



# FAIRFAX COUNTY

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## FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

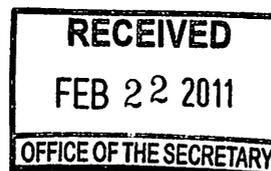
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V I R G I N I A

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February 18, 2011

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



Re: File No. S7-45-10; Municipal Advisors Registration – Effect of Proposed Rules

Dear Ms. Murphy,

I am writing on behalf of the Fairfax County Redevelopment and Housing Authority (FCRHA), to express our deep concern related to the Securities and Exchange Commission's (the "Commission") proposed rule that would require appointed board members of municipal entities to register with the Commission if they advise on the issuance of municipal securities.

The FCRHA is a separate political subdivision under Virginia State Law whose 11-member citizen volunteer board of commissioners is appointed by the elected Board of Supervisors. The FCRHA, a municipal entity, acts through its board, which is necessarily comprised of individual members who are appointed by the elected Fairfax County Board of Supervisors. The FCRHA has no staff of its own and the staff of the Fairfax County Government is staff to the FCRHA.

We understand that Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") defines the term "municipal advisor" to mean a person (who is not a municipal entity or an employee of a municipal entity) that provides advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products. This proposed rule is misguided and based on several incorrect assumptions. First, the FCRHA does not provide advice to bond investors. In fact, the FCRHA consults with outside professionals, such as bond counsel for advice. Second, the Commission fails to recognize that the governing board of a municipal entity cannot be a municipal advisor to such entity. The municipal entity acts through its governing body, which is necessarily comprised of individual members. Accordingly, the exception for a "municipal entity" should properly be interpreted to mean all governing body members.

Moreover, the Commission's position that non-elected members of boards of municipal entities are not accountable is flawed. The FCRHA Commissioners are accountable to their respective

District Supervisors, who in turn are accountable through the election process for their performance to the citizens of Fairfax County. We have the same fiduciary responsibilities as employees and elected officials for our conduct and performance. Open meeting, freedom of information and other such laws ensure transparency of the actions undertaken by the FCRHA.

As appointed citizen volunteers serving on the FCRHA board, we find the proposed rules as unnecessary and burdensome. We are concerned that the proposed rules will have a chilling effect on the ability of our local officials to find volunteers willing to serve on the FCRHA board.

The FCRHA appreciates the opportunity to provide comments and we urge the Commission to act favorably on extending the exemption to appointed governing board members of municipal entities. Please do not hesitate to contact Paula Sampson, Assistant Secretary, FCRHA, at 703-246-5105 if you have any additional questions.

Sincerely,

  
Ronald F. Christian  
Chairman