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SECURITIES AND EXCHANGE COMMISSION
[Release No. 34-75454; File No. SR-MSRB-2015-05]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Consisting of an Amendment to MSRB Rule G-45, on Reporting of Information on Municipal Fund Securities

July 15, 2015

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on June 30, 2015, the Municipal Securities Rulemaking Board (the “MSRB” or “Board”) filed with the Securities and Exchange Commission (the “SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of an amendment to MSRB Rule G-45, on reporting of information on municipal fund securities (“proposed rule change”). The proposed rule change would delay by 60 days, until October 28, 2015, the date on which the first submissions must be made pursuant to Rule G-45. The first submissions on Form G-45 currently are due August 29, 2015. The MSRB proposes an immediate effectiveness for the proposed rule change. The proposed rule change would extend by 60 days the due date under a previously approved rule for the first submissions on Form G-45.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

The text of the proposed rule change is available on the MSRB's website at www.msrb.org/Rules-and-Interpretations/SEC-Filings/2015-Filings.aspx, at the MSRB's principal office, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The MSRB proposes to extend by 60 days until October 28, 2015 the date the first submissions are due under Rule G-45 on Form G-45. On February 21, 2014, the Commission approved the adoption of Rule G-45, on reporting of municipal fund securities, and electronic Form G-45, as well as associated amendments to Rules G-8, on books and records, and G-9, on preservation of records.³ The effective date for that rule change was February 24, 2015. The first submissions under Rule G-45 are due August 29, 2015, which is 60 days from the end of the first reporting period of January 1 - June 30, 2015. The purpose of Rule G-45 is to enable the MSRB to collect reliable information about 529 college savings plans ("529 plans") solely for regulatory

³ Exchange Act Release No. 71598 (Feb. 21, 2014), 79 FR 11161 (Feb. 27, 2014) (SR-MSRB-2013-04).

purposes and to analyze that information to better understand the market and the manner in which assets are invested.

After the SEC's approval of Rule G-45 and Form G-45, MSRB staff formed an industry User Group to develop the Form G-45 User's Manual (the "manual"), which the rule specifies would include technical specifications for the Form, such as data entry. User Group members include representatives from twelve different industry organizations ranging from organizations that are involved in the distribution of multiple 529 plans to those that participate in the distribution of interests in only one plan. The range of expertise of User Group members includes data services provision and program management.

The User Group recommended that underwriters be afforded two methods of submitting data to the MSRB on Form G-45 – manual submissions through the MSRB's Electronic Municipal Market Access website ("EMMA®")⁴ dataport web user interface and automated submissions through a computer-to-computer ("B2B") interface. MSRB staff was responsive to those recommendations, and developed the two interfaces.

In February 2015, the MSRB released the manual and opened a beta test environment to assist underwriters with their submissions. Since that time, underwriters and industry trade groups have discussed with MSRB staff the challenges that underwriters are facing with programming the data for submission to the Board on Form G-45. Their concerns center on the ability to program automated B2B submissions, particularly information about investment options in 529 plans.

529 plans typically offer numerous investment options with multiple underlying mutual funds. To gather adequate information about 529 plans, Form G-45 requires detailed data about

⁴ EMMA is a registered trademark of the MSRB.

the various investment options available in 529 plans. The MSRB understands that the programming of such information for a Form G-45 submission is particularly challenging for underwriters because the required data must be collected from multiple computer systems. While the programmers for underwriters may be challenged by meeting the unextended deadline for the first filings on Form G-45, after the first B2B filing, the process would be automated and is expected to become more routine.

To help ensure that the MSRB receives reliable, complete and accurate filings on Form G-45 and to mitigate the burdens imposed on underwriters that are making their first submission under Rule G-45, the MSRB submits this proposed rule change to extend the date that the first submissions on Form G-45 are due by 60 days, until October 28, 2015. The proposed rule change would double the time allowed for underwriters to make their first submissions. The MSRB believes that the extension will provide underwriters with sufficient time to submit complete and accurate filings.⁵ Subsequent Form G-45 filings would remain due 60 days from the end of each semi-annual reporting period.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with section 15B(b)(2)(C) of the Act,⁶ which provides that the MSRB's rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with

⁵ Representatives of industry trade associations have suggested that the MSRB implement a one-year pilot period for submissions. According to those associations, this would allow underwriters sufficient time to work through any difficulties in the programming and data collection while not being subject to potential enforcement actions. The MSRB, however, believes that filings on Form G-45 must remain fully subject to MSRB rules and all other applicable federal securities laws, rules and regulations, and that a full year would be an excessive delay in the MSRB's gathering of reliable information about 529 plans.

⁶ 15 U.S.C. 78o-4(b)(2)(C).

persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

In response to industry concerns about the ability to submit reliable, accurate and complete data on a timely basis, the proposed rule change would extend the date that the first submissions are due under a previously approved rule.

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Act⁷ requires that MSRB rules be designed not to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The MSRB does not believe that the proposed rule change would impose any burden on competition not necessary or appropriate in furtherance of the Act. The proposed rule change would extend the date that the first submissions on Form G-45 are due by 60 days from August 29, 2015 until October 28, 2015.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Pursuant to section 19(b)(3)(A)⁸ of the Act and Rule 19b-4(f)(6)⁹ thereunder, the MSRB has designated the proposed rule change as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any

⁷ Id.

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6).

significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate.

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative until 30 days after the date of filing.¹⁰ However, Rule 19b-4(f)(6)(iii)¹¹ permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest.¹² The MSRB has requested that the Commission designate the proposed rule change operative upon filing,¹³ as specified in Rule 19b-4(f)(6)(iii),¹⁴ which would make the proposed rule change operative on June 30, 2015. The MSRB has stated that an earlier operative date would provide underwriters with certainty regarding the due date of their first submission on Form G-45.¹⁵

The Commission hereby grants the MSRB's request and believes that designating the proposed rule change operative upon filing is consistent with the protection of investors and the public interest.¹⁶ According to the MSRB, Rule G-45 is designed to enable the MSRB to collect

¹⁰ Id.

¹¹ 17 CFR 240.19b-4(f)(6)(iii).

¹² In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change, along with a brief description and text of such proposed rule change, at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The MSRB satisfied this requirement on June 23, 2015.

¹³ See SR-MSRB-2015-05.

¹⁴ 17 CFR 240.19b-4(f)(6)(iii).

¹⁵ See supra note 13.

¹⁶ For the purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

reliable information about 529 plans solely for regulatory purposes and to analyze that information to better understand the market and the manner in which assets are invested.¹⁷ The Commission believes that designating the proposed rule change operative upon filing is consistent with the protection of investors and the public interest because it will provide underwriters with certainty regarding the due date of their initial Form G-45 submission, as well as help ensure that the MSRB receives reliable, complete and accurate filings on Form G-45. In addition, the proposed rule change is not making any substantive changes to MSRB rules; it is only extending the deadline under Rule G-45 for initial submissions of Form G-45 by 60 days, until October 28, 2015. Therefore, the Commission hereby designates the proposed rule change operative upon filing.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-MSRB-2015-05 on the subject line.

¹⁷ See supra Section II.A.I.

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2015-05. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change; the Commission does not edit

personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2015-05 and should be submitted on or before [**INSERT DATE 21 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER**].

For the Commission, pursuant to delegated authority.¹⁸

Robert W. Errett,
Deputy Secretary.

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¹⁸ 17 CFR 200.30-3(a)(12).