

Mail Stop 6010

August 3, 2006

Mr. Donald Morgan  
Chief Financial Officer  
RAE Systems, Inc.  
3775 North First Street  
San Jose, CA 95134

**Re: RAE Systems, Inc.  
Form 10-K for the Year Ended December 31, 2005  
Forms 10-Q for the Quarters Ended March 31, 2006  
File No. 001-31783**

Dear Mr. Morgan:

We have completed our review of your Form 10-K and related materials and do not, at this time, have any further comments.

Sincerely,

Martin F. James  
Senior Assistant Chief Accountant