



By Electronic Delivery

March 31, 2025

Ronald W. Smith, Corporate Secretary
Municipal Securities Rulemaking Board (“MSRB”)
1300 I Street, NW
Washington, DC 20005

Re: Comments Concerning MSRB Notice 2024-15
*Concept Release: MSRB Requests Comment on Potential Modernization of
Municipal Fund Securities Disclosure Obligations*

Dear Mr. Smith:

The Utah Educational Savings Plan dba my529 (“my529”) is grateful that its April 17, 2023, letter regarding MSRB Notice 2023-02 was helpful to the MSRB and it is pleased to have the opportunity to comment on MSRB Notice 2024-15, *Concept Release: MSRB Requests Comment on Potential Modernization of Municipal Fund Securities Disclosure Obligations*, issued December 11, 2024 (the “Notice”).

my529 remains the third largest direct-sold 529 plan in the country and is uniquely situated amongst qualified tuition programs established under 26 U.S.C. § 529 (“529 Plan(s)”) in that it does not have an advisor-sold 529 plan, nor does it contract with any firm as an underwriter to distribute my529’s securities. As a state-run plan, my529 is not subject to the direct regulations and oversight of the MSRB. Nevertheless, as a matter of best practices, my529 strives to align its practices with applicable MSRB rules.

I. Questions on Potential Amendments to Rule G-32

1. Should the MSRB modernize the disclosure delivery standard for municipal fund securities by implementing one of the two alternatives identified above? Is there another standard, other than the two alternatives noted above, that should be considered by the MSRB at this time?

my529 supports the implementation of the MSRB’s Proposed Access Equals Delivery Alternative. my529 believes that this Alternative should be modified so that a 529 Plan would meet its delivery obligations by providing notice of posting its official statement and any amendments on EMMA and on the website of the 529 Plan. Regardless of location, the 529 Plans’ official statements would be available for free to the public.

As a preliminary matter, my529 believes that EMMA is designed for debt issuance and is not well-suited for individuals looking for information about 529 plans. Information on 529 Plans is hard to find on EMMA because EMMA users must click the “Market Activity” banner link on EMMA’s website to reveal a drop-down menu that includes a link for “529 Savings Plan/ABLE Program Disclosures.” This effectively hides information on 529 Plans from retail 529 investors. EMMA should be improved so that a link to information on 529 Plans is more visible and more easily accessible. That would be more useful to retail 529 investors who are not familiar with EMMA.

In contrast, my529 has found that its website is both popular with its account owners and easily accessible. For example, in 2024, my529 had 929,595 visitors to its website (located at my529.org). Additionally, my529 had approximately 2.5 million logins to its website (many account owners bookmark the login website address). Any of these visitors could easily access my529’s official statement, its Program Description, along with any supplements to that Program Description via a direct link that is easily accessible at the bottom of the my529.org website.

If the MSRB were to allow 529 Plans to meet their disclosure obligations by providing notice that their official statements were available via EMMA and the 529 Plans’ own website, it would benefit both 529 Plans and retail 529 investors. Such an obligation to provide notice of posting would not be burdensome on the 529 Plans and it would be convenient for (and in many cases preferred by) the participants in the 529 Plans.

2. Which delivery alternative best supports investors' ease of access to information and would heighten their sense of awareness of the importance of an official statement? Please explain.

my529 believes that of the alternatives set forth above, Option A (MSRB’s Access Equals Delivery Alternative) is superior to Option B (Supplemental-Layered Disclosure Alternative). 529 Plans should also post their official statements to their own websites. The websites of the 529 Plans are an important resource for potential account owners who want to learn more about investing in a 529 plan. They are also valuable resources for existing account owners who want to learn more about how to manage their investments in their 529 account or who want to make transactions in their 529 account (*e.g.*, contributions, withdrawals, rollovers, beneficiary changes, etc.). The websites of the 529 Plans already allow for ease of access to information and if 529 Plans could meet their disclosure obligations with regard to an official statement by posting on their official website (as well as EMMA), it would further enhance the utility of those websites to account owners and potential account owners.

