questions raised here as it reviews the potential impacts of this Proposed Rule and further recommends the Commission eschew non-evidence-based assertions concerning agricultural sustainability going forward.

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Wisconsin Farm Bureau Federation