Presbyterian Mission
Mission Responsibility
Through Investment

100 Witherspoon Street | Louisville, KY 40202 | presbyterianmission.org

September 24, 2020

VIA ELECTRONIC FILING

Attention: Proxy Voting and Shareholder Rights NPRM
Office of Regulations and Interpretations
Employee Benefits Security Administration, Room N-5655
U.S. Department of Labor
200 Constitution Ave. N.W.
Washington, DC 20210

Re: RIN 1210-AB91, "Fiduciary Duties Regarding Proxy Voting and Shareholder Rights"

Dear Assistant Secretary Wilson,

The Department of Labor's (DOL) proposed rule, "Fiduciary Duties Regarding Proxy Voting and Shareholder Rights" set forth in the Notice of Propose Rulemaking would deter Employee Retirement Income Security Act (ERISA) plans from voting proxies, especially on shareholder proposals. The new rule would make even deciding whether to cast a vote so costly that plans will be under pressure to adopt one of the "permitted practices," which are designed to benefit management. We strongly oppose this proposed rule and urge the Department to withdraw it.

The Presbyterian Church (U.S.A.) (PCUSA) is a major Protestant denomination with nearly 1.5 million members. Our General Assembly believes the church's investments should promote its mission goals and reflect its ethical values such as caring for the environment and advocating for human rights. The Committee on Mission Responsibility Through Investment (MRTI) was created almost 50 years ago to implement this policy and has engaged hundreds of corporations on a variety of ESG issues.

The PCUSA, through MRTI, has engaged with companies on ESG issues since the early 1970s. We are a founding member of the Interfaith Center on Corporate Responsibility (ICCR) and support their comment letter submitted. Additionally, we support the letter Ceres letter submitted on this subject. We are concerned that the proposed rule casts doubt on the value of shareholder proposals calling for increased disclosure, even though enhancing disclosure allows shareholders to make better investment decisions as well as potentially improving management and oversight of risks companies face.

The DOL's release does not make the case that a new rule, much less one as burdensome as this one, is necessary. No evidence is provided to support the charge that fiduciaries are not following the DOL's sub-regulatory guidance on proxy voting, and the economic analysis in the release fails to consider the impact on the value of plan investments from lost ESG reforms and boardroom accountability obtained through shareholder voting.

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Additionally, state corporate law relies on shareholder voting to counter potential management conflicts of interest and provide accountability. Burdening fiduciaries' exercise of voting rights or coercing votes in favor of management threatens to upset this balance and undermine corporate performance. I urge the DOL to withdraw the Proposed Rule and appreciate the opportunity to provide input on this important matter.

Sincerely,

Rob Fohr
Director of Faith-Based Investing and Corporate Engagement
Presbyterian Church U.S.A.