UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

February 2, 2024

Courtney C. Crouch, III
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

Re: J.B. Hunt Transport Services, Inc. (the "Company")
Incoming letter dated December 22, 2023

Dear Courtney C. Crouch, III:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Trillium ESG Small/Mid Cap Fund (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal asks the Company to adopt and publicly disclose a policy of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(b)(1)(ii) and Rule 14a-8(f). In our view, the documentation submitted appears to comply with the requirements of Rule 14a-8(b)(1)(ii).

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(3). We do not believe that the Proposal, taken as a whole, is so vague or indefinite that it is rendered materially misleading.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal transcends ordinary business matters and does not seek to micromanage the Company.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(10). In our view, the Company has not substantially implemented the Proposal.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Jonas D. Kron
Trillium Asset Management, LLC

MITCHELL | WILLIAMS

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December 22, 2023

VIA ONLINE SHAREHOLDER PROPOSAL FORM

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

RE: J.B. Hunt Transport Services, Inc.
Exclusion of Shareholder Proposal of Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8

Ladies and Gentlemen:

We are counsel to J.B. Hunt Transport Services, Inc., an Arkansas corporation (the "Company" or "J.B. Hunt"). The Company has authorized us to submit this letter on its behalf pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to notify the Securities and Exchange Commission (the "Commission") of the Company's intention to exclude a shareholder proposal and supporting statement (collectively, the "Proposal") from the proxy materials for the Company's 2024 Annual Meeting of Stockholders (the "Proxy Materials"). A copy of the Proposal is attached to this letter as Exhibit A.

The Proposal was submitted through a letter dated November 6, 2023, from Trillium Asset Management, LLC ("Trillium"), on behalf of Trillium ESG Small/Mid Cap Fund (the "Proponent"), for inclusion in the Company's Proxy Materials for the Company's 2024 Annual Meeting.

The Company requests confirmation that the Staff of the Division of Corporation Finance (the "Staff") will not recommend to the Commission that any enforcement action be taken if the Company excludes the Proposal from its Proxy Materials in reliance on Rule 14a-8(i)(10), Rule 14a-8(i)(7), Rule 14a-8(i)(3), Rule 14a-8(b) and Rule 14a-8(f).

In accordance with relevant Staff guidance, this letter and its attachments are being submitted to the Staff via the Staff's online portal. Also, in accordance with Rule 14a-8(j), a copy of this letter and its attachments are being delivered simultaneously to the Proponent via the Proponent's representative, informing them of the Company's intention to omit the Proposal from its Proxy Materials.

The Company currently intends to file its definitive 2024 Proxy Materials with the Commission on or about March 14, 2024. Therefore, in accordance with Rule 14a-8(j), this letter is being filed with the Commission at least 80 calendar days before the date upon which the Company expects to file its definitive 2024 Proxy Materials.

The Proposal

The Proponent requests the inclusion of the following resolution in the Company's 2024 proxy statement:

> RESOLVED: To address LGBTQ+ inequality in society and employment, shareholders of J.B. Hunt Transport Services, Inc. ("Company") ask the Company to adopt and publicly disclose a policy (with details and timing at the discretion of the Company) of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity.

Copies of the Proposal, as well as an accompanying letter from the Proponent's representative, are attached to this letter as Exhibit A.

Bases for Exclusion

The Company respectfully requests that the Staff concur in the view that the Proposal may be excluded from the Company's Proxy Materials pursuant to:

- Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal;
- Rule 14a-8(i)(7) because the Proposal deals with matters relating to the conduct of the ordinary business operations of the Company and further seeks to "micromanage" the daily business operations and decisions of the Company;
- Rule 14a-8(i)(3) because the Proposal contains impermissible vague and indefinite language that is materially misleading in violation of Rule 14a-9; and
- Rule 14a-8(b) and 14a-8(f) because the Proponent failed to prove its eligibility to submit the Proposal.

A. *The Proposal may be excluded because the Proposal has been substantially implemented.*

Rule 14a-8(i)(10) allows a company to exclude a shareholder proposal from its proxy materials "[i]f the company has already substantially implemented the proposal." Initially, the Staff only granted no-action relief when proposals were "fully effected" by the company. *See* Exchange Act Release No. 34-19135 (Oct. 14, 1982). However, because proponents were successful in convincing the Staff to deny no-action relief because proposals differed from existing company policy by only a few words, the Commission in 1983 adopted a revised interpretation to

the rule to permit the omission of proposals that had been "substantially implemented." *See* Exchange Act Release No. 34-20091, at § II.E.6. (Aug. 16, 1983). These amendments were codified in Rule 14a-8 in 1998. *See* Exchange Act Release No. 34-40018 at n.30 and accompanying text (May 21, 1998).

In applying this exclusion, the Staff provided that "a determination that the [c]ompany has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc. (Recon.)* (Mar. 28, 1991). Additionally, some differences between a company's steps taken and a shareholder proposal are allowed as long as the company's actions satisfactorily address the proposal's essential objectives. *See, e.g., Exxon Mobil Corp. (Rossi)* (Mar. 19, 2010).

The Staff has previously concurred with the exclusion of a proposal where the company's actions have satisfactorily addressed the proposal's underlying concerns; *Anheuser-Busch Cos., Inc.* (Jan. 17, 2007) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting the company to declassify the elections of its board of directors where the company previously had approved a annual elections of directors and was in the midst of an orderly transition to the same); *ConAgra Foods, Inc.* (July 3, 2006) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting the company to issue a sustainability report where the company previously had policies and procedures in place relating to the subject matter of the proposal that were implemented in furtherance of the proposal's essential objectives); *Johnson & Johnson* (Feb. 17, 2006); *Talbots Inc.* (Apr. 5, 2002) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting the company establish international labor standards where the company had already implemented a labor law compliance program to address concerns regarding global workplace conditions).

1. *The Company has substantially implemented the Proposal through its publicly available Equal Employment Opportunity Policy.*

The Proposal requests that the Company adopt and publicly disclose a policy of "equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity." As discussed below, the Company's current equal opportunity policy demonstrates a commitment to equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity.

The Company's Equal Employment Opportunity Policy (the "EEO Policy"), which is publicly available on the Company's website at www.jbhunt.com, states that "J.B. Hunt will recruit, hire, compensate, *offer benefits to*, upgrade, train, layoff, terminate, and/or promote individuals in all job titles and ensure all other personnel actions are administered without regard to race, color, religion, sex, *sexual orientation, gender identity*, national origin, age, disability or protected veteran status, genetic information, or any other basis protected by applicable law" (emphasis added). Because the EEO Policy commits to offering benefits to all employees regardless of sexual orientation or gender identity and is publicly available on its website, the Company has adopted and publicly disclosed a policy of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity. Further, as described below, the Company has effectuated this Policy by offering equitable and non-discriminatory healthcare

coverage to employees, regardless of sexual orientation or gender identity. Thus, the Company has already addressed the essential objective of the Proposal.

The Proposal's supporting statement describes several specific healthcare benefits that may be considered transgender-inclusive. The Company notes that its current employee healthcare insurance plan includes coverage of benefits for transgender individuals such as hormonal therapy, evaluation and management services provided by a physician and mental health counseling services. In addition, in 2020, the Company established an internal employee resource for the Company's LGBTQIA+ employees, one of now six such employee resource groups in the Company, which include women, Latinos, military veterans, African-Americans, and Asian-Americans and Pacific Islanders. The mission of each employee resource group is to impact lives by creating an inclusive culture where all people feel welcomed, valued, respected, safe, and heard. The Company has also, among other things, established an Inclusion Office, all members of which are certified diversity professionals, and a management-level Inclusion Council focused on operationalizing inclusion across the Company; implemented a gender transition guide to provide resources and support for employees and managers navigating the gender transition process; developed inclusion-based engagement survey action plans; modernized job titles to remove any gender or racial implications; expanded self-identification options to include selections for members of the LGBTQIA+ community; and updated the Company's HR software system to include pronouns, name pronunciation, and phonetic spelling. The Company has been recognized by multiple third-party publications for the success of its diversity and inclusion initiatives. For 2023, these recognitions include: Greatest Workplaces for Diversity (*Newsweek*); Greatest Workplaces for Women (*Newsweek*); Greatest Workplaces for Families (*Newsweek*); Best Employers for Women (*Forbes*); Top Companies for Women to Work for in Transportation (*Women in Trucking*); and America's Greatest Workplaces for Parents and Families (*Newsweek*). Many of these recognitions were scored based on surveys from workers who were asked about employer discrimination, employee diversity, parental leave, and other relevant issues. The Company's receipt of these awards indicates favorable responses from Company employees and reflects that the Company has placed great importance on equitable policies, including with respect to healthcare coverage. The Company's existing healthcare coverage, inclusiveness efforts and recognitions for such efforts further demonstrate that the Company has satisfied the essential concerns and objectives of the Proposal.

B. *The Proposal may be excluded pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations*.

A shareholder proposal may be excluded from a company's proxy materials under Rule 14a-8(i)(7) if the proposal "deals with matters relating to the company's ordinary business operations." The Commission has stated that the policy underlying the ordinary business exclusion rests on two central considerations. Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"). The first consideration relates to the subject matter of the proposal, recognizing that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The

second "relates to the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." 1998 Release (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. *See* Exchange Act Release No. 34-20091 (Aug. 16, 1983) ("[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."). In addition, the Staff has indicated that "[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)." *Johnson Controls, Inc.* (Oct. 26, 1999). Similarly, the Staff has concurred that a proposal requesting adoption of a policy is excludable if the underlying subject matter pertains to ordinary business and does not implicate a significant social policy issue. *See, e.g., The TJX Companies, Inc.* (Apr. 16, 2018) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company adopt "a new universal and comprehensive animal welfare policy applying to all of the [c]ompany's stores, merchandise and suppliers" because the proposal related to ordinary business operations)*; Time Warner Inc. (Ridenour*) (Mar. 13, 2018) (concurring in the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company "adopt a policy requiring that the Company's news operations tell the truth, and issue an annual report to shareholders explaining instances where the Company failed to meet this basic journalistic obligation" because the proposal related to ordinary business operations); *The Walt Disney Co.* (Dec. 12, 2017) (same).

1. The Proposal may be excluded because it relates to general employee benefit matters.

The Proposal may be excluded in reliance on Rule 14a-8(i)(7) because the matters to be addressed in the requested policy – namely, the Company's health benefit plans and "equitable" health coverage – relate to the Company's ordinary business operations. As one of the largest surface transportation, delivery, and logistics companies in North America, with about 35,000 employees, of which approximately 23,000 are truck drivers and most, but not all, of which are employed in the U.S., the Company's decisions regarding the amount and type of healthcare benefits it provides to its diverse workforce require complex and extensive analysis that is best suited for management. The analysis of whether the types of healthcare benefits that the Proposal and its supporting statement suggest should be covered by the Company is exactly the type of analysis that Rule 14a-8(i)(7) recognizes as a proper function of management, who have the requisite understanding of the Company's workforce, human capital management strategy, and compensation objectives to assess the appropriate employee benefits and associated risks thereof.

