

November 3, 2009

Hon. Barney Frank, Chairman
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

On behalf of the undersigned public pension funds and plan sponsors we are writing to urge your strong support of the Waters-Peters amendment to the Investor Protection Act of 2009. This amendment confirms the Securities and Exchange Commission's (SEC) authority to develop rules granting shareholders the right to propose directors to company boards via access to the proxy. We are State and local government public pension funds and plan sponsors with assets in excess of \$1 trillion dollars, which are invested on behalf of 6.8 million retirees located in your district and across the country, to whom we disburse more than \$160 billion in benefits each year. Our funds are a critical provider of capital to our nation's financial markets.


The SEC has vital work to undertake which has been under threat of legal challenge to its rule making powers. Such a challenge would be a needless and costly distraction. Investor protection is the mission of the SEC, and allowing investors to propose candidates for boards is a necessary and practical channel for this.

The undersigned funds are inherently long-term investors in the capital markets, providing patient capital to companies. As significant, long term shareholders owning millions of shares in a broad range of publicly-traded companies, we have a strong interest in ensuring that these companies are transparent and that their boards of directors are accountable. The financial crisis at its heart reflects a failure of oversight – at the regulatory level, but also by corporate boards. We support the Committee's efforts to ensure the SEC is vigorous and independent in its role as regulator. We also know that investors must do their part by ensuring that company boards are held accountable. Effective reform will require partnership between the public sector and market mechanisms. This amendment will enable a market mechanism for us as large long-term shareholders and other shareholders, to have direct access to a company's proxy in order to nominate directors to the board.

Shareholders must be able to play a responsible role as owners, which requires the ability to propose candidates for the board to their fellow investors to consider. It is not enough to simply withhold votes, owners must be able to propose alternatives candidates, through proxy access rules which are accessible to responsible capital providers. The SEC is currently undertaking a very thoughtful and deliberate rulemaking process on this issue. This amendment will reaffirm that proxy access is within the purview of the SEC.

In summary, it will take the combination of strengthened oversight by both regulators and investors to restore and maintain integrity and effectiveness of our capital markets. We thank you in advance for your support of this amendment.

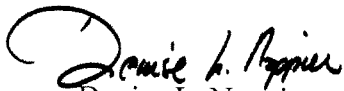
Sincerely,



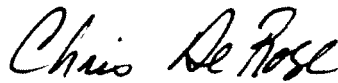
Anne Stausboll
Chief Executive Officer
California Public Employees' Retirement System



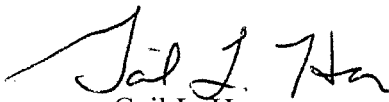
Jack Ehnes
Chief Executive Officer
California State Teachers' Retirement System



Denise L. Nappier
Connecticut State Treasurer
Connecticut Retirement Plans and Trust Funds



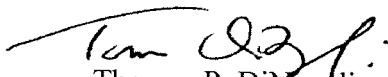
Chris De Rose
Chief Executive Officer
Ohio Public Employees' Retirement System



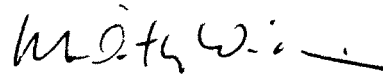
Gail L. Hanson
Deputy Executive Director
State of Wisconsin Investment Board



Ben Westlund
Oregon State Treasurer
Oregon Public Employees Retirement Fund



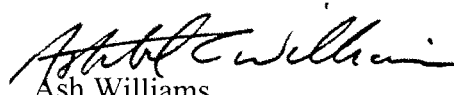
Thomas P. DiNapoli
New York State Comptroller
New York State Common Retirement Fund



Meredith Williams
Executive Director
Colorado Public Employees' Retirement Assoc.



Theresa Whitmarsh
Acting Executive Director
Washington State Investment Board



Ash Williams
Executive Director & CIO
Florida State Board of Administration

cc: Members, House Financial Services Committee