

ES107215

STATE OF OHIO
JOSEPH T. DETERS, TREASURER OF STATE

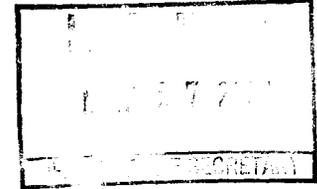
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May 21, 2004



Chairman William Donaldson
Securities and Exchange Commission
430 Fifth Street, N.W.
Washington, DC 20549

Re: File No. S7-10-04

Dear Sir:

As the Treasurer of the State of Ohio, it is my job to fulfill constitutional and statutory responsibilities in ways that assure the absolute safety of all public funds collected, managed, disbursed and invested by the Treasury. For this reason, I am writing in support of amending the current "trade through rule." Although the best price rule appears beneficial to all investors, in reality it takes away investor choice.

In a letter to Mr. John Thain dated February 23, 2004, Ohio's Public Employees Retirement System (OPERS) set forth the same concern. It stated "While we acknowledge the SEC required 'trade through rule' lowers trading costs for small investors, large state pension funds, such as OPERS may require alternatives. These alternatives should permit consideration of factors beyond price, such as liquidity and speed of execution."

While I do support the elimination of the "trade through rule," I am comfortable supporting a meaningful opt-out provision that would give investors the opportunity to make the investment choice themselves. However, this provision must not be burdensome to large pension funds such as OPERS or to the small investor.

I know first hand that making changes in familiar practices and procedures can be difficult. In modernizing the State Treasury's business functions, I have used internet technology to permit citizens to conduct their business with the State if they so choose, and to provide banks with the opportunity to participate in competitive live auctions of public funds.

I encourage you to amend the "trade through rule" to allow investors to choose a meaningful opt-out provision. Thank you for your consideration.

Respectfully,

Joseph T. Deters, Treasurer

JTD/sp