

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

Re: File Number S7-45-10 - Proposed New Rules 15Ba1-1 through 15Ba1-7 Registration of
Municipal Advisors

Dear Ms. Murphy:

I am writing you on behalf of Intermountain Health Care, Inc., a Utah not-for-profit corporation (“Intermountain”), in response to the request for comments on the definition of “municipal advisor” contained in Release No. 34-63576 (the “Release”) of the Securities and Exchange Commission (the “Commission”) relating to the registration of municipal advisors.

Intermountain owns and operates hospitals and clinics and is governed by a volunteer board of directors composed largely of individuals representing the Utah business community. [Board members are not compensated for their service in that capacity].

Intermountain has financed and refinanced a large portion of the costs of construction and equipping of its facilities with funds raised for community benefit through the issuance of tax-exempt revenue bonds issued by multiple cities and counties within Utah. We are solely responsible for the payment of such bonds and are accordingly an “obligated person” as that term is used in the Release.

The Release requested comments on numerous questions, including the following: “Should employees of obligated persons be excluded from the definition of ‘municipal advisor’ to the extent they are providing advice to the obligated person, acting in its capacity as an obligated person, in connection with municipal financial products or the issuance of municipal securities?” We feel very strongly that the answer to that question is “YES” and hereby request that the Commission clarify, by appropriate means, that not only employees, but also officers and directors, of obligated persons be excluded from the definition of “municipal advisor” when they provide advice to the obligated person in connection with municipal financial products or the issuance of municipal securities.

The Release provides that *employees* of a “municipal entity” are not included within the definition of “municipal advisor.” This exclusion would, for example, encompass the finance professionals of a county that is preparing to issue general obligation bonds backed solely by that county’s credit. In the case of a health care not-for-profit such as Intermountain, if revenue bonds backed solely by our credit were being issued for our benefit to construct and equip our healthcare facilities, our finance staff would be performing the same functions as the county’s finance staff. In an economic (but not a legal) sense those revenue bonds would be “our” bonds. It accordingly seems inappropriate to us to require our employees, officers and directors to be registered as municipal advisors.

The same rationales that support the exclusion of municipal employees from the definition of “municipal advisor” support the exclusion of directors, officers and employees of obligated persons. Our team of finance professionals regularly advises and consults with our officers and directors on financial matters, including the use of municipal financial products and the issuance of municipal securities under which Intermountain would be a conduit borrower. While there are obvious benefits to investors and the public interest in requiring financial advisors, GIC and swap brokers, marketers and others that advise municipal entities and obligated persons to register with the Commission and adhere to rules of the Municipal Securities Rulemaking Board, there appears to be no comparable benefit in imposing an extensive federal regulatory regime on directors, officers and employees of obligated persons.

One of the stated purposes of the municipal advisor provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act is protection of obligated persons. It is clear that Congress intended that this protection was to be achieved by the registration and regulation of financial advisors, GIC and swap brokers, marketers and similar persons that provide financial and investment advice to obligated persons. There is, however, no evidence whatsoever that Congress intended that the protection of obligated persons was to be achieved through the regulation of the class of persons to be protected.

If our directors, officers and employees were deemed to be municipal advisors, Intermountain would be required to expend substantial money, time and resources to ensure compliance with the detailed registration, record-keeping, reporting and other requirements of the proposed registration rule. Valuable and limited resources that would otherwise be used to further our charitable mission would need to be redirected to regulatory compliance. As a healthcare organization, Intermountain is already subject to extensive oversight by federal and state agencies and another layer of regulatory oversight would appear to provide no meaningful public benefit.

Intermountain officers and directors already have a fiduciary duty to Intermountain and, together with the employees of Intermountain, are held to the highest business and ethical standards; and we see no benefit to imposing a federal fiduciary duty on their conduct. While we commend the Commission’s efforts to improve standards and practices in the municipal securities market, we see no benefit in imposing an additional regulatory regime on Intermountain and similarly-situated obligated persons.

Accordingly, and consistent with the purposes of the Dodd-Frank Act, we request that the Commission clarify that the directors, officers and employees of obligated persons are excluded from the definition of “municipal advisor” when they provide advice to the obligated person in connection with municipal financial products or the issuance of municipal securities.

Thank you for your consideration and attention to our request.

INTERMOUNTAIN HEALTH CARE, INC.

Albert R. Zimmerli
Senior Vice President and CFO