3. Would investors, dealers, or issuers experience any new burdens under either of the two alternatives identified above?

Many potential account owners are not familiar with the MSRB or EMMA. They often come to the websites of 529 Plans with a desire to learn more about 529 plans and how they work. These potential account owners are not sophisticated investors in the municipal fund

security market. It would be unrealistic to expect them to become familiar with EMMA as an investing resource when they are new to the concept of college savings in general.

Allowing 529 Plans to meet their disclosure obligations by posting their official statements on their websites will benefit the college-saving public at large because these account owners and potential account owners are familiar with and are already using the websites as learning resources and to make transactions in their 529 accounts. my529 also sees utility in having official statements posted to an industry-wide clearinghouse (EMMA) so that potential account owners have another resource to use when they want additional information about 529 Plans.

4. Are there alternative disclosure delivery standards, other than those identified above, for an official statement that would improve investors' comprehension of disclosures and access to information while reducing dealers' cost burdens related to paper-only disclosure delivery?

my529 believes that the MSRB's Access Equals Delivery Alternative, modified to include posting on the website of a 529 Plan, would improve access to information and would reduce the cost of paper-only delivery.

5. What percentage of municipal fund securities customers (including 529 savings plans, ABLE programs, and LGIPs) currently rely on paper- only delivery versus using the opt-in e-delivery of disclosure documents? Please respond with data, if available, grouped by direct- sold plans and advisor-sold plans.

As the official, direct-sold 529 plan for the State of Utah, my529 is proud to share the following data with regard to its plan. Although my529 is only one plan in the 529 industry, my529 believes that its data is representative of the 529 industry as a whole. As of December 31, 2024, only 12.32% of my529 account owners receive their official communications (including disclosure documents) via U.S. Mail (paper delivery). That means that 87.68% of my529 account owners receive their official communications through opt-in e-delivery.

6. Noting that some customers are currently availing themselves of the e-delivery standard (notice, access, and evidence to show delivery) for receipt of plan disclosure documents by dealers, as provided for by the 1998 Guidance, what additional, costs or burdens, if any would be alleviated for dealers?

my529 estimates that the average cost of printing and mailing its Plan Disclosure Documents (*i.e.*, the my529 Program Description) is \$2.95 per mailing (\$1.36 in printing costs and \$1.59 in mailing costs). my529 mails its official statement to 32,237 account owners (many account owners have more than one account). This results in a cost of just over \$95,000 to print and mail every Program Description that my529 produces.

The supplements that my529 produces to its Program Description are not as voluminous to print, so the associated costs are less. my529 estimates that the cost of printing and mailing each supplement to its Program Description is approximately \$0.71 per supplement. my529's total cost to print and mail its last Supplement to its Program Description in March 2024 was approximately \$22,700.

If the Access Equals Delivery standard that my529 has advocated for in this letter were adopted, my529 would still provide a paper copy of these official statements upon request. The bulk of these substantial costs, however, would be avoided if my529 could direct its account owners and potential account owners to its website or to EMMA.

7. While the findings from the Pew Study and SIFMA e-Delivery YouGov Survey indicate an increased reliance on the internet and growing investor preference for delivering investor communication through e-delivery, are there any additional data and statistics specifically with respect to retail investor's preference for e-delivery of investor communication for municipal fund securities, as a whole or for particular types of municipal fund securities (i.e., 529 savings plans, ABLE programs), that would provide further insight for assessing the advisability of either alternative approach to e-delivery?

my529 has found that the ability to receive electronic versions of its official statements is very popular with its account owners. Over 87% of my529's account owners have opted in to electronic delivery for official statements and disclosure documents. The adoption of the Access Equals Delivery Alternative, with the modification proposed here that my529 could meet its obligations by also posting to its own website would serve the needs of my529's account owners. This is particularly true because my529 would still be willing to provide a paper copy of its disclosure documents if specifically requested by an account owner or potential account owner.

