



Securities Industry Association

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September 20, 2006

Ernesto A. Lanza, Esq.
Senior Associate General Counsel
Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, Virginia 22314

Re: MSRB Notice 2006-19- Application of “Access Equals Delivery” Standard to
Official Statement Dissemination for New Issue Municipal Securities

Dear Mr. Lanza:

The Securities Industry Association (“SIA”)¹ is pleased to respond to the MSRB’s request for comment contained in MSRB Notice 2006-19 with respect to possible implementation of an “access equals delivery standard for new issue municipal securities.

We note that SIA strongly supported the SEC initiative which led to the adoption of an access equals delivery standard for equity offerings.² To our knowledge, this initiative is proving very beneficial for both issuers and investors. SIA also supports the extension of the access equals delivery standard to other types of securities. At the same time, we recognize that such securities may pose different structural and operational implementation challenges. Therefore, we urge that the MSRB carefully consider input received from other commentators regarding such challenges, particularly the comment

¹ The Securities Industry Association brings together the shared interests of approximately 600 securities firms to accomplish common goals. SIA’s primary mission is to build and maintain public trust and confidence in the securities markets. SIA members (including investment banks, broker-dealers, and mutual fund companies) are active in all U.S. and foreign markets and in all phases of corporate and public finance. According to the Bureau of Labor Statistics, the U.S. securities industry employs nearly 800,000 individuals, and its personnel manage the accounts of nearly 93-million investors directly and indirectly through corporate, thrift, and pension plans. In 2004, the industry generated \$236.7 billion in domestic revenue and an estimated \$340 billion in global revenues. (More information about SIA is available at: www.sia.com.)

² SEC Release No. 33-8591, “Securities Offering Reform, FR Volume 70, No. 148 August 3, 2005/

letter filed by The Bond Market Association (TBMA)³ with respect to MSRB Notice 2006-19.⁴

Additionally, SIA recommends that 529 Plan offering documents be excluded from any MSRB access equals delivery rulemaking at this time. This recommendation does not, in any way, reflect a lessening of SIA's resolve to encourage the broadest possible application of the access equals delivery standard. Rather, it reflects a recognition that the underlying investments of 529 plans are fundamentally different than other new issue municipal securities, and are, in fact, more mutual fund like in nature. In that regard, SIA expects that at some point the SEC may well consider extending the access equals delivery standard to mutual funds. If it makes such a proposal the SEC may choose to include 529 plans within its scope, or at least such a proposal might provide a good template for future MSRB initiatives regarding 529 plans. In either event, we believe that MSRB would benefit by deferring any action with respect to 529 plans until further information is available regarding how the SEC will approach the subject.

We hope you find SIA's comments helpful, and if you have any questions, please contact Liz Varley at (202) 216-2000 or Mike Udoff at (212) 618-0509.

Sincerely,

Elizabeth Varley
Vice-President and
Director of Retirement Policy

Michael D. Udoff
Vice-President
Associate General Counsel and
Secretary

cc: Leslie M. Norwood, Esq.
Vice-President and Assistant General Counsel – The Bond Market Association

³ Letter from Leslie Norwood, Vice-President and Associate General, TBMA, to Ernesto A. Lanza, Senior Associate General Counsel, MSRB (September 15, 2006).

⁴ SIA and TBMA will merge on or about November 1, 2006 to form the Securities Industry and Financial Markets Association.