

September 13, 2006

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

Dear Mr. Lanza:

Following are our responses to the questions posed in MSRB Notice 2006-19 on July 27, 2006 regarding application of the "access equals delivery" standard to official statement dissemination for new issue municipal securities.

The MSRB seeks comment on the current availability of electronic official statements from issuers and the factors affecting future growth in such availability. The MSRB also seeks comment on the nature and level of potential burdens of requiring that all submissions under Rule G-36 be undertaken in electronic format. Further, the MSRB currently requires that electronic official statement submissions be made solely as portable document format (pdf) files. The MSRB requests comment on the advisability of accepting other electronic formats, what such other formats should be and whether such other formats create inappropriate risks for or burdens on issuers, dealers or investors.

DPC DATA Inc. ("DPC") has been in the business of distributing electronic copies of final municipal bond official statements to the market since 1992, and we have provided electronic copies of continuing disclosure filings and material event notices to customers since we obtained the designation of Nationally Recognized Municipal Securities Information Repository ("NRMSIR") from the US Securities and Exchange Commission in 1997. Since 1999, our entire collection of official statements and secondary disclosure documents has been available to the general public in PDF format on our web site, <http://www.DPCDATA.com>. The municipal bond archive available to the public on this web site today contains more than 830,000 fully indexed documents. This is the single largest municipal bond disclosure document archive in existence with unrestricted public internet access.

DPC obtains the vast majority of final official statements for its archive via its subscription to the MSRB's MSIL service, through which we receive a daily data delivery. We index the documents to facilitate customer access and publish them on our web site within a few hours of when we receive the daily data delivery from the MSRB.

It is our understanding that the MSRB processes official statement submissions it receives under Rule G-36 promptly and delivers them to MSIL subscribers for next day delivery. Aside from the requirements imposed by Rule G-32 and G-36, the actual time taken by underwriters to submit final copies of official statements is outside the control of the MSRB. However, we receive our data delivery one day after the MSRB has processed the submitted documents.

The following tables contain data derived from DPC's internal records that compare the dates on which we actually receive final official statements from the MSRB with the dated dates of the deals received.

Percent of Final Official Statements Received After the Dated Date					
Deal Size	2002	2003	2004	2005	2006 YTD
<\$10MM	80%	74%	72%	76%	65%
\$10MM to <\$50MM	74%	66%	55%	50%	42%
\$50MM to <\$100MM	76%	71%	54%	48%	36%
>\$100MM	78%	67%	49%	50%	40%
All Deals	78%	72%	67%	69%	58%

Percent of Final Official Statements Received On the Dated Date					
Deal Size	2002	2003	2004	2005	2006 YTD
<\$10MM	2%	2%	3%	3%	3%
\$10MM to <\$50MM	5%	6%	9%	7%	7%
\$50MM to <\$100MM	4%	7%	10%	9%	10%
>\$100MM	5%	7%	9%	8%	11%
All Deals	3%	4%	5%	4%	5%

Percent of Final Official Statements Received Before the Dated Date					
Deal Size	2002	2003	2004	2005	2006 YTD
<\$10MM	18%	24%	25%	21%	31%
\$10MM to <\$50MM	22%	28%	36%	43%	51%
\$50MM to <\$100MM	20%	22%	36%	43%	54%
>\$100MM	17%	26%	42%	42%	50%
All Deals	19%	25%	28%	27%	37%

While imperfect, these figures still can be viewed as a crude benchmark for when the final official statements submitted to the MSRB under Rule G-36 actually become available to the general public relative to the initial interest accrual date of the bonds. The trend has generally improved with some consistency from 2002 to the present to the point that, with all of the inefficiencies of the current filing regime unaltered, approximately 42% of all final official statements reach the public on or before the dated date of the deal. This compares favorably with the corresponding 22% figure for 2002, and it shows that final official statements are getting into the public's hands in electronic form faster than ever before.

One likely reason for the improving timeliness in the availability of final official statements to the public is the broad and growing adoption of electronic documents. It is cheaper, easier and faster to deliver an electronic document than a paper document. Moreover, electronic documents can be sent, stored, catalogued, retrieved and forwarded with the standard software that exists on virtually every personal computer in existence.

