

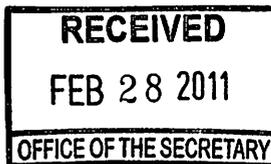


ORANGE COUNTY  
HOUSING FINANCE AUTHORITY

# 731

W.D. MORRIS  
EXECUTIVE DIRECTOR

February 17, 2011



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

**Re: Release No. 34-63576; File No. S7-45-10**

Dear Madam:

I am the Chairman of the Housing Finance Authority of Orange County, Florida ("Authority"). The Authority is a local, quasi-governmental entity, that issues tax exempt and taxable municipal revenue bonds to finance affordable single-family and multi-family housing, the issuance of such bonds may include municipal financial products such as a Guaranteed Investment Contracts. Our governing body is made up of five residents of Orange County, appointed by our elected Board of County Commissioners.

We have become aware of and have concerns about the recent Securities and Exchange Commission's ("Commission") proposed rule regarding "Regulation of Municipal Advisors." Pages 40-41 of the proposed rule, "references Section 15-B(e)(4)(A) of the Securities Act of 1934"; which provides that the term "municipal advisor" excludes employees of a municipal entity; as well as, elected members of a governing body acting within the scope of his/her role as an elected member of the governing body." However, the proposed rule fails to extend this exemption to appointed members of the governing body of a municipal entity. We strongly encourage the Commission to extend the exemption to appointed governing board members as well.

Governing board members of local housing finance authorities in Florida are appointed by their respective, elected County Commissioners, pursuant to state statutes and local ordinances. Such board members are accountable to the local elected officials, who in turn are accountable for their performance to the voters. In this regard, such appointed officials are no different from employees except that they are unpaid volunteers, who are advised by professional agents and staff, and are not providers of advice. Under the Florida Code of Ethics for public officials and employees, appointed board members have the same fiduciary responsibilities as employees and elected officials for their conduct and performance. By Florida law we can receive no financial or personal benefit for serving as a board member.

We have been advised that the regulation and registration requirements for “municipal advisors” contemplated in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and referenced in the proposed rule, were intended to apply to individuals or firms that provide *advice* and *assistance* on behalf of a municipal entity in connection with an issue of municipal securities on municipal financial products such as a guaranteed investment contract. These requirements should not be extended to appoint governing board members. We need to be able to ask questions of the staff and professional who advise us as we make decisions about the structure of our bond issues without the threat of that participation, somehow making us “Municipal Advisors” to the same extent as an elected official. We believe that the Commission’s proposed regulation of appointed board members is in conflict with the intent of the proposed rule applying to individual or firms that provide advice and assistance to the employees and governing board of a municipal entity. Because of this, the proposed rule will adversely impact participation by qualified, well intended citizens in the important work of local housing finance authorities and will be costly and burdensome to implement.

We appreciate the Commission’s consideration of action to extend the exemption to appointed governing board members of municipal entities as recommend in this letter.

Cordially,

A handwritten signature in cursive script that reads "Clemente Cuevas".

Clemente Cuevas  
Chairman