



January 11, 2021

Mr. Ronald W. Smith  
Corporate Secretary  
Municipal Securities Rulemaking Board  
1300 I Street, NW, Suite 1000  
Washington DC 20005

**RE:** Request for Input on Strategic Goals and Priorities

Dear Mr. Smith:

On behalf of the nation's State Treasurers, we thank you for this opportunity to provide input on the Municipal Securities Rulemaking Board's (MSRB's) Request for Input on Strategic Goals and Priorities (2020-19). The National Association of State Treasurers (NAST) represents State Treasurers or state finance officials with comparable responsibilities from the United States, its commonwealths, territories, and the District of Columbia, along with employees of these agencies.

State Treasurers and debt managers manage approximately more than \$900 billion in municipal securities and rely on the MSRB to regulate the market by developing and implementing rules for the broker/dealer and municipal advisors communities. As such, we look forward to our continued work with the MSRB and wish to start our comments by welcoming its new CEO, Mark Kim. We plan to weigh in on specific questions from the notice as appropriate, but also wish to generally comment on the strategic goals and priorities of the MSRB.

Issuer Representation and Board Composition:

While municipal issuers are not directly regulated by the Securities and Exchange Commission (SEC) nor the MSRB, they nonetheless are frequently impacted by the activities of the MSRB and rely heavily on the technology it renders and maintains. NAST has long held that due to the volume and diversity of municipal securities managed by Treasurers, the Board should have at least one State Treasurer on it at all times.<sup>1</sup> We also recognize that the diversity among issuers also necessitates more than one issuer voice on the Board. As such, we have expressed our concerns during the MSRB's A-3 rulemaking process that the reduction in Board size should not lead a reduction to

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<sup>1</sup> State Treasurers frequently manage the issuance and post-issuance compliance of short- and long-term statewide municipal debt, section 529 college savings plans, and section 529A "Achieving a Better Life Experience" (or ABLE) plans.

issuer presence and representation.<sup>2</sup> It remains NAST's position that there be at least one State Treasurer on the Board. We also urge the MSRB to continue to seek diversity in issuer voices by ensuring issuers have more than one seat on the Board moving forward.

Effectiveness at Advancing the MSRB's Mission:

The notice specifically requests input on the effectiveness of the MSRB in carrying out its mission, which is to “protect investors, state and local government issuers, other municipal entities and the public interest by promoting a fair and efficient municipal market...” It remains our position that the MSRB is empowered to regulate the market through the development and promulgation of rules for broker/dealers and municipal advisors. The MSRB should strive to minimize the burden such rules may indirectly place on state and local governments. We believe the MSRB can best carry out its mission by continuing outreach to and soliciting input from a broad array of issuers and issuer-representative groups. The MSRB should conduct thorough outreach to all market participants, including issuers, prior to and while proposing changes to its rules and the Electronic Municipal Market Access (EMMA) system. To that extent, we offer our members and organizational staff as resources as you seek to develop, refine, implement and provide educational resources related to these changes.

I have asked our Policy Director, Brian Egan ([Brian@StateTreasurers.org](mailto:Brian@StateTreasurers.org)) to answer any questions you and your team may have. We thank the MSRB for its partnership and leadership on critical issues impacting the marketplace. We look forward to continuing our work with the Board and to serving as a representative for statewide issuers of municipal securities.

Sincerely,



**Shaun Snyder**  
Executive Director  
National Association of State Treasurers  
(NAST)

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<sup>2</sup> <http://www.msrb.org/RFC/2020-02/egan.pdf>