DPC observes that the nature and level of burden associated with creating and submitting electronic documents is subsiding at high speed. To estimate the natural rate of adoption of electronic document filing by obligated persons and their fiduciaries and agents, we analyzed our internal data pertaining to official filings of continuing disclosure materials and material event notices made to the DPC NRMSIR. The following tables summarize our findings.

DPC NRMSIR Continuing Disclosure Filings by Delivery Type					
Delivery Type	2002	2003	2004	2005	2006YTD
Electronic	8%	12%	31%	61%	71%
Paper & Fax	92%	88%	69%	39%	29%

DPC NRMSIR Material Event Notice Filings by Delivery Type					
Delivery Type	2002	2003	2004	2005	2006YTD
Electronic	1%	6%	9%	48%	88%
Paper & Fax	99%	94%	91%	52%	12%

We believe that these secondary disclosure filings are the best surrogates for determining the current state and trend for the adoption of electronic filings, and they strongly indicate that electronic documents are already broadly embraced by municipal bond market professionals. We estimate that if the MSRB revises Rule G-36 to require that all final official statements be filed electronically, it would benefit the market greatly by reducing the amount of time required for document handling and distribution. As shown in the tables above, the market has for the most part already made the leap from paper to electronic delivery.

It is our strong recommendation that if the MSRB revises Rule G-36 to require electronic document filing of final official statements that it require the filings to be made in a single electronic format. The most easily adopted, least burdensome format for producers and consumers alike is PDF, and we urge the MSRB to choose PDF as the required format. Allowing other electronic formats would merely add to the processing time and cost for vendors, and would potentially inconvenience end users to the extent that they do not already possess the software required to open all other document file formats.

The MSRB seeks comment on whether a centralized website where all official statements for issues in their new issue disclosure period are freely available to the public would be preferable to a decentralized system in which issuers, financial advisors, underwriters, information vendors, printers and others post their respective official statements for the required period, with a central index providing hyperlinks to the official statements. Should the MSRB itself undertake either centralizing function, or are there other market participants or vendors who could undertake such duties subject to appropriate supervision? The MSRB also seeks comment on whether the current new issue disclosure period ending 25 days after the bond closing would be the appropriate period for purposes of maintaining free centralized access to official statements, or whether a longer period would be more appropriate.

When you consider the ease factor for both submitters (*i.e.*, underwriters) and consumers of the filed documents (*i.e.*, investors), there is a strong natural preference for a centralized web site to serve the needs of both constituencies. Also, there are compelling technical reasons to favor a centralized web site as opposed to multiple web sites connected by links. For example, one of the most common problems on the internet centers on broken hyperlinks; if a link is broken, the content at the end of that link will not be available. Another problem has to do with the online availability of remote web sites, and whether they will remain reliably online. Lastly, another problem you would have to address with multiple web sites is version control for the final official statements. Since stickers and other amendments to official statements are not uncommon, there should be concern about the consistency of how amendments and stickers are made available to consumers. This is most easily managed and enforced on a centralized web site. The MSRB, however, must weigh other important factors offered by issuers and their financial advisors before making a decision on this point.

DPC's experience as a vendor of final official statements to the market also makes us aware of the benefits associated with engaging a commercial enterprise to develop and manage a centralized web site as opposed to the MSRB undertaking these roles. It is necessary for the party who ultimately manages the centralized web site to be attuned to changes in technology, evolving user preferences, and to be experienced in serving the needs of a diverse market under regulatory oversight. All of the NRMSIRs would qualify in this regard, but DPC is especially qualified based on our experience as the owner and operator of the only NRMSIR that serves the general public via the internet

and as the owner of the first centralized web site for facilitating official municipal disclosure filings.¹

With regard to the appropriate timeframe for making final official statements available to the market for free, we strongly recommend that the MSRB adopt a period of twenty-five days following the bond closing. As our experience in operating the largest online municipal disclosure archive has shown, it is important to sustain the ability of vendors to charge for archive access so that funds will always be available to maintain, enhance, and upgrade both the content and means by which documents can be accessed by the public. We believe that the sharpness brought about by a competitive market place generally produces a better mix of products and services than may be produced by a regulatory body. Making final official statements available for free for a reasonable, but limited, period immediately following the bond closing is sensible, and we do not believe that it would impair the commercial interests of vendors such as DPC that serve the diverse interests of issuers, dealers, investors and others. Making final official statements available for free permanently would impair the commercial interests of vendors. In the absence of services produced by vendors in a competitive market environment, it is unlikely that issuers, the investing community and the general public will realize the full potential of the service the MSRB contemplates with this initiative.

