



**Greenville
Utilities**

February 22, 2011

Via e-mail to rule-comments@sec.gov

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

Re: Comments on File No. S7-45-10, Registration of Municipal Advisors

Dear Ms. Murphy:

Greenville Utilities Commission ("Commission") respectfully requests the Securities and Exchange Commission ("SEC") revise its position on the registration of municipal advisors by stating clearly in the final Securities Exchange Act of 1934 Rules 15Ba1-1 through 15Ba1-7 (the "Municipal Advisors Rules") that all governing board members of municipal entities (both elected and appointed) will not be required to register as "municipal advisors" under the Municipal Advisors Rules and all statements made or positions taken by any governing member of the municipal entity will not be considered to be advice if the statements are made or actions are taken as a part of a fact-finding, deliberative, or decision-making process of the governing board. Additionally, we believe any casual statements made or opinions offered to a municipal entity by any person who is not acting in a professional advisory capacity should be excluded from the reach of the Municipal Advisors Rule.

Being required to register with the SEC as a municipal advisor has significant consequences, including time, money and legal obligations. This registration requires certification of qualifications and training, as well as knowledge of regulatory obligations for municipal issuers. The record-keeping requirements, potential fines, and sanctions (including criminal penalties), will overwhelm municipal entities like ours that operate with volunteer Boards, small budgets, and lean staffing.

The Commission's ability to attract strong volunteer board members will be greatly hindered by this proposed rule. We rely on legal counsel and financial advisors, who are compensated for this service, to provide guidance and feedback on any bond issuance or other financing that we undertake. To ask our board members to register with the SEC, with all of its attendant requirements, would be so arduous as to discourage talented individuals in our community from serving on our Board.

We respectfully request the SEC reconsider its proposed ruling which would require board members of municipal entities to register as municipal advisors.

Sincerely,

J. Freeman Paylor
Chairman, Greenville Utilities Commission

PO Box 1847
Greenville, NC
27535-1847
252-551-1500
www.guc.com

Your Local
Advantage