



RED RIVER
GROUNDWATER CONSERVATION DISTRICT
FANNIN COUNTY AND GRAYSON COUNTY



February 21, 2011

Via E-Mail

Ms. Elizabeth M. Murray
Secretary
United States Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

File Number – S7-45-10

SEC Release No. 34-63575

Re: United States Securities and Exchange Commission Proposed Rule (76 *Fed. Reg.* 824 January 6, 2011¹)
Concerning the Registration of Municipal Advisors

Dear Ms. Murphy:

I am writing to you as the President of the Red River Groundwater Conservation District, a public entity recently formed as result of a special act of the Texas Legislature in 2009. Our responsibility is to establish and maintain procedures that will protect and utilize the groundwater in our area for the maximum benefit of the citizens for the area we serve in North Central Texas. Our board members are appointed by public entities, including cities, counties and other public water suppliers in the area. All of us serve without compensation.

We have recently learned of a provision contained in Section 15B(e)4 of the Exchange Act, as amended by the Dodd-Frank Act, which concerns us. As we understand it, this provision would require all of our board members to become registered advisors with the Securities and Exchange Commission (SEC). We fail to understand how this proposed rule would improve the efficiency of any public financing that our District may undertake in the future.

All of the board members are volunteering our time on this Board and we are dependent upon advice from consultants hired by the District to provide their expertise, whether that expertise is geotechnical science, legalize, or any of the other disciplines that are needed by our entity. While we have not contemplated the issuance of debt at this point, we would obviously need to secure the services of municipal advisory firms and bond counsel firms that are skilled in that area of expertise. None of our board members would pretend to have expertise or provide advise regarding the issuance of public debt.

I feel that the imposition of a registration process is unnecessary, unproductive and would result in substantially fewer people being willing to offer themselves for any of the 100 groundwater conservation districts that presently exist in the State of Texas. We respectfully request you take this matter under advisement and reassess the rule that would require appointed officials to register as municipal advisors.

Respectfully submitted,

George "Butch" Henderson
President

¹ 76 *Fed. Reg.* 824 (January 6, 2011)