OREGON STATE TREASURY

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July 22, 2026

Ms. Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File No. S7-2026-19 — Proposed Rescission of Climate-Related Disclosure Rules (Release Nos. 33-11421; 34-105572)

Dear Ms. Countryman:

As the Treasurer for the State of Oregon, I write on behalf of the Oregon State Treasury (OST) to oppose the Commission's proposal, published in the Federal Register on June 3, 2026, to rescind the climate-related disclosure rules adopted in March 2024. The Oregon State Treasury invests more than $147 billion, including $101 billion for the Oregon Public Employees Retirement Fund (OPERF), the seventeenth-largest public pension fund in the nation. That trust secures the retirement of roughly 400,000 active and retired Oregon public employees. We invest under policies set by the Oregon Investment Council and under a statutory duty of prudence, and we offer these comments to protect our beneficiaries' assets and to fulfill our obligations to them.

For a fund of our size and with an indefinite horizon, prudence, care, diversification, and cost all dictate that we hold interests in thousands of companies across every sector of the economy for the long term. We cannot trade or allocate our way around a risk that touches the whole market. Climate-related financial risk sits in our portfolio whether or not companies disclose it. What disclosure determines is whether we manage that risk with reliable information or with estimates and guesswork. Uniform disclosure remains the only way to get reliable information across a broad portfolio, and that information is how we manage the risk on behalf of our beneficiaries.

For Oregon, the consequences of rescission are practical, not abstract, and they refute the release's assumption that the proposal implicates no reasonable reliance interests because the rules were stayed. In 2025, the Oregon Legislature passed the Climate Resilience Investment Act, which directs the Treasurer and the Oregon

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Investment Council to analyze and report to the Legislature on climate-related financial risk in OPERF, including the portfolio's Scope 1 and Scope 2 emissions intensity. That statutory program was built on the reasonable expectation that standardized, issuer-reported data was coming.

In adopting the rules, the Commission found that mandatory, standardized disclosure was needed to improve the consistency, comparability, and reliability of climate-related information, that it would help investors assess and correctly price risk, and that it would curb selective reporting and reduce information gaps between companies and their shareholders. Nothing in the current proposal presents new evidence that those findings were wrong or that investors have stopped needing the information. The need the Commission documented two years ago has grown, not gone away. An agency that built one of the most extensive rulemaking records in its modern history should not set that record aside on a change in policy preference. That is particularly true when, as the release concedes, no court has ever ruled on the merits of the challenges to the rules, and a coalition of eighteen states, including Oregon, and the District of Columbia stepped in to defend them when the Commission would not.

The Commission should also give serious weight to the extraordinary process that produced the rules it now proposes to erase. This was not a hasty action. As the release itself recounts, the rules were proposed in March 2022. The comment period was extended that May and reopened again that October. The final rules were not adopted until March 2024, after an extraordinary two-year public process. The Commission received more than 24,000 comments, among the most for any rulemaking in its history. These included letters from institutional investors responsible for trillions of dollars in assets supporting standardized, TCFD-aligned disclosure. The Commission listened and made carefully considered revisions: it eliminated the proposed Scope 3 emissions requirement entirely, narrowed or dropped other provisions, added materiality qualifiers throughout, and exempted smaller reporting companies and emerging growth companies from the emissions requirements.[1] The final rules were already the compromise.

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[1] See Adopting Release, section II (summarizing modifications from the proposal, including elimination of the proposed Scope 3 requirement); 89 FR at 21733, 21744 (materiality qualifiers; exemptions for smaller reporting companies and emerging growth companies); 91 FR at 33299 & n.32.

Those rules provide the uniformity that makes climate reporting possible and meaningful. Information about thousands of issuers is only useful to us if each company measures the same thing the same way. Voluntary reports are selective, appear outside public filings, follow whatever format each company prefers, and can be revised or discontinued at will. Information filed with the Commission, by contrast, is prepared under disclosure controls and certified by officers. The proposing release itself acknowledges that placing information in Commission filings makes it more reliable. Rescission removes a feature the Commission's own release identifies as reliability-enhancing and puts nothing in its place.

