



July 8, 2011

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

Re: Rules 15Ba1-1 through 15Ba1-7, Release No. 34-63576

ASAE is a section 501(c)(6) individual membership organization of more than 22,000 association executives and industry partners representing nearly 12,000 tax-exempt organizations. Its members manage leading trade associations, individual membership societies, and voluntary organizations across the United States and in 50 countries around the globe. Our comments reflect the interests and concerns of our membership.

We are concerned that the proposed new rules 15Ba1-1 through 15Ba1-7 offered by the SEC pursuant to Release No. 34-63576 dated December 20, 2010 may inadvertently require associations and other non-profit organizations to register as municipal advisors under the Dodd-Frank Act.

The Dodd-Frank Act requires the registration with the SEC of any person who directly or indirectly communicates with a municipal entity or obligated person, for direct or indirect compensation, on behalf of a broker, dealer, municipal securities dealer, municipal advisor, or investment adviser for the purpose of obtaining or retaining an engagement by a municipal entity or obligated person of a broker, dealer, municipal securities dealer, or municipal advisor for or in connection with municipal financial products, the issuance of municipal securities, or of an investment adviser to provide investment advisory services to or on behalf of a municipal entity.

Many associations provide advertising for or endorse products of third parties offering various financial products and services (such as 401k and 403b retirement plans) to association members. These third parties are generally investment advisers, broker-dealers, mutual fund companies, or other entities which are already regulated by the SEC. The third parties compensate the association through a royalty arrangement or often through a marketing or sponsorship fee, depending on the association's level of involvement in providing information to its members or its members' organizations.

If the association's members include municipal entities, such as community hospitals or school boards, then the association could be construed as directly or indirectly communicating with a municipal entity on behalf of a broker-dealer or other regulated entity by providing advertising or endorsing 401k and 403b retirement plans to its members. That communication could then trigger registration by the association under the Dodd-Frank Act.

We do not believe that Congress intended such a broad interpretation of the Act. Most associations and their related entities simply provide advertising for, or endorse various products of, third parties, which,

as indicated above, are already regulated by the SEC. We do not believe these associations and their related entities are the type of unregulated market participants sought to be regulated by the Dodd-Frank Act. Moreover, the products and services offered by associations are not directed specifically to municipal entities, but rather are prepared and circulated without regard to whether the audience may include municipal entities.

We therefore request that the SEC provide guidance regarding the definition of “solicitation of a municipal entity or obligated person” relating to “indirect communication with a municipal entity.” Specifically, we urge the SEC to provide guidance distinguishing those forms of communications that are permissible from those that constitute a “solicitation of a municipal entity or obligated person.” In addition, we urge the SEC to adopt in the Final Rule 15Ba1-1 a definition of “solicitation of a municipal entity or obligated person” that exempts advertisement, endorsement, sponsorship, and similar services offered by persons who are not municipal advisors, brokers, dealers, municipal securities dealers, or similar persons engaged in the financial advisory service industry.