

Comments on MSRB Initiatives:

Priority 1: The long-range transparency should remain the first, most important initiative for the MSRB to pursue. The opacity of municipals is its worst enemy, for Congress will always suspect inefficiencies to the detriment of issuers until we have a coherent, easily understood marketplace.

Priority 2: I believe the regulatory efficiency is the cart before the horse. We need to establish and perfect transparency first – regardless of what rules need to be promulgated to achieve that end – and then return to the efficiency question and strip away unnecessary regulations. Without the transparency, we always have bigger problems.

Priority 3: This is an offshoot of Priority 1. Perhaps should be defined as covered by #1.

Priority 4: Critical effort that will help the reputation of the municipal debt markets enormously. Currently, we are seeing a consolidation of Advisors into a few shops nationally. This is a trend the MSRB should be fighting tooth and nail by (a) continuing the good work of setting core rules and standards, but then also (b) the encouragement of formal education for new entrants to the FA sector. The Board could author and/or sponsor Graduate-level FA degrees and programs at new institutions to bring young talent to the business. So I believe the effort must be more organic than just defining what an Advisor is; we should be actively creating that candidate with the help of the tax-exempt issuers in the public university sector.

Input on MSRB's education, outreach and market leadership:

Please Priority 4 (above) and consider the following: The MSRB Board members have the opportunity to act as Ambassadors for the municipal market. Outreach events can be integrated into the more public fabric of life – career days at Universities, alliances with specific graduate programs, and seminars *for Issuers' staffs* to facilitate basic understanding of the markets these entities use for capital-raising, and a host of other ways to raise the profile of the municipal market.

Secondly, I believe we need to encourage the international flow of capital into the muni market. With the downgrade of the federal government by S&P last year, municipals still have an opportunity to step up and offer an alternative. Sovereign funds are looking for safe harbors; why not offer them the idea of bidding on the largest municipal sales available? Liquidity would help ring transparency; it would help force transparency on the market.

As for specific market issues, to me the problem is not the contents of the educational materials, but the distribution of them that we can improve.

--Nick Boyle