In *United Technologies Corp.* (Feb. 19, 1993), the Staff provided the following examples of topics that involve a company's ordinary business and thus make a proposal excludable under Rule 14a-8(i)(7): "*employee health benefits*, general compensation issues not focused on senior

executives, management of the workplace, employee supervision, labor-management relations, employee hiring and firing, conditions of the employment and employee training and motivation" (emphasis added). The Staff has consistently concurred in the exclusion of shareholder proposals under Rule 14a-8(i)(7) that, viewed in their entirety, focused primarily on management of a company's workforce. *See* 1998 Release (excludable matters "include the management of the workforce, such as the hiring, promotion, and termination of employees"); *see also, e.g., Apple Inc. (Rahardja)* (Jan. 3, 2023) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on the effects of the company's return-to-office policy on employee retention and the company's competitiveness); *Intel Corp.* (Mar. 18, 2022) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on the impact of the company's public display of the pride flag on current, past and prospective employees' view of the company as a desirable place to work); *Walmart, Inc.* (Apr. 8, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested the company's board to prepare a report evaluating discrimination risk from the company's policies and practices for hourly workers taking absences from work for personal or family illness, noting that the proposal "relates generally to the [c]ompany's management of its workforce").

The Staff has further consistently allowed companies to exclude under Rule 14a-8(i)(7) proposals relating to general employee benefits. For example, in *Exelon Corp.* (Feb. 21, 2007), the Staff permitted the exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company implement rules and regulations forbidding executives from establishing incentive bonuses that would require a reduction to employee retiree benefits. The company argued in part that "issues involving general employee and retiree benefits are perhaps one of the most fundamental employee issues companies . . . deal with on a day-to-day basis" and that "to the extent that the [p]roposal can be characterized as a request that [the company] and its subsidiaries provide a specified level of benefits to their respective retirees, this is exactly the sort of intrusion into the day-to-day authority of the [b]oard that is properly excluded under Rule 14a-8(i)(7)." In permitting the exclusion of the proposal, the Staff noted that "the thrust and focus of the proposal is on the ordinary business matter of general employee benefits." *See also, e.g., Dollar Tree, Inc.* (May 2, 2022) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company "analyze and report on risks to its business strategy in the face of increasing labor market pressure," including, among other things, "how the [c]ompany's forward-looking strategy and incentives will enable competitive employment standards, including wages, benefits, and employee safety"); *McDonald's Corp.* (Feb. 19, 2021) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on the "feasibility of extending the paid sick leave policy adopted in response to COVID19 [sic] . . . as a standard employee benefit"); *Walmart Inc.* (Mar. 12, 2021) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting the company to study the "feasibility of providing two weeks of paid sick leave" as a standard employee benefit not limited to COVID-19); *ConocoPhillips* (Feb. 2, 2005) (permitting exclusion under Rule 14a-8(i)(7) of a proposal to eliminate pension plan offsets as "relating to [the company's] ordinary business operations (i.e., employee benefits)"); *International Business Machines Corp.* (Jan. 13, 2005) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report "examining the competitive impact of rising health insurance costs" including, among other things, "steps or policy options the

[b]oard has adopted, or is currently considering" to reduce employee healthcare costs paid by the company, noting that the proposal relates to "[the company's] ordinary business operations (i.e., employee benefits)"); *International Business Machines Corp.* (Jan. 2, 2001) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting cost of living allowances to the company's retiree pensions as "relating to [the company's] ordinary business operations (i.e., employee benefits)"). As demonstrated in these letters, a proposal focused primarily on general employee benefits is excludable under Rule 14a-8(i)(7).

Here, the Proposal, viewed in its entirety with the supporting statement, focuses on the Company's management of its workforce and, specifically, the healthcare coverage benefits it provides to its employees, both of which are ordinary business matters. Specifically, the Proposal's resolution requests that the Company adopt and publicly disclose a policy of "equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity." The supporting statement describes the policy as a means to address the shortage of drivers in the transportation industry by removing a potential barrier to attract and retain LGBTQ+ drivers. The supporting statement further discusses certain specific healthcare benefits that may be considered "transgender-inclusive," such as domestic partner benefits, as well as "hormone replacement therapies, mental health services, surgical reconstruction, and other medically necessary procedures," thus implying that such benefits would need to be provided for the Company's healthcare coverage to be "equitable." The Proposal thus focuses on how the Company manages its workforce and, specifically, the types of health benefits and aspects of coverage within those benefits that are available to Company employees.

Decisions with respect to the Company's policies for managing its sizable workforce are at the heart of the Company's business as one of the largest transportation and logistics services providers in North America, with services in the United States, Canada and Mexico, and are so fundamental to the Company's day-to-day operations that they cannot, as a practical matter, be subject to shareholder oversight. In this regard, specific employee benefits and coverage considerations for the Company's large international workforce, which the Proposal focuses on, are precisely the types of employee management decisions that are fundamental to the Company's ordinary business operations. Therefore, consistent with the precedent described above, the Proposal is excludable under Rule 14a-8(i)(7).

2. *The Proposal does not focus on a significant social policy issue that transcends the Company's ordinary business operations*.

As in the above-cited precedent, the Proposal addresses ordinary business matters, specifically the health benefits provided by the Company to its employees, and does not focus on a significant social policy issue that transcends such ordinary business operations, as set out in the 1998 Release. When assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C, part D.2 (June 28, 2005). While "proposals…focusing on sufficiently significant social policy issues…generally would not be considered to be excludable," the Staff has indicated that proposals relating to both ordinary business matters and significant social policy issues may be excludable

in their entirety in reliance on Rule 14a-8(i)(7) if the significant social policy issues do not "transcend the day-to-day business matters" discussed in the proposals. 1998 Release. Staff no-action responses over the years have established clear precedent that proposals referring to topics that might raise significant social policy issues, but that do not focus on or have only tangential implications for such issues, are not transformed from an otherwise ordinary business proposal into one that transcends ordinary business. Such proposals remain excludable under Rule 14a-8(i)(7).

For example, in *Amazon.com, Inc.* (Apr. 8, 2022), the Staff concurred in exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on the company's workforce turnover rates and the effects of labor market changes resulting from the COVID-19 pandemic noting that the [p]roposal…does not focus on significant social policy issues." *See also Amazon.com, Inc.* (April 8, 2022) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting an annual report on the distribution of stock-based incentives throughout the workforce, despite the proposal referring to wealth inequality in the United States as a significant social policy issue, as ordinary business); *Intel Corporation* (Mar. 18, 2022) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting a report "on whether, and/or to what extent, the public display of the pride flag has impacted…employees' view of the company as a desirable place to work," stating it "relates to, and does not transcend, ordinary business matters"); *Walmart Inc.* (Apr. 8, 2019) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting a report evaluating the risk of discrimination from the company's policies for hourly workers taking absences from work for personal or family illness because it related "generally to the [c]ompany's management of its workforce, and does not focus on an issue that transcends ordinary business matters"); *McDonald's Corp.* (Mar. 22, 2019) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal, although it touched on concerns about animal cruelty, because the proposal "focuses primarily on" the company's ordinary business operations); *AT&T Inc.* (Dec. 28, 2015) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal seeking establishment of a program to educate company employees on health matters relating to HIV/AIDS as relating to ordinary business operations); *Papa John's International, Inc.* (Feb. 13, 2015) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal encouraging the company to add vegan options to its menu "in order to advance animal welfare, reduce its ecological footprint, expand its healthier options and meet growing demand for plant-based foods" because the proposal related to the company's ordinary business operations and "does not focus on a significant policy issue"); *CIGNA Corporation* (Feb. 23, 2011) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal which, although it addressed access to affordable health care, asked the company to report on expense management, which the Staff noted "relates to the manner in which the company manages its expenses" and was thus an ordinary business matter); and *Apache Corporation* (Mar. 5, 2008) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting that management "implement equal employment opportunity policies based on [certain principles specified in the proposal] prohibiting discrimination based on sexual orientation and gender identity," in which the Staff noted that some of the proposed principles related to ordinary business matters).

Similar to the above-referenced proposals, the fact that the Proposal may touch upon a significant social policy issue does not preclude exclusion under Rule 14a-8(i)(7). The Proposal here focuses on the Proponent's concerns about specific health benefits the Company makes available to employees. The Proposal seeks to suggest that the healthcare benefits offered by the Company implicate a significant social policy issue that should be considered by the Company's stockholders in addressing "LGBTQ+ inequality in society and employment," asserting that "LGBTQ+ inclusion is a national issue." However, notwithstanding these statements, the Proposal's focus is on the content of the Company's health care benefits offered to employees. Therefore, these assertions do not transform this otherwise ordinary business proposal into one that transcends ordinary business.

Accordingly, the Proposal may be excluded in reliance on Rule 14a-8(i)(7) because the Proposal relates to the ordinary business operations of the Company and does not focus on a significant social policy issue that transcends the Company's ordinary business operations.

3. The Proposal may be excluded because it seeks to micromanage the Company.

The Proposal may also be excluded pursuant to Rule 14a-8(i)(7) because it seeks to micromanage the Company with regard to adopting and disclosing a policy on healthcare benefits. In Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), the Staff clarified that in evaluating companies' micromanagement arguments, it will "focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." The Staff further noted that this approach is "consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters." In this instance, while the resolution in the Proposal states that the details of the Company's policy regarding "equitable healthcare coverage" would be at the Company's discretion, the Proposal's supporting statement, in describing certain healthcare benefits that may be considered inclusive, clearly suggests that the intent of the Proposal is to influence the specific healthcare benefits that the Company provides. The determination regarding health benefits – applicable to approximately 35,000 employees across the Company's extensive and international organization – is a complex and fundamental responsibility of the Company's management. The Company's decisions concerning these benefits are multi-faceted and based on a range of factors given the diversity of benefit requirements and oversight from a jurisdictional standpoint, and further require a deep understanding of the Company's business and operations, such as employment and labor relations, human resources, diversity and recruitment. Moreover, although the Proposal is framed as a request for a policy, it could be viewed as a request of the Company to rationalize or change employee benefits, specifically targeting policies that provide coverage for gender transitioning care.

