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January 6, 2017

Via Email

Mr. Brent J. Fields

Secretary

Securities and Exchange Commission

100 F Street NE

Washington, DC 20549-1090

Re: **File No. S7-24-16 Universal Proxy**

Dear Mr. Fields:

The American Federation of State, County and Municipal Employees (“AFSCME”) is the largest union in the AFL-CIO representing 1.6 million state and local government, health care and child care workers. AFSCME members participate in over 150 public pension systems whose assets total over \$1.7 trillion. We are pleased to offer the following comments in response to the Security and Exchange Commission’s (“SEC’s”) Release No. 34-79164 — Universal Proxy (“the Release”). Electing directors through the shareholder franchise is a fundamental right of shareowners and an effective way to ensure that directors are accountable for public companies where our members’ retirement savings is invested.

We strongly support the proposed amendments to the federal proxy rules to require the use of universal proxies in all non-exempt solicitations in connection with contested elections of directors. A universal proxy card permits shareowners who vote by proxy to split their vote between a board’s nominees and a dissident’s nominees. This is a vital consideration in proxy contests, since board seats, and oftentimes board control, are at stake.

The current proxy rules restrict shareowner choice in proxy contests. Shareowners voting via proxy—as most do—are provided only an “either or” option that allows them to support management’s favored candidates using management’s proxy card, or a dissident’s favored candidates using the dissident’s proxy card. Any shareowner wishing to vote for a mix of candidates from the two nominee sets can only do so now by incurring the cost of attending the shareholder meeting in order to cast a split vote. This is a diminishment of voting rights.

American Federation of State, County and Municipal Employees, AFL-CIO

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We also endorse the comment letter in support of the Release submitted by the Council of Institutional Investors. We believe that in contested director elections, management and dissidents should provide shareowners with proxy cards that list all director nominees. Universal proxy cards would enable shareowners to vote for whomever they wish to represent them on corporate boards, and a streamlined universal proxy process would make for a fairer, less cumbersome voting process.

We appreciate the opportunity to share our views on the Release, and we commend the SEC for its proposed rulemaking. If you have any questions, or need additional information, please do not hesitate to contact John Keenan at [REDACTED].

Sincerely,



Steven Kreisberg
Director
Department of Research &
Collective Bargaining Services

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