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January 20, 2011

Ms. 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:

I am writing this letter on behalf of the City of Lampasas, ("City") to address concerns regarding the SEC's interpretation of the definition of the term "municipal advisor" and "employee of a municipal entity". Based on our understanding of the SEC's interpretation of these definitions, the City must respectfully disagree with this interpretation and request reconsideration based on the responsibilities of appointed board members, the eminent threat to the ability to obtain volunteer board members, and the consequences that will ensue. The SEC should either change its interpretation of these definitions or exempt board members who do not provide any financial advice from regulation of the SEC.

Board members are citizen volunteers appointed for specified terms and are subject to appointment by the elected City Council members. Our City boards, as in most small cities, participate in selecting projects, and in developing or amending operational policies, but have no decision making authority. More importantly, none of these boards provide any financial advice. The City pays for the services of financial advisors, on a limited basis, and relies on city management to provide recommendations with regard to municipal financial products or the issuance of municipal securities with the elected City Council as the final decision making authority.

In small cities, the number of citizen volunteers with specialized skills and knowledge can be difficult to find and even more difficult to maintain. SEC's limited interpretation places the City at great risk of losing valuable talent and insight, because existing and prospective board members will not want to subject themselves to the additional regulations of the SEC.

The City relies on the expertise, community leadership and civic responsibility of appointed board members. From our small airport, to our library, and to our parks, board participation is essential to the City's operations. Volunteer citizens provide an important third view to policymaking. Because these volunteer board members are rooted in the community, they validate the City to the citizens they serve as they reflect the composition of the citizenry. Requiring appointed board members to register with the SEC, will dramatically hinder the City and many other small cities that do not have the financial wherewithal to obtain the additional insight and assistance that appointed board members provide.

Through the assistance, insight, and expertise of citizen volunteers, we are able to bridge some professional and insightful gaps and improve our community through volunteer involvement. We implore you to either revise your interpretations by including appointed board members in the interpretation of the term "employee of a municipal entity" and excluding appointed board members from the term "municipal advisor" or exempt appointed board members who do not provide any financial advice from regulation of the SEC and allow municipalities to maintain the valuable resource it has in its citizen volunteers.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith Hetherly", with a stylized flourish at the end.

Judith Hetherly

Mayor, City of Lampasas

Cc: Council members
Michael Stoldt, City Manager