

Oregon Municipal Finance Officers Association

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September 2, 2009

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

Sent via email to rule-comments@sec.gov

RE: File Number SR-MSRB-2009-10

Dear Ms. Murphy:

The Oregon Municipal Finance Officers Association ("OMFOA"), representing over 500 finance officials from Oregon's cities, counties, special districts, school districts and other local governments, submits the following comments with respect to the Municipal Securities Rulemaking Board's ("MSRB") proposed changes to the EMMA system. The MSRB's proposals, as well as proposed Securities and Exchange Commission ("SEC") amendments to Rule 15c2-12, were discussed at our Executive Board's meeting on July 31, at which time the Board approved the following comments to be submitted to the SEC.

OMFOA believes the establishment of the EMMA system is a significant and welcome improvement to the previous NRMSIR system. Investors and issuers share the goal of thorough and timely disclosure of information pertaining to municipal securities. The EMMA system should provide an effective way for issuers to disseminate such information, and for investors to access it.

With one significant exception, the OMFOA supports the MSRB's current proposal to:

- enhance the availability of primary market documents;
- require additional underwriter disclosures at the time of the primary offering; and
- provide issuers with the ability to provide certain other voluntary disclosures concerning accounting methods, receipt of GFOA awards for financial reporting and a link to the issuer's relevant financial and operating data on its website.

However, the OMFOA strongly objects to the MSRB's apparent attempt to establish 120 days as the voluntary standard by which continuing disclosure filings should be made available to investors following the end of a fiscal year. Moreover, we are perplexed as to how the MSRB could have selected 120 days as a standard -- "gold" or otherwise.

While the MSRB's proposed 120 day standard is voluntary, we believe it is misleading and possibly even irresponsible to suggest to investors that such a standard is attainable by the state and local governments.

Informal surveys of issuers in Oregon and elsewhere suggest that virtually no issuers complete their comprehensive annual financial reports ("CAFR") within the 120 day timeframe. Moreover, GFOA's Certificate of Achievement for Excellence in Financial Reporting, an indicator of quality financial reporting cited in the MSRB's proposal, requires a more realistic and attainable 180 day standard for completion of the CAFR.

While the OMFOA shares the industry's desire for continual improvement in the quality and timeliness of municipal disclosure, the fact remains that the cost of complying with the 120 day standard would be huge for state and local governments and may simply not be achievable at any cost. At a minimum, meeting the 120 day standard would require:

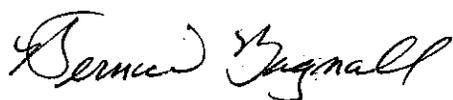
- hiring of many additional internal staff to prepare the annual CAFR;
- an increased use of data estimation in the preparation of financial statement; and
- A substantial increase in the number of qualified municipal auditing firms to perform their comprehensive auditing function in a highly compressed timeframe.

With a near-zero default rate in the municipal market (a fraction of that of corporate securities market), it is not possible to justify the internal and external expense of meeting a 120 day standard, if it can be met at all.

In conclusion, the OMFOA applauds the establishment of the EMMA system and the MSRB's efforts to make it a valuable tool for investors and issuers alike. **While we support most of the MSRB's current proposal, we believe that the proposed voluntary indication of the issuer's intent to file continuing disclosure within 120 days after the end of the fiscal year should be stricken from the proposal.**

Thank you for your consideration of these comments.

Sincerely,



Bernice Bagnall, President
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