



California State Teachers'
Retirement System
Investments
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May 19, 2010

Elizabeth M. Murphy
Secretary, Securities and Exchange Commission
100 F St., NE
Washington, DC 20549-1090

Dear Secretary Murphy,

Re' File No. S7-10-10

I am writing this letter on behalf of the California State Teachers' Retirement System (CalSTRS). As you are aware, CalSTRS is the second largest public pension fund system in the United States and the largest teacher retirement system in the country. Our current assets are valued at approximately \$140 billion and we represent more than 833,000 members. CalSTRS has been a frequent commenter on the various proposals that the SEC has introduced over the years and is particularly concerned with the operation of the markets, so we welcome the opportunity to comment on the above proposed rule relating to large traders.

We applaud the SEC's continued search for the reasons related to the severe market disruptions that investors have experienced over the past several decades and believe that the reporting requirements as described will be an important tool in the agency's ability to identify the causes of these kinds of collapses in the future. CalSTRS is committed to greater transparency in the markets for all investors, sophisticated or not and believes that the application of this proposed rule will be an important step forward in that regard.

According to the definition of a large trader, CalSTRS is a large trader and would be subject to the large trader reporting system and we are pleased to be subject to the rule. Our willingness to be subject to the rule stems from our belief that our transactions can withstand such scrutiny without any fear of being the source of disruptive or fraudulent activity, but we also genuinely believe that our beneficiaries will benefit from a greater understanding of today's hyper-electronic trading which encompasses speed and volumes that were previously unknown to most participants.

Elizabeth M. Murphy

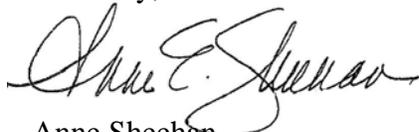
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We believe that this kind of oversight was the intention of Congress when they enacted the Market Reform Act of 1990 after the massive market crash of 1987 and that the current version adequately protects the trading information that the SEC will receive in the implementation of the rule. We do not accept the arguments that others have made regarding the Constitutionality of the application of Section 13(h) of the Exchange Act. This seems to us merely an amplification of an existing reporting system that is clearly within the mandate of the SEC.

CalSTRS may submit additional comments on this proposed rule as we move closer to the comment due date in late June, but wanted to take this opportunity to thank you for your continued examination of the markets and the roles that traders are playing in the markets. Please let me know if there is anything that we can do to be helpful to the SEC in this regard.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anne E. Sheehan".

Anne Sheehan

Director, Corporate Governance