

California Debt and Investment Advisory Commission
at
The Bond Buyer's 20th Annual California Public Finance Conference

Pre-Conference Program
Re-Writing the Rulebook: Regulatory Change and the Municipal Market

Location: Spear Tower-1 Market Street, 42nd Floor

As the global economy struggles to recover from its biggest shock since the 1930s, U.S. lawmakers and financial regulators have spent two years assessing the damage and working to identify new legislation and regulation that could prevent future crises – culminating in the most fundamental financial-services reform legislation in more than a decade.

How will their responses re-shape the financial markets ... and the process for municipal debt sales? In this pre-conference workshop, The Bond Buyer and CDIAC will present the first in-depth exploration of the changes' impact on municipal issuers' path to market.

CDIAC Timeframe - Registration: 8:30 a.m. Preconference: 9:00 a.m. to 3:00 p.m.

Welcome

Mike Stanton, *Publisher*, The Bond Buyer
Mark Campbell, *Executive Director*, CDIAC

9:00 AM Assessing California's Fiscal Climate and the Impact on the State's Economy
After another year of budget shortfalls, increases in demands for services and growing infrastructure needs what does the economic outlook hold for California's public agencies? Panelists from the state and municipal market will share their insight on the State's economic future.

Jennifer Johnston, *Vice President and Research Analyst*, Franklin Templeton
Investment and *Chair* of California Society of Municipal Analysts
Gary Schlossberg, *Senior Economist*, Wells Capital Management
Mac Taylor, *Legislative Analyst*, State of California

9:45 AM Break

10:00 AM What Are the Proposed Regulatory Changes?
The Financial Regulatory Reform package adopted by Congress in July captured headlines across the nation. But many of the real changes to market practices will only take effect as the SEC, MSRB, and other regulators answer the legislation's call for them to write new rules for issuers and other market participants to follow. This panel will provide a review of the big-picture changes mandated by the new law, and a preview of the new rules that are still to come.

Lynette Hotchkiss, *Executive Director*, MSRB

Carol Lew, *Shareholder*, Stradling Yocca Carlson & Rauth
Leslie Norwood, *Managing Director and Associate General Counsel*, SIFMA

11:00 AM Local Regulatory Initiatives

Congress specifically recognized a role for state securities regulators to play in helping to craft improved protections for investors. How have California's regulators responded to the call, and what unique local requirements can issuers expect as a result?

Preston DuFauchard, *Commissioner*, California Department of Corporations

11:15 AM PRIMARY IMPACT: How Will the Changes Affect Local Debt Sales?

Panelists will provide their perspective on how proposed changes or newly adopted measures will impact local debt issuance and local agency operations, including new disclosure requirements.

Moderator: Rich Saskal, Bureau Chief, Bond Buyer

Mark Adler, *Managing Director*, Piper Jaffray
Stephen Heaney, *Managing Director*, Stone and Youngberg LLC
Anne Pelej, *Vice President of Federal Compliance*, Willdan Financial Services

12:15 PM LUNCH

1:15 PM SECONDARY AFFECT: Changes that Impact Issuers' Balance Sheets and Investments

Key pillars of the reform package were designed to change the rules for bank leverage and derivatives trading. Combined with new accounting rules from the Governmental Accounting Standards Board, how will they change the public sector's approach to valuing assets, and the market access issuers will enjoy if and when they need to sell their holdings?

Kay Chandler, *President*, Chandler Asset Management
Julia Cooper, *Assistant Director of Finance*, City of San Jose
Nat Singer, *Managing Director*, Swaps Financial Group
Nikolai Sklaroff, *Managing Director*, Loop Capital Markets

2:00 PM Will It Work?

This is not the first time market events have prompted calls for increased or new regulation. What types of events in the past have resulted in new regulation and how has that regulation played out over time? What should issuers and other market participants watch for to determine if the new rules are working as intended ... or imposing unforeseen consequences?

Kenneth G. Gambone, *Director*, Barclays Capital
Lakshmi Kommi, *Director of Debt Management*, City of San Diego
Tim Schaefer, *President*, Magis Advisors

2:45 PM Pre-Conference Adjourns