Rescission would return the market to the regime that governed during the fourteen years between the Commission's 2010 interpretive guidance and the 2024 rules. The Commission's own data, set out in the proposing release, show what that regime produced. In fiscal year 2023, only 55 percent of the largest filers and 19 percent of accelerated filers disclosed even Scope 1 or Scope 2 emissions. Among non-accelerated filers the figure was 5 percent, and among smaller reporting and emerging growth companies, 1 percent. The release leans on the fact that about 47 percent of annual reports mention a climate-related keyword, but a mention is not a metric, and the staff analysis itself concedes that it says nothing about the depth or quality of what was disclosed. This is the record produced by voluntary disclosure and private ordering. If existing requirements had been enough, those gaps would have closed long ago. The experiment failed, and its failure is what made the 2024 rules necessary.

One further dynamic warrants the Commission's attention: the gap between what long-horizon asset owners actually need and what surfaces in day-to-day market dialogue and quarterly disclosures. The absence of questions in quarterly calls is not a lack of interest by asset owners. Pension funds like ours have asked for Scope 1 and Scope 2 emissions data for years, but that demand is easy to miss. We hire asset managers that have had to meet our reporting needs with third-party estimates rather than by pressing portfolio companies for the data on quarterly calls. Climate risk has a boiling-frog quality, in which physical and transition impacts that rarely look material from one quarter to the next compound into serious portfolio damage over the decades a pension fund must plan for.

Lastly, the savings claimed in the release are measured against the wrong baseline, and the ledger counts only one side. The release monetizes every dollar the commission believes could be saved ($4.9 billion a year, by its own estimate), while recording the costs to investors as “Not Monetized.” The savings are overstated in any event, because much of the underlying measurement work will happen no matter what the Commission does. California’s Climate Corporate Data Accountability Act is in effect, and the release itself acknowledges that the first Scope 1 and Scope 2 reports are due this August, before this rescission could even be finalized.[2] Similar bills have advanced in New York, New Jersey, Colorado, and Illinois, and New York’s has passed the State Senate. Large companies remain covered by the European Union’s Corporate Sustainability Reporting Directive even after this year’s Omnibus amendments narrowed it.[3] And by the IFRS Foundation’s count, roughly three dozen jurisdictions representing about 60 percent of the global economy have adopted or are finalizing requirements aligned with the ISSB standards,[4] after IOSCO, whose members oversee more than 95 percent of the world’s securities markets, urged them to do so.[5]

Accordingly, most large filers will do this measurement work regardless of the rules’ fate. What rescission eliminates is not the cost of producing the information but the standardization that lets investors rely on it, while adding the expense of reporting to a patchwork of differing requirements. Companies will continue to incur the costs, and investors will lose the benefit of being able to access clear, consistent data from one source.

OST urges the Commission to withdraw this proposal and retain the 2024 rules, with compliance dates reset to account for the stay. The experiment with voluntary disclosure has failed: after nearly a decade and a half under the 2010 guidance, only about half of the largest filers and a fifth of accelerated filers disclose Scope 1 or Scope 2 emissions, and companies have shown they will delay, hedge, or omit climate disclosure when given the discretion to do so. International capital markets are converging on common standards, and the competitiveness of U.S. markets depends on meeting that movement, not retreating from it. If the Commission believes particular provisions should be revised, the remedy is a targeted re-proposal, not wholesale rescission. Investors asked for these rules, built the record that supports them, and stepped up to defend them when the Commission would not. We respectfully ask the Commission to hear investors, not turn its back on them.

Thank you for the opportunity to comment. We would welcome the chance to discuss any of these points with the Commission or its staff.

Respectfully submitted,

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[2] Cal. Health & Safety Code § 38532 (Senate Bill 253, as amended); see 91 FR at 33317 & n.250 (noting that the August 10, 2026 deadline for Scope 1 and Scope 2 reporting remains unchanged).

[3] Directive (EU) 2026/470 of Feb. 24, 2026; see 91 FR at 33311 & n.199.

[4] See IFRS Foundation, Jurisdictional Profiles: Progress on Adoption of ISSB Standards, https://www.ifrs.org/sustainability/.

[5] See IOSCO, Media Release, *IOSCO Endorses the ISSB's Sustainability-related Financial Disclosures Standards* (July 25, 2023). IOSCO's members regulate more than 95 percent of the world's securities markets.