8. Investors in LGIPs are governmental entities rather than traditional retail investors. Is there information comparable to the retail usage information described above, or differences in the nature of the investors or the LGIP product, that would be helpful in understanding the fitness of electronic disclosure for such investors?

N/A

9. The MSRB notes that it cannot require issuers of municipal fund securities to prepare summary disclosures, similar to the summary prospectus permitted by the Commission for mutual funds. Still, the MSRB is interested in learning whether investors in municipal fund securities would benefit from a similar approach where, if an issuer chooses to prepare one, a summary official statement provided electronically would satisfy the requirements with respect to the delivery of the final official statement, if certain conditions are met. Given that most 529 savings plans and ABLE programs consist primarily of underlying mutual fund options, the MSRB is interested in whether satisfying delivery obligations through a summary disclosure document is feasible for municipal fund securities.

my529 would be supportive of the ability of a 529 Plan to offer a summary disclosure document. Depending on the “certain conditions” that would have to be met, a summary disclosure document could reduce at least some of the cost of preparing an official statement for a 529 Plan. As an example, my529 estimates the following costs (internal and external) to prepare its Program Description in February 2023:

<u>Entity</u>	<u>Estimated Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
my529 Writers	290	\$60	\$17,400
my529 Graphic Design	270	\$55	\$14,850
my529 Editors	180	\$75	\$13,500
my529 Director-Level Review	30	\$85	\$2,550
my529 Senior Leadership Review	30	\$125	\$3,750
Outside Legal Review	11.5	\$460	\$5,290
	1.1	\$480	\$528
Total	812.6		\$57,868

Having to prepare a summary disclosure document in addition to its official statement likely would increase the time and total expense necessary to update its Program Description. However, at least in some cases, a summary prospectus might be able to minimize or limit those to a degree assuming that the 529 Plan could meet whatever “certain conditions” are set forth by the MSRB.

As set forth in its answer to Question #6 above, my529 estimates that the printing and mailing cost (in addition to the preparation costs in the table above) are \$2.95 per Program Description or more than \$95,000 total. The ability to send a summary disclosure document—even if required to be sent by U.S. Mail—would likely result in cost savings since printing and mailing would be less (*i.e.*, less paper would be used).

If the MSRB were to not enact Option A (MSRB’s Access Equals Delivery Alternative) at this time, the ability to send a summary disclosure document would be even more attractive to my529 due to the potential to save on preparation, printing, and mailing costs. my529 also believes investors and potential investors in a 529 Plan would be more likely to read a shorter summary disclosure document.

II. Questions on Potential Stand-Alone Time of Trade Rule

As a preliminary matter, my529 notes that the municipal fund securities issued by 529 Plans are fundamentally different from the bulk of municipal securities overseen by the MSRB. When an account owner contributes to a 529 Plan, the account owner is investing in a municipal fund security. That contribution looks and acts, however, far more like an investment in a mutual fund than a purchase of a municipal bond which has a set maturity date and coupon rate. In contrast to a municipal bond, the municipal security issued by a 529 Plan is a continuous offering.

Because of the fundamental differences between a contribution to a 529 Plan and the purchase of a municipal bond, my529 believes that there is value in codifying a standalone rule regarding time of trade disclosure obligations for 529 Savings Plans. A standalone rule for 529 Plans would have two benefits: (1) it would allow the MSRB to better see and understand the unique nature of municipal fund securities issued by 529 Plans; and (2) it would provide greater certainty, as well as a potential safe harbor to 529 Plans.

Contributions to 529 Plans typically fit into one of the following areas, each requiring different time of trade disclosures.

1. **Initial account opening.** An account owner opening a new account should receive offering materials prior to opening the account. As a continuous offering, disclosure materials are readily available via EMMA or the website of a 529 Plan. Generally, hard copies are also made available to any account owner who has not requested electronic delivery. We appreciate the MSRB's request for comment on the Access Equals Delivery Alternative and, as noted above, my529 urges the adoption of that standard.
2. **Automatic or one-time contributions.** Account owners may contribute automatically with scheduled contributions or may choose to contribute sporadically when they have funds to invest. Clear guidance is needed in these circumstances. Providing disclosure documents for every transaction after the account is opened is impractical and expensive. Like mutual funds, supplemental materials should be provided when plan changes material to the investment decision are made.
3. **Third-party contributions.** Anyone is allowed to contribute to a beneficiary's 529 Plan account (e.g., gifting platform, grandparent, friend, aunt, etc.). Clarity is needed around any disclosure requirements in this circumstance. my529 believes no disclosure requirement is needed because these are gifts to an account over which the giver has no control.

