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February 17, 2011

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

Re: File Number S7-45-10

Dear Ms. Murphy:

Missouri Housing Development Commission (MHDC) submits for consideration the following comments regarding SEC's proposed rule on the registration of municipal advisors (File Number S7-45-10). Of particular concern to MHDC is the apparent intent to subject non-elected municipal board members to the registration requirements for municipal advisors.

As the housing finance agency (HFA) for the state of Missouri, MHDC issues taxable and tax-exempt bonds to support affordable housing activities, including homeowner mortgages and the production of affordable rental housing. MHDC is established and authorized by Chapter 215 of the Revised Statutes of Missouri and constitutes a body corporate and politic. MHDC is governed by a 10-member Board of Commissioners consisting of four (4) statewide elected officials (Governor, Lieutenant Governor, State Treasurer and Attorney General) as well as six (6) non-elected members who are appointed by the Governor and confirmed by the Missouri State Senate.

Our understanding of the proposed rule is that the six (6) non-elected members of our Board of Commissioners would be required to register with the SEC as municipal advisors, and they also would be subject to the proposed rule's heightened fiduciary standards applicable to municipal advisors thereby making our non-elected Board members potentially civilly and criminally liable for violations of the SEC's regulations. We also note that the proposed rule might impact the staff members of the elected members of our Board in those instances in which such staff members are acting as full voting members of the Board in the absence of the elected official. Specifically, Missouri statute allows Deputy State Treasurers and Assistant Attorney Generals to fulfill the obligations of the State Treasurer and the Attorney General, respectively, as needed. Given that these staff members are neither elected members of the Board nor employees of MHDC, they also may be subject to the proposed rule.

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We fear the proposed rule's extensive reporting requirements and increased fiduciary liability would create a strong deterrent to the willingness of any member of the public to serve on MHDC's Board of Commissioners. Such a result would unfortunately undermine the very rationale for having members of the public serve on such boards, which is to open the policy- and decision-making process to individuals from a wide variety of backgrounds and experiences. Similarly, if the board members' deliberations were overly hampered by concerns about whether their comments constituted "advising," the proposed rule would have the opposite effect of the law's intent by creating tension and a potential conflict between the best interests of the public and the interests of individual members.

The benefit to be gained by the SEC and the municipal finance system from requiring non-elected board members to register as municipal advisors is not immediately apparent to us. The state of Missouri already requires all agency board members to file annual personal financial disclosures with the State Ethics Commission, and such board members' conduct is already governed by Missouri statutes that impose ethical standards of conduct on all public officials.

Further, a strong case could be made that non-elected board members do not advise the board, because they are the board and therefore are advising themselves. It is difficult and confusing to know where the line would be drawn between a board member "advising" the board as opposed to simply taking part in deliberations and actively fulfilling his or her role as board member. Beyond this concern, as a practical matter most of the members of our Board of Commissioners are not experts in the field of municipal finance and thus they rely on MHDC's staff and financial advisors to provide information and advice on municipal finance issues.

For all of these reasons, Missouri Housing Development Commission respectfully requests that the SEC expressly exempt members of municipal boards from the definition of municipal advisor as set forth in File Number S7-45-10.

Thank you for your consideration of this request.

Sincerely,



Margaret D. Lineberry

Executive Director