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November 12, 2014

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Ronald W. Smith
Corporate Secretary
Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, Virginia 22314

Re: NABL Comments in Response to MSRB Regulatory Notice 2014-16

Dear Mr. Smith:

The National Association of Bond Lawyers (“NABL”) submits the following comments relating to MSRB Regulatory Notice 2014-16 (September 8, 2014) (the “Request”), in which the Municipal Securities Rulemaking Board (the “MSRB”) solicited comments on its long-term priorities to help guide the strategic direction of the organization. The comments were prepared by an *ad hoc* subcommittee of NABL Securities Law and Disclosure Committee comprising those individuals listed in Exhibit A.

NABL exists to promote the integrity of the municipal market by advancing the understanding of and compliance with the law affecting public finance. We offer these comments in furtherance of that mission.

If NABL can provide further assistance, please do not hesitate to contact Bill Daly in our Washington, D.C., office at (202) 503-3300.

Thank you in advance for your consideration of these comments.

Sincerely,

Antonio D. Martini

NABL COMMENTS IN RESPONSE TO MSRB REGULATORY NOTICE 2014-16

Our general suggestions on the priority of issues that are the focus of the MSRB during the next fiscal year are as follows:

I. NABL suggests prioritizing the listed MSRB Strategic priorities as follows:

1. Municipal Advisor Regulation.

NABL supports implementation of regulatory requirements and standards for all professionals providing municipal advisory services. In implementing these requirements and standards, the MSRB should carefully consider the full breadth of activities encompassed by the concept of municipal advisory services and the great variety in types of firms that provide such services to avoid inadvertently creating requirements that do not match well with some of the activities being regulated. In some cases, the municipal market may be best served by a first layer of principles-based rules, followed by more detailed targeted rules as the municipal advisor community and the regulators gain a better understanding of the regulatory needs of this sector. Further, the MSRB should provide guidance on how Rule G-23, concerning activities of financial advisors, fits within its municipal advisor regulatory regime, including the differences, if any, between the definition of a “financial advisor” and the definition of a “municipal advisor.”

2. Municipal Entity Protection.

The MSRB should work with the SEC to more precisely delineate the activities that give rise to municipal advisor status for private sector firms working with municipal entities. In addition, the MSRB and SEC should consider providing a means to provide firms with sufficient comfort that continuing a relationship with the municipal entity will not cause them to become municipal advisors. This would help to address what appears to be an increasing number of financial services firms withdrawing from engaging in any activities with municipal entities to avoid potential application of the municipal advisor regulatory regime, even in circumstances where it is clear that the activities the financial services firms would engage in would not be within the scope of the regulatory regime. In these circumstances, the municipal advisor regulatory regime may inadvertently be interfering with long-standing relationships between municipal entities and firms that serve them on non-municipal advisor matters without providing any countervailing benefit, while causing municipal entities to lose valuable professional services.

3. Price Transparency.

NABL supports efforts by the MSRB to improve price transparency in the primary and secondary markets for investors and issuers. In addition, the MSRB should continue its educational efforts focused on other regulatory bodies, including the Department of the Treasury and the Internal Revenue Service, to assist them in understanding actual trading and pricing behaviors in the municipal market with the goal of ensuring that tax or other federal rules that relate to initial offering prices or other trade prices are effective at achieving their purposes while remaining workable for issuers, investors and the marketplace in general.

4. Market Efficiency.

NABL and its members continue to place a high value on efforts to promote market efficiency by working to clarify, create and tailor rules and guidance that support a fair and efficient marketplace.

II. Comments on additional issues that the MSRB should consider.

1. NABL is appreciative of the Interpretive Notices and Interpretive Letters the MSRB provides to direct (i.e., non-conduit) issuers. We encourage the MSRB to be mindful of conduit issuers when drafting the Interpretive Notices and Interpretive Letters and provide guidance to conduit issuers regarding the implementation of MSRB rules.
2. NABL notes that the SEC's Municipalities Continuing Disclosure Cooperation ("MCDC") initiative has highlighted the vast improvement in the submission of and public access to continuing disclosures brought about by the MSRB's Electronic Municipal Market Access ("EMMA") website. The EMMA website has made it possible for many of our members to assist their issuer and underwriter clients in assessing the disclosures that were made, or not made, during the past five years.

Without diminishing NABL's strong support of the MSRB's efforts to continue to develop new capabilities for EMMA, NABL believes that the intensive scrutiny of EMMA data in the course of these MCDC reviews has disclosed various areas in which the MSRB could seek to improve the core data quality, data presentation and site navigation underlying the EMMA system in ways that would provide significant benefits to the market. For example, a single issue may appear two or more times in listings of an issuer's issues, the collection of continuing disclosures shown for a particular security may become unwieldy as time goes by, and search results are often difficult to navigate back to with the same consistent view, among other things. The MSRB has been highly successful in making EMMA an indispensable tool for the municipal marketplace, and some recent enhancements, such as the price discovery tool and the browse issuers feature, have provided users with greater capabilities to use the data provided on EMMA. The MSRB should ensure that EMMA's core capabilities and data retrieval functions continue to improve and are not compromised by placing extensive demands on the system with new capabilities that the underlying database or system structure may not be able to fully handle.

Further, as the structure and capabilities of EMMA continue to evolve and advance, the MSRB should work with the SEC to support a more streamlined approach to continuing disclosure requirements under Rule 15c2-12. For example, Rule 15c2-12 requires continuing disclosure agreements to require notices related to credit rating changes to be posted on EMMA within 10 business days of the rating change; however, because of earlier efforts on the part of the MSRB, current rating information is already being posted on EMMA directly from Fitch, S&P, and Kroll. If Moody's could be induced to participate in the direct ratings feeds, investors would have access to all ratings in one place on EMMA, rather than having to separately seek out a Moody's rating. NABL would encourage the MSRB to support a statement by the SEC that the direct feed of ratings to EMMA satisfies

any issuer contractual requirement to separately post notices of rating changes.

NABL also encourages the MSRB to develop an electronic process by which issuers and obligated persons may correct the due date for continuing disclosure information submitted by underwriters under MSRB Rule G-32, if an issuer or obligated person believes the date is inaccurate.

Exhibit A

NABL Ad Hoc Subcommittee Members

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