



DENISE L. NAPPIER  
TREASURER

**State of Connecticut**  
Office of the Treasurer

HOWARD G. RIFKIN  
DEPUTY TREASURER

August 20, 2009

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

Re: File Number SR-MSRB-2009-09; SR-MSRB-2009-10

Dear Secretary Murphy:

I am pleased to have this opportunity to provide feedback to the Commission on the proposals by the Municipal Securities Rulemaking Board (MSRB) to expand on its evolving EMMA system, and to preserve and perfect the mechanisms of a free and open market in municipal securities.

As Treasurer of the State of Connecticut, my office has responsibility for the State's issuance of debt obligations and management of its \$16 billion debt portfolio, including ongoing compliance with the State's obligations under its continuing disclosure agreements pursuant to Rule-15c2-12. The establishment of the EMMA system has significantly improved the availability of information about issuers and their bond obligations to the general public, and I support its expansion.

SR-MSRB-2009-9

I believe the MSRB's proposed amendments to Rule G-32 requiring brokers and dealers to provide more information about the continuing disclosure obligations associated with a particular issue continues the tradition of making municipal disclosure more transparent in scope, more efficient in delivery, more consistent and comparable across issuers, and more accessible for investors, particularly individual investors.

As others have suggested, currently most of that information is obtainable through the official statement. However, establishing this information in a central location will lessen the burden upon an investor by improving accessibility and making it easier to compare disclosure obligations between issuers or obligated persons. Such improvement can significantly enhance the process of making investment decisions.

I note that the rule proposal includes the requirement to list the name of any obligated person that has or will undertake continuing disclosure. The MSRB should be aware that in some circumstances the identity of obligated persons may change from time to time, particularly in pooled financings. By way of example, the significant obligated persons with respect to the State of Connecticut's Clean Water Revolving Fund program recently changed, as one new borrower met, and two existing borrowers fell below the reporting threshold. It is not clear to me if the rule proposal accommodates this possibility.

Nominally, the only other item of concern in the Rule G-32 changes is the requirement that contact information for a representative of the issuer and/or obligated person be provided. It appears that the only purpose of providing such information is to assist such contact persons in establishing EMMA submission accounts. Since issuers and obligated persons are already required to make filings through EMMA, the consequence of an underwriter neglecting to provide such information would be greater than the limited benefit in assistance with establishing EMMA submission accounts – which already is required by a submitter. I would recommend the continuation of the current system of voluntarily providing such information.

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I welcome the expansion of the EMMA system to allow the voluntary submission of primary market documents, including preliminary official statements and pre-sale documents, by issuers and authorized agents. I note that neither the MSRB nor the Commission is authorized to require such submissions. I support the expansion which will allow issuers that offer their bonds through a competitive bidding process to now be able to utilize the same distribution channels as issuers with offerings made on a negotiated basis.

In general, pre-sale documents will not be associated with a CUSIP number, and potential purchasers will not generally be interested in searching specifically by maturity for offering information. The ability to make submissions, and presumably to retrieve these submissions, identified in a manner other than by CUSIP will improve the usability of the EMMA system. I would encourage the MSRB to explore further means of improving accessibility of documents by issuer rather than by CUSIP, in a manner similar to that typical of the SEC's own IDEAL/Edgar system.

The expansion of the EMMA continuing disclosure system to include undertakings to file GAAP based financial information, annual information statements within 120 days, and GFOA Certificate of Achievement Awards, particularly by a text/input field, may be less useful than first appears. These matters are not always "yes/no" matters and are often more subtle. For example, the State of Connecticut prepares its information on a modified GAAP basis, and probably could not check this box. Similarly, the State's annual audited financial statements have in the last several years not been available until more than six months after the end of the

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fiscal year, due in part to the complexity involved. If issuers could be screened by such information, the market for issues that do not meet the specified criteria would be impaired, despite the fact that significant and relevant information would also be available.

In contrast, the ability to designate a URL for an investor relations site could significantly improve the transparency of information available to the public. Many issuers, including the State of Connecticut, now maintain such sites, which often include information available through EMMA only in more recent official statements. Our Debt Division practice is to supply information from a more recent official statement through filings with respect to all prior State issues, but this is a cumbersome process for issuers and potentially, not very transparent to investors. However, a designation by an issuer of an investor relations website could provide "one-stop" shopping for updated information and I think would be very useful. Indeed, it could prove more useful to the general public than CUSIP-based EMMA filings for general financial information that is not issue-specific.

#### General

I would also like to reiterate an earlier comment I submitted that I believe that it is critical that the SEC maintain close oversight of the EMMA expansion and its implementation to ensure that the needs of all market participants are being addressed. The SEC should plan to set a date two to three years forward to revisit this matter and determine if the MSRB system is meeting expectations or whether the SEC should consider managing the EMMA system itself in the same manner as the EDGAR system.

Thank you for this opportunity to provide feedback. Please feel free to contact me if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise L. Nappier", with a large, sweeping flourish extending to the left.

Denise L. Nappier  
Treasurer