



# STATE OF UTAH

GARY R. HERBERT  
GOVERNOR

OFFICE OF THE GOVERNOR  
SALT LAKE CITY, UTAH  
84114-2220

GREG BELL  
LIEUTENANT GOVERNOR

February 17, 2011

Ms. Elizabeth Murphy  
Secretary  
United States Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: SEC Release No. 34-63576, 76 FR 824 (January 6, 2011)

Dear Ms. Murphy:

This letter serves to express, from the perspective of the state of Utah, our concern about the negative practical effects of the Securities and Exchange Commission's (Commission) proposed interpretation of the registration requirements applicable to "municipal advisors." This would impact members of several important policy-making boards in our state and have serious negative consequences for governance in the state of Utah.

Utah statutes provide for several policy and important advisory boards with members appointed by the Governor and confirmed by the Senate. These include the Utah Retirement System, the Utah State Board of Regents, the State Building Board, State Bonding Commission, and the boards of trustees of our colleges and universities. In each case, citizens donate their time and most importantly, their expertise as public service. There are specific statutory requirements in place that must be followed regarding the qualifications of board members, as well as their authority, duties, and responsibilities and to help protect the public interest.

The proposed registration requirement and public financial disclosures for appointed, but not elected, members of boards that authorize municipal securities seems unnecessary and unwise as it would discourage many from serving while not doing anything to protect the public interest beyond the safeguards already in place at a state level. In Utah, these safeguards include the Public Officers Code, Procurement Code, Administrative Rulemaking Act, Administrative Procedures Act, Government Records Access and Management Act, and Open and Public Meetings Act. Specific statutes govern qualification for office, the Senate consent process, the filing of an oath of office, a prohibition on the employment of relatives, and numerous acts which could be prosecuted as state crimes.

I believe it is important that the Commission honor the historic partnership between states and the federal government and avoid triggering unintended consequences through the preemption of state authority. Thank you for your consideration of my comments.

Sincerely,

A handwritten signature in black ink that reads "Gary R. Herbert".

Gary R. Herbert  
Governor