**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

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Submitted Via Email: rule-comments@sec.gov

November 1, 2006

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-9303

Re: **File Number S7-03-06 / Executive Compensation Disclosure**

Dear Ms. Morris:

I am writing on behalf of the State Board of Administration (SBA) of Florida to express our views on the SEC's proposed executive compensation disclosure requirements. The SBA manages the Florida Retirement System (FRS), the fifth largest public pension plan in the United States, with approximately 940,000 beneficiaries and retirees and assets totaling approximately $125 billion.

As a significant shareholder with a fiduciary responsibility to act in the best interest of our plan participants, the SBA has a vested interest in reforming corporate governance practices in the United States. Therefore, we support the proposal requiring companies to disclose the compensation and job positions for the three highly-compensated employees whose total compensation is greater than any of the named executive officers ("NEOs"), whether or not such persons are executive officers, and who exert significant policy influence within the company, subsidiary or principal business unit. We support disclosure of all material compensation items similar to what has been designed for NEOs. Due to the influence and involvement of these employees, it is reasonable to disclose their compensation alongside named executive officers. Such disclosure will make crucial information more accessible to shareholders and further increase the transparency of a company's compensation structures.

We value the opportunity to express input on corporate governance issues and fully support the Commission's efforts to improve the quality of the information investors receive about executive compensation. If you have any questions or would like further information, please contact Michael McCauley, Director of Investment Services & Communications, at (850) 413-1252, or me.

Sincerely,

Coleman Stipanovich

Coleman Stipanovich
Executive Director