Following the issuance of SLB 14L, the Staff has permitted the exclusion of proposals under Rule 14a-8(i)(7) that probe too deeply into matters of a complex nature by seeking disclosure of intricate details around internal company policies and practices micromanage the company. *See, e.g., Verizon Communications Inc.* (Mar. 17, 2022) (concurring in exclusion under Rule 14a-

8(i)(7) of a proposal requesting that the company publish annually the written and oral content of diversity, inclusion, equity or related employee-training materials offered to the company's employees on the basis that the proposal "micromanages the [c]ompany by probing too deeply into matters of a complex nature by seeking disclosure of intricate details regarding the [c]ompany's employment and training practices"); *American Express Company* (Mar. 11, 2022) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company publish annually the written and oral content of employee-training materials offered to the company's employees on the basis that the proposal "micromanages the [c]ompany by probing too deeply into matters of a complex nature by seeking disclosure of intricate details regarding the [c]ompany's employment and training practices"); and *Deere & Co.* (Jan. 3, 2022) (same). As with the training materials requested in the proposals at issue in the foregoing no-action letters, the requested policy would probe too deeply into matters of a complex nature by seeking disclosure of particular details about the Company's benefits policies, including a subset of care afforded under the Company's health benefit plans. Moreover, this disclosure is not within the "large strategic corporate matters" the Staff has stated shareholders should be able to provide "high-level direction on." *See* SLB 14L. Instead, the Proposal attempts to micromanage how the Company determines employee healthcare benefits, what healthcare benefits are offered, and to whom the benefits are provided, all through the request of a policy for "equitable" healthcare coverage.

For the foregoing reasons, and consistent with the above-cited no-action letters, the Proposal may be excluded in reliance on Rule 14-8(i)(7) because the Proposal seeks to micromanage the Company with regard to its health benefits and disclosures of the same.

C. *The Proposal may be excluded pursuant to Rule 14a-8(i)(3) because the Proposal contains impermissible vague and indefinite language that is materially misleading in violation of Rule 14a-9*.

Rule 14a-8(i)(3) permits exclusion of a proposal if the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials. In Staff Legal Bulletin No. 14B (Sep. 15, 2004), the Staff stated that exclusion of a proposal pursuant to Rule 14a-8(i)(3) may be appropriate where the resolution contains vague or misleading statements.

The Staff consistently has taken the position that vague and indefinite shareholder proposals are excludable under Rule 14a-8(i)(3) when "the language of the proposal or the supporting statement render the proposal so vague and indefinite that neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires." Staff Legal Bulletin No. 14B (Sep. 15, 2004). Moreover, a proposal is sufficiently misleading and indefinite to justify its exclusion where a company and its shareholders might interpret the proposal differently, such that any action ultimately taken by the company to implement the proposal could be different from the actions envisioned by the shareholders voting on the proposal (*Fuqua Industries, Inc.* (Mar. 12, 1991)). In *Fuqua*, the Staff permitted exclusion of a proposal under Rule 14a-8(i)(3) that sought to prohibit "any major shareholder . . . which

currently owns 25% of the Company and has three board seats from compromising the ownership of the other stockholders," where the meaning and application of such terms as "any major shareholder," "assets/interest" and "obtaining control" would be subject to differing interpretations. There, the company argued that the ambiguities in the proposal would render the proposal materially misleading since "any action ultimately taken by the [c]ompany upon implementation [of the proposal] could be significantly different from the actions envisioned by the shareholders voting on the proposal."

The Staff has also routinely concurred with the exclusion of proposals that fail to define key terms or otherwise fail to provide sufficient clarity or guidance to enable either shareholders or the company to understand how the proposal would be implemented. For example, in *Apple Inc. (Zhao)* (Dec. 6, 2019), the Staff concurred that a company could exclude, as vague and indefinite, a proposal that recommended that the company "improve guiding principles of executive compensation," but failed to define or explain what improvements the proponent sought to the "guiding principles." The Staff noted that the proposal "lack[ed] sufficient description about the changes, actions or ideas for the [c]ompany and its shareholders to consider that would potentially improve the guiding principles" and concurred with exclusion of the proposal as "vague and indefinite." *See also The Walt Disney Co. (Grau)* (Jan. 19, 2022) (concurring with the exclusion under Rule 14a-8(i)(3) as vague and indefinite a proposal that requests a prohibition on communications by or to cast members, contractors, management or other supervisory groups within the Company of "politically charged biases regardless of content or purpose", where the Staff stated that "in applying this proposal to the Company, neither shareholders nor the Company would be able to determine with reasonable certainty exactly what actions or measures the Proposal requests"); *The Boeing Co.* (Feb. 23, 2021) (concurring with the exclusion of a proposal requiring that 60% of the company's directors "must have an aerospace/aviation/engineering executive background" where such phrase was undefined); *AT&T Inc.* (Feb. 21, 2014) (concurring with the exclusion of a proposal requesting a review of policies and procedures related to the "directors' moral, ethical and legal fiduciary duties and opportunities," where such phrase was undefined); *International Paper Co.* (Feb. 3, 2011) (concurring with the exclusion of a proposal under Rule 14a-8(i)(3) that requested the adoption of a particular executive stock ownership policy because it did not sufficiently define "executive pay rights"); *Verizon Communications Inc.* (Feb. 21, 2008) (concurring with the exclusion of a proposal under Rule 14a-8(i)(3) because it failed to define certain critical terms, such as "Industry Peer Group" and "relevant time period").

Here, like in *Fuqua*, the ambiguous scope of the requested policy could lead to materially different, reasonable interpretations, and as in *Apple* and the other above-cited no-action letters, the Proposal fails to define a key term necessary to understand how the Proposal would be implemented. The Proposal requests the Company to adopt and publicly disclose a policy of "equitable healthcare coverage." The Proposal does not define the word "equitable" and leaves the details of the policy to be determined by the Company. The term "equitable" is inherently vague and indefinite and could reasonably be interpreted in different ways by the Proponent, the Company and other shareholders. The Company's EEO Policy already establishes that the Company offers benefits to employees on a non-discriminatory basis without regard to sexual

orientation or gender identity, and the Company believes the healthcare benefits it currently offers are in fact equitable for all employees. If "equitable" is defined to be "non-discriminatory" then, as discussed above, the Proposal has been substantially implemented. To the extent "equitable" for purposes of this Proposal is intended to mean something more or different than "equal" or "non-discriminatory," the Proposal becomes subjective and so vague and indefinite that neither the stockholders voting on the Proposal, nor the Company in implementing the Proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the Proposal requires.

The Proposal's supporting statement implies that the Proponent views "equitable" as providing health insurance that covers certain specific benefits, such as surgical procedures, and that it covers domestic partners in addition to spouses; however, the Company and others may view the provision of certain benefits to be inequitable. For example, if the Company's health insurance covers transgender surgical procedures for transgender employees but does not cover other cosmetic surgical procedures that a non-transgender employee might consider medically necessary due to a psychological condition, is that equitable? Similarly, would the Company's health insurance plan be inequitable if it covers spouses (regardless of gender identity or sexual orientation) but does not cover domestic partners (regardless of gender identity or sexual orientation)? The ambiguity in how "equitable healthcare coverage" may be interpreted effectively prevents the shareholders from being able to determine with any reasonable certainty exactly what actions or measures the Proposal would require the Company to take to adopt and implement the policy requested by the Proposal.

For the reasons described above, the policy requested in the Proposal is so vague and indefinite that the Proposal is materially misleading under Rule 14a-9 and may be appropriately excluded from the Proxy Materials in accordance with Rule 14a-8(i)(3).

D. *The Proposal may be excluded pursuant to Rule 14a-8(b) and Rule 14a-8(f) because the Proponent failed to prove its eligibility to submit the Proposal*.

1. Background.

On November 7, 2023, the Company received the Proposal from Trillium, on behalf of the Proponent. On November 20, 2023, the Company provided notice to Trillium that the Proposal contains a procedural deficiency (the "Deficiency Notice," attached hereto as Exhibit B). The Deficiency Notice expressly identified the curable deficiency, explained the steps Trillium could take to cure each such deficiency, and stated that the Commission's rules required any response to the Deficiency Notice to be postmarked or transmitted electronically no later than 14 calendar days from the date the Deficiency Notice was received.

On November 20, 2023, the Company received Trillium's response to the Deficiency Notice and exchanged further correspondence with Trillium via electronic mail on November 21, 2023 and November 27, 2023 regarding the deficiency (collectively, the "Deficiency Response," attached hereto as Exhibit C). The Company has not sent or received any further correspondence

to or from Trillium or the Proponent regarding the deficiency noted in the Deficiency Notice since the final Deficiency Response communication on November 27, 2023.

2. *The Proponent has not provided a written statement from Trillium ESG Small/Mid Cap Fund sufficient for the purposes of Rule 14a-8(b) that the fund intends to continue holding Company shares through the date of the 2024 Annual Meeting.*

Under Rule 14a-8(b) of the Exchange Act, a shareholder who submits a shareholder proposal for inclusion in a company's proxy materials for an annual or special meeting of shareholders is required to demonstrate that the shareholder is eligible to submit the proposal according to the conditions described in Rule 14a-8(b). Among these requirements, Rule 14a-8(b)(1)(ii) informs the proponent shareholder that "[y]ou must provide the company with a written statement that you intend to continue to hold the requisite amount of securities, determined in accordance with paragraph (b)(1)(i)(A) through (C) of this section, through the date of the shareholders' meeting for which the proposal is submitted." Rule 14a-8(b)(2) of the Exchange Act describes the methods by which a shareholder who is not a registered holder of the company's securities may demonstrate their eligibility with respect to submitting the requisite proof of ownership. Rule 14a-8(b)(2)(ii)(A) specifically states that, in addition to providing verification of the requisite ownership from the "record" holder of your securities, "[y]ou must also include your own written statement that you intend to continue to hold" the company's securities through the meeting date. The Commission staff has further clarified that "[t]he shareholder must provide this written statement." *See* Staff Legal Bulletin No. 14, Question (C)(l)(d) (July 13, 2001).

In connection with the Proposal, the Proponent has failed to provide a written statement from the Proponent (Trillium ESG Small/Mid Cap Fund) of its intent to continue holding the requisite shares of Company stock through the date of the Company's 2024 Annual Meeting of Shareholders. While letter by Trillium Asset Management, LLC, dated November 6, 2023, accompanying the Proposal states that the Proponent intends to hold the required number of shares continuously through the 2024 Annual Meeting date, this written statement is by the Proponent's representative, not by the shareholder. Specifically, the Company has not received the requisite statement signed by the Proponent, its general partner or managing member (as applicable) or an officer of such general partner or managing member, despite the Company's notice of this deficiency in its Deficiency Notice.

