

Comments to Securities and Exchange Commission on
Natural Asset Companies

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*The views and opinions expressed do not represent those of the Regents of
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The Linebery Policy Center for Natural Resource Management has major concerns about the management authority invested in Natural Asset Companies (NACs) would have on managing federal and private lands under the Proposed Rule Change to Amend the New York Stock Exchange Listed Company Manual to Adopt Listing Standards for Natural Asset Companies, 88 Fed. Reg. 68811 Sept. 29. 2023.

This proposal runs contrary to legislation on how federal lands are managed and by whom.

The Founding Fathers in their wisdom and foresight wrote the U. S. Constitution which provided for three branches of government: the Executive, the Judicial and the Legislative. The Legislative arm of government was designed to develop laws on how the country would be operated. Congress passed after several drafts the Federal Land Management and Policy of 1976 (FLMPA) to give direction on how federal lands were to be managed.

This proposal circumvents the wisdom of checks and balances by allowing the Security and Exchange Commission (SEC) to legislate (rulemaking) the authority on federal lands.

FLMPA was the founding document for the Bureau of Land Management. Their mission (BLM) was changed from being a “land disposal agency” to a “land managing agency” housed in the Department of Interior. BLM was also mandated to manage these lands under the “multiple use and sustained yield” philosophy. The named principal or major uses include and are limited to domestic livestock grazing, fish and wildlife development and utilization,

mineral exploration and production, rights-of-way, outdoor recreation, and timber production.

BLM has operated under the banner of multiple use and Congress has not passed any law to date that would change the mandate of multiple use and sustained yield. The Securities and Exchange Commission proposal is a rule making change to go around the current mandate without Congressional approval. The proposal would create National Asset Companies (NACs) to assume the responsibility of managing the assets of the federal land. The listing of NACs on the New York Exchange would allow the asset management to be bought and traded on a national and international basis. The ownership and management of these assets could potentially be in the hands of foreign investors who may be adversarial and detrimental to the interests of the United States.

The Linebery Policy Center requests that this proposal be withdrawn and Congressional approval for this type of investment and management be sought.