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September 15, 2006

Ernesto A. Lanza, Esq.
Senior Associate General Counsel
Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, VA 22314

Re: MSRB Notice 2006-19 (July 26, 2006)

Dear Mr. Lanza:

I am submitting these comments in response to the Municipal Securities Rulemaking Board's request regarding the "access equals delivery" concept, and appreciate the opportunity to do so.

The "access equals delivery" concept embodied in MSRB Notice 2006-19 (July 26, 2006) has the potential to facilitate more rapid delivery of official statements in accordance with current municipal securities market practices in many offerings. Aside from benefits for dealers, this can be very useful for investors who will be able to receive documents earlier in the offering process, and it can reduce issuer printing costs.

It is important, however, that the proposal make provision to prevent abuses that may occur due to important differences between the corporate securities market and the municipal securities market. Such abuses could damage this helpful idea.

Electronic delivery is used widely in the municipal securities market for institutional investors and technological knowledgeable individual investors. Proportionately, there are many more elderly individual investors in the municipal securities market than in other markets due to their goal of protecting retirement income from taxation. Those and other less sophisticated investors may not be technologically savvy.

While the vast majority of municipal securities offerings have low risk, there is a small universe of less credit-worthy offerings—nonrated and noninsured and usually dependent in large part upon the success of private parties—that are brought into the market. Some investors, especially (but not solely) elderly ones, confuse the risks in these offerings with the general safety of municipal securities, at times in the context of



pitches. Those transactions, which institutions may shun, are sold with especially high yields to individuals, not infrequently elderly retired persons. Putting aside obvious suitability issues, it is important that these investors have actual, not theoretical access to disclosure documents.

In many offerings in the corporate securities market, electronic access to final prospectuses is equated with delivery. That principle also can be useful in the municipal securities market, so long as investors either receive paper preliminary official statements or actually consent in a meaningful manner, either in writing or in electronic form, to electronic delivery of preliminary official statements. This assumes, of course, that final official statements are, in fact, materially identical to the preliminary documents, except for information based upon the pricing process.

Given this context, I perceive two ways in which the “access equals delivery” concept could be abused in the troublesome offerings by those market participants who are inclined to do so. First, keeping in mind that SEC Rule 15c2-12 does not require that issuers prepare preliminary official statements (only that dealers deliver them to investors if they are prepared, and even then, only if the investors request the documents), once offering participants realize that there is a cost savings from not printing final official statements, they could easily simply decline to prepare any preliminary official statements at all. That would save on all printing costs. This practice is not possible in the corporate securities market where preliminary prospectuses are required, but is not infeasible in troublesome offerings in which elderly and other less sophisticated individual investors may place a high degree of reliance upon statements of brokers.

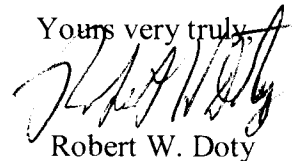
Second, in the municipal securities market, the SEC has not adopted regulations requiring recirculation of preliminary official statements in the event that material changes occur between the preliminary and final versions of official statements. Most offering participants now identify the material changes in some form in the final official statements. If, however an individual investor has received a preliminary official statement and is not technologically skilled, the investor may not obtain a final version of the document and may never know of the material changes, placing reliance solely upon the preliminary official statement.

Consequently, I suggest that consideration be given to permitting application of the “access equals delivery” concept only in transactions in which investors have had actual access to preliminary official statements, either by receiving paper copies or by actually consenting in an appropriate form to electronic delivery of those preliminary documents. Further, I suggest that there be a requirement for recirculation in the event of material changes between preliminary and final official statements.

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Thank you for this opportunity to comments on this important concept.

Yours very truly,

A handwritten signature in black ink, appearing to read 'R. W. Doty', is written over the typed name below.

Robert W. Doty

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