While Trillium has asserted the following text of the Commission's Final Rule, *Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8*, Exchange Act Release No. 34-89964 (Sep. 23, 2020) (the "2020 Release"), for its position that its statement on behalf of the Proponent suffices for purposes of Rule 14a-8(b)(ii), a broader reading of the 2020 Release and the language in Rule 14a-8(b)(1)(v) do not support Trillium's position. Specifically, the 2020 Release states:

> Furthermore, we are clarifying in response to commenters that, where a shareholder proponent is an entity, and thus can act only through an agent, compliance with the *amendment* will not be necessary if the agent's authority to act

> is apparent and self-evident such that a reasonable person would understand that the agent has authority to act. For example, compliance generally would not be necessary where a corporation's CEO submits a proposal on behalf of the corporation, where an elected or appointed official who is the custodian of state or local trust funds submits a proposal on behalf of one or more such funds, where a partnership's general partner submits a proposal on behalf of the partnership, *or where an adviser to an investment company submits a proposal on behalf of an investment company* (emphasis added). Release No. 34-899964 at page 42.

The complete text of the 2020 Release and Rule 14a-8(b)(1)(v) indicate that the "amendment" that the above-referenced excerpt from page 42 of the 2020 Release refers to is specifically the addition of the new requirements under current subsection (b)(1)(iv) of Rule 14a-8 for written documentation related to the use of a representative to submit the proposal. The requirement under subsection (b)(1)(ii) of Rule 14a-8 for the proponent to provide a statement of intent to hold the securities through the annual meeting was not substantially changed by the 2020 Release. Thus, the above-referenced language from page 42 would apply to requirements under subsection (b)(1)(iv) but not subsection (b)(1)(ii) of Rule 14a-8.

The Staff has concurred in the exclusion of shareholder proposals where the statement provided to the company was not an adequate statement of the proponent's intention to continue holding the requisite amount of shares through the date of the shareholder meeting at which the proposal will be voted on by shareholders. In 2011, the Staff granted no-action treatment in *Energen Corp. (Calvert Asset Management Co., Inc.)* (Feb. 22, 2011) to exclude a proposal where the written statement of intent to hold the company's shares came from the proponents' representative, rather than the proponents themselves. *See also The Cheesecake Factory Inc.* (Mar. 27, 2012) (concurring in the exclusion of a stockholder proposal where the written statement of intent stated that the proponents intended to continue to own an unspecified number of shares in the company through the date of the company's annual meeting of stockholders but did not specify an intent to continue to own the requisite number of shares required under Rule 14a-8(b)); *SBC Communications Inc. (Wallach)* (Jan. 12, 2004) (concurring in the exclusion of a stockholder proposal where the written statement of intent stated that the proponents intended to continue to own their shares in the company for an unspecified period of time but did not specify an intent to continue to own the shares through the date of the company's subsequent annual meeting).

However, in 2014, the Staff declined to grant no action in *Chevron Corp.* (Mar. 11, 2014) where Chevron relied on the Energen no-action decision because the ownership statement in the proposal to Chevron was similarly provided by the representative, not the proponent shareholder. In Chevron, the proponent's representative argued to the Staff that the representative's statement in Energen stated that the *representative intended* for the proponent funds to hold the shares through the meeting date, whereas the representative's statement to Chevron stated that the *proponent* "affirmatively states" that he intends to hold the shares through the meeting date. The representative in the proposal to Chevron also did subsequently provide a general authorization letter from the proponent shareholder dated more than a year earlier that said the proponent would

hold the requisite shares through the meeting date for any proposal the representative submitted (the shareholder's letter did not reference the Chevron proposal specifically). Here, unlike in Chevron, Trillium has provided no statement directly from the Proponent. In addition, while Trillium states in its letter accompanying the Proposal that the Proponent intends to hold their shares through the meeting date, Trillium's letter does not provide that the Proponent "affirmatively states" that it intends to hold the shares. Further, although the Company described this procedural deficiency in its Deficiency Notice and in its subsequent correspondence with Trillium on November 20 and November 27, 2023, Trillium to-date has not addressed this deficiency. Thus, by failing to provide the Proponent's written statement that it intends to hold the shares through the 2024 Annual Meeting date, the Proponent has not met the minimum requirements for submitting a proposal established under Rule 14a-8(b).

Conclusion

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials.

Your prompt response to this letter is respectfully requested. If the Staff believes that it will not be able to take the no-action position requested above, we would appreciate the opportunity to confer with the Staff prior to the issuance of a negative response. Please contact me at ccrouch@mwlaw.com, or (501) 688-8822, if you require additional information or wish to discuss this submission.

Very truly yours,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By 
Courtney C. Crouch, III

Attachments

cc: Ms. Jennifer Boattini
SVP Legal and Litigation, General Counsel, Corporate Secretary
J.B. Hunt Transport Services, Inc.

Ms. Hyewon Han
Mr. Jonas Kron
Trillium Asset Management, LLC

EXHIBIT A

(See attached)

TRILLIUM®
ASSET MANAGEMENT

November 6, 2023

Via FedEx

J.B. Hunt Transport Services, Inc.
615 J.B. Hunt Corporate Drive
Lowell, Arkansas 72745
Attention: Corporate Secretary

Re: Shareholder proposal for 2024 Annual Shareholder Meeting

Dear Corporate Secretary:

Trillium ESG Small/Mid Cap Fund is submitting the attached shareholder proposal, for inclusion in the Company's 2024 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

Per Rule 14a-8, Trillium ESG Small/Mid Cap Fund holds more than $2,000 of the Company's common stock, acquired more than three years prior to today's date and held continuously for that time. Trillium ESG Small/Mid Cap Fund intends to hold the required number of shares continuously through the date of the 2024 annual meeting. Verification of Trillium ESG Small/Mid Cap Fund's ownership will be sent separately.

Trillium ESG Small/Mid Cap Fund is available to meet with the Company November 27, 2023 at 12PM CDT and November 27, 2023 at 1pm CDT. Please let us know within 10 days if the Company would like to meet at one of these times. After 10 days we may no longer be able to hold these dates and times.

Trillium ESG Small/Mid Cap Fund will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

TRILLIUM®
ASSET MANAGEMENT

I can be contacted at (617) 532-6670 or by email at hhan@trilliuminvest.com and request a confirmation of receipt of this letter via email.

Sincerely,

H. Han

Hyewon Han
Director of Shareholder Advocacy
Trillium Asset Management, LLC

Inclusive Healthcare Coverage Policy

RESOLVED: To address LGBTQ+ inequality in society and employment, shareholders of J.B. Hunt Transport Services, Inc. ("Company") ask the Company to adopt and publicly disclose a policy (with details and timing at the discretion of the Company) of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity.

The American Trucking Association estimated in 2022 that the industry lacks 78,000 drivers and may lack 160,000 drivers in 2031, with shortages most acute for longer-haul trucking.[1] Multiple factors contribute to the shortage, but the high average age of drivers and benefits are noted as detractors. Globally, there are five times as many drivers 55 years old or older than younger ones and lacking benefits deter candidates.[2]

The trucking industry is diversifying and the LGBTQ+ community is one potential source of new drivers but there may be barriers.[3] According to the Human Rights Campaign's 2022 Corporate Equality Index, J.B. Hunt lags others in providing an inclusive workplace.[4] The Index reports that the Company doesn't offer equal health coverage for transgender individuals or equivalency in same- and different-sex domestic partner benefits. Conversely, 86 percent of 1,200 CEI-rated businesses offer transgender-inclusive health coverage, whereas 77 percent offer inclusive benefits for same- and different-sex spouses and partners.

Affirmative transgender-inclusive healthcare benefits may include hormone replacement therapies, mental health services, surgical reconstruction, and other medically necessary procedures. While the Affordable Care Act removed categorical exclusions of gender-related care, insurers can still restrict some care for being "cosmetic" or "not medically necessary."[5] Providing domestic partner benefits is also considered best practice in the absence of full nondiscrimination policies nationwide.[6]

The Company discusses "difficulty in attracting and retaining drivers and delivery personnel" as a risk in its 10-K and its commitment to "supporting the health of its workforce, which includes access to high quality benefits" in its 2023 proxy. It is unclear in Company reporting whether equitable healthcare coverage is offered.

LGBTQ+ inclusion is a national issue with anti-transgender legislation being prominent. The discrimination, harassment, and structural barriers transgender people face lead to poorer health outcomes such as chronic disease, mental health problems, and substance abuse.[7] The added stress for LGBTQ+ employees or employees with LGBTQ+ children is high, affecting their well-being and productivity.

Additional costs associated with adding inclusive benefits are reportedly low. In a survey of 34 CEI-rated companies of varying sizes, 85 percent reported no costs involved with adding transgender coverage.[8] From a long-term shareholder value perspective, we believe companies adding inclusive benefits reflect their commitment to diversity and inclusion and may make them more competitive employers that are better positioned to recruit and retain employees.

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1 https://ata.msgfocus.com/files/amf_highroad_solution/project_2358/ATA_Driver_Shortage_Report_2022_Executive_Summary.October22.pdf

2 https://www.ajot.com/news/the-truck-driver-shortage-in-the-us-continues

3 https://www.npr.org/2023/07/22/1189580630/trucking-is-getting-more-diverse-partly-due-to-a-nationwide-shortage-of-drivers

4 https://reports.hrc.org/corporate-equality-index-2022?_ga=2.50746473.1554759222.1664484882-73899178.1663097317

5 https://www.americanprogress.org/article/advancing-health-care-nondiscrimination-protections-for-lgbtqi-communities/

6 https://assets2.hrc.org/files/assets/resources/HEI_2017_Case_for_DP_Benefits.pdf?_ga=2.58544489.233483072.1650475140-481851707.1600674840

7 https://www.americanprogress.org/article/protecting-advancing-health-care-transgender-adult-communities/

8 https://williamsinstitute.law.ucla.edu/publications/trans-employee-transition-coverage/

EXHIBIT B

(See attached)

MITCHELL | WILLIAMS

425 West Capitol Avenue, Suite 1800
Little Rock, Arkansas 72201-3525
Telephone: 501-688-8800
Fax: 501-688-8807

November 20, 2023

VIA ELECTRONIC MAIL (Hhan@trilliuminvest.com)

Hyewon Han
Director of Shareholder Advocacy
Trillium Asset Management, LLC
Two Financial Center
60 South Street, Suite 1100
Boston, Massachusetts 02111

Re: Shareholder Proposal for 2024 Annual Meeting of Shareholders of J.B. Hunt Transport Services, Inc.

Dear Ms. Han:

We are counsel to J.B. Hunt Transport Services, Inc. (the "Company"). On November 7, 2023, the Company received from Trillium Asset Management, LLC ("Trillium"), on behalf of Trillium ESG Small/Mid Cap Fund (the "Proponent"), a shareholder proposal (the "Proposal") relating to employee healthcare coverage for inclusion in the proxy statement for the Company's 2024 Annual Meeting of Shareholders. On November 8, 2021, the Company received additional correspondence from you in your capacity with Trillium regarding the Proposal and the Proponent.

The purpose of this letter is to provide notice that the Proposal contained a certain procedural deficiency, which the Company is required to bring to the Proponent's attention under applicable regulations of the Securities and Exchange Commission ("SEC").

