

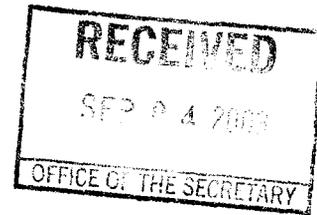


#45

August 25, 2003

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

6-9



Dear Secretary Katz:

RE: SEC File No. S7-14-03

The Los Angeles County Employees Retirement Association's (LACERA) Board of Investments appreciates the opportunity to provide the SEC with its views regarding proposed modifications to director nomination disclosure requirements and improved shareholder communications with corporate boards.

LACERA's Board of Investments is responsible for the management of \$26 billion in public pension fund assets providing retirement benefits for 87,745 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, re-building investor confidence in the market place is critical to LACERA's mission.

LACERA emphatically supports the SEC's efforts to expand disclosure requirements for the nomination and election of directors. LACERA's Board of Investments has adopted Corporate Governance Principles to safeguard and promote the economic interests of its active and retired members and to communicate the importance of fiduciary duty (accountability), integrity, and transparency to Corporate America. LACERA believes that transparency is a basic shareholder right and critical for an institutional investor's understanding of an organization's financial activities.

LACERA also endorses stronger disclosure requirements for how corporate boards communicate with stockholders. At this point in time, shareholder inquiries are rarely addressed by board members. Corporate management typically handles these tasks. Requiring companies to disclose their shareholder communication process should radically change the status quo from minimal communications between directors and shareholders to a fully productive means of exchanging ideas with corporate boards.

Finally, capital markets are driven by many institutional investors, such as LACERA, that are willing to risk pension fund assets to invest in publicly-traded companies. LACERA's request to expand corporate disclosure requirements and improve shareholder-director communications is a reasonable expectation considering investor capital is a fundamental requirement for the successful operation and continued growth of Corporate America.

Respectfully submitted,

Marsha D. Richter
Chief Executive Officer

MDR:SM:jm
LetterToSEC.doc

c: Members, Board of Investments
Members, Board of Retirement

bc: All 1937 Act Counties