



December 27, 2021

**VIA EMAIL**

Hon. Gary Gensler, Chair  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

**Re: File No. S7-17-21 Proxy Voting Advice**

Dear Chair Gensler:

On behalf of the Colorado Public Employees' Retirement Association (Colorado PERA or PERA), thank you for the opportunity to file public comment regarding proposed amendments to 2020 proxy voting advice rules. I hereby submit the following comments in support of the proposed revisions, in alignment with our previous comments on the matter submitted on February 3, 2020.<sup>1</sup>

Colorado PERA is the state's largest public pension plan, managing approximately \$64 billion in assets in trust to enhance the retirement security of over 630,000 current and former public employees and their beneficiaries. In fulfillment of our fiduciary duty, we vote proxies on behalf of those beneficial owners of the shares we hold. In order to effectively vote proposals in a cost-efficient manner, PERA contracts with proxy advisory firms to obtain and review their research on ballot items. Although we incorporate this third-party research into our analysis, we ultimately vote according to our own guidelines and policies (as determined by the PERA Board of Trustees), which we believe are in the best interests of plan beneficiaries.

We commend the U.S. Securities and Exchange Commission (the SEC or the Commission) for its reassessment of, and resulting proposal to amend the 2020 proxy rules for voting advice. As proposed in the November 2021 release, the deletions of paragraph (ii) of rule 14-a(2)(b)(9), its conditions, and underlying exclusions in paragraphs (iii), (iv), (v), and (vi) should alleviate concerns we and other market participants previously expressed regarding the timely delivery of independent proxy advice to paying clients.

We further applaud the SEC for clarifying anti-fraud provisions in rule 14a-9 are not intended to categorize differences of opinion as misleading statements by removing note (e) therein under the proposed revisions. This amendment is expected to reduce compliance burden and litigation risk to proxy advisors, and thus, potential cost inflation to their institutional investor clients, including Colorado PERA.

The SEC's willingness to more fully consider institutional investors' perspectives, as well as proxy advisors' practices, demonstrates its ongoing commitment to deliberate rulemaking in order to preserve market integrity and protect investors' interests. The proposed amendments to proxy advice rules should encourage healthy competition among proxy advisors in meeting investor client demands, preserve the independence of proxy advice they provide, and curtail overly burdensome and costly requirements. In turn, institutional investors should benefit through timely

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<sup>1</sup> <https://www.sec.gov/comments/s7-22-19/s72219-6743701-207841.pdf>

and cost-effective access to objective proxy advice. Ultimately, this is expected to fortify Colorado PERA's ability to fulfill our fiduciary duty to make investment and voting decisions that serve the financial interests of plan beneficiaries on behalf of whom we invest.

Thank you for soliciting feedback on the proposed revisions to 14a rules concerning proxy advice. We appreciate the Commission's consideration of Colorado PERA's perspective as an institutional investor.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Baker", with a large, sweeping flourish above the name.

Ron Baker  
Executive Director  
Colorado Public Employees' Retirement Association