

## United States Senate

August 19, 2020

Ms. Marcie Frost  
Chief Executive Officer  
California Public Employees' Retirement System  
Executive Office  
400 Q Street  
Sacramento, California 95811

Dear Ms. Frost,

Thank you for your letter dated July 31, 2020, in response to my request for the California Public Employees' Retirement System (CalPERS) to review its policies and discontinue coordination with U.S.-listed Chinese-based companies.

While Congress clearly needs to take concrete steps to de-list Chinese-based companies, investors have an equally important role and can take action immediately. I am disappointed to learn that CalPERS will continue to endanger the retirement plans of hard-working Americans by steering their retirement savings to Communist China. CalPERS' decision to continue investing in U.S. listed Chinese-based companies, which continue to remain in the international indices you reference, puts profits above the security of Americans and is dangerous and short-sighted.

Communist China is flouting our laws, defrauding our citizens and harming American investments. Everything a business does in Communist China is shared directly with a government that is jailing its people for their religious beliefs, refuses to respect basic human rights and is building up their industrial and military strength in an effort to dominate the world. I urge CalPERS to revisit its policy of investing in businesses that are used by the Communist Chinese government to support this agenda.

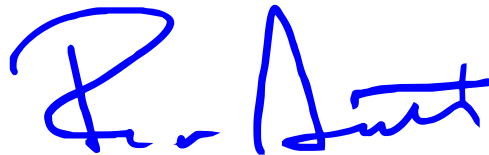
I strongly disagree with the sentiment that investing in Chinese businesses provides CalPERS' investors a safe and reliable risk-return trade off. Communist China refuses to provide reasonable levels of transparency and cannot be trusted. Instead of shifting the responsibility to lawmakers, you have the ability to take action and protect your investors today.

I urge you to review and seriously consider the recent report and findings of the President's Working Group on Financial Markets, which once again details the

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significant risks investment in Chinese companies pose to CalPERS' pension plan participants. I look forward to CalPERS' re-considering its decision to invest in risky and dangerous companies backed by the Communist Party of China. The safety of so many Californians' retirement relies on your action.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized with a large initial "R" and a prominent "S".

Rick Scott  
United States Senator