

June 14, 2005



**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL
WORKERS**

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EDWIN D. HILL
International President

JON F. WALTERS
International Secretary-Treasurer



**Addressed Individually
to all Members
of the
U.S. Senate**

The Honorable Daniel K. Akaka
United States Senate
Hart Senate Office Bldg., Rm. SH-141
Washington, DC 20510-1103

Re: Nomination of Rep. Christopher Cox for SEC Chairman

Dear Senator Akaka:

As President of the International Brotherhood of Electrical Workers (IBEW), a union with approximately 750,000 members and nearly \$40 billion in pension fund investments, I write to express my opposition to President Bush's nomination of Representative Christopher Cox (R-48th-CA) to be SEC Chairman. Rep. Cox's past positions on issues of corporate accountability, investor protection and executive compensation are fundamentally opposed to the interests of investors, and make him ill-suited for the job.

Representative Cox has accepted significant contributions from numerous securities and investment firms – the fourth largest industry contributor to his campaigns over the duration of his career. How can Rep. Cox be an impartial "corporate cop" when one of his main sources of campaign funding has been the industry he is slated to oversee?

Rep. Cox has repeatedly undermined corporate accountability, one of the chief responsibilities of the SEC. In 2002, Rep. Cox opposed legislation to require company executives to personally certify the accuracy of corporate financial statements and would have enabled the SEC to strip stock bonuses from executives who falsify statements. Rep. Cox maintained his position, even though thousands of Enron employees (some of which were IBEW members) had just lost their retirement savings as the company's stock plunged in 2001, while top executives cashed out millions of dollars of stock.

Rep. Cox has led efforts to weaken current law by repealing the Public Utility Holding Company Act (PUHCA), which the SEC oversees. Recent energy industry scandals, including market manipulation in Rep. Cox's home state of California, demonstrate the need for more control and accountability when it comes to companies that sell power. The IBEW has seen the consequences of misguided deregulation; reductions in the quality of service and slashing of the work force.

Rep. Cox has repeatedly undermined protections for investors. In 1995, he was named as a defendant in a lawsuit by investors as a result of legal work he did at Latham & Watkins for an investment group in the 1980s. Once in Congress, Rep. Cox sponsored legislation to shield lawyers and accountants in investment fraud lawsuits similar to the 1995 case. In 2002, Rep. Cox opposed a proposal that would have provided employees independent investment advice and increased penalties for mismanagement of retirement savings plans.

The future SEC Chair must facilitate shareowner dialogue and debate on important issues like board accountability, director independence and executive compensation. Unfortunately, the Cox nomination is a retreat to an era of misleading financial statements, disenfranchised shareholders and unchallenged executive salaries. I urge the Senate to reject this nominee, so we may instead work toward restoring public and investor confidence in the markets and regulatory system.

Sincerely,

A handwritten signature in black ink, appearing to read "Edwin D. Hill".

Edwin D. Hill
International President

EDH:pr