

June 2, 2010

Honorable Christopher Dodd, Chairman  
Senate Banking, Housing,  
and Urban Affairs Committee  
SD-534 Dirksen Senate Office Building  
Washington, DC 20510

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

**RE: Proxy Access Reform**

Dear Chairmen Dodd and Frank:

As long-term institutional investors with a keen interest in the overall health and integrity of the U.S. financial markets, we strongly support the enactment of comprehensive financial regulatory reform legislation. We applaud your leadership in this effort and look forward to actively working with you to enact this crucial legislation. In particular, the provision reaffirming the authority of the Securities and Exchange Commission to issue rules providing shareholder access to the proxy to nominate directors, contained in both the House and Senate versions of the Financial Reform legislation, is a critical component for us.

This governance reform will provide investors with the necessary tool to achieve appropriate transparency, accountability, and management of risk at the corporate level. It will take the combination of strengthened oversight by both regulators and investors to restore and maintain the integrity and effectiveness of our capital markets and the accountability of its participants.

The undersigned State and local government pension funds and plan sponsors from across the country represent more than 7 million active and retired employees with combined assets in excess of \$1 trillion and benefit payments to retirees and their families totaling more than \$50 billion each year. Public plans as a whole distribute more than \$160 billion annually in retirement and disability benefits. To discharge that responsibility, we are inherently long-term investors in the capital markets, providing patient capital with a decades-long investment horizon. Because of the sheer size of our plans and the need to diversify to provide sound investment returns, we are broadly invested throughout the capital markets in most asset classes.

Accordingly, the public investor community has a particularly strong and continuing interest in the overall health and integrity of the U.S. financial markets. In addition, as significant, long-term shareholders owning millions of shares in a broad range of publicly-traded companies, we have a compelling interest in ensuring that these companies operate with transparency through the board of directors, financial reports, and methods of communication with investors, have a board and a management that are clearly accountable for properly serving the interests of the business and its owners, and appropriately manage risk to promote the long-term health of the business.

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Proxy access will provide investors with the necessary tool to ensure appropriate transparency, accountability and management of risk at the corporate level. It is important that Congress confirm the SEC's authority over proxy access so that shareholders can have a meaningful voice in who represents us as the owners of the company in the Board room. We, the undersigned, strongly support this key provision and urge you to include the proxy access provision in the final House-Senate Conference Agreement of the Financial Reform legislation.

We look forward to actively working with you to enact this critical reform as part of this historic legislation. Thank you in advance for your support.

Sincerely,

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

Michael Traveaglini  
Executive Director  
Massachusetts Pension Reserves Investment  
Management Board

Sandra J. Matheson  
Executive Director  
Maine Public Employees Retirement System

Ash Williams  
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Florida State Board of Administration

Theresa Whitmarsh  
Executive Director  
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Jack Ehnes  
Chief Executive Officer  
California State Teachers' Retirement System

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

Ted Wheeler  
Oregon State Treasurer  
Oregon Public Employees Retirement Fund

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

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

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