March 10, 2014

Ronald W. Smith

Corporate Secretary

Municipal Securities Rulemaking Board

1900 Duke Street

Alexandria, VA 22314

RE: MSRB Notice 2014-01- Draft MSRB Rule G-42 Duties of Non-Solicitor Municipal Advisors

Dear Mr. Smith,

Parsons Brinckerhoff Advisory Services, Inc. (PBASI) is a registered municipal advisor and appreciates the opportunity to comment on draft Rule G-42 as proposed by the Municipal Securities Rulemaking Board (MSRB). We provide these comments in response to specific questions and issues in the "General Matters" section of the proposed draft Rule G-42.

Fiduciary Duty

Draft Rule G-42 appropriately limits the application of the fiduciary duty to municipal clients. The extension of such fiduciary duty to obligated persons or all clients of a municipal advisor would exceed the scope of Dodd Frank's intent and the statutory mandate to regulate and oversee the relationship between municipal entities and their registered advisors.

Review of the Official Statement

A municipal advisor engaged by a client in connection with either an issuance of securities or a municipal financial product that is related to an issuance of municipal securities should not have a duty to review the entire official statement and should be permitted to limit the scope to those aspects of the official statement directly related to the scope of municipal advisory services.

If a requirement of review of the statement in its entirety is to be established, we request that the MSRB clarify the intended meaning of a "thorough review", as no definition or meaning has been provided and official statements include many distinct pieces of information which a municipal advisor would not independently be able to evaluate and verify. This language, without clarification, appears to create accountability for matters well beyond the scope of municipal advisory services.

Though it is often prudent for a municipal advisor to review an official statement in its entirety, the creation of a duty to perform a "thorough review" of the entire official statement would mandate work that is greatly redundant in many instances and adds no value to the client.

Disclosures of Legal and Disciplinary Events Related to Employees

A municipal advisor should not be required to disclose to a client legal and disciplinary events that relate to an individual that is employed by the municipal advisor if the individual is not a part of (or reasonably expected to be a part of) the advisor's team working for the client. With regard to any employee, forms MA and MA-I are public documents which include all such disclosures and are required to be kept up to date by all registered municipal advisors. We request that the MSRB consider that these publicly available forms should be deemed sufficient disclosure.

Liability Insurance

Coverage requirements and minimums should properly be determined and set forth by the issuer. The MSRB should not require professional liability insurance coverage be carried by municipal advisors. If such a requirement is set forth it would be inappropriate for the MSRB to specify the minimum amount and terms of such coverage. In response to the question posed by the MSRB, we do believe the cost of professional liability insurance would certainly be an undue barrier to entry for many current and potential municipal advisors.

Prohibition on Principal Transactions

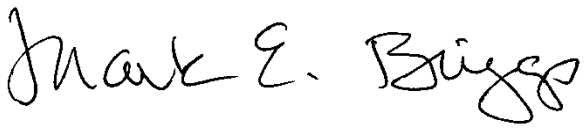
Municipal advisors and their affiliates should be permitted to engage in principal transactions with their client with full and fair disclosure and client consent. Draft Rule G-42's proposed prohibition on municipal advisor and affiliate entities engaging in principal transactions is based upon the a stated concern by the MSRB that the validity of client consent in such situations would be questionable, regardless of the amount of disclosure and potential conflicts of interests provided. We would argue that this is not the appropriate regulatory approach to principle transactions, that it is excessively paternalistic and without precedent in other fiduciary regulatory standards.

If the MSRB were nonetheless to impose such a rule on municipal advisors, it should not extend to their affiliates. To prohibit a municipal advisor's affiliates from engaging in principal transactions with a client would have the effect of shutting down advisory firms affiliated with larger companies who necessarily have to prioritize their ability to work with municipal clients in their core industry. This would have the unintended effect of reducing both competition and the diversity of expertise within the municipal advisor pool. The benefit of having created registration and regulation for municipal advisors is lost if all municipal advisors who are not strictly and solely financial advisors are pushed out of the field.

If such a burdensome prohibition against principal transactions is to be set forth, it should be limited solely to situations in which a municipal advisor is working for a municipal entity client to whom they owe a fiduciary duty.

We respectfully request your consideration of our comments and the issues addressed herein.

Sincerely,



Mark E. Briggs
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