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STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

January 22, 2008

Christopher Cox, Chairman  
U.S. Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549

Re: File Number S7-27-07 – Concept Release on Mechanisms to Access Disclosures  
Relating to Business Activities in or with Countries Designated as State Sponsors of  
Terrorism

Dear Chairman Cox:

As the New York State Comptroller, I am the sole Trustee of the New York State Common Retirement Fund (“Fund”) and am responsible for the investment of its assets, currently valued in excess of \$154 billion. The Fund is a significant, long-term shareholder of more than 1,800 domestic companies and 1,400 international companies. I am writing in response to a Concept Release of the Securities and Exchange Commission (“SEC”) seeking comment on the development of mechanisms to facilitate greater access to companies’ disclosures concerning their business activities in or with countries designated as “State Sponsors of Terrorism.”

I strongly support the SEC’s efforts to increase transparency and access to information about companies’ activities in countries designated by the United States Department of State as Sponsors of Terrorism – currently, Cuba, Iran, North Korea, Sudan and Syria. This action is in line with the SEC’s formal recognition in 2001 of the “asymmetric nature of the risk to corporate share value and reputation” faced by companies operating in terrorist-supporting states. Continuing geopolitical turmoil poses a unique risk to investments in companies that have business activities in those nations. The heightened policy debate, spurred in part by public, broad-based divestment campaigns, surrounding companies that have a business presence in these countries can adversely impact share value and company reputation. It is vital for investors such as the Fund to have access to accurate, timely and complete information on companies’ connections to those nations in order to assess the risks posed fully.

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In recognition of these risks, in 2004 Congress directed the SEC to establish the Office of Global Security Risk for the purposes of: establishing a process to identify American-listed companies that do business in or with State Sponsors of Terrorism; implementing enhanced disclosure requirements; and coordinating with other federal government agencies to share relevant information. Based on the SEC's past comments and Congress' call for action, the SEC should provide enhanced access to disclosures of this nature.

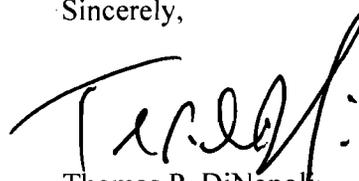
I am appreciative of the SEC's efforts this past year in launching its website feature to provide direct public access to companies' annual reports for disclosures concerning business activities involving State Sponsors of Terrorism. I also appreciate the current efforts to build on and correct problems that arose in that initial program. No one can dispute that an enhanced disclosure program will be effective only if the information supplied is accurate, timely and complete.

As discussed in the Concept Release, the use of extensible business reporting language ("XBRL") data tags to enhance public companies' information could be a valuable tool in developing more accurate and timely information for investors. Because this information is applied by the companies themselves, however, the SEC must monitor and test XBRL data tags for accuracy before relying on them to accomplish its goal. I note, also, that the use of XBRL for disclosure is currently voluntary. Using this information to generate a list of companies doing business in or with State Sponsors of Terrorism may have the unintended consequence of discouraging more companies from using XBRL.

Finally, I believe that investors bear a responsibility to evaluate the information contained in companies' reports independently and base their investment decisions on their individual assessments and tolerance for risk. The website feature launched by the SEC this past year contained a disclaimer warning visitors that the information provided on the website was not reviewed or vetted by the SEC but drawn directly from companies' annual reports. Any future resources developed by the SEC should include similar disclaimers that clearly and concisely list the sources and limitations of all information provided to investors, as well as the methodology used to develop the resource.

I thank you, the entire Commission and your staff for allowing me the opportunity to comment on this proposal.

Sincerely,



Thomas P. DiNapoli  
State Comptroller