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VIA ELECTRONIC FILING

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

Dear Acting Assistant Secretary Khawar,

On the Trail Financial Planning, LLC respectfully submits this letter in support of the Department's proposed rule, *Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights* ("the Proposed Rule.")

On the Trail Financial Planning, LLC is a Registered Investment Advisor responsible for financial planning and investment management for individuals and families. I manage ~37MM of assets for over 50 clients. As an RIA, I have a fiduciary duty to my clients. They care about environmental health as well as the risks to their portfolios associated with climate change.

We thank the Department for this important proposal, which builds on decades of conscientious stewardship of private-sector American retirement savings. Employee Retirement Income Security Act (ERISA) plans help create retirement security for working Americans. In 2020, under the prior administration, the Department enacted new rules that effectively prohibited ERISA plans from considering climate or other ESG factors in their investment selection and proxy voting. These 2020 rules left retirement savers unnecessarily exposed to the negative economic impacts of climate change, and silenced their voices on important issues of corporate governance. The Proposed Rule would fix this.

Retirement savings must be protected from climate-related financial risk

Managers of retirement plans must be free to evaluate *all* factors that impact plan investments. Climate related disasters are increasingly frequent, with a record 22 events causing over [\\$1 billion](#) damage each in the US during 2020 alone. In response to the climate crisis, new regulation and changes in consumer demand will create significant market and investment [opportunities](#). These risks and opportunities are especially relevant to retirement investors, who invest over decades.

Many professional [investors](#) recognize these risks and opportunities, and have updated their investment strategies to deal with the realities of our changing environment. Individual investors share these [concerns](#). Climate change and other ESG risks will be a significant driver of investment risk and return for the foreseeable future. But because of

these 2020 rules, very [few](#) American retirement savings plans are designed to protect their beneficiaries from climate risk. The Proposed Rule will allow these savings plans to better manage these and other ESG risks.

It is now clear that climate change poses an existential challenge to our very livelihoods. But if we can embrace the changes required to meet this challenge, the US economy has tremendous potential to grow, creating jobs and wealth. The Proposed Rule clears the way for ERISA plans to provide access to these investment opportunities. It is consistent with Department policy that has served American workers well in the nearly 50 years since ERISA became law.

We at On the Trail Financial Planning, LLC appreciate the Department's hard work in drafting this timely and thoughtful Proposed Rule.

Sincerely,

Caedmon Bear
Founder
On the Trail Financial Planning, LLC

cc: Honorable Marty Walsh, Secretary of Labor