



MUNICIPAL FINANCE  
OFFICERS ASSOCIATION

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November 18, 1975

Commissioner John R. Evans  
Securities and Exchange Commission  
500 North Capital Street, N.W.  
Washington, D.C. 20549

Dear Commissioner Evans:

The Debt Administration Committee of the Municipal Finance Officers Association has asked that I send you the enclosed copy of the November 10 exposure draft of the suggested guidelines for Municipal Bond Official Statements. These guidelines will soon be distributed to the MFOA membership and other interested parties for their review and reactions.

In anticipation of that action, we invite your comments about both the concept and specific contents of the enclosed guidelines.

The MFOA began work on this document as a participant in and secretariat for the Ad Hoc Committee on Disclosure and Due Diligence chaired by Mr. Gedalc Horowitz. Research and drafting support was financed in part by a grant from the National Science Foundation. These guidelines have undergone already extensive review and revision by special committees and interested members of several cooperating organizations, including the Securities Industry Association, the Dealer Bank Association, the Local Government Law Section of the American Bar Association, the National Council on Governmental Accounting, and the American Institute of Certified Public Accountants.

The current focus of public attention upon the adequacy of information in the municipal bond market and repeated calls for improvements, perhaps entailing Federal governance of that process, underscore the need to establish guides to best practices in this area as quickly as is prudently possible.

The Committee recognizes that to gain broad acceptance, such voluntary guidelines must reflect the combined needs and capabilities of investors, issuers, and other bond market participants. In some instances the guidelines and supporting explanatory materials will need to be tailored to specific situations and minor variations in regional practices. Once there is general agreement on the substance of the guidelines, the Committee proposes that there be timely and broad educational effort to promote their understanding and use. We hope others will join us in that effort and suggest how it might be best accomplished.

Please return your comments on the guidelines to me at the Municipal Finance Officers Association, 1730 Rhode Island Avenue, N.W., Suite 512, Washington, D.C. 20036.

Thank you for your interest and assistance.

Best regards,

  
John E. Petersen  
Washington Director

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enclosures (Hed Mun Securit.)

CC: Andrew Kline