



February 22, 2011

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

SUBJECT: File Number S7-45-10 (Securities and Exchange Commission Release No. 34-63576, Registration of Municipal Advisors)

Dear Secretary Murphy:

I am writing on behalf of the Port of Portland in Portland, Oregon to provide comments in relation to SEC Release No. 34-63576, dated December 20, 2010. This Release requests comments on the Securities and Exchange Commission's proposed Rules 15Ba1-1 through 15Ba1-7, which include requirements for the registration of municipal advisors with the Commission.

The Port of Portland's comments pertain specifically to proposed Rule 15Ba1-1. As described in the Release, the Commission proposes to exclude from the definition of a "municipal advisor" elected members of a governing body of a municipal entity; however, appointed members would be included within the definition. Therefore, appointed members of a municipal entity's governing body (other than elected officials serving *ex officio*) would be required to register as "municipal advisors" with the Commission.

The Release states that the distinction between elected and appointed members is "appropriate because employees and elected members are accountable to the municipal entity for their actions." Furthermore, the Commission "is concerned that appointed members, unlike elected officials and elected *ex officio* members, are not directly accountable for their performance to the citizens of the municipality."

In its request for comments, the Commission asks for views on whether this distinction between elected and appointed members is appropriate. The Port of Portland does not believe that this distinction is appropriate and urges the Commission to exclude all governing body members—whether elected or appointed—from the definition of "municipal advisor."

The Oregon Legislature established the Port of Portland by statute in 1891. The Port of Portland is one of a handful of major consolidated port authorities in the United States that own and operate both aviation and marine facilities. Specifically, the Port owns four marine terminals, Portland International Airport, two general aviation airports, several industrial parks, and the dredge *Oregon*. The Port is a regional government agency governed by a commission consisting of nine members appointed by the Governor of Oregon and confirmed by the Oregon State Senate. The Commissioners serve four-year terms and can be reappointed, although usually only one reappointment term has been the norm. The statute creating the Port provides a process for the Governor to request removal of a Commissioner in cases of malfeasance.

The nine members of the Port Commission are directly accountable both to the elected officials who appointed and confirmed them and to the citizens of the State of Oregon. Commissioners are not paid for their service; they are volunteers who donate a considerable amount of their time to the position. Commissioners are in no sense "advisors" of any kind. To the contrary, the Port's Commissioners constitute its governing body and make final decisions in public, as a group requiring a quorum, on matters brought before them.

Port Commissioners are subject to several Oregon state laws that govern their service. Strict Oregon "sunshine" laws require that all meetings of a quorum of the Commission at which the business of the Port is discussed take place in public with a certain amount of advance notice. Oregon ethics laws and regulations prohibit public officials, such as Port Commissioners, from using office for public gain and require public disclosure of economic conflict of interest, as well as filings of Statements of Economic Interest regarding any conflicting financial holding the Commissioner may have. The Oregon Government Ethics Commission is charged with enforcing these ethics laws. Public records disclosure laws also apply to all of the Port Commissioners' official activities.

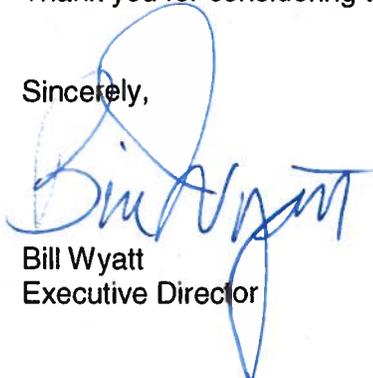
Among other duties, Port Commissioners are broadly responsible for overseeing and, in certain cases, approving the Port's financial activities. In this regard, their financial decisions are subject to monitoring by the Tax Supervising and Conservation Commission (TSCC). The TSCC is an independent, impartial panel established by the Oregon Legislature to monitor the financial affairs of local governments in Multnomah County, one of the three Portland metropolitan counties in the Port's district. In the course of reviewing and approving the Port's annual budget, the TSCC has the opportunity to question the Port's financial activities.

As volunteers, the Commissioners provide a valuable service to the Port without compensation for the considerable time they devote. There is ample oversight of their activities, as described above. Attracting the best possible Commissioners to the governing board is of utmost importance to excellent governance. Commissioners are subject to several state and local laws, regulations, and procedures that make them accountable to both Oregon elected officials and citizens. I believe that appointed members of similarly-situated governing bodies in other states are subject to state and local laws, regulations, and procedures that have the same effect. Appointed and elected members of a governing body of a municipal entity are both sufficiently accountable that neither should be required to register as "municipal advisors" with the Commission.

In addition to making service unduly burdensome, I believe that calling Port Commissioners "municipal advisors" is simply incorrect, in that they do not provide financial advice of the kind contemplated by the SEC. To the contrary, as explained above, they receive advice and make final decisions, as a group, in public and with ample regulation and oversight. They should not be required to register as "municipal advisors".

Thank you for considering the Port of Portland's views on this matter.

Sincerely,



Bill Wyatt
Executive Director