



February 18, 2011

Via E-Mail: rule-comments@sec.gov

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

Re: Comments to Proposed Rule Regarding Registration of
Municipal Advisors, SEC Release No. 34-63576; File No. S7-45-10

Dear Ms. Murphy:

I am writing on behalf of the Medina County Port Authority, an Ohio port authority (“Authority”), in response to the Release identified above (“Release”). The Release invites comments on proposed new rules of the Securities and Exchange Commission (“SEC”) that would require “municipal advisors” (as defined in the proposed rules) to register with the SEC. For the reasons identified below, the Authority has significant concerns with various aspects of the proposed rules.

The Authority is a body corporate and politic in the State of Ohio (“State”), created pursuant to Ohio Revised Code Sections 4582.21 through 4582.59, as amended (“Act”), and action of the Board of County Commissioners (“County Board”) of Medina County, Ohio (“County”). The authorized purposes and activities of the Authority are extensive, encompassing activities “to enhance, foster, aid, provide, or promote transportation, economic development, housing, recreation, education, governmental operations, culture, or research”, as well as other permitted activities authorized with respect to housing and economic development under the Ohio constitution. The powers granted to the Authority to implement such activities and promote those purposes are very broad, as outlined in Section 4582.31 of the Act and complemented by additional authority granted throughout the Act and in other related provisions, including the authority to expand its powers and jurisdictional reach through cooperative relationships with other political subdivisions in the State, all of which are determined to be essential governmental functions under the Act. As part of such powers, the Act authorizes the Authority to issue obligations to finance any project it undertakes.

The Board of Directors of the Authority (“Board”) is the legislative body governing the subdivision and is comprised of nine members, all of whom have an equal vote in all matters coming before the Board. Section 4582.27 of the Act establishes statutory requirements applicable to Board members and all such members are appointed by the County Board and, under provisions established by the County Board, are required to reflect a broad geographical cross-section of the County. Board members are generally drawn from the private sector, although various Board members have historically had other governmental experience as well.

The appointed members of our Board are all volunteers, and they have diverse backgrounds. Historically, the Board has included bankers, governmental managers, lawyers, accountants, and other business and community leaders, each of whom, once appointed, must take an oath of office that requires the member to uphold the constitution and laws of the State of Ohio. These laws include Chapter 102, Ohio Revised Code, which encompasses Ohio's code of ethics for public officials. Very little distinction is made within the Ohio code of ethics between appointed and elected officials because all such public officials are held to the same high standard of conduct. As a public official, each board member owes a fiduciary duty to the Authority and is specifically subject to Ohio laws concerning conflicts of interest, gifts, public meeting and records, financial disclosure and doing business with one's agency.

Among the general powers granted to the Authority in Section 4582.31 of the Act are the powers to issue general obligation bonds and notes, as well as port authority revenue bonds, to pay authorized costs with respect to any "port authority facilities". These general provisions are supplemented by numerous additional provisions of the Act and other applicable Ohio law which authorize the Authority to issue bonds and other forms of indebtedness as determined by the Board. All of the Board's meetings, all of the meetings of any of its committees or subcommittees, and any other prearranged discussion of matters coming before the Board, are subject to Ohio's open meeting laws, so at those meetings each Board member is encouraged to participate in the discussion, including any discussions regarding the issuance of bonds or of finance-related agreements, including any matters related to Authority funds. During meetings, Board members customarily ask questions of counterparties and outside consultants or advisors, make comments, express their opinions, discuss proposed actions and vote on whether or not to authorize the proposed actions, including issuance of bonds and other matters before the Board. These are simply part of the customary essential deliberative process of the Authority's Board.

The SEC's proposed rules regarding the registration of municipal advisors would exclude elected board members of a municipal entity from the definition of "municipal advisor", but not appointed board members like the Authority's Board members. In light of the vital governmental role played by the Authority (and more than 50 similar port authorities created throughout the State), and the evident similarity in duties and treatment of elected and appointed public officials under the laws of Ohio as described above (which we understand carries through to the laws of many other states), the Authority does not believe that disparate treatment of elected and appointed board members, as proposed by the SEC, is justified. Therefore, the Authority respectfully requests that the SEC modify the proposed rules and exclude appointed (as well as elected) Port Authority Board members from the definition of "municipal advisor".

In addition, the SEC's proposed rules lack clarity in that they do not include any definition of what constitutes "advice" or "providing advice", and lack a provision establishing key threshold requirements for determining what a "municipal advisor" is. The rules should provide that the person must be acting in some professional capacity and holding him or herself out to the public and the Board as having special expertise in the specified regulated area in which he or she is providing advice to be considered a "municipal advisor". There must be some expectation or at least a significant risk that the municipal entity being provided the advice will view the person in a professional capacity with the knowledge, experience and competence to make the advice reliable. To omit these essential attributes is to bring under the purview of the

SEC's proposed rules literally anyone who offers an opinion or view on any regulated matter to a municipal entity, including all participating Board members and even members of the general public filing written comments or making oral comments at Board meetings. To fail to address these matters and leave them subject to the interpretation and opinion of each municipal entity's legal advisors is to invite confusion, increase expense, and create disincentives to serve, is likely to have a chilling effect both on service and participation, and is frankly unfair to those who agree to volunteer and serve on essential public bodies like the Port Authority Board.

The Authority would therefore further respectfully request that the SEC provide specific guidance with respect to what it means to "provide advice" by requiring that the advice be provided in a professional capacity by a person holding him or herself out to have special knowledge and expertise in municipal financial matters where there is an expectation and a likelihood that the advice will be relied upon by others in making financial decisions for the municipal entity. The SEC should also provide a clear and unconditional statement in the final rules that the statements and other activities of board members (whether elected or appointed) of municipal entities made or taken in the course of performing their duties as board members will not be construed as "providing advice" in the role of a "municipal advisor" to a municipal entity requiring prior registration by the board member with the SEC.

Without such modifications and guidance, the SEC's proposed rules will have significant deleterious effects on our Board and the efforts of its members to ensure that the best possible decisions are made for the Authority and the residents of the County and State. They would have a material and negative impact on the normal deliberative process of our Board by restraining the freedom of its members to express their views on matters relating to municipal bond issues and other related matters for fear of subjecting themselves to the potential risk and expense of an SEC investigation over whether their comments constituted "advice" requiring prior registration as a "municipal advisor". They would also make it more difficult for the County to find individuals with business acumen, financial knowledge and backgrounds and other helpful experience who are willing to serve on the Board if doing so will require them to register with the SEC as a "municipal advisor." They would thereby deprive the Authority – and the citizens it serves – of the talent and robust discussion and deliberation by Board members that are needed for the Board to make sound financial decisions.

The Dodd-Frank Act provision that led to the SEC's proposed rules was intended to protect municipal entities but, with all due respect, municipal entities, such as the Authority, do not need to be protected from their own board members, whether appointed or elected. In the case of the Authority (and we suspect this is the case with respect to most similar appointed boards), the members are the legislative or policy decision makers. In that capacity, they are entitled to rely, and in the case of the Authority's Board, indeed do rely, on advice rendered by professional, independent consultants. The Board members are the *recipients* of the financial advice, not the *providers* of such advice. Moreover, nothing in the Dodd-Frank Act indicates Congress intended the SEC to require registration of appointed members of municipal entities before they could engage in deliberations with their board colleagues and execute the duties they were appointed to perform under state law.

To summarize, for the foregoing reasons, the Authority respectfully requests that the SEC specifically modify the proposed rules as follows:

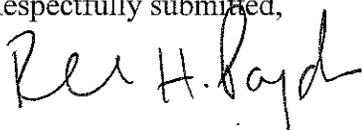
1. also exclude appointed board members of entities like the Authority from the definition of "municipal advisor";

2. clarify what it means to "provide advice" and require that the advice be provided in a professional capacity by someone holding him or herself out to have special knowledge and expertise in municipal financial matters where there is an expectation and a likelihood that the advice will be relied upon by others in making financial decisions for the municipal entity; and

3. clarify that the statements and activities of all municipal entity board members made in the course of performing their respective duties as board members will *not* be construed as "providing advice" to the municipal entity.

If you have any questions concerning these comments or desire any additional information regarding the Authority, its projects and financing activities, its Board members or otherwise, please contact the undersigned.

Respectfully submitted,



Ronald H. Paydo, President

Medina County Port Authority
144 North Broadway Street, Suite 202
Medina, OH 44256
330-722-9215

- cc: William Frantz, Treasurer, Medina County Port Authority Board
James Gerspacher, Secretary, Medina County Port Authority Board
William Hutson, Medina County Port Authority Board
Dean Harris, Medina County Port Authority Board
Robert Kenderes, Medina County Port Authority Board
Laurie Price, Medina County Port Authority Board
Todd Gerber, Medina County Port Authority Board
Robert Trimble, Medina County Port Authority Board
Patricia Geissman, Chair, Medina County Board of Commissioners
Stephen Hambley, Medina County Commissioner
Adam Friedrich, Medina County Commissioner
US Representative Jim Renacci
US Senator Sherrod Brown
US Senator Rob Portman
- bcc: Christopher Jakab, Medina County Administrator
Bethany Dentler, Medina County Economic Development Corporation

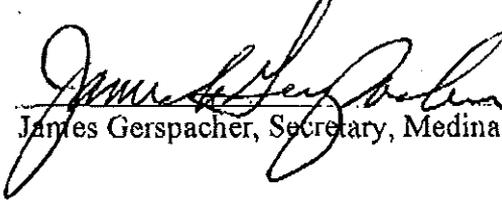
Securities and Exchange Commission

February 18, 2011

Page 5

Co-Signed by Medina County Port Authority Board Members:

William Frantz, Treasurer, Medina County Port Authority Board



James Gerspacher, Secretary, Medina County Port Authority Board

William Hutson, Medina County Port Authority Board

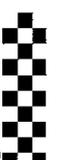
Dean Harris, Medina County Port Authority Board

Robert Kenderes, Medina County Port Authority Board

Laurie Price, Medina County Port Authority Board

Todd Gerber, Medina County Port Authority Board

Robert Trimble, Medina County Port Authority Board



Co-Signed by Medina County Port Authority Board Members:

William Frantz, Treasurer, Medina County Port Authority Board

James Gerspacher, Secretary, Medina County Port Authority Board



William Hutson, Medina County Port Authority Board

Dean Harris, Medina County Port Authority Board

Robert Kenderes, Medina County Port Authority Board

Laurie Price, Medina County Port Authority Board

Todd Gerber, Medina County Port Authority Board

Robert Trimble, Medina County Port Authority Board

Co-Signed by Medina County Port Authority Board Members:

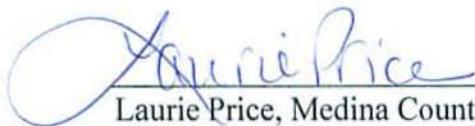
William Frantz, Treasurer, Medina County Port Authority Board

James Gerspacher, Secretary, Medina County Port Authority Board

William Hutson, Medina County Port Authority Board

Dean Harris, Medina County Port Authority Board

Robert Kenderes, Medina County Port Authority Board

A handwritten signature in blue ink that reads "Laurie Price". The signature is written in a cursive style with a large initial "L".

Laurie Price, Medina County Port Authority Board

Todd Gerber, Medina County Port Authority Board

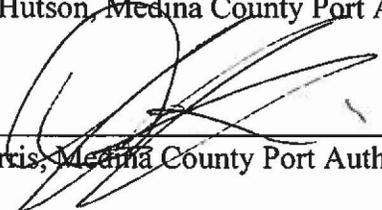
Robert Trimble, Medina County Port Authority Board

Co-Signed by Medina County Port Authority Board Members:

William Frantz, Treasurer, Medina County Port Authority Board

James Gerspacher, Secretary, Medina County Port Authority Board

William Hutson, Medina County Port Authority Board



Dean Harris, Medina County Port Authority Board

Robert Kenderes, Medina County Port Authority Board

Laurie Price, Medina County Port Authority Board

Todd Gerber, Medina County Port Authority Board

Robert Trimble, Medina County Port Authority Board

Co-Signed by Medina County Port Authority Board Members:

William Frantz, Treasurer, Medina County Port Authority Board

James Gerspacher, Secretary, Medina County Port Authority Board

William Hutson, Medina County Port Authority Board

Dean Harris, Medina County Port Authority Board

Robert Kenderes, Medina County Port Authority Board

Laurie Price, Medina County Port Authority Board



Todd Gerber, Medina County Port Authority Board

Robert Trimble, Medina County Port Authority Board