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OFFICE OF THE STATE COMPTROLLER

September 28, 2007

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

Re: File Numbers S7-16-07; S7-17-07 - Shareholder Proposals Relating to Directors

Dear Chairman Cox:

In my capacity as an institutional investor, I am writing to express my concern about the U.S. Securities and Exchange Commission's ("SEC") interpretation and proposals to modify Rule 14a-8. Specifically, I write regarding File Numbers S7-16-07 and S7-17-07, proposed rules pertaining to the issue of shareholder access to the proxy. While I appreciate your goal to clarify Rule 14a-8 in light of the decision in *American Federation of State, County & Municipal Employees, Employees Pension Plan v. American International Group, Inc.*, 462 F.3d 121 (2d Cir. 2006), I urge you to leave intact the rights of shareholders as currently guaranteed by Rule 14a-8.

As the State Comptroller of New York, I am the sole Trustee of the New York State Common Retirement Fund ("Fund"). The Fund holds the assets of the New York State and Local Retirement System ("System") and is currently valued at approximately \$160 billion. I have a fiduciary duty to the more than 1 million members of the System to invest and protect the Fund.

The Fund is a long-term investor with a strong interest in assuring that the companies in which its assets are invested are run in a profitable, transparent and responsible manner. I intend to continue the Fund's history of actively engaging those companies in which it is invested that I believe do not function responsibly and, as a consequence, may be putting the Fund's investments at risk. Shareholder proposals are an important tool in that engagement process. A proposed rule that would curtail or limit shareholder ability to communicate with a board of directors using shareholder proposals causes me concern. Accordingly, I respectfully request that the Commission not adopt the proposed amendments to Rule 14a-8 set forth in File Number S7-17-07 which, if enacted, would prohibit shareholder proposals seeking proxy access for shareholder-nominated candidates for director.

I strongly support shareholder access to the proxy for purposes of nominating candidates for director. The creation of meaningful proxy access would provide an essential tool for shareholder communication and would enhance boardroom accountability. As such, it remains a priority among corporate governance reforms for long-term investors such as the Fund. In that regard, I thank the Commission and its staff for reviving this important issue and devoting considerable time and effort to presenting its proposed rules.

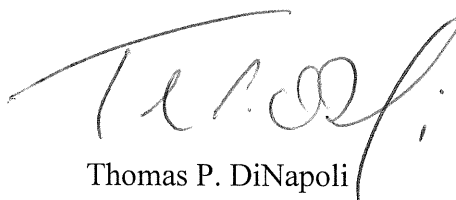
Despite my support for proxy access, I do not support the proposed amendments to Rule 14a-8 as set forth in File No. S7-16-07. I believe that the restrictive requirements set forth in this proposed rule would effectively prevent the Fund from utilizing the proposed process. As drafted, only shareholders owning more than 5% of a company's securities would be able to submit proposals seeking proxy access. Even for the Fund, the third largest public pension fund in the country, that threshold is insurmountable. For example, the Fund's largest investment in a public company is valued at \$1.697 billion and is represented by 20,238,654 shares. This share ownership, however, represents only 0.36% of outstanding shares of that company. In reality, enactment of this rule would be an empty gesture for many public pension funds.

Finally, the release publishing this proposed rule inquires whether the Commission should adopt new rules pertaining to non-binding shareholder proposals in order to limit such initiatives. I consider such proposals a valuable form of communication between shareholders and company management and directors. I respectfully recommend that the Commission not diminish this tool.

In short, I believe that neither of the Commission's proposed rules pertaining to shareholder access to the proxy (File Nos. S7-16-07 and S7-17-07) should be adopted. Instead I urge the Commission to wait until it is again a fully constituted board and, at that time, reexamine this important issue. The Commission would then have the time to fully consider all issues raised and comments submitted in response to the publication of its proposed rules.

I thank the Commission and its staff for allowing me the opportunity to comment on these proposals.

Sincerely,



Thomas P. DiNapoli