Sarah Godlewski
Office of the State Treasurer | State of Wisconsin

October 5, 2020

VIA ELECTRONIC FILING

Office of Regulations and Interpretations
Employee Benefits Security Administration, Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: RIN 1210-AB91, *Fiduciary Duties Regarding Proxy Voting and Shareholder Rights* proposed rule

Dear Assistant Secretary Wilson:

I am writing in regard to the Department of Labor Employee Benefits Security Administration's proposed rule, *Fiduciary Duties Regarding Proxy Voting and Shareholder Rights* (RIN) RIN 1210-AB91.

As the Wisconsin State Treasurer, I am concerned that the significant proposed changes to the fiduciary analysis and recordkeeping requirements with proxy voting would place an undue and costly burden on those who manage ERISA-covered pension plans.

First, I request the Department consider extending the comment period from 30 to 120 days and allow for investor input through a scheduled public hearing. A rule change of this magnitude should be afforded adequate time to be understood and digested by those most impacted by this proposal. Just as we undertake the time and due diligence to ensure the best investments for our beneficiaries, the Department should allow more time for the effects of this rule to be contemplated.

It has been documented time and time again that environmental, social, and governance (ESG) factors pose financial risks to our investment portfolios. Climate change, hazardous chemicals and pesticides in products, and discrimination, for example, can have adverse impacts on returns across the entire investment horizon. Failure to address these types of risks is an oversight. Shareholder proposals and proxy voting are tools that allow investors to address these issues and provide input to ensure shareholder value. I believe the proposed rule undermines these important tools and undermines investment returns. Not only does this rule limit our engagement with these issues, but it also places undue burden and red-tape by requiring an unnecessary cost-benefit analysis to appropriately exercise our voice on ESG matters.

As a fiduciary, I respectfully request that the Department withdraw the proposed rule, and at the very least, extend the comment period from 30-120 days.

Sincerely,

Sarah Godlewski

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