



Remarks of

Lynnette Kelly, Executive Director

Municipal Securities Rulemaking Board

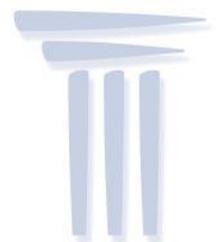
at the

Municipal Bond Buyers Conference

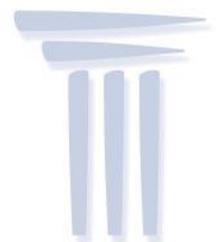
Scottsdale, AZ

February 25, 2013

- Good morning and thank you for this opportunity to give you all an update on the MSRB's regulatory priorities for the year.
- The MSRB's mission is to protect investors and issuers of municipal securities, and we do this in three ways:
 - Regulation of municipal securities dealers and municipal advisors
 - Operating market transparency systems including the EMMA website
 - Conducting education, outreach and market leadership
- All of our activities support the goal of ensuring a fair and efficient municipal market.
- First I want to highlight the continued implementation of our Long-Range Plan for Municipal Market Transparency.
- The plan provides a roadmap for enhancing the EMMA website with new features and functionality.
- The EMMA of the future – or “EMMA 2.0” – will build upon the success of the website since 2009 to bring enhanced transparency and efficiency to the municipal securities market.
- We've already introduced some new features that help make EMMA more useful for investors.
- For example, we've improved EMMA's search capabilities to allow users to find securities using descriptive characteristics like maturity date and credit rating.
- We've also launched a free tool that offers customized access to EMMA's search and alerts features.
 - Signing up for MyEMMA gives users a way to save frequently used sets of search criteria.
 - You can also use MyEMMA to sign up for, view and manage alerts that keep you up to date when new information about a security or group of securities becomes available on EMMA.



- One key feature of EMMA 2.0 that is now in development is aimed at improving pre-trade price transparency. This is an area in which the SEC's recent report on the municipal market spotlighted troubling deficiencies.
- In response, the MSRB is currently seeking comment to help us design the next generation of electronic reporting and public dissemination of municipal securities trades on EMMA.
- This new central transparency platform would enhance public access to real-time pricing information and contribute to fair pricing of municipal securities.
- As we work to transform EMMA into an even better platform for market transparency, we also want to improve continuing disclosure practices.
- The MSRB understands that investors depend on timely and complete continuing disclosure information to make informed decisions about your investments.
- While the MSRB does not regulate issuers to ensure compliance with continuing disclosure obligations, we are taking steps to encourage better continuing disclosure practices through education, outreach and enhancements to the EMMA website.
- The MSRB acts as a resource to help state and local governments understand their continuing disclosure obligations to investors and how to use EMMA to meet those obligations. The online State and Local Government Toolkit and video tutorials on submitting continuing disclosures to EMMA are two good examples of the kinds of educational resources we provide.
- We are also conducting extensive outreach to state and local governments to make them aware of the opportunity to provide extra disclosures on voluntary basis through EMMA. Such voluntary disclosures could include pre-sale information, bank loan information or an investor website address.
- Another element of our work to improve continuing disclosure is making EMMA a more useful tool for submitting and disseminating disclosure information.
- EMMA 2.0 will include an enhanced disclosure submission portal for issuers.



- We are also developing issuer homepages that organize the information on EMMA into a more useful format.
- Organizing information into a more useful format is also one of the driving forces behind the MSRB's first major rulemaking initiative for the year – a comprehensive review of our rulebook.
- We solicited broad industry input on our rules for municipal securities dealers to help ensure that they reflect changes in market practices and the diversity of municipal entities and financial professionals active in the market.
- This kind of full-scale review is a good practice to ensure that the rules work together and that there are no gaps in our protections for investors and state and local governments.
- We're looking forward to reviewing that feedback and learning from the insight of actual participants in the marketplace.
- We're also looking forward to taking up our draft rules and professional qualifications for municipal advisors.
- Although the Dodd-Frank Act gave the MSRB jurisdiction over municipal advisors nearly three years ago, unfortunately we have been unable to create these rules until the Securities and Exchange Commission finalizes the definition of a municipal advisor.
- As soon as the SEC does so – and we expect that in the coming months – the MSRB will establish core rules and standards of professional qualification for municipal advisors.
- Getting these rules in place is a key way in which we will provide additional protections for state and local governments.
- I hope I have given you a sense of the main issues on the MSRB's agenda for this year. I'd be happy to take your questions. Thank you.

