



September 15, 2010

Ms. Leslie Carey  
Associate General Counsel  
Municipal Securities Rulemaking Board

**RE: Proposed Rule G-23 on the Underwriting Activities of Financial Advisors**

Dear Ms. Carey:

Since 2002, the South Carolina Association of Governmental Organizations ("SCAGO") has issued bonds on behalf of municipal and educational entities in an amount that exceeds \$2.5 billion. The debt issued is used to construct capital facilities and cover cash shortfalls for municipalities and school districts within the State of South Carolina. Annually, SCAGO issues two pools, one for Tax Anticipation Notes and the other for General Obligation Bonds, not to mention other programs including Equipment Acquisitions, Qualified Zone Academy Bonds and Installment Purchase Revenue Bonds. Most times, these issues are bid competitively to obtain the lowest cost of capital possible for the Issuers. There are typically several bidders on SCAGO competitive issues, which often include Ross, Sinclair & Associates, LLC ("RSA").

RSA is also the Financial Advisor to SCAGO. As the Chairman of the Board of Directors, it is our opinion that without a competitive bid from RSA, SCAGO could possibly be forgoing the lowest bid and cost our Issuers the opportunity to achieve the greatest cost savings available. Throughout South Carolina, most municipal and educational entities are facing financial budgetary issues and we must do everything within our control to allow those issuing through SCAGO to achieve the lowest cost of capital.

I urge you not to pursue the passage of Rule G-23. It is our opinion this will have a negative impact on municipalities and school districts throughout South Carolina.

Sincerely,

A handwritten signature in black ink, appearing to be "Brantley D. Thomas III", written over a horizontal line.

Brantley D. Thomas III  
Chairman of the Board of Directors  
for SCAGO