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James S. Keller
Chief Regulatory Counsel

February 22, 2011

VIA ELECTRONIC MAIL

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

RE: File Number S7-45-10 – Registration of Municipal Advisors

Dear Ms. Murphy:

The PNC Financial Services Group, Inc. (“PNC”) appreciates the opportunity to comment on the proposal by the Securities and Exchange Commission (the “SEC”) to establish a permanent registration system and recordkeeping requirements for municipal advisors (76 Fed. Reg. 824 (January 6, 2011)). The proposal would implement the provisions of Section 975 (“Section 975”) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank”).

PNC is one of the largest diversified financial services companies in the United States, with approximately \$183 billion in deposits and \$264 billion in assets as of December 31, 2010. PNC has businesses engaged in retail banking, corporate and institutional banking, asset management, and residential mortgage banking. PNC provides many of its products and services nationally and others in PNC’s primary geographic markets in Pennsylvania, Ohio, New Jersey, Michigan, Maryland, Illinois, Indiana, Kentucky, Florida, Virginia, Missouri, Delaware, Washington, D.C., and Wisconsin.

PNC provides a diverse array of traditional banking services to a wide variety of municipalities and other governmental entities through its bank subsidiary, PNC Bank, National Association (“PNC Bank”). These services include: deposit services, cash management services, credit facilities, letters of credit to support municipal securities, equipment leases, and trust and investment management services. As of December 31, 2010 PNC had 3,695 municipal entities as customers with outstanding credit commitments of \$251.8 million and deposit balances of \$6.3 billion.

PNC also provides municipalities additional financial product and services, including some investment management services, through PNC Capital Markets LLC, a PNC subsidiary

registered broker dealer and PNC Capital Advisors LLC, a PNC Bank subsidiary registered investment advisor.

PNC supports the underlying purpose of Section 975 and the proposed SEC regulations to ensure that municipalities are protected in their dealings with persons providing investment and financing advice. We believe, however, that the primary purpose of Section 975 was to bring into the existing regulatory framework entities that had been unregulated. In this regard, PNC fully supports the comment letters submitted by The Securities Industry and Financial Markets Association (“SIFMA”), and the American Bankers Association and the ABA Securities Association (collectively “ABA”) with respect to the SEC’s proposal. PNC shares the concerns expressed in those letters that the SEC’s proposed regulation is overbroad and imprecise and would result in the regulation and supervision of banking activities that are currently subject to a robust and comprehensive regulatory and supervisory regime by the Federal banking agencies.

As proposed, the rule would require registration of any PNC Bank employee who merely discusses with a municipality the possibility of taking deposits, providing sweep services or providing certain loans. These banking services are the very same services we provide to all of our corporate banking customers. There is no purpose served by adding another regulatory regime to these products simply because they are being offered to municipalities. We already are subject to effective and strong supervision of these activities by the Office of the Comptroller of the Currency. As proposed, traditional banking activities would become subject to unnecessary and duplicative SEC regulation, supervision and enforcement. We do not believe Section 975 was intended to give the SEC authority over such activities, and the rule would result in confusing and contradictory regulation. Thus, we urge the SEC to exclude banks from the registration requirements of Section 975.

With regard to investment management services that PNC provides its municipal customers, we request that the SEC provide a clear definition of advice that is consistent with the limited scope of advice set forth in Section 975. We also urge the SEC to revise the definition of “investment strategies” so that it is limited to advice articulated as part of the investment plan for the proceeds of a municipal securities offering at or before the time the proceeds are received.

PNC believes that adoption of the comments in the SIFMA and ABA comment letters will lead to a rational regulatory framework for otherwise unregulated municipal advisors and for certain narrowly defined municipal advisory activities of broker-dealers and municipal securities dealers, while allowing broker-dealers, municipal securities dealers and banks to continue to provide their traditional and important financial services and products to municipal entities under existing regulatory frameworks.

Ms. Elizabeth Murphy
February 22, 2011
Page 3

Thank you for your consideration of these comments. If you would like to discuss any aspect of this letter, please do not hesitate to call me.

Sincerely,



James S. Keller

cc: Morris R. Morgan
Richard Taft
Office of the Comptroller of the Currency

Michael D. Coldwell
Federal Reserve Bank of Cleveland

William S. Demchak
Andrew Miller
Henry S. Pool
The PNC Financial Services Group, Inc.