



# URBAN RENEWAL AGENCY

of the City of Talent

P.O. Box 445, Talent, OR 97540  
An Equal Opportunity Employer  
Phone: (541) 535-6170  
Fax: (541) 535-2334

TRANSMITTED BY E-MAIL, 2-22-11

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC  
c/o [rulecomments@sec.gov](mailto:rulecomments@sec.gov)

Re: File Number S7-45-10  
SEC proposal to require officers of governmental entities to register as "municipal advisors"  
Release 34-63576 ("Proposed Rule")

Dear Chairman Schapiro and Members of the Commission:

I am the Executive Director of the Talent Urban Renewal Agency (TURA) and have been directed by my Board to explain how the Proposed Rule negatively affects the operation of our Agency. TURA is the urban renewal agency for the City of Talent, Oregon, a 100-year-old traditional, small town in southern Oregon with a population of just under 7,000 and a history of timber and agriculture.

TURA was formed pursuant to Oregon state law (ORS 457) as a separate body "corporate and politic" to implement plans and programs to cure blight and enhance economic opportunities in the City of Talent. The governing body of TURA is seven persons, two of whom are elected City Councilors and five of whom are unpaid citizen volunteers appointed by the City Council. Pursuant to the Proposed Rule, the two elected members would be exempt from SEC regulation, but the five appointed members, who perform identical duties, would be subject to federal regulatory authority and potential additional liability for their actions.

All Oregon urban renewal agencies are required to incur debt in order to use tax increment financing to fund its plans and programs. Therefore, the governing board of TURA must discuss and make decisions relating to its investments and the placement of its debt.

The SEC regulation of appointed members creates an unreasonable distinction among members of the Board without increasing protection of the public from the perceived threat of fiscal misconduct. The Board members are all subject to state and local ethics laws and common law responsibilities that include potential penalties for misfeasance or malfeasance. Each of these controls meet the SEC's stated intent of protecting the public by providing significant and sufficient state and local deterrent to misconduct that another layer of protection does not enhance. Worse, seeking guidance on federal regulatory issues would increase our legal costs and our management costs, and the complexity of those regulations will significantly deter volunteer service in such a small community as ours.

We urge you to include those appointed board members and elected officials who advise agencies such as TURA within the Proposed Rule's scope of the "municipal employee" exemption from SEC regulation as "municipal advisors."

Sincerely,

Mafla Cates, Executive Director  
[Execdir@talenturbanrenewal.com](mailto:Execdir@talenturbanrenewal.com)

cc: Congressional Delegation