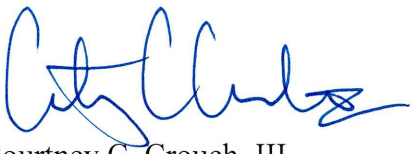
Rule 14a-8(b) of the Securities Exchange Act of 1934, as amended, requires a shareholder proponent to provide the company with a written statement that the shareholder intends to continue to hold the requisite number of shares through the date of the shareholders' meeting at which such proposal will be voted on by the shareholders. Please note that "[t]he shareholder must provide this written statement." *See* SEC Staff Legal Bulletin No. 14, Question (C)(l)(d) (July 13, 2001). While your letter from Trillium, dated November 6, 2023, notes that the Proponent intends to hold the required number of shares continuously through the date of the Company's 2024 Annual Meeting of Shareholders, this written statement must come from the Proponent. To date, the Company has not received the required statement from the Proponent. To remedy this defect, the Proponent must provide a written statement that it intends to continue to hold the requisite number of Company shares through the date of the Company's 2024 Annual Meeting of Shareholders.

To remedy the defect with your submission, the foregoing written documentation must be provided. The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date this letter is received. Please address any response to my attention at Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., 425 W. Capitol Ave., Suite 1800, Little Rock, Arkansas 72201. Alternatively, you may transmit any response by electronic mail to me at ccrouch@mwlaw.com.

If you have any questions with respect to the foregoing, please contact me at (501) 688-8822.

Sincerely,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By 

Courtney C. Crouch, III

EXHIBIT C

(See attached)

Courtney Crouch

From: Courtney Crouch
Sent: Monday, November 27, 2023 4:10 PM
To: Hyewon Han
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com); Jonas Kron
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal
Attachments: Trillium ESG Small Mid Cap Fund - Shareholder Proposal 11062023.pdf; Trillium Custodial Letter 2023 Proposal - 11082023.pdf

Hi Hyewon,

I hope you had a nice Thanksgiving holiday.

Attached are copies of the correspondence that the Company has received from you dated November 6, 2023 and November 8, 2023. Please let us know if there is anything we are missing.

We believe the statement of intent to hold the securities should be made by Trillium ESG Small/Mid Cap Fund, signed by the general partner or managing member of the Fund (or an officer of the general partner or managing member, if an entity).

Please let me know if you have any other questions or want to discuss.

Thank you,
Courtney

Courtney C. Crouch, III
T 501.688.8822
ccrouch@mwlaw.com
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

From: Hyewon Han <HHan@trilliuminvest.com>
Sent: Tuesday, November 21, 2023 3:05 PM
To: Courtney Crouch <CCrouch@mwlaw.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>; Jonas Kron <JKron@trilliuminvest.com>
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Hi Courtney,

We disagree with your analysis and this is the first time since the rule amendment that a company has asserted this argument with Trillium. We are unaware of any no-action letter that supports your position although, please do share such a no-action letter if you are aware of one. We are also curious who you think would be the person/entity that would be the appropriate one to send that letter of intent?

In your response, would you also kindly attach scanned copies of our cover letters? I would appreciate the opportunity to verify what we sent.

Thank you,
Hyewon

Hyewon Han | She / Her | Director of Shareholder Advocacy
Trillium | Boston
P:617-532-6670 | E: HHan@trilliuminvest.com |

From: Courtney Crouch <CCrouch@mwlaw.com>
Sent: Tuesday, November 21, 2023 2:21 PM
To: Hyewon Han <HHan@trilliuminvest.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>; Jonas Kron <JKron@trilliuminvest.com>
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Hi Hyewon,

Thank you for the prompt follow-up yesterday.

We respectfully disagree that the language you referenced from page 42 of the SEC's September 2020 final rule applies here. A broader reading of the final rule, particularly pages 35-42, and the language in Rule 14a-8(b)(1)(v) indicate that the "amendment" that the language on page 42 refers to (highlighted below) is specifically the addition of the new requirements under current subsection (b)(1)(iv) of Rule 14a-8 for written documentation related to the use of a representative to submit the proposal. The requirement we referenced in our notice letter is from subsection (b)(1)(ii) of Rule 14a-8. The requirement for the proponent to provide a statement of intent to hold the securities through the annual meeting was not substantially changed by the September 2020 final rule. Thus, the highlighted language from page 42 would apply to requirements under (b)(1)(iv) but not (b)(1)(ii).

Please let us know if you all disagree with that analysis.

Thank you,
Courtney

Courtney C. Crouch, III
T 501.688.8822
ccrouch@mwlaw.com
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

From: Hyewon Han <HHan@trilliuminvest.com>
Sent: Monday, November 20, 2023 3:35 PM
To: Courtney Crouch <CCrouch@mwlaw.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>; Jonas Kron <JKron@trilliuminvest.com>
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Hi Courtney,

In regard to your November 20, 2023 letter and the statement that the SEC required statement of intent must come from the Proponent, we believe that page 42 of the SEC's Final Rule for Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8 addresses your concern. Specifically, it states:

Furthermore, we are clarifying in response to commenters that, where a shareholder proponent is an entity, and thus can act only through an agent, compliance with the amendment will not be necessary if the agent's authority to act is apparent and self-evident such that a reasonable person would understand that the agent has authority to act. For example, compliance generally would not be necessary where a corporation's CEO submits a proposal on behalf of the corporation, where an elected or appointed official who is the custodian of state or local trust funds submits a proposal on behalf of one or more such funds, where a partnership's general partner submits a proposal on behalf of the partnership, **or where an adviser to an investment company submits a proposal on behalf of an investment company.**

https://www.sec.gov/files/rules/final/2020/34-89964.pdf (emphasis added).

We believe this language means that our filing materials meet all of the eligibility requirements of Rule 14a-8.

Please let me know as soon as possible if you disagree and if you disagree with our position, your explanation for why this language does not support our position.

Thank you,
Hyewon

Hyewon Han | She / Her | Director of Shareholder Advocacy
Trillium | Boston
P:617-532-6670 | E: HHan@trilliuminvest.com |

From: Courtney Crouch <CCrouch@mwlaw.com>
Sent: Monday, November 20, 2023 1:18 PM
To: Hyewon Han <HHan@trilliuminvest.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>; Jonas Kron <JKron@trilliuminvest.com>
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Thank you, Hyewon. I appreciate the quick reply.

Courtney

Courtney C. Crouch, III
T 501.688.8822
ccrouch@mwlaw.com
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

From: Hyewon Han <HHan@trilliuminvest.com>
Sent: Monday, November 20, 2023 12:13 PM
To: Courtney Crouch <CCrouch@mwlaw.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>; Jonas Kron <JKron@trilliuminvest.com>
Subject: RE: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Hello Courtney,

Thank you for letting me know. I am confirming receipt of your email and will respond after investigating the issue.

Best,
Hyewon

Hyewon Han | She / Her | Director of Shareholder Advocacy
Trillium | Boston
P:617-532-6670 | E: HHan@trilliuminvest.com |

From: Courtney Crouch <CCrouch@mwlaw.com>
Sent: Monday, November 20, 2023 1:03 PM

To: Hyewon Han <HHan@trilliuminvest.com>
Cc: Jennifer. Boattini (Jennifer.Boattini@jbhunt.com) <Jennifer.Boattini@jbhunt.com>
Subject: J.B. Hunt Transport Services, Inc. Shareholder Proposal

Dear Ms. Han,

Our firm is outside counsel to J.B. Hunt Transport Services, Inc. The company has asked us to assist them in reviewing the shareholder proposal you recently submitted for the company's 2024 Annual Meeting of Shareholders, which the company received on November 7, 2023.

Per SEC Rule 14a-8(f), I have attached a letter to notify the proponent of a certain procedural deficiency under Rule 14a-8 that we believe exists with respect to the proposal. Please feel free to contact me if you have any questions regarding this notification letter.

If you would, please kindly reply to acknowledge receipt of this email.

Regards,

MITCHELL | WILLIAMS

Courtney C. Crouch, III
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TRILLIUM
ASSET MANAGEMENT

January 18, 2024

Via online shareholder proposal form

Securities and Exchange Commission Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Request by J.B. Hunt Transport Services, Inc. to Omit Shareholder Proposal Submitted by Trillium Small/Mid Cap Fund

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Trillium ESG Small/Mid Cap Fund ("Trillium") submitted a shareholder proposal (the "Proposal") to J.B. Hunt Transport Services, Inc. ("J.B. Hunt" or the "Company"). In a letter to the Staff dated December 22, 2023 (the "No-Action Request"), the Company stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection to the 2024 annual meeting of shareholders. J.B. Hunt argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(10), (7), (3), (b) and (f). However, as discussed below, J.B. Hunt has not met *its burden* under Rule 14a-8(g) of proving it is entitled to exclude the Proposal. Therefore, the Proponents ask that its request for relief be denied.

The Proposal states:

> RESOLVED: To address LGBTQ+ inequality in society and employment, shareholders of J.B. Hunt Transport Services, Inc. ("Company") ask the Company to adopt and publicly disclose a policy (with details and timing at the discretion of the Company) of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity.

The Company has not substantially implemented the Proposal and therefore it is not excludable under Rule 14a-8(i)(10).

Gender-affirming care, as defined by the United States Department of Health & Human Services, "consists of an array of services that may include medical, surgical, mental health, and non-medical

services for transgender and nonbinary people."[1] Transgender people are commonly diagnosed with gender dysphoria and medical experts recognize that gender-affirming care is medically necessary.[2]

J.B. Hunt asserts that its Equal Employment Opportunity Policy "commits to offering benefits to all employees regardless of sexual orientation or gender identity" and has effectuated the Policy by offering equitable and non-discriminatory healthcare coverage to employees regardless of sexual orientation or gender identify. However, the Company's no-action request does not provide a copy of the healthcare coverage that it offers. Without that evidence, the staff is unable to assess for itself whether the Company has truly effectuated its EEO policy of non-discrimination. Through engagement dialogues with the Company, Trillium has been presented reasons to believe that JBHT's healthcare policy (1) expressly limits the availability of treatments for gender dysphoria to non-surgical treatments and (2) restricts coverage for plastic and/or cosmetic surgery specifically pertaining to gender dysphoria despite surgery being viewed in the medical and insurance fields as medically necessary to treat gender dysphoria. Accordingly, we believe the Company has not effectuated its own EEO Policy because the insurance coverage covers other medically necessary treatment but specifically excludes gender dysphoria. Therefore, the Company has not successfully implemented the Proposal, which has the essential objective of ensuring equitable healthcare coverage for all employees regardless of sexual orientation or gender identity.

We believe the discussion of other workplace benefits and support measures that the Company has presented as evidence of the Proposal being substantially implemented is irrelevant because the Proposal specifically focuses on equitable healthcare coverage.

