



**California Public Employees' Retirement System
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March 16, 2012

The Honorable Harry Reid
Office of the Majority Leader
United States Senate
S-221 Capitol Building
Washington, DC 20510

The Honorable Mitch McConnell
Office of the Minority Leader
United States Senate
S-230 Capitol Building
Washington, DC 20510

Dear Leader Reid and Leader McConnell:

I am writing on behalf of the California Public Employees' Retirement System (CalPERS), the largest public pension fund in the United States, with approximately \$235 billion in global assets and equity holdings in approximately 11,000 publicly traded companies. CalPERS administers retirement benefits for more than 1.6 million California State, local government, and public school employees, retirees, and their families on behalf of more than 3,000 public employers.

In recent days, we have become increasingly concerned regarding several provisions of the "*Jumpstart Our Business Startups (JOBS) Act*." I am writing to highlight concerns raised by Securities and Exchange Commission (SEC) Chairman Mary Schapiro in her letter to Senators Tim Johnson and Richard B. Shelby dated March 13, 2012. Since we share many of Chairman Schapiro's concerns, it is our sincere hope that you will address the important issues that she has raised before the legislation is adopted by the Senate.

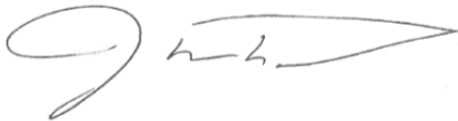
It is important to note that while Chairman Schapiro acknowledges that one of the fundamental missions of the SEC is to facilitate capital formation, she points out that this important interest must be balanced with the Commission's mission to protect investors and our markets. We at CalPERS wholeheartedly agree.

In her letter, Chairman Schapiro addresses a number of specific provisions of the proposed legislation that either eliminate or undermine important investor protections. We are grateful for the Chairman's advocacy in each of these areas and we share her concerns. We are hopeful that amendments will be considered that will preserve the overall objectives of the legislation without diminishing key investor rights and protections.

As a significant provider of capital to US markets, we recognize the important role capital formation plays in job growth and the overall health of the US economy. We at CalPERS appreciate the Senate's leadership on this critical issue; however, we believe Chairman Schapiro's concerns should not go unanswered. Given her unique position as head of the agency charged with protecting investors; maintaining fair, orderly and efficient markets; and facilitating capital formation, we believe it's imperative that the Senate's JOBS Act be amended to reflect the concerns she has raised.

Thank you for considering our comments. If you have any questions, please do not hesitate to contact me or Anne Simpson, CalPERS Senior Portfolio Manager, Investments, Director of Corporate Governance at (916) 795-9672.

Sincerely,

A handwritten signature in black ink, appearing to read 'Janine Guillot', with a stylized flourish at the end.

Janine Guillot
Chief Operating Investment Officer
CalPERS

cc: The Honorable Tim Johnson, Chairman – Committee on Banking, Housing and Urban Affairs
The Honorable Richard C. Shelby, Ranking Member – Committee on Banking, Housing and Urban Affairs
The Honorable Dianne Feinstein
The Honorable Barbara Boxer
The Honorable Mary L. Schapiro, Chairman – U.S. Securities and Exchange Commission
Anne Stausboll, Chief Executive Officer – CalPERS
Joseph A. Dear, Chief Investment Officer – CalPERS
Peter Mixon, General Counsel – CalPERS
Anne Simpson, Senior Portfolio Manager, Investments, Director of Corporate Governance – CalPERS