If the MSRB were to propose a new standalone rule, existing Rule G-17 interpretative guidance addressing out-of-state disclosure obligations should be codified because it would

provide greater certainty to 529 Plans. The current guidance has been voluntarily adopted by the College Savings Plans Network (“CSPN”) in recommended disclosure principles for 529 Plans. The current version of these disclosure principles is CSPN Disclosure Principles Statement No. 7, which was adopted on October 6, 2020 (available at: <https://www.collegesavings.org/wp-content/uploads/2020/12/CSPN-Disclosure-Principles-Statement-No.-7-FINAL.pdf>).¹

- 1. As noted above, the types of material information required to be disclosed to customers under Rule G-47 are in part defined in terms of information available from established industry sources. In the case of each type of municipal fund securities, what sources, other than those already listed in the rule, could reasonably be viewed as an established industry source generally used by dealers effecting transactions in the type of municipal fund securities at issue? For example, should the MSRB consider the CSPN website as an established industry source for 529 savings plans?**

Rule G-47 lists the following in its definition of “established industry source”: (1) EMMA, (2) rating agency reports, and (3) “other sources of information relating to municipal securities transactions generally used by brokers, dealers, and municipal securities dealers that effect transactions in the type of municipal securities at issues.” my529 agrees that EMMA is an established industry source. Other than Morningstar, municipal fund securities issued by 529 Plans do not have rating agency reports, but the websites of the 529 Plans themselves are sources of information that are used by brokers and dealers as well as the retail 529 investor.

my529 does not believe that the CSPN website—at this time—is an established industry source. It does provide some information but directs individuals to the states’ websites for detailed information. my529 believes that the flexibility afforded by the current definition of “established industry source” in Rule G-47 is a good thing so that the markets themselves can organically determine what specific resources constitute an established industry source.

- 2. Rule G-47’s time of trade disclosure requirement applies to all purchase and sale transactions with a customer, which includes all points of sale throughout the continuous offering of municipal fund securities (i.e., purchase of interest in the trust account (“contribution of funds”), redemption of interest in the trust account (“withdrawal of funds”) and rollover of funds from one account to another account, such as exist for 529 savings plans and ABLE program rollovers). Should the MSRB alter or exempt the time of trade disclosure requirement in the case of automatic recurring contributions subsequent to the initial contribution? Is there utility to investors in requiring such information in these circumstances where the investor is not making active investment decisions? Should the requirement be altered to limit subsequent time of trade disclosures based on certain triggering**

¹ my529 notes that CSPN is poised to release CSPN Disclosure Principles Statement No. 8 imminently.

point of sale scenarios, such as an investor changing investment option(s) or altering the amount or timing of automatic contributions? What other scenarios represent relevant points of sale in which time of trade obligations should be triggered? What other scenarios that could be deemed a point of sale should be exempted from the time of trade disclosure? What potential negative adverse consequences could result from any such exemptions?

529 Plans should be exempted from time of trade disclosure requirements in the case of an automatic recurring contribution subsequent to the initial contribution. The investment decision to make an automatic recurring contribution is made at the time that the automatic recurring contribution is set up—not when the automatic recurring contribution is made. Having to make a disclosure at time of trade for a 529 Plan would also cause a substantial administrative and financial burden. For example, my529 (Utah’s official 529 plan) had 218,828 unique accounts who collectively received 2,893,650 automatic recurring contributions (through monthly or yearly ACH and payroll deduction) in 2024. The cost to provide a time of trade disclosure for each of those contributions would be substantial.

