

The Finance Authority* OF NEW ORLEANS

Making New Orleans A Better Home

February 18, 2011

VIA EMAIL: rulecomments@sec.gov

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

Re: File No. S7-45-10; Municipal Advisors Registration – Effect of Proposed Rules

Dear Ms. Murphy,

I am writing on behalf of The Finance Authority of New Orleans, to express our deep concern related to the Securities and Exchange Commission's (the "Commission") proposed rule that would require appointed board members of municipal entities to register with the Commission if they advise on the issuance of municipal securities.

The Finance Authority is a public trust of the City of New Orleans governed under the provisions of the Louisiana State Trust Code whose 7-member citizen volunteer board of trustees is appointed by the elected City Council of the City of New Orleans. The Finance Authority of New Orleans, a municipal entity, acts through its board, which is necessarily comprised of individual members who are appointed by the elected City Council of the City of New Orleans.

We understand that Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") defines the term "municipal advisor" to mean 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 or obligated person with respect to municipal financial products. This proposed rule is misguided and based on several incorrect assumptions. First, The Finance Authority does not provide advice to bond investors. In fact, The Finance Authority consults with outside professionals, such as bond counsel for advice. Second, the Commission fails to recognize that the governing board of a municipal entity cannot be a municipal advisor to such entity. The municipal entity acts through its governing body, which is necessarily comprised of individual members. Accordingly, the exception for a "municipal entity" should properly be interpreted to mean all governing body members.

Moreover, the Commission's position that non-elected members of boards of municipal entities are not accountable is flawed. The Finance Authority Trustees are accountable to their respective

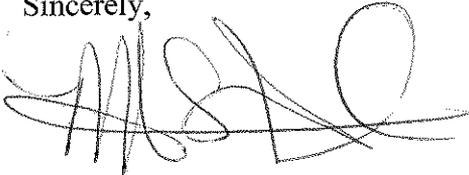
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City Council members, who in turn are accountable through the election process for their performance to the citizens of the City of New Orleans. The members of the board of trustees have the same fiduciary responsibilities as employees and elected officials for their conduct and performance. Open meeting, freedom of information and other such laws that apply ensure transparency of the actions undertaken by The Finance Authority.

As appointed citizen volunteers serving on The Finance Authority board, we find the proposed rules as unnecessary and burdensome. We are concerned that the proposed rules will have a chilling effect on the ability of our local officials to find volunteers willing to serve on The Finance Authority board.

The Finance Authority appreciates the opportunity to provide comments and we urge the Commission to act favorably on extending the exemption to appointed governing board members of municipal entities. Please do not hesitate to contact us if you have any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. St. Julien', written over a horizontal line.

Mtumishi St. Julien
Executive Director
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