



OFFICE OF THE PRESIDENT • LAS VEGAS CONVENTION AND VISITORS AUTHORITY
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February 18, 2011

Securities Exchange Commission
c/o Elizabeth N. Murphy, Secretary
1000 F Street, NE
Washington, DC 20549-1090

*Via E-Mail to Rule-Comments@sec.gov
and overnight mail*

RE: File No. S7-45-10

Dear Honorable Members of the Securities Exchange Commission:

This letter is being written on behalf of the Las Vegas Convention and Visitors Authority (“LVCVA”). The LVCVA is an entity created under Nevada Revised Statutes (“NRS”) Sections 244A.597 through 244A.655. Pursuant to NRS, the LVCVA has the ability to issue revenue bonds and general obligation bonds to further its governmental purposes, which generally include promoting tourism and providing facilities for tourism, conventions and recreation in Southern Nevada. Tourism-related activities are the largest segment of the private economy in Southern Nevada and consequently, LVCVA’s activities are considered vital to the citizens of Southern Nevada. Pursuant to the authority in NRS, the LVCVA presently has outstanding 11 series of general obligation and revenue bonds totaling over \$600 million in principal amount.

We are writing this letter because of concern with the definition of “municipal advisor” in Release 34-63576, 76 F. Reg. No. 4, Pg. 824, January 6, 2011 (the “Proposed Rule”). Specifically, in the commentary to the Proposed Rule provided by the Commission, the Commission describes an exemption from the definition of “municipal advisor” for “and employee of a municipal entity.” Part of that description is as follows: “The Commission does not believe that appointed members of a governing body of a municipal entity that are not elected *ex officio* members should be excluded from the definition of a “municipal advisor.”” 76 F. Reg. at p. 834.

NRS Section 244A.603 describes the composition of the LVCVA Board of Directors (the governing body of the LVCVA). The LVCVA Board of Directors is to include two members appointed by the Board of County Commissioners (of Clark County, Nevada (the “County”)) from its own members, two members appointed by the governing body of the incorporated city with the largest population in the County, one member each appointed by the governing body of four other incorporated cities located in the County, and six members appointed by the Board members that are selected by the governing bodies of the County and the incorporated cities. Thus, all members of the LVCVA Board of Directors are appointed, eight from the governing bodies of the County and incorporated cities in the County, who are elected to those other governing bodies, and six who are appointed by the other eight members of the LVCVA Board of Directors.

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The commentary on the Proposed Rule, quoted above, indicates that the appointed members of LVCVA Board of Directors (clearly the six who are not appointed from elected boards, but likely also including the eight LVCVA Board members who are appointed from elected commissions/councils) are not excluded from the definition of "municipal advisor" and therefore may be included in the definition of "municipal advisor" if they otherwise meet the definition.

The term "municipal advisor" is defined to include "a person (who is not a municipal entity or an employee of a municipal entity) that -- provides advice to or on behalf of a municipal entity . . . with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues; . . ." Section 15B(e)(4)(A)(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(e)(4)(A)(i)).

Under this very broad definition, an appointed member of LVCVA Board that in the course of discussing the issuance of a series of LVCVA Bonds, discusses the matter in a way that might be construed as advice with respect to the structure, timing, terms, and other similar matters could be deemed to be a municipal advisor. Since all of the LVCVA Board members are likely appointed, none of the LVCVA's Board members could engage in a discussion that might be construed as advice with respect to the issuance of LVCVA Bonds, e.g., advice to the LVCVA about the structure, timing, terms and other similar matters concerning LVCVA Bonds, unless these individuals register as municipal advisors. To inhibit LVCVA's members from engaging in this type of discussion and advice is in effect to encourage them not to carry out their duties. Indeed, the parties selected as members of the LVCVA Board are selected because of their expertise in dealing with the matters with which LVCVA must deal with, and their advice on the structure, timing, terms and similar matters concerning the issuance of municipal securities by the LVCVA is essential to LVCVA in carrying out its legislatively mandated duties.

