June 10, 2022

The Honorable Gary Gensler
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

RE: Proposed Rule*: The Enhancement and Standardization of Climate-Related Disclosures for Investors [File Number S7-10-22]*

Dear Chairman Gensler:

The Salt Lake Chamber appreciates the opportunity to share our views in response to the Securities and Exchange Commission's request for comment on The Enhancement and Standardization of Climate-Related Disclosures for Investors.

As Utah's largest and longest-serving business association, the Chamber promotes economic and civil progress by supporting and advocating for business. The Chamber exists in large part to make Utah prosperous, by implementing policy initiatives and providing resources for a sustainable business climate and workforce. Our membership ranges from large multinational corporations to small mainstreet businesses. Therefore, we strive to take a holistic view in confronting challenges that impact our diverse business community.

After careful study of this rule, we are concerned about the harmful impacts it could have on capital access/flow, supply chains, product pricing, and innovation. This proposed rule adds another layer of complexity that goes well beyond what reasonable investors would need to know to inform their decisions about whether to buy, sell or hold stock or how to vote on company proposals.

We oppose mandating extensive disclosures around non-financial information as it is a departure from the traditional mission of the SEC. To do so, would set a precedent and path towards politicizing the disclosure and financial reporting process in a manner unhelpful to investors.

The proposed rule has the potential to destabilize and disrupt a fragile economic recovery from the worst pandemic in a century. Capital is the lifeblood of the economy and requiring a new complex reporting apparatus could stifle a company's access to funds. The added burden of gathering information necessary for disclosures may also encourage customers to avoid publicly traded firms in favor of privately-held or less regulated arenas. Such reallocation of capital and banking relationships is harmful to the overall economy and reduces economic choice and vibrancy.

Regarding climate-related issues, the SEC should put investors' climate concerns in context with other concerns. A focus solely on – or overly focused on – climate concerns can lead to broad economic dislocation and damage, which does not benefit the investors that the SEC seeks to protect. Reporting requires research and information and would extend down one's supply chain placing a heavy burden on companies to fulfill.

This new burden is likely to hurt the consumer products industry the most as they require more carbon inputs. The likely outcome would be an increase in product pricing to offset carbon footprints or reporting requirements on suppliers along the supply chain. This is the wrong time to enact rules that increase inflation on American individuals and families already struggling under unprecedented prices.

Moreover, seeking to implement these new rules on business would short circuit the natural process of innovation and harm our entrepreneurial ecosystem. The renewable technologies we all seek are not currently advanced enough to handle an immediate shift envisioned by the proposed rule. Innovation has brought many advances in the climate space but they come through the process of time and the scientific method. Encouraging development with capital should be the policy, not layering on rules which may misdirect funds from a potential technology solution.

We appreciate the SEC's interest in our comments and oppose mandating extensive disclosures around non-financial information.

Sincerely,

Derek B. Miller
President and CEO
Salt Lake Chamber