Moreover, there is no utility to making a time of trade disclosure in the case of an automatic recurring transaction. As noted above, the investment decision is made at the time that the automatic recurring transaction is set up—not when it occurs each month. Thus, there is no value to the retail investor in providing subsequent disclosure when each transaction occurs automatically.

The MSRB should determine that 529 Plans meet their time of trade disclosure obligations by providing adequate disclosure at the time that the investment decision is made. This would include triggering events such as an investment option change or altering the amount or timing of automatic contributions. my529 does this with regard to both—although an investment option change generates disclosure (as well as links) encouraging an account owner to “read my529’s Program Description” and to review information about my529’s various investment options whereas altering the amount or timing of automatic contributions does not generate those specific disclosures (instead disclosures about the timing and mechanics of the contribution itself are presented to the account owner).

As noted above, 529 Plans should also supplement or update their official statements whenever there is a change that would be material to the investing decision.

- 3. In response to the 2023 RFC, the my529 Letter noted that clarity is needed around any disclosure requirement given anyone is allowed to contribute to a beneficiary’s 529 plan account (e.g., gifting platform, grandparent, friend, aunt, etc.). The MSRB is interested in understanding how third-party contributions work in municipal fund securities. For example, how are contributions made through a gifting platform such as a gift card or a direct gift contribution into a 529 savings plan or**

ABLE account? Is it clear to market participants when the time of trade disclosure obligation would be triggered, and to whom such disclosure is required to be made, in these third-party scenarios? Are there any operational or other aspects of third-party contributions that create burdens in applying the disclosure obligation for such third-party contributions?

As a preliminary matter, my529 believes that no disclosure requirement is needed when a third-party contribution is made because these are gifts to an account over which the giver has no control.

Issuers of municipal fund securities offer interests in 529 Plans directly, or indirectly through broker-dealers, to account owners, not to third-party givers with whom issuers have no privity of contract. The municipal fund security is a continuous offering and the 529 Plan issuer meets its continuing obligations under federal law by issuing supplements to its Plan Disclosure Documents, as necessary. Industry best practice is to provide disclosure in Plan Disclosure Documents to the account owner, who may change the beneficiary or account owner, withdraw or transfer funds, or otherwise transact business with the plan. The “sale”—and the corresponding duties that flow from a “sale”—flow from the plan or the broker-dealer to the account owner, not to third-party givers. Any rule that imposed disclosure requirements on regulated entities that would require third-party givers to be given the same quantity or quality of information given to 529 account owners would be expensive and unduly burdensome.

By way of example, my529 had approximately 67,018 contributions on its third-party gifting platform in 2024. my529 estimates that the average cost of printing and mailing its Plan Disclosure Documents (*i.e.*, the my529 Program Description) is \$2.95 per mailing (\$1.36 in printing costs and \$1.59 in mailing costs). Thus, the annual cost to my529 in 2024 for mailing its Plan Disclosure Documents in response to every contribution on the gifting platform would have been \$197,706.

However, as noted, we believe that it is best practice to provide some disclosure about the nature of the relationship between a 529 Plan and a third-party giver at the time that the third-party contribution is made. For example, my529 gives the following disclosure at the time that a third-party contribution is made:

Important Legal Notice

my529 is a Section 529 plan administered and managed by the Utah State Board of Regents and the Utah Higher Education Assistance Authority (UHEAA).

Your gift contribution will be attributed to you if you include your full name on the gift web page. This gift will be posted in the designated my529 account usually within three business days. Gifts are not revocable.

my529 accounts are controlled by the account owner, who may change the beneficiary, withdraw or transfer funds, or change the account owner as set forth in the my529 Program Description. Only my529 account owners may control how assets are invested and possibly claim a Utah state income tax benefit. Under Utah tax law, the giver may not receive a Utah state income tax credit. Your donation may have gift tax consequences. Please consult your tax advisor.

Read the Program Description for more information and consider all investment objectives, risks, charges, and expenses before investing or receiving or making a gift contribution. Call 800.418.2551 for a copy of the my529 Program Description or visit my529.org.