The effect of the rule will either be to silence all Board members of LVCVA on these important matters, thus leaving LVCVA unable to carry out its functions, or to discourage any person from becoming a Board member of LVCVA because a Board member would be subject to the regulatory regime imposed by the Commission on a "municipal advisor," be subject of payment of fees to both the SEC and the MSRB, and be subject to the completion of complicated paperwork for both the SEC and the MSRB in order to register as a municipal advisor. None of the Board members of the LVCVA become Board members of LVCVA in order to be municipal financial advisors. Indeed the bulk of LVCVA's work does not involve the issuance of municipal securities, but involves other matters concerning conventions, tourism and recreation in Southern Nevada. Forcing these public spirited citizens into being a registered municipal advisors under SEC and MSRB rules to carry out their duties, because LVCVA occasionally issues and discusses the structure, timing and terms of the municipal securities LVCVA issues, is completely inappropriate.

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Further, we dispute the implication of the assertion in the commentary to the Proposed Rule that “appointed members, unlike the elected officials and elected ex officio members, are not directly accountable for their performance to the citizens of the municipal entity.” This seems to assert that non-elected governing body members are not accountable or responsible. In fact, it puts these officials in a position less desirable than employees, whom the Commission deems to be accountable just as elected officials are accountable (“ . . . employees and elected members are accountable to the municipal entity for their actions.” 76 F. Reg. at p 834) Those Board members of the LVCVA who are elected to the governing body of one of the incorporated cities or the County which are represented on the LVCVA Board of Directors are directly accountable to their fellow elected officials on the governing body that appointed them to the LVCVA and are also directly accountable to the voters who elected them to their positions on the city councils or county commission.

Similarly, the other appointed Board members of the LVCVA are selected as is described above, three from a list of nominees submitted by the Chamber of Commerce, and three from a list of nominees submitted by an association of gaming establishments in the County. Thus, these members not only are directly responsible to the other LVCVA members who appointed them, but also are directly responsible to the nominating Chamber of Commerce (and its members) and association of hotel resort properties (and its members). These entities will and do hold the appointed Board members of LVCVA accountable for their activities in the promotion of tourism, convention and recreational activities in the County, which, as mentioned above, is vital to the economy and citizens of Southern Nevada. To imply that these members of LVCVA are not accountable or at least not as accountable as an employee is simply untrue and belittles these people’s considerable efforts on behalf of LVCVA, for which they receive nominal compensation (the lesser of \$480 per month or \$80 per meeting. See NRS 244A.609).

The appointed Board members of LVCVA direct the activities employees of LVCVA undertake and create the policies the employees are to follow. It is very difficult to see the logic of treating an employee who must follow the directive of an appointed Board as more “accountable” to the LVCVA than the Board members of LVCVA who direct these employees’ activities. Further, to include these virtually unpaid citizens as “municipal advisors” and subject them to registration with the SEC and MSRB, to filing of considerable paperwork with the SEC and MSRB, to payment of fees to SEC and the MSRB imposes an unfair and wholly inappropriate burden on them for applying their time and effort for the public good in Southern Nevada.

Finally, it should be mentioned that NRS also has strong ethics laws (see the Nevada Ethics in Government Law, Ch 281A of NRS) to prevent conflicts of interest and other misconduct by appointed or elected board members. Nevada law makes no distinction in the application of these ethics laws between appointed and elected officials. See NRS 281A.125 (“Member of a local legislative body” defined) and 281A.160 (“Public Official” defined).

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The LVCVA very strongly urges the Commission to alter its description of the exceptions to municipal advisors to include as excepted from this definition appointed members of the governing body of a municipal entity that issues municipal securities or is involved in other municipal financial products.

Thank you very much for your attention to this letter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rossi Ralenkotter", with a long horizontal flourish extending to the right.

Rossi Ralenkotter
President/CEO

cc: Senator Harry Reid
Senator John Ensign
Congresswoman Shelley Berkley
Congressman Joe Heck
Congressman Dean Heller