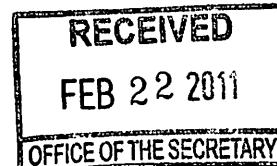




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State of Rhode Island and Providence Plantations
General Treasurer
State House - 102
Providence, Rhode Island 02903

Gina M. Raimondo
General Treasurer



February 11, 2011

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

RE: File Number S7-45-10

Dear Ms. Murphy:

The Securities and Exchange Commission (SEC) has extended to the public a forty-five (45) day comment period to address the proposed rules implementing Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). In its Release published in the Federal Register on January 6, 2011, the SEC excluded from the definition of “municipal advisor” elected officials and employees of municipalities as the statute requires, but the SEC included appointed board members who are not otherwise elected officials. The result is that appointed citizens serving on state and local finance boards, industrial development boards, boards of higher education institutions and the like would be required to register as municipal advisors [SEC Release No. 34-63576 at p. 40-41], subjecting such individuals to registration requirements with the SEC and to federal securities law liability.

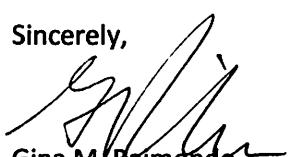
I strongly urge the Commission to change its position and to consider appointed municipal board members as part of the municipal employee exception to a municipal advisor. Including appointed board members as municipal advisors and subjecting such individuals to registration requirements with the SEC will hinder rather than improve good governance. Unpaid, appointed board members, whose actions are accountable to the people through the elected officials who appoint them and through local statutes, should not be burdened with additional SEC requirements. It is already challenging to find qualified individuals to volunteer large amounts of their time to serve on a municipal board. The proposed SEC rule will only serve as a disincentive for qualified board members, leading to a decreased pool of candidates to choose from. I am also concerned that, the end result could be the appointment of inferior board members and deteriorating financial governance.

The SEC Commissioner has stated concerns that appointed members, unlike elected officials and elected ex officio members, are not directly accountable for their performance to the citizens of the municipal entity. This is not true. Board members are accountable to the citizens of a municipality through local statutes, through the elected officials who appoint them and through potential personal liability. Each state and municipality determines the level of accountability through their own statutes, ordinances and appointment methods. Almost all statutes have a removal clause for board members for cause. Most, if not all, appointed Board members of state agencies in Rhode Island are appointed with the advice and consent of the Rhode Island Senate. Board members are also accountable to the people through the elected officials who appoint them. The electorate can urge their elected officials to appoint certain board members and if a board member is unsatisfactory, they can vote for a different candidate who will appoint new board members in the following election. Finally, dereliction of a board member's responsibilities can result in legal actions and personal liability.

The proposed rules have caused great concern by appointed members currently serving on state and local boards of pension plans, 529 College Savings plans, investment commissions and boards of all debt issuing entities. Accordingly, I strongly oppose any administrative expansion of the definition of "municipal advisor" that would subject appointed board members to registration or other regulation by the SEC.

Thank you for your consideration.

Sincerely,



Gina M. Raimondo
General Treasurer