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September 17, 2018

VIA ELECTRONIC MAIL

Mr. Ronald W. Smith
Corporate Secretary
Municipal Securities Rulemaking Board
1300 I Street, NW Suite 1100
Washington, DC 20005

RE: MSRB Notice 2018-15

Dear Mr. Smith:

Acacia Financial Group, Inc. ("Acacia") is a national municipal advisory firm that serves a wide range of municipal bond issuing clients including high profile issuers, local small issuers and infrequent issuers. We appreciate the opportunity to comment on MSRB Notice 2018-15 related to Primary Offering Practices.

Acacia is fully supportive of the need for intelligent regulation of the municipal marketplace and in creating a thoughtful regime for municipal advisors. We would like to emphasize that all new regulations should look at the rationale behind the rule and to gauge if there is still a need for the rule or if the markets, particularly in the wake of Dodd-Frank, have impacted the roles of the key players in the marketplace. Lastly, Acacia feels it is important to fully address the economic costs associated with the imposition of new rules on the municipal advisory community which is largely composed of small firms.

First, we support the comment letter provided to the MSRB by the National Association of Municipal Advisors and would like to emphasize several points made in that letter.

Requirement to Provide the Official Statement to the Underwriter

We believe the MSRB's proposal to require a municipal advisor to provide the official statement to the underwriter is unnecessary and this *requirement should be removed from broker dealer municipal advisors in order to ensure parity under the rules.*

Our first concern is there is no clear definition as to what constitutes preparation of an official statement. It is important to recognize that some municipal advisors assist in the preparation and may be the scribe, however, the issuer ultimately maintains practical control over their document. At the time of the initial rule, there may have been market dynamics that prompted the MSRB to implement this rule, however, we respectfully submit the advances in technology and the increased focus of issuers on maintaining custody of their offering documents should prompt the MSRB to retract this requirement. As stated in the NAMA letter, **"We are unaware of any problems with underwriters receiving the OS and believe the MSRB should review its rules not just to see where they can unilaterally apply current dealer-MA rules to all MAs, but**

whether or not in this new regulatory environment, the original dealer-MA rules (such as Rule G-32(c)) make sense today or, as we suggest should instead be altogether withdrawn.”

It should be noted that there is no requirement for any issuer to use the services of a municipal advisor. The MSRB has broadly assumed it can impose regulations on advisors and that it will not impact an issuer's decision to use a municipal advisor. Nothing could be further from the truth, as issuers will not seek the services of an advisor if by doing so, it will potentially cost them additional monies or threaten the successful execution of a transaction. Again, we believe this requirement is unnecessary and will be costly to implement from a compliance perspective.

Our concerns with respect to the proposed changes are as follows:

- Market efficiencies and market transparency are not enhanced by this proposal. ***The regulatory imbalance between non-dealer municipal advisors and dealer municipal advisors is a red herring most easily remedied by removing the responsibility of providing the official statement from dealer municipal advisors.*** Acacia believes the market is better served by allowing issuers to retain the responsibility for the dissemination of their offering documents.
- Cost Impacts. Removing the requirement from broker dealer MAs would result in ***cost savings*** to this segment of the MA community and it would not impose additional costs on independent MAs. ***This one simple change will remove the regulatory imbalance while improving the efficiency of the marketplace by having the responsibility rest with the owner of the disclosure document, the issuer.***
- Requiring a municipal advisor to distribute the official statement begins to blur the lines between broker dealer activity and municipal advisory activities. The rule was written at a different time and when there was no clear definition of a municipal advisor. We believe Dodd-Frank has irrevocably changed the landscape and new rules should acknowledge this change.
- Finally, the MSRB provides no statistics or factual data that this change will improve efficiency in the marketplace.

Thank you for this opportunity to provide our comments.

Sincerely:



Noreen P. White
Co-President



Kim M. Whelan
Co-President