Under 14a-8(g) the company bears the burden of proof that it is entitled to exclude the proposal. Without presenting its healthcare coverage policy, it has failed to meet its burden.

For the reasons provided above we respectfully request the staff conclude that the Company is not entitled to exclude the Proposal pursuant to Rule 14a-8(i)(10).

The Proposal is not excludable under Rule 14a-8(i)(7).

Rule 14a-8(i)(7) allows exclusion of proposals related to a company's ordinary business operations. In Staff Legal Bulletin ("SLB"), 14L (November 2021), the Division of Corporation Finance stated that it will apply the ordinary business standard the Commission provided in 1976, which articulated an exception for shareholder proposals that raise significant social policy issues, and which the Commission reaffirmed in its 1998 Interpretive Release of the rule. This significant social policy exception protects the critically important shareholder right to bring significant issues before other shareholders via the

[1] HHS Office of Population Affairs, "Gender-Affirming Care and Young People."
[2] American Civil Liberties Union, "Doctors Agree: Gender-Affirming Care Is Life-Saving Care."

proxy statement even though it may implicate the day-to-day business matters that are the typical province of management. As such, pursuant to SLB 14L, the staff will not focus on the particular implications of the policy issue on the day-to-day business matters of the company but instead, it will place analytical emphasis on the social policy significance of the issue that is the shareholder proposal focuses on. Accordingly, in keeping with the 1976 and 1998 Commission articulations of the 14a-8(i)(7) standard, the staff will seek to determine whether the company has met its burden of demonstrating that societal impact identified in the proposal does not transcend the ordinary business of the company. SLB 14L commented specifically on workforce-related proposals, stating that "proposals squarely raising human capital management issues with a broad societal impact would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company." Finally, SLB 14L made clear that the Staff "will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management."

J.B. Hunt argues that the Proposal relates to the Company's ordinary business operations because it "relates to general employee benefit matters," and seeks to micromanage the company while also not focusing on a significant social policy issue that transcends the Company's ordinary business operations.

The Proponents do not dispute that proposals on general employee compensation and benefits, without more, deal with ordinary business operations. But companies are generally not allowed to rely on the ordinary business exclusion to omit such proposals if they "focus[] on sufficiently significant social policy issues."[3] The Division's standard for a significant policy issue is eight years.[4] Over the past eight years and long before that, LGBTQ+ inclusion has been the consistent subject of widespread public debate.[5] This growing public concern and policy activity have been amplified during and after the Trump presidency as conservative politicians seek to restrict healthcare for transgender individuals.

Obergefell v. Hodges established marriage equality for the LGBTQ+ community in 2015. After the *Obergefell* ruling, the Human Rights Campaign, a prominent LGBTQ+ advocacy organization, urged companies to maintain domestic partner benefits for the sake of continued equitable access to healthcare. According to the HRC, requiring legal marriage for the extension of medical benefits for family members introduced risk to employees and their families who lived in states without full non-discrimination protections and jeopardized their insurance standing.[6] Advocacy organizations also continued to support the continuation of domestic partner benefits even after the *Bostock v. Clayton County* decision in 2020 affirming that Title VII of the Civil Rights Act of 1964 prohibits discrimination on

[3] Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release").
[4] See, e.g., https://www.sec.gov/interps/legal/cfslb14a.htm.
[5] See, e.g., https://www.sec.gov/interps/legal/cfslb14a.htm.
[6] Human Rights Campaign, "HRC Encourages Business Community to Maintain Domestic Partner Benefits."

the basis of sexual orientation or gender identity for many of the similar reasons. The proportion of large companies offering same-sex domestic partner benefits was 42% in 2012 prior to Obergefell vs. 45% of large firms in 2023 after Bostock. Although the proportion was expected to drop, it has not – demonstrating that companies may still find it important and/or worthwhile to offer this benefit to maintain equitable healthcare coverage.[7]

Medical guidelines and insurance coverage have also expanded through the past nine years and continue to evolve to accommodate LGBTQ+ inclusive care. In June 2023, the World Health Organization announced the development of a guideline with a focus on increasing access and utilization of health services by transgender and gender-diverse individuals, with specific focuses on the provision of gender-affirming care and health policities that support gender-inclusive care.[8] Professional associations such as The American College of Physicians, the American Medical Association, the American Psychiatric Association, the American Psychological Association, the American Public Health Association, and the American Society of Plastic Surgeons, among dozens of others, have established that treating gender dysphorica is medically necessary and importantly have "explicitly rejected insurance exclusions for transgender-related care."[9] The Trans Health Project alleges that "virtually all major insurance companies recognize that transgender-related medical care is medically necessary."[10]

Healthcare rights for transgender Americans is also a current matter of significant public debate:

- In October 2023, the State of Georgia began paying for gender-affirming healthcare for state employees, public school teachers, and former employees covered by a state health insurance plan. It was the fourth case for Georgia agencies, which have lost or settled previous suits.[11]
- In October 2023, Arizona was banned from excluding gender-affirming care in state health insurance plans.[12]
- In December 2023, Blue Cross Blue Shield of Illinois was ordered in *C.P. et al., v. Blue Cross Blue Shield of Illinois* to cease discriminatory exclusions on gender affirming care in all plans across the country. An important point to note is that the court order forbids the insurance provider from applying exclusions even when requested to do so by an employer.[13]

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[7] Dawson and Rae, "Has Marriage Equality for LGBTQ People Impacted Access to Domestic Partner Health Benefits? | KFF."

[8] World Health Organization, "WHO Announces the Development of a Guideline on the Health of Trans and Gender Diverse People."

[9] Trans Health Project, "Medical Organization Statements on Transgender Health Care."

[10] "Trans Health Project - Health Insurance Medical Policies"

[11] Amy, "Georgia Agrees to Pay for Gender-Affirming Care for Public Employees, Settling a Lawsuit."

[12] Yeager-Malkin, "US Court Bans Arizona from Excluding Gender-Affirming Care from State Health Insurance Plans."

[13] Parshall, "VICTORY: Blue Cross Blue Shield of Illinois May Not Exclude Gender Affirming Care in Any Health Plan - Lambda Legal."

- In December 2023, California Attorney General Rob Bonta led 20 attorneys general in filing an amicus brief in *Dekker v. Weida* to challenge Florida law and administrative rule that bans Medicaid payment for the treatment of gender dysphoria (previously available to transgender individuals). The attorneys general argue that the rule and statute harm the health and lives of transgender people by denying medically necessary care. Attorney General Bonta also led similar amicus briefs regarding gender-affirming care in Oklahoma, Kentucky, Indiana, and Tennessee in 2023.[14]
- Lawsuits involving the States of North Carolina and West Virginia regarding gender-affirming care access in government-sponsored insurance are currently being considered in federal court and will likely move to the Supreme Court.[15]
- In 2023, at least five states have passed bills protecting transgender healthcare through legal protections, coverage, and access, while at least twelve states have passed bills to limit or ban gender-affirming care.[16]

Finally, LGBTQ+ inclusion is a topic of interest specifically within the trucking community. Transgender truckers have explicitly described healthcare coverage for LGBTQ+ people a challenge in the industry with certain commonly-offered insurance plans failing to cover all healthcare needs for the gender transition process. Affinity groups such as CDL Life, "the largest online community of truck drivers in the United States," have started creating lists of inclusive trucking companies and advocacy organizations related to inclusion in the trucking industry.[17]

It is evident that LGBTQ+ inclusion and equitable healthcare coverage qualify as matters of significant social policy given the enormous body of evidence that there are established professional guidelines around gender-affirming care, legal precedents and open lawsuits regarding healthcare access at both the private and public level, and industry-specific discourse related to LGBTQ+ inclusion. The SEC has previously established that proposals pertaining to benefits such as paid time off for sick leave are not matters of ordinary business because they raise human capital management issues with a broad societal impact and do not micromanage the company (see CVS Health Corporation, March 15, 2022).

For the reasons provided above, we believe the Company is not entitled to exclude the Proposal and urge the staff to reach the same conclusion.

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[14] State of California Department of Justice Office of the Attorney General, "Attorney General Bonta Leads Multistate Amicus Brief in Support of Healthcare Rights for Transgender Americans."
[15] Willingham, "Appeals Court Takes up Transgender Health Coverage Case Likely Headed to Supreme Court | AP News."
[16] Ferguson, "Minnesota to Join at Least 4 Other States in Protecting Transgender Care This Year."
[17] CDLLife, "Driver Resource: LGBTQ+ Inclusive Carriers & Groups."

The Proposal does not contain impermissible vague and indefinite language that is materially misleading and does not violate Rule 14a-8(i)(3).

Any discussion of the Company's arguments in pages 31-41 of the No-Action Request should begin with Staff Legal Bulletin 14B (September 15, 2004).

As this SLB states:

> … many companies have begun to assert deficiencies in virtually every line of a proposal's supporting statement as a means to justify exclusion of the proposal in its entirety. Our consideration of those requests requires the staff to devote significant resources to editing the specific wording of proposals and, especially, supporting statements. During the last proxy season, nearly half the no-action requests we received asserted that the proposal or supporting statement was wholly or partially excludable under rule 14a-8(i)(3).

We believe that the staff's process of becoming involved in evaluating wording changes to proposals and/or supporting statements has evolved well beyond its original intent and resulted in an inappropriate extension of rule 14a-8(i)(3). In addition, we believe the process is neither appropriate under nor consistent with rule 14a-8(l)(2), which reads, "The company is not responsible for the contents of [the shareholder proponent's] proposal or supporting statement." Finally, we believe that current practice is not beneficial to participants in the process and diverts resources away from analyzing core issues arising under rule 14a-8.

It goes on to provide clarification for companies about how to appropriately use rule 14a-8(i)(3):

> … because the shareholder proponent, and not the company, is responsible for the content of a proposal and its supporting statement, we do not believe that exclusion or modification under rule 14a-8(i)(3) is appropriate for much of the language in supporting statements to which companies have objected. Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:
>
> - the company objects to factual assertions because they are not supported;
> - the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
> - the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
> - the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

SLB 14B perfectly describes the problem with the Company's arguments. Accordingly, we will not contribute further to a situation that "requires the staff to devote significant resources" to this question and will simply point out that the company has run afoul of exactly the behavior the staff sought to stop almost 20 years ago.

With respect to the Company's argument regarding the term "equitable," we note that "equitable" is reasonably understood as an umbrella term that establishes compliance with existing laws and norms as the floor and goes above and beyond to meet the needs of marginalized populations. Along those lines, exclusions for gender-affirming care appear to be the exception and not the norm, as evidenced by the Human Rights Campaign's Corporate Equality Index (CEI) 2023-2024 results that show 73% of the Fortune 500 and 94% of the 1,384 CEI-rated businesses offer transgender-inclusive health insurance coverage. Given the widespread public discussion of the concept of equitable treatment of LGBTQ+ people and corporate conduct as evaluated by the CEI, we believe that both shareholders and the Company would be able to reasonably conclude that offering "non-discriminatory" and "medically necessary care" qualifies as equitable and not find the term confusing.

