

February 22, 2011

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

FILE NUMBER S7-45-10 -- Registration of Municipal Advisors

Dear Ms. Murphy:

The American Public Works Association (APWA) appreciates the opportunity to file comments in response to the Securities and Exchange Commission's (Commission) proposed rule on Registration of Municipal Advisors, published in the *Federal Register* on January 6, 2010.

The Commission is proposing new rules and new forms under the *Securities Exchange Act of 1934* as amended by the *Dodd-Frank Wall Street Reform and Consumer Protection Act* to give effect to provisions in the *Dodd-Frank Act* that would establish a permanent registration regime with the Commission for municipal advisors and would impose certain record-keeping requirements on such advisors.

The term "municipal advisor" is defined to mean a person (who is not a municipal entity or an employee of a municipal entity) (i) who provides advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues, or (ii) who undertakes a solicitation of a municipal entity.

The proposed rule provides that the definition of municipal advisor shall not include engineers providing engineering advice. The exclusion does not include circumstances in which the engineer is engaging in municipal advisory activities, including cash flow modeling, or the provision of information and education relating to municipal securities, even if those activities are incidental to the provision of engineering advice. In addition, the exclusion does not include circumstances in which the engineer is preparing feasibility studies concerning municipal financial products or the issuance of municipal securities that include analysis beyond the engineering aspects of the project and therefore an engineer preparing such studies would be subject to registration as a municipal advisor.

The Commission's exemption of engineers providing engineering advice from the definition of municipal advisors is too narrow and fails to understand the nature, requirements and elements of professional engineering services. Cost analyses, cash flow modeling, financial analysis and feasibility studies are fundamental components to providing professional engineering services. It is also common practice to

include financial recommendations such as utility rates or other user fees. These activities are integral to professional engineering advice and are not municipal advisory advice about municipal financial products or municipal securities. We recommend that the Commission clarify the exemption to include these engineering activities explicitly in a definition of engineering services exempt from the requirements of the municipal advisors registration regime.

APWA is an international educational and professional association of public agencies, private sector companies and individuals. Our organization represents 29,000 members who plan, design, build, operate and maintain transportation, water supply, sewage and refuse disposal systems, public buildings and other structures and facilities essential to our nation's economy and way of life. Public works professionals serve a diverse range of local communities, municipalities, counties, townships, villages and districts, whether large or small, rural or urban.

Thank you for considering our comments.

Sincerely,

A handwritten signature in cursive script that reads "Peter B. King".

Peter B. King
Executive Director