Investments are not guaranteed by my529, the Utah State Board of Regents, Utah Higher Education Assistance Authority (UHEAA), or any other state or federal agency. However, Federal Deposit Insurance Corporation (FDIC) insurance is provided for the FDIC-insured accounts. Please read the Program Description to learn about the FDIC-insured accounts. Your investment could lose value.

Non-Utah taxpayers and residents: You should determine whether the state in which you or your beneficiary pays taxes or lives offers a 529 plan that provides state tax or other benefits not otherwise available to you by investing in my529. You should consider such state tax treatment and benefits, if any, before investing in my529.

This disclosure makes very clear it is the customer/account owner—not the third-party giver—who has control over the 529 account and how any third-party contributions will be invested within that account.

To make a contribution through a gifting platform like my529, a customer/account owner would enter the my529 gifting platform and generate a unique alphanumeric code. The account owner then sends that unique code to anyone that the account owner wants through whatever manner the account owner chooses (including possibly through the account owner's personal email or text message). The third-party giver then comes to my529's gifting platform (typically through a hyperlink provided by the account owner) and enters that unique code.

The third-party giver would then see a unique page featuring the names of the account owner and the beneficiary along with a personalized gifting message from the account owner. The third-party giver may choose to make a gift via debit card, through an electronic funds transfer from a bank, or by mailing a check to my529. The third-

party giver can enter the amount of the gift and the third-party giver's name. At this stage of the gifting platform, the third-party giver is also presented with standard disclosures (including an invitation to carefully read the Program Description (my529's Plan Disclosure Document) in its entirety with a hyperlink to the Program Description.)

If a third-party giver chooses to use a debit card or electronic funds transfer to make the gift, additional disclosures are given, including disclosures about the service fees charged for using a debit card and other requirements with regard to using a debit card or electronic funds transfer for the third-party gift. Finally, the third-party giver is given an opportunity to review the gift and all details regarding the gift (amount, account owner name, beneficiary name, payment information, payment authorization, etc.) before agreeing to those terms and finalizing the transaction.

As noted above, the third-party giver is not a "customer" and has no control over the 529 account. Thus, time of trade disclosures should not be required to be made to a third-party giver. The 529 Plan meets its time of trade obligations under federal law by providing all necessary investing information at the time that the sale is made to the account owner.

- 4. At the time of rollover or transfer, is the account holder typically provided with verbal or written disclosures prior to initiating a rollover or a transfer request or at certain points throughout the process? Please identify those points and the nature of the disclosures. Typically, does the transferring firm or the firm receiving the incoming transfer or rollover provide the customer with the account's net asset value (NAV) and the price(s) of the underlying assets? Given that most assets underlying municipal fund securities are mutual funds for which the NAV and prices are calculated at the end of the day of a transaction, does the price calculation for the account's assets impact the timing of certain disclosures?**

To effectuate a rollover, an account owner must establish a my529 account into which the funds can be transferred.² This requires that the account owner certify that he/she has "received, read, under[stood], and agree[s] to all the terms and conditions in the Program Description...." (See my529 Form 100 [Individual Account Agreement].)

At my529, all incoming rollovers are done via a Form 210 [Incoming Direct Rollover: 529 Plan or Coverdell ESA]. Form 210 has the following disclosures:

² It is possible to submit both a Form 100 [Individual Account Agreement] to open a my529 account and a Form 210 [Incoming Direct Rollover: 529 Plan or Coverdell ESA] to roll in funds to that newly-opened account at the same time.

4 Signature Authorization

Although my529 accounts only allow one account owner to be designated on the Account Agreement, all owners listed on the source 529 account or Coverdell ESA must sign on the next page.

If your source 529 plan or Coverdell ESA manager requires a medallion signature guarantee, **do not sign** until you are in the presence of the authorized officer of a bank, broker, or other qualified financial institution. A notary public cannot provide a medallion signature guarantee nor can you guarantee your own signature.