The MSRB seeks comment on whether the “access equals delivery” model should be available on all new issues or whether certain classes of new issues should continue to be subject to a physical delivery requirement. For example, the SEC did not make the “access equals delivery” model available for mutual fund sales. Should this model be made available in connection with the sale of municipal fund securities, including interests in 529 college savings plans?^[10] Should issues exempt from Exchange Act Rule 15c2-12 be treated differently from those that are subject to that rule? What responsibility should dealers have to confirm that an issue qualifies for the “access equals delivery” standard? Should dealers be able to assume that an electronic official statement is available for a qualifying issue without inquiry, or should there be a duty to inquire (e.g., check the central website or index)? MSRB Rule G-32 currently requires dealers to deliver official statements to customers by trade settlement, whereas Securities Act Rule 173 merely requires that notice of a registered offering must be provide to the customer within two business days of trade settlement. Would it be appropriate to set a two-day post-settlement deadline for delivering notices to customers that matches the SEC’s notice requirement for registered offerings?

From the DPC NRMSIR’s position as a neutral party in the market, we would favor an “access equals delivery” rule for municipal securities that would (a) reflect and promote

¹ www.DisseminationPartners.com was the first web site dedicated to the automated filing and tracking of secondary market disclosures for municipal issuers, obligated parties, and their fiduciaries and agents. This site allows registered users to make official disclosure filings pursuant to SEC Rule 15c2-12 to all NRMSIRs and SIDs essentially on a simultaneous distribution basis. The site also provides a full audit trail. It has been in operation since 2002.

transparency the way SEC regulations do and (b) make best use of information technology available to all market participants.

Likewise, we believe that the interests of the market as a whole would be better served if there were no exemptions under SEC Rule 15c2-12 for publicly issued securities. Removing the exemptions from SEC Rule 15c2-12 and from any MSRB Rule pertaining to final official statement delivery would facilitate dealer compliance and favor transparency. It would be sensible for the MSRB to devise rules supporting "access equals delivery" in the same way the SEC has evolved its rules for the securities markets over which it has direct regulatory authority. The SEC appears to have fully embraced all that current information technology can offer to simplify compliance, reduce costs for all securities market participants, and improve transparency. This should be viewed as the MSRB's best model for the municipal securities market. We understand that the SEC has accomplished virtually all of these information technology-based improvements in the securities markets they regulate by working through one or more commercial vendors.

Under Rule G-36, the MSRB is seeking comment on whether a single ultimate deadline for all issues, requiring that official statements be submitted to the MSRB by no later than the bond closing, is appropriate. In particular, is there any legitimate basis for an official statement not to be available to the underwriter by the bond closing date? If so, would it be appropriate for the MSRB to provide an alternative for those offerings where an official statement may not be available in time, such as to require the submission of a preliminary official statement (if one exists) by settlement pending the availability from the issuer and the submission to the MSRB of the final official statement? Does the current requirement under Rule G-36 that official statements for offerings subject to Exchange Act Rule 15c2-12 must be submitted to the MSRB no later than 10 business days after the bond sale influence the timing of issuer deliveries of official statements to the underwriters? [] If so, would changing the deadline to the bond closing date have an impact on the timing of such deliveries? Finally, where a dealer financial advisor prepares the official statement, should such financial advisor be required to submit the official statement directly to the MSRB on behalf of the underwriter?

DPC has no comment to offer on these specific points.

I wish to express my thanks to the MSRB for this opportunity to share our views pertaining to this important initiative.

Yours truly,



Peter J. Schmitt