

# NAHEFFA

National Association of Health and Education Facilities Finance Authorities

March 3, 2008 [By Mail and e-Mail]

Mr. Ernesto A. Lanza  
Senior Associate General Counsel  
Municipal Securities Rulemaking Board  
1900 Duke Street, Suite 600  
Alexandria, VA 22314  
Attention: Rulemaking/Policy

RE: Comments on January 31, 2008 MSRB Notice 2008-05

Dear Mr. Lanza:

The National Association of Health and Educational Facilities Finance Authorities (NAHEFFA) appreciates the opportunity to comment on MSRB Notice 2008-05 relating to the new Electronic Municipal Market Access System ("EMMA"). NAHEFFA represents statewide issuers of tax-exempt bonds for non-profit healthcare, higher education and other charitable purposes.

We generally support the concept of expanding the existing pilot to contain a continuing disclosure component, as described in your notice. We need details about the operation of the system before we can fully comment or determine our support. The following are preliminary comments and questions.

First, it is important that the SEC modify Rule 15c2-12 to make clear that submission of information to EMMA, even during the pilot period, satisfies all filing obligations and that issuers will not be required also to make submissions through the NRMSIRs. Second, the provisions of the SEC Rule 15c2-12 should be limited to allowing electronic submission of disclosure documents to one central location and not be expanded for other purposes, including to further the SEC's announced interest in increasing regulation of issuers.

We support a requirement that there be an explicit designation by the issuer of a third party who may act as a submission agent on its behalf. It is important that issuers maintain control of who may file such submissions on their behalf and that MSRB be clear that specific authorization has been provided.

There are several matters raised in the notice which require clarification. For example, the notice states that underwriters will be required to provide certain information at initial issuance, including without limitation "the date on which the annual financial information will be provided." We request that the MSRB clarify the purpose of such information and, if such information is to reflect the obligations under the continuing disclosure agreement, that the data entry be flexible enough to reflect a deadline such as within a certain number of days (i.e., 180) from the end of the fiscal year, rather than a date certain. In addition, please clarify whether EMMA would accommodate regular, periodic filings in addition to annual ones, whether an obligation in the continuing disclosure agreement or elsewhere, such as a commitment of a borrower in a conduit financing to provide quarterly or monthly financial results.


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Our conceptual support for EMMA is based on the understanding that it will not require additional cost to prepare data submissions. In that regard, the statement in the notice that "information could be provided either through data files submitted to EMMA's computer-to-computer interface or through data-entry screens on the EMMA web interface" raises the question whether special software or other arrangements will need to be purchased by issuers. How accessible is the interface? Are standard e-mail systems capable of this interface or are there additional buried transaction costs which should be made clear? Please also confirm that issuers will receive electronic confirmation that disclosure materials were received by EMMA.

Finally, the notice states that "in addition to making continuing disclosures available publicly through the EMMA website, such disclosures would be available on a real-time basis through paid subscriptions to the complete EMMA document collection for re-dissemination or other use by subscribers." This raises the issue of two different levels of access to this data. We request information about the nature of the special access that your real-time subscribers will obtain and how that differs from the benefits to the general public. How many hours or days gap will there be between access by the special paid subscribers and the general public? We believe that issuers as well as private sector participants ought to have essentially the same benefit from EMMA without having to pay MSRB for a subscription.

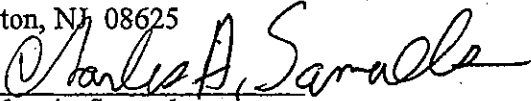
We appreciate the opportunity to comment and look forward to working closely with MSRB. We believe that it is critical that MSRB make a special effort to reach out to issuers on the continuing development of this system.

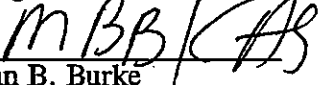
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