We would only add that there is no requirement under rule 14a-8 that terms be defined or even universally agreed upon. See Microsoft Corporation (September 14, 2000) where the Staff required inclusion of a proposal that requested the board of directors implement and/or increase activity on eleven principles relating to human and labor rights in China. In that case, the company argued "phrases like 'freedom of association' and 'freedom of expression' have been hotly debated in the United States" and therefore the proposal was too vague. See also, Yahoo! (April 13, 2007), which survived a challenge on vagueness grounds where the proposal sought "policies to help protect freedom of access to the Internet"; Cisco Systems, Inc. (Sep. 19, 2002) (Staff did not accept claim that terms "which allows monitoring," "which acts as a 'firewall,'" and "monitoring" were vague); and Cisco Systems, Inc. (Aug. 31, 2005) (Staff did not accept claim that term "Human Rights Policy" was too vague). See also, AT&T Inc. (January 24, 2022) where the company argued that "the Proposal fails to define a number of key terms and phrases essential to the Proposal." Specifically, the staff rejected the company's argument that the proponent failed to define the ters in the sentence "improve executive compensation program, such as to include the executive pay ratios factor and voices from employees." Also, see The Bank of New York Mellon Corporation (January 24, 2022).

Trillium has not failed to prove its eligibility to submit the Proposal under Rule 14a-8(b) and 14a-8(f).

Trillium ESG Small/Mid Cup Fund has submitted written documentation that satisfies the requirement of Rule 14a-8b(b) that the fund intends to continue holding Company shares through the date of the 2024 Annual Meeting (see Exhibit A in J.B. Hunt's No-Action Request).

In adopting the Exchange Act Rule 14a-8, Exchange Act Release No. 34-89964 (September 23, 2020) ("the 2020 Release"), the SEC made it clear that investors have the right to select their agent to represent them in filing shareholder proposals. Recognizing that there were questions "as to whether the shareholder has a genuine and meaningful interest in the proposal," the rule established the need for the authorization letter. In doing so, the SEC also made it clear that there were circumstances where formalizing the voice of the underlying shareholder in the form of an authorization letter would not be required. One of those cases was when "the agent's authority to act is apparent and self-evident such that a reasonable person would understand that the agent has authority to act," giving the example of an adviser to an investment company.

J.B. Hunt argues in order for Trillium, the agent, to fulfill the requirements of (b)(1)(ii), it would have to substantiate the filing letter's statement that Trillium ESG Small/Mid Fund intends to hold the required number of shares through the date of the annual meeting with separate documentation authorized by a general partner or manager of the Fund. We believe this would be inconsistent with the policy determinations made in the 2020 Release as it would require us to provide additional documentation similar to that required in (b)(1)(iv).

Formalizing the voice of the underlying shareholder (Trillium ESG Small/Mid Cap Fund) and providing a separate authorization letter from the underlying shareholder to fulfill (b)(1)(ii) would not be necessary because a reasonable person would find it apparent and self-evident that Trillium, as the agent, has the authority to act, in line with the standards set by the SEC. The authority to act includes declaring the intention to continue holding the shares according to the requirements of (b)(1)(ii). Therefore, a declaration by the agent that the shareholder intends to hold the shares is in fact an affirmative statement fulfilling the requirements of (b)(1)(ii). It is under this provision that the filing letter accompanying the Proposal indicates "Trillium ESG Small/Mid Cap Fund intends to hold the required number of shares continuously through the date of the 2024 annual meeting" (see Exhibit A in J.B. Hunt's No-Action Request).

J.B. Hunt's request for relief is particularly unusual given that no company has ever challenged any of our shareholder proposals for failing to meet the requirements of Rule 14a-8(b)(1)(ii). Every company has accepted our filing letters indicating the Trillium fund(s)' intent to continue holding the requisite shares through the annual meeting. We ask how this can be the only exception.

Accordingly, we respectfully request the Staff reject the argument made by the Company that the Proposal may be excluded pursuant to Rule 14a-8(b) and Rule 14a-8(f).

Conclusion

For all the reasons set forth above, the Proponents respectfully ask that J.B. Hunt's request for relief be denied.

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at 413-522-2899.

Sincerely,

Jonas D. Kron
Chief Advocacy Officer
Trillium Asset Management

Cc: Jennifer Boattini
SVP Legal and Litigation, General Counsel, Corporate Secretary
J.B. Hunt Transport Services, Inc.

Courtney C. Crouch, III
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January 26, 2024

VIA ONLINE SHAREHOLDER PROPOSAL FORM

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

RE: J.B. Hunt Transport Services, Inc.
Exclusion of Shareholder Proposal of Trillium Asset Management, LLC
Securities Exchange Act of 1934 – Rule 14a-8

Ladies and Gentlemen:

This letter is submitted by J.B. Hunt Transport Services, Inc., an Arkansas corporation (the "Company" or "J.B. Hunt"), to respond to the letter from Trillium Asset Management, LLC ("Trillium") on behalf of Trillium ESG Small/Mid Cap Fund (the "Proponent") to the Staff of the Division of Corporation Finance (the "Staff") of the U.S Securities and Exchange Commission (the "Commission"), dated January 18, 2024 (the "Trillium Letter"), objecting to the Company's intention to exclude from its 2024 proxy materials (the "Proxy Materials") the shareholder proposal submitted by Trillium (the "Proposal"). We are authorized to submit this letter on the Company's behalf.

The Proposal requests that the Company include a resolution in the Company's 2024 proxy statement to adopt and publicly disclose a policy of equitable healthcare coverage for all employees, regardless of sexual orientation or gender identity. The Company's substantive bases for exclusion of the Proposal are set forth in our initial letter to the Staff dated December 22, 2023 (the "Initial Letter"). The Company is now supplementing the Initial Letter to respond to certain assertions made in the Trillium Letter. The Company also renews its request for confirmation that the Staff will not recommend enforcement action to the Commission if the Company omits the Proposal from its 2024 Proxy Materials in reliance on Rule 14a-8.

In accordance with relevant Staff guidance, this letter is being submitted to the Staff via the Staff's online portal. Also, in accordance with Rule 14a-8(j), a copy of this letter is also being e-mailed to Trillium in its capacity as representative of the Proponent.

A. *The Proposal has been substantially implemented*.

In the Trillium Letter, Trillium asserts that the Company has not substantially implemented the Proposal based on Trillium's assertion that the Company has not effectuated its Equal Employment Opportunity Policy ("EEO Policy") of offering non-discriminatory benefits to its employees and the fact that the Company has not presented its healthcare coverage to the Staff in its Initial Letter. The Trillium Letter further states that "[t]hrough engagement dialogues with the Company, Trillium has been presented reasons to believe that [the Company's] healthcare policy [...] restricts coverage for plastic and/or cosmetic surgery *specifically pertaining to gender dysphoria* despite surgery being viewed in the medical and insurance fields as medically necessary to treat gender dysphoria" (emphasis added).

The Company believes this characterization of its healthcare coverage is incorrect and misleading. The Company's healthcare plan does not reference gender dysphoria or gender identity in its coverage or exclusion from coverage of plastic or cosmetic surgery. The Company's plan contains a general exclusion for cosmetic, plastic and reconstructive surgeries, regardless of gender identity or sexual orientation, subject to limited exceptions that apply to all plan participants.

Specifically, the Company's 2023 Summary Plan Description for High Deductible Health Plan Medical Benefits, the relevant text of which was provided to Trillium in its dialogues with the Company prior to the Trillium Letter, states under the "General Exclusions" section that:

> Coverage is not provided for charges for:
>
> […]
>
> - plastic surgery, reconstructive surgery, cosmetic surgery, or other services and supplies which improve, alter, or enhance appearance, whether or not for psychological or emotional reasons; except to the extent needed to:
>   - improve the function of a part of the body that is not a tooth or structure that supports the teeth and is malformed:
>   - as a result of a severe birth defect; including harelip, webbed fingers, or toes; or
>   - as a direct result of disease or surgery performed to treat a disease or injury
>   - repair an injury. Surgery must be performed in the calendar year of the accident which causes the injury; or in the next calendar year

The Company therefore reiterates its assertion that it provides non-discriminatory healthcare coverage to its employees and thus has effectuated its EEO Policy. Because the

Company has adopted and publicly disclosed (and has effectuated) a policy of equitable healthcare coverage through its EEO Policy, the Company has substantially implemented the Proposal.

B. *The Proposal deals with matters relating to the Company's ordinary business operations.*

The Trillium Letter describes a number of recent developments in various states around the country as evidence of the status of current public debate regarding transgender healthcare rights. We believe Trillium's summary of these recent developments, however, mischaracterizes the state of the law regarding an employer's obligations to cover any and all treatments for gender dysphoria and is an oversimplified representation of recent court cases based on news articles that Trillium cites. For example, Trillium suggests that "Arizona was banned from excluding gender-affirming care in state health insurance plans." In that referenced case, the Federal District Court for the District of Arizona approved a *settlement agreement and consent decree* after the State of Arizona *voluntarily* removed an exclusion through an Executive Order by its newly-elected governor. *See*, *Toomey v. Arizona*, No. CV-19-00035, 2023 WL 6377273, (D. Ariz. Sept. 29, 2023). Further, in *C.P. et al., v. Blue Cross Blue Shield of Illinois*, the plain language in the plan at issue clearly excluded "Transgender Reassignment Surgery." J.B. Hunt's plan has no such exclusion. Instead, it neutrally excludes plastic, reconstructive, and cosmetic surgery and other services and supplies that improve, alter, or enhance appearance except in limited circumstances. Finally, most of the cases to which Trillium cites, including those in Arizona, Georgia, North Carolina, and West Virginia, relate to health plans sponsored by governmental entities rather than private employers such as the Company.

The Company affirms and reiterates the statements and assertions made in the Initial Letter with respect to its exclusion of the Proposal in reliance on Rule 14a-8(i)(7). The Company further believes that the inherent vagueness and subjectivity in determining what is "equitable" healthcare coverage, as discussed below, and the level of detailed policy terms that must be analyzed to make a judgment as to whether or not the policy requested by the Proposal has been effectuated, also indicate that such determinations are properly left to management and would not be appropriately within the shareholders' purview, consistent with the ordinary business operations exclusion in Rule 14a-8(i)(7).

