



California Public Employees' Retirement System
Executive Office
P.O. Box 942701
Sacramento, CA 94229-2701
TTY: (877) 249-7442
(916) 795-3829 phone • (916) 795-3410 fax
www.calpers.ca.gov

July 26, 2017

The Honorable Jack Reed
United States Senate
728 Hart Senate Office Building
Washington, DC 20510

Dear Senator Reed:

Subject: S. 536, THE "CYBERSECURITY DISCLOSURE ACT OF 2017"

On behalf of the California Public Employees' Retirement System (CalPERS), I write to express support for S. 536, the "Cybersecurity Disclosure Act of 2017", legislation that would increase transparency for investors and help to ensure that public companies are appropriately prioritizing cybersecurity and data privacy matters.

CalPERS is the largest public, defined benefit pension fund in the United States, with approximately \$330.51 billion in global assets, as of market close July 19, 2017. CalPERS manages investment assets on behalf of more than 1.8 million public employees, retirees, and beneficiaries. As a global, institutional investor with a long-term investment horizon, we believe that all investors, whether large institutions or private individuals, should have access to disclosures that allow them to make informed voting and investment decisions.

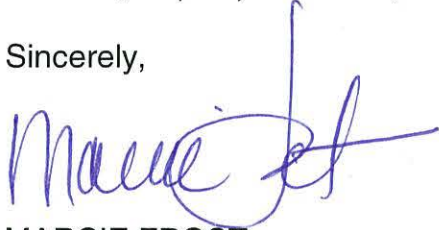
S. 536 represents a reasonable and timely response to the increasing prominence of cybersecurity threats in our financial markets and the broader economy. By requiring the disclosure of cybersecurity expertise - or lack thereof - on corporate boards, the bill would ensure that investors have access to decision-useful information to better assess the ability of corporate management to adequately address cybersecurity risks. Moreover, S. 536 would help to promote capital market efficiency by providing greater insight into the extent to which companies are focused on data security and the protection of consumer information.

I applaud you for your leadership on cybersecurity issues and for your bipartisan approach to generating corporate financial reporting that seek to provide transparent and relevant information to investors about the efforts of publicly-traded companies in this area.

The Honorable Jack Reed
United States Senate
July 26, 2017
Page 2

Please do not hesitate to contact Mary Anne Ashley, Chief of our Legislative Affairs Division, at (916) 795-2565, if we can be of any assistance as this measure proceeds.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marcie Frost", with a stylized flourish extending to the right.

MARCIE FROST
Chief Executive Officer

cc: The Honorable Mark Warner
The Honorable Susan Collins