



**National Association of Independent
Public Finance Advisors**

www.naipfa.com

March 18, 2008

The Honorable Barney Frank, Chairman
House Finance Committee
2252 Rayburn H.O.B.
Washington, DC 20515

Re: **Rating Agency Resolution**

Dear Representative Frank:

The National Association of Independent Financial Advisors ("NAIPFA") is a professional organization, constituting independent financial advisory firms with the principal purpose of providing independent professional financial advice to state and local governments regarding their financial matters, including among others, the issuance of municipal securities.

NAIPFA's member firms represent and advise thousands of U.S. state and local governments regarding their financial matters. NAIPFA trains, tests and certifies individual financial advisors, adopts and promotes ethical guidance, and actively conducts continuing education programs in order to enhance the independent financial advisory profession.

As a nearly 20-year old organization, our growing membership is diverse both geographically and in the size and scope of activities. What all member firms share, however, is a dedication to helping local governments with their financial matters and in raising capital in a fair and appropriate manner.

The NAIPFA Board of Directors recently adopted the enclosed Resolution with respect to unfair market discrimination relating to municipal securities.

NAIPFA leadership would be pleased to provide testimony, meet with the committee's staff and provide information as a resource for you and your committee.

Yours very truly,
National Association of Independent Public Finance Advisors

Kathleen A. Aho, CIPFA
President

Attachment



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RESOLUTION

WHEREAS, the member firms of the National Association of Independent Public Finance Advisors represent and advise thousands of state and local government issuers of securities; and

WHEREAS, the current system of credit ratings assigned to municipal securities leads to inappropriate market discrimination against state and local government credits costing enormous amounts annually that could be better invested in public programs and infrastructure;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the National Association of Independent Financial Advisors respectfully urges that the credit rating services rating municipal credits take prompt affirmative action to create appropriate categories of corporate equivalency ratings for municipal securities that eliminate the market discrimination resulting from the current rating structure.

March 7, 2008