

The Game Has Changed – Fiscal Stress and Personal Liability for Local Government Officials

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Change: To make the form, nature, content etc. of something different from what it is.

- **Regulation and Enforcement are Here to Stay**
- **Don't Let Events Dictate Your Actions**
- **Issuers Still Control Their Own Destiny**

SEC Takes Aim at the Municipal Securities Industry

Many see a Banner Year Ahead for Muni Regulation

**Can the SEC
Get Its Street
Cred Back?**

Elaine Greenberg is investigating abuses in the muni bond market, as the commission tries to rebuild trust

... settles Fraud cases Over Munis

**... penalized \$228 Million to Settle Bid
Rigging Charges**

At the core of the problem are questions about how governments manage pension funds, what investors know, and when they know it.

Former Commission President recede a 15-year Prison Sentence...

“Most reform comes as a result of a crisis or a catastrophe or a dramatic event which points up the existence of a problem”

1933-34	Great Depression → Securities Act of 1933 / Securities Exchange Act of 1934
1942	Boston Insider Trading Scandal → Rule 10b-5
1975	New York City (Near) Default → MSRB Established
1989	Washington Public Power Supply System Default → Rule 15c2-12
1994	Orange County Bankruptcy → Continuing Disclosure Amendment to 15c2-12
2008	Market in Turmoil/SEC vs. City of San Diego → Dodd-Frank Act (2010)
2009	FINRA Launches Review of Disclosure Practices in Secondary Market → ?
2010	SEC vs. State of New Jersey → ?

What Should An Issuer Do?

- Listen Carefully, Engage In The Process and Prepare To Make Some Changes
- Understand That The Regulators Are Not Going Away and Are No Longer Focused Only On The Underwriter
- Recognize That This Market That Has Served You So Well Is A Target Of Those Who Know Very Little About It