C. *The Proposal contains impermissible vague and indefinite language that is materially misleading.*

The Company affirms and reiterates the statements and assertions made in the Initial Letter with respect to its exclusion of the Proposal in reliance on Rule 14a-8(i)(3). The Company further submits that the bulleted circumstances quoted in the Trillium Letter from Staff Legal Bulletin No. 14B (Sep. 15, 2004), for which the Staff has stated that exclusion of a proposal pursuant to Rule 14a-8(i)(3) would not be appropriate, are not implicated here. Interpretation of the term "equitable" healthcare coverage is central to the Proposal. Because "equitable" is inherently vague and indefinite and could reasonably be interpreted in different ways by the Proponent, the Company

and other shareholders, and because the Proposal leaves the details of the policy to be determined by the Company, this ambiguity effectively prevents the shareholders from being able to determine with any reasonable certainty exactly what actions or measures the Proposal would require the Company to take to adopt and implement the policy requested by the Proposal. The Company's and Trillium's differing views on whether the Company has implemented equitable healthcare coverage in accordance with its EEO Policy illustrate the inherent vagueness and subjectivity in the Proposal.

D. *The Proponent failed to prove its eligibility to submit the Proposal.*

The Company affirms and reiterates the statements and assertions made in the Initial Letter with respect to its exclusion of the Proposal in reliance on Rule 14a-8(b) and Rule 14a-8(f).

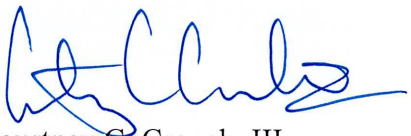
Conclusion

For the reasons discussed in the Initial Letter and further discussed above, the Company believes that it may properly omit the Proposal and supporting statement from its 2024 Proxy Materials in reliance on Rule 14a-8. Accordingly, we respectfully request the Staff's concurrence in our view set forth herein and in the Initial Letter or, alternatively, confirmation that the Staff will not recommend any enforcement action to the Commission if the Company so excludes the Proposal from its Proxy Materials.

We appreciate the Staff's consideration of this request. Please contact me at ccrouch@mwlaw.com, or (501) 688-8822, if you have any questions or we can provide any additional information.

Very truly yours,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By 
Courtney C. Crouch, III

cc: Ms. Jennifer Boattini
SVP Legal and Litigation, General Counsel, Corporate Secretary
J.B. Hunt Transport Services, Inc.

Ms. Hyewon Han
Mr. Jonas Kron
Trillium Asset Management, LLC

TRILLIUM
ASSET MANAGEMENT

February 2, 2024

Via SEC Online Submission Form

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Request by J.B. Hunt Transport Services, Inc. to omit Shareholder Proposal Submitted by Trillium ESG Small/Mid Cap Fund

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Trillium ESG Small/Mid Cap Fund ("Trillium"); submitted a shareholder proposal (the "Proposal") to J.B. Hunt Transport Services, Inc. ("J.B. Hunt" or the "Company").

In a letter to the SEC Staff ("Staff") submitted December 22, 2023 (the "No-Action Request"), the Company stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the 2024 annual meeting of shareholders.

In a letter to the Staff submitted January 19, 2024 ("Trillium's Response Letter"), Trillium asked that Travelers' request for relief be denied because J.B. Hunt did not meet its burden under Rule 14a-8(g) of proving it is entitled to exclude the Proposal.

In a letter to the Staff submitted January 26, 2024 ("J.B. Hunt's Response Letter"), the Company provided a rebuttal regarding substantial implementation, ordinary business, vague and indefinite language, and failure to prove eligibility for submission.

We would like to take the opportunity to respond to a few assertions made in J.B. Hunt's Response Letter and once again respectfully request that the Staff deny J.B. Hunt's request for relief.

A. The Proposal has not been substantially implemented.

J.B. Hunt has provided evidence which it believes substantiates its claim the Company's Equal Employment Opportunity Policy (the "EEO Policy") has been effectuated and therefore the Company has substantially implemented the Proposal. However, as discussed below, not only has the Company selectively disclosed information and provided an incomplete picture, but it also shared additional language with Trillium not included in its Response Letter that suggests the Company's healthcare insurance policy is discriminatory.

As previously established in Trillium's Response Letter, "gender dysphoria" is a common diagnosis for transgender patients. It is understood as a psychological condition and is often the basis for beginning the treatment process.[1] In order to decrease or eliminate gender dysphoria, doctors recommend gender-affirming treatments, which may include surgery. According to the Company's 2023 Summary Plan Description for High Deductible Health Plan Medical Benefits shared in J.B. Hunt's Response Letter, the policy explicitly and categorically restricts all plastic, reconstructive, and cosmetic surgeries "whether or not for psychological reasons" and "except to the extent needed" for different qualifications related to improving the function of body parts malformed by birth defects, diseases or previous surgeries, and repair of injuries. The covered criteria are uncharacteristically narrow – virtually all major insurance companies opt to use "medically necessary" instead. That aside, the blanket exclusion of care outside the criteria creates a discriminatory effect. While the policy may not explicitly declare an exclusion for gender dysphoria, gender dysphoria (officially established as a psychological condition) falls under the umbrella of "psychological reasons" that the policy excludes. Therefore, the complete treatment of gender dysphoria is implicitly excluded from the application of J.B. Hunt's health insurance policy. We ask how an exclusion of treatment for medically necessary psychological reasons can be justified as non-discriminatory when a specific population of LGBTQ+ employees, who are covered by Title VII of the Civil Rights Act of 1964, are affected and cannot access care.

As J.B. Hunt shared with Trillium, J.B. Hunt's 2023 Summary Plan Description for High Deductible Health Plan Medical Benefits specifically includes a section titled "Non-Surgical Treatment of Gender Dysphoria" with guidance language as follows:

"Coverage of non-surgical treatment of Gender Dysphoria is **limited** to the following services:

(a) Behavioral health counseling to determine and support the candidates desire to live and be accepted as a member of the opposite sex and to identify any clinical distress or impairment in social, occupational, or other important areas of functioning.
(b) Hormonal therapy that is recommended by a mental health professional and provided under the supervision of a Physician.
(c) Evaluation and management services provided by a Physician." (emphasis added)

A policy should be examined as a sum of its parts. By applying the criteria of the "Non-Surgical Treatment of Gender Dysphoria" and the "General Exclusions" section it would appear that a transgender employee would not be able to access the complete range of medically necessary gender-affirming care, including plastic, cosmetic, and reconstructive surgery. Although J.B. Hunt asserts that the policy has limited circumstances that apply to all plan participants, the important point to note is that in practice, the policy would specifically discriminate against sexual orientation and gender identity.

As an example, we compare the practical application of J.B. Hunt's policy to two different medically necessary procedures, a blepharoplasty vs. top surgery. A blepharoplasty, or an eyelid lift, is a plastic

[1] American Psychiatric Association, "What is Gender Dysphoria?"

surgery procedure that improves impaired vision caused by excess eyelid skin that droops into the field of vision (sometimes due to aging and loss of skin elasticity). While medically necessary, a blepharoplasty may not be covered under J.B. Hunt's exclusions because the treatment does not improve the function of a body part malformed by a birth defect, disease, or surgery performed to treat disease/injury, nor would the surgery repair an injury. Such an exclusion, while unfortunate for the patient, does not cause a disparate impact to anyone based on race, color, religion, sex, or national origin. A top surgery to feminize or masculinize the chest is a plastic surgery procedure to reduce gender dysphoria. The same policy would apply, for the treatment does not squarely fit into any of the listed criteria for claim approval – but the exclusion of such medically necessary treatment specifically and only affects transgender people. Supporting this conclusion, we would also point to The Human Rights Campaign's Corporate Equality Index which reviews thousands of health insurance policies each year to determine whether they offer equal benefits to transgender employees.[2] A third-party with expertise on this subject matter that conducts such extensive research would be able to make a qualified assessment of whether a policy offers equivalency. Based on their review of J.B. Hunt's policy, the organization has concluded that J.B. Hunt does not provide equal health coverage for transgender employees without exclusion for medically necessary care.

Based on the above discussion, we believe that J.B. Hunt's healthcare insurance policy is discriminatory, J.B. Hunt's EEO Policy has not been effectuated, and the Proposal has not been substantially implemented.

B. The Proposal transcends ordinary business matters and deals with a significant social policy issue.

J.B. Hunt asserts that Trillium's documentation of recent developments around LGBTQ+ healthcare mischaracterizes the law regarding an employer's obligations to cover treatments for gender dysphoria and oversimplifies recent court cases. J.B. Hunt then goes onto elaborate why the evidence Trillium cited is not explicitly relevant to J.B. Hunt as grounds for (i)(7) exclusion. The issue with this analysis is that the Staff has already clarified that a Proposal need not address the nexus between a policy issue and the company.

In Staff Legal Bulletin 14E (October 27, 2009), the Staff required that a proposal permitted under the significant policy exception was required to have a "nexus" to the company business. However, as we noted in Trillium's Response Letter, the Staff clarified that it would refocus its analysis of the significant social policy exception on the policy in question, and not the nexus between the policy issue and the company. In Staff Legal Bulletin 14L (November 3, 2021), the Staff wrote:

> "For example, proposals squarely raising human capital management issues with a broad societal impact would not be subject to exclusion solely because the proponent did not demonstrate that the human capital management issue was significant to the company."

[2] https://www.hrc.org/resources/corporate-equality-index

The Staff has also stated that shareholder proposals involve significant social policies if they involve issues that engender widespread debate, media attention, and legislative and regulatory initiatives.[3] We believe that the submitted evidence in Trillium's Response Letter demonstrates exactly that with examples of LGBTQ+ healthcare rights receiving media attention across numerous publications, discussed in the public, and litigated and enforced through courts and regulatory bodies.

Accordingly, we believe that the Proposal regarding healthcare insurance benefits affecting LGBTQ+ employees, a protected class under Title VII of the Civil Rights Act of 1964, discusses a significant social policy issue and transcends matters of ordinary business.

C. Other Matters

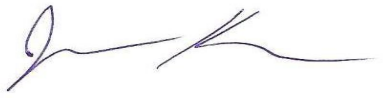
We reiterate our arguments made in Trillium's Response Letter regarding Rule 14a-8(i)(3), Rule 14a-8(b), and Rule 14a-8(f) and have no further comments to add.

D. Conclusion

For all the reasons above, it is evident that the company has not met its burden to demonstrate it is entitled to exclude the Proposal, and we once again respectfully ask that J.B. Hunt's request for relief be denied.

Trillium appreciates the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at 413-522-2899.

Sincerely,



Jonas D. Kron
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SVP Legal & Litigation, General Counsel, Corporate Secretary
J.B. Hunt Transport Services, Inc.

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[3] JD Supra, SEC Staff's Latest Guidance Presents Dilemma for Companies Seeking to Exclude Shareholder Proposals on Environmental and Social Issues (January 4, 2018) ("In a June 30, 2016 stakeholder meeting, the Staff indicated that significant policy issues are matters of widespread public debate, which include legislative and executive attention and press attention.")