



City of New York

November 11, 2016

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

Re: Comment Letter on MSRB Strategic Priorities

Dear Mr. Smith:

We would like to thank you for the opportunity to comment on the Municipal Securities Rulemaking Board's ("MSRB's") strategic priorities. Below, please find our comments.

1. As a general matter, we support the view expressed in previous comment letters, that the MSRB's mission to protect state and local governments should be pursued thoughtfully, carefully and judiciously.¹ In order to protect municipal entities, the MSRB should maintain an open discussion with state and local governments to ensure that they actually need the protection afforded by proposed rules. Similarly, we believe that when developing rules that affect other participants in the municipal markets, the MSRB should be mindful of unintended consequences for state and local governments. Finally, rather than adopting a "one-size-fits-all" approach to municipal entity protection, we would suggest that the MSRB consider a sophisticated municipal issuer exclusion from certain rules, where appropriate.
2. With respect to the Electronic Municipal Market Access ("EMMA") dataport, we make the following recommendations:

¹ See, for example, comment letter of Dustin McDonald of the GFOA to the MSRB, dated October 23, 2014.

- a. We believe that that the issuer's name, rather than CUSIP numbers, should be used as the basis for EMMA filings. It is unclear why EMMA was not designed along the lines of the Securities and Exchange Commission's EDGAR system which has served issuers and investors well since its creation long before EMMA. Through the EDGAR system, corporate issuers file information according to filing entity rather than CUSIP number. We believe that EMMA should be reorganized such that filings made by municipal issuers, including operating data and material event notices, are filed and accessed by issuer name. At a minimum, if CUSIPS must continue to be used within EMMA, we would recommend that their use be confined to information that affects a very limited number of an issuer's bonds, such as trading information or perhaps rating changes with respect to specified maturities, while general information about the issuer would be filed and located by issuer name.
- b. Currently, although EMMA includes many ratings submitted by rating agencies, it does not include Standard & Poor's short term ratings. Because variable rate demand obligations ("VRDOs") often reflect the short term ratings of the banks that provide liquidity or credit support to such obligations, EMMA should include Standard & Poor's short term ratings in order to provide investors with complete and current information about such bonds.
- c. Ratings by rating agencies and shown on EMMA are limited to the current ratings. We would recommend that EMMA reflect the history of ratings provided by rating agencies to assist investors in understanding changes to the ratings, rather than simply a snapshot of the current rating. We would also recommend that EMMA automatically populate a notice when a rating to a particular bond changes in order to allow investors who have signed up for EMMA notices to receive immediate information about rating changes.
- d. Finally, we would also recommend that EMMA allow issuers to make postings to the "Variable Rate Demand Obligation Information" tab, and that such posting would also identify the party making the posting. Greater access to the VRBO tab would ensure that accurate, complete information is posted to this tab. We would also recommend that additional document headings be available on

the VRDO tab. Currently, when a remarketing agent attempts to post important but voluntary documents, such as a supplemental resolution, they are constrained by the limited available document headers.

We thank you again for this opportunity to submit comments on your strategic priorities. Please feel free to contact us if you would like additional detail on our recommendations for the EMMA system.

Very truly yours,



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