

February 22, 2011

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

Re: File Number S7-45-10 – Registration of Municipal Advisors, 76 *Fed. Reg.* 824 (Jan. 6, 2011)

Dear Ms. Murphy:

Our firm participated quite extensively in the formulation of the comment letter submitted today by the Securities Industry and Financial Markets Association (“SIFMA”) with respect to the above-captioned rule proposal. We fully support the letter and all its conclusions and urge the Commission to follow its recommendations.

Our firm has been registered continuously as a broker-dealer with the Commission and the Municipal Securities Rulemaking Board since 1980, the year our firm was founded. During that period it has participated in municipal advisory activities which have been regulated by the MSRB. Our understanding of the provisions of Dodd-Frank relevant to this rule proposal and the purpose for including them as a very small part of a much larger and unrelated legislative effort was to regulate previously unrelated entities. Instead, we were presented with a 315 page proposal that can only be described as overwhelming, especially when compared to the issues it is designed to address. As a registered and regulated entity, we find it beyond any realm of common sense that such a burdensome layer of registration and regulation would be created to duplicate our already registered status and heavily regulated activities. This is further compounded by the seemingly total lack of coordination between the Commission and the MSRB with respect to overlapping and duplicative regulation. The idea of separate registration for every individual with the Commission is especially onerous since such a scheme has no counterpart in the history of securities regulation.

We respectfully suggest that the Commission scrap this proposal and start over. The cost analysis is not even remotely close to reality. The need for outside legal representation just to review and comment both by SIFMA and our firm (and presumably many others) has cost our industry an inordinate amount of time and money. Since we and others are part of highly regulated bank organizations, the proposed compliance responsibilities are completely unquantifiable at this point but sure to duplicate existing supervision by both securities and bank examiners. Finally, all of this relates to an area where most of us have never had a single client complaint. It is never good policy to create burdensome regulation because of a handful of highly publicized situations wherein the perpetrators have been caught and severely punished.

With all due respect, a federal agency is not the appropriate forum to police corruption at the state and local level. Its new responsibility under Dodd-Frank can be accomplished without the establishment of such a burdensome apparatus.

Finally, the Commission has made no attempt to clarify the myriad of confusing issues it has raised with respect to such matters as the definition of "advice", the scope of the exemption for underwriters, the extent of a fiduciary duty and the role of an advisor with respect to obligated persons. It needs to step back and solve one problem at a time and not subject those of us who are already highly regulated in this area to a separate, duplicative, inordinately expensive and overlapping layer. The Commission should always remember that any additional cost of doing business with state and local governments is ultimately borne by the citizens of those entities in an era when the citizenry is crying out for reduced governmental cost burdens. Most of the entities we deal with police themselves quite satisfactorily by utilizing extremely extensive RFP processes to ferret out the type of information that the Commission would require.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Stracks", with a long, sweeping flourish extending upwards and to the right.

Robert J. Stracks
Counsel

RJS/mlm