By signing,

- I authorize a rollover of the assets identified in section 3 to the my529 account identified in section 1.
- I certify that I have read the Program Description, and understand the rules governing rollover contributions from other 529 plans and/or Coverdell ESAs. I also certify that I have not rolled over these assets between 529 plans for the same beneficiary within the last 12 months.
- If the assets are being rolled over to a new beneficiary, I certify that the new beneficiary is a member of the family of the current beneficiary, as defined in the Program Description.
- I understand that a rollover not meeting these conditions may be considered a nonqualified withdrawal subject to federal and applicable state income taxes, as well as an additional federal penalty tax on the earnings.
- I understand that if my529 does not receive a statement showing the contribution and earnings components of the rollover, my529 will treat the entire rollover as earnings.



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The term my529 is a registered service mark.

Page 2 of 3
Form 210 | Nov 2023 (05)

Signature Authorization (continued)

- If the my529 account or the source account is an UGMA/UTMA account, I certify that I am the custodian of the account and that the rollover is necessary for the welfare of the beneficiary.
- If the account is owned by a trust or other corporate entity, I certify that I am authorized to act on its behalf in making this rollover.
- If the source account owner named in section 2 is different than the my529 account owner specified in section 1, I understand that the source account owner must also comply with applicable rules and regulations.
- If I am a Utah taxpayer or resident, I understand that a rollover from another 529 plan into my529 is eligible for the Utah state income tax credit or deduction.
- If I am not a Utah taxpayer or resident, I understand that I should consider whether the state in which I or my beneficiary resides or pay taxes offers a 529 plan before making a rollover decision. That plan may offer state tax or other benefits to its taxpayers or residents that may not be available through my529.
- **If I am not a Utah taxpayer or resident, I also understand that I should determine whether I will be subject to adverse tax consequences if I transfer funds out of my home state's plan.**
- I certify that the information on this form is true and accurate.



my529 Account Owner/Agent Signature

Date (mm/dd/yyyy)

When my529 processes an outgoing rollover to another 529 Plan, it provides a breakout of principle and earnings on every single check that is sent. Information about the unit price of the my529 investment option (whether those units are purchased in the case of an incoming rollover or whether those my529 units are sold in the case of an outgoing rollover) is available to the account owner online and is also provided in the quarterly account statements (whether those quarterly account statements are mailed or provided online depending on the account owner's choice).

When my529 receives a request for an internal transfer (*i.e.*, from a my529 account with one named beneficiary to a my529 account with a different beneficiary—but the same account owner), my529 provides the following disclosures (whether that request is made online or via a paper form):

3 Signature Authorization

By signing below,

- I authorize a transfer of the amount listed in section 1 into the account(s) identified in section 2.
- I certify that the receiving beneficiary is a member of the transferring beneficiary's family, as defined in the Program Description.
- I have read and agree to the terms and conditions of the Program Description and the Account Agreement I signed when I opened the source account.
- I have received, read, understand, and agree to all the terms and conditions in the current Program Description and this Account Agreement and will retain a copy of this Account Agreement for my records.
- **I understand that I can request two investment option changes for all my accounts for the same beneficiary each calendar year.**
- I understand that transferring money from a my529 account with the same account owner and same beneficiary is considered one of my investment option changes for the calendar year for this beneficiary.
- If I am transferring money to an account owned by another my529 account owner, I understand that I am surrendering the title and all rights to the account and interest in the money being transferred. I also understand that there can only be one account owner for each my529 account.
- I certify that the information on this form is true and accurate.



Account Owner/Agent of Source Account Signature

Date (mm/dd/yyyy)

As with a rollover, information about the unit price of the my529 investment option is available online and is also provided in the quarterly account statements.

my529 has found that most account owners are not as concerned with the specific price of the NAV or number of units at the time that a transaction (be it a contribution, withdrawal, transfer, or rollover) is processed. Rather, the nature of the transactions are such that account owners are focused on the total dollar amount of the transaction. For example, an account owner may take a withdrawal for the total amount needed to pay for a semester of tuition at their beneficiary's chosen eligible educational institution. Or an account owner may make a contribution of the maximum amount permitted to receive the full Utah state tax credit for Utah state taxpayers. In neither case is the account owner typically concerned with the number of units of the municipal fund security to be purchased/sold or the NAV of those units.

my529, however, does provide full disclosure in its Program Description as to how daily changes to the NAV are reflected in various transactions requested by my529's account owners. my529 believes that specific education-related goals and needs of the account owner and beneficiary drive the investing decision (*i.e.*, contribution, withdrawal, transfer, or rollover) and that that investing decision is not impacted by the timing of certain disclosures or the daily pricing of the NAV.

- 5. If disclosures related to a rollover or transfer are written, are those disclosures contained within a stand-alone document, or rollover related documents such as new account forms, beneficiary change forms, incoming rollover documents, or distribution/transfer forms? Do those forms contain disclosures beyond the out-of-**

state disclosure obligations?

As noted above in the response to Question #4, all rollovers at my529 are done via paper form (Form 210 [Incoming Direct Rollover: 529 Plan or Coverdell ESA]). Internal transfers may be done via paper form or online. Regardless, for both types of transactions, an account owner must certify that he/she has “received, read, understand, and agree” to the terms and conditions contained in my529’s official statement—the my529 Program Description.

The disclosures on Form 210 do have out-of-state disclosures. Such out-of-state disclosures are not necessary on an internal transfer at my529 since an internal transfer does not send money to another 529 Plan. An internal transfer is merely sending funds from one account at my529 to another my529 account. Both types of transactions contain additional disclosures. (Please see response to Question #4 above.)

6. Are there any unique disclosure challenges triggered by the transfer or rollover of a 529 savings plan account that the MSRB should be aware of that are not covered above?

No, my529 believes that its responses above address any issues related to the transfer or rollover of a my529 account.

7. As noted above, Supplementary Material .01(a) provides that the disclosure obligation includes a duty to give a customer a complete description of the security, including a description of the features that likely would be considered significant by a reasonable investor, and facts that are material to assessing the potential risks of the investment. In the context of the various types of municipal fund securities, what aspects of the security and its features, and of the facts material to assessing relevant potential risks, are reasonably considered to be included within this mandate?

my529 adheres to the current guidance that has been voluntarily adopted by the CSPN in recommended disclosure principles for 529 Plans. The current version of these disclosure principles is CSPN Disclosure Principles Statement No. 7, which was adopted on October 6, 2020 (available at: <https://www.collegesavings.org/wp-content/uploads/2020/12/CSPN-Disclosure-Principles-Statement-No.-7-FINAL.pdf>).³

Because my529 adheres to the Disclosure Principles, my529 provides the following information in its official statement (the my529 Program Description): how to open and use a my529 account, key program risks, risks of each of the investment options offered by my529, and information about fees and costs associated with a my529 account. my529 also provides information on the underlying funds contained within the my529 investment options. my529 also provides information on federal and state tax benefits and the rules related to governance and administration of my529’s program.

³ The release of CSPN Disclosure Principles Statement No. 8 will happen in the very near future.

my529 believes that its account owners have a good understanding of the my529 municipal fund security, its features and risks, and other important facts that are material to the investing decision. my529 is committed to continue providing such information when there are changes by updating its Program Description and by issuing supplements to the my529 Program Description.

- 8. The MSRB seeks comment on whether to provide a non-exhaustive list of specific examples to describe information that may be material to a customer in the case of municipal fund securities, similar to the list of examples included in Supplementary Material .03 of Rule G-47 with respect to municipal debt securities. Based on prior guidance provided by the MSRB, the MSRB seeks comment on whether to include some or all of the following scenarios as potentially required time of trade disclosure information, if material, to customers investing in 529 savings plans or ABLE programs, as applicable: investment costs (i.e., including fees and other expenses), the out-of- state disclosures, a change in investment objectives triggered by a change of beneficiary, state tax benefit considerations, and tax consequences (i.e., gift tax and estate tax), treatment of qualified versus non-qualified withdrawal of funds, treatment of recontributions, disclosures related to incurring of an associated sales charge with respect