



PUBLIC HIGHWAY AUTHORITY

Adams County, Arapahoe County, Douglas County, Cities of Aurora, Brighton, Commerce City, Thornton, and the Town of Parker, Colorado

February 22, 2011

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

Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F. Street, N.E.
Washington, D.C. 20549-1090

Re: Registration of Municipal Advisors (File Number S7-45-10)

Dear Ms. Murphy:

I write today in my capacity as the Executive Director of the E-470 Public Highway Authority (the "Authority"). The Authority operates 47 miles of toll road (E-470) located along eastern perimeter of the Denver metropolitan area in Colorado.

By way of background, the Authority was created under the Public Highway Authority Law, Section 43-4-501 *et seq.*, Colorado Revised Statutes (the "PHA Law"). The Authority is a body corporate and political subdivision of the State and the PHA Law vests all Authority powers in its board of directors.

This letter comments on rules proposed in the Securities and Exchange Commission's ("SEC") Release No. 34-63576 which would require "municipal advisors," as defined in the recently adopted Dodd-Frank Wall Street Reform and Consumer Protection Act, to register with the SEC. As you are already aware, Dodd Frank enacted sweeping changes in the American financial regulatory environment affecting almost every aspect of the financial services industry. Therefore, the proposed rules subject "municipal advisors" to heightened legal scrutiny and create significant financial reporting requirements involving vast amounts of personal financial data.

It is not the purpose of this letter to make a recommendation on the advisability of regulation of true municipal advisors. I write to oppose the inclusion of appointed members of boards of directors of political subdivisions such as this Authority. I provide you with this commentary on the proposed rules because the Authority's entire board of directors is populated by appointment from other Colorado political subdivisions and agencies. Therefore, should the proposed rules be adopted, each member of the Authority's board of directors would become a "municipal advisor" and be subject to regulations targeting the financial services industry. Board members serving by appointment on local municipal boards and bodies should not be swept into a regulatory scheme aimed at curbing abuse in the financial services industry.

The Authority's board of directors is appointed by the various State political subdivisions (municipalities and counties) comprising the Authority's members. They are elected to offices in their home municipalities and counties and must be appointed by the governing bodies of those entities in order to serve on the Authority's board of directors.

In Release No. 34-63576 the SEC asked a number of questions including whether it is appropriate to exclude elected public officials from the definition of "municipal advisor" while including appointed public officials (other than those serving *ex officio*).

We submit to you that it is illogical to differentiate between directly elected public officials and those serving *ex officio*, on the one hand, and elected officials appointed by their elective bodies to serve on regional authorities, on the other hand. We further submit that no members of governing bodies of municipal entities, whether elected, appointed or serving *ex officio*, should be subject to financial industry relation by virtue of holding public office. These are not the people at whom the Dodd-Frank reforms were directed because these are the people who **receive** advice regarding potential financial transactions from those in the financial services industry.

The SEC's current classification of appointed board members as "municipal advisors" will have the effect of chilling interest in public service, which is not the policy objective in the Dodd-Frank enactment.

Thank you for affording the ability to comment on the Release No. 34-63576.

Respectfully yours,



John D. McCuskey
Executive Director