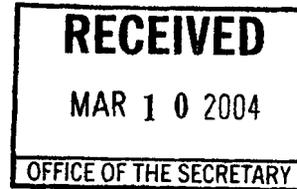




February 27, 2003

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Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609



Dear Secretary Katz:

RE: SEC File No. S7-04-04

The Los Angeles County Employees Retirement Association's (LACERA) Board of Investments appreciates the opportunity to provide the SEC with its views regarding proposed rules that, if adopted, would require all registered investment advisors to adopt and subsequently enforce a comprehensive code of ethics.

LACERA's Board of Investments is responsible for the management of \$29.2 billion in public pension fund assets providing retirement benefits for 87,624 active employees and 47,233 retired members. LACERA distributes approximately \$1.3 billion each year in benefit payments. Almost 70% of these payments come from investment earnings. Therefore, investor confidence in the market place is critical to LACERA's mission.

LACERA's Code of Ethical Conduct obligates both the Board of Investments and staff to conduct themselves with the utmost integrity. LACERA expects the same ethical standards from all of its investment advisors.

The SEC's proactive approach for reinforcing fiduciary principles (adopt and impose a code of ethics) sends a strong, appropriate message to the investment advisor community. LACERA believes that requiring a code of ethics for investment advisors, including new rules for reporting the personal trading activities of advisor employees and expanding the scope of ADV forms, will help alleviate growing concerns about the integrity of the investment management business.

LACERA fully supports the SEC's efforts to mandate an investment advisor code of ethics. Requiring a formal code of ethics for all investment advisors is a reasonable expectation considering that they are entrusted to manage billions of dollars for individuals and institutional investors. Given this tremendous responsibility, the integrity of all investment managers must be beyond reproach.

Respectfully submitted,

Marsha D. Richter
Chief Executive Officer

MDR:SM:jm
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c: Members, Board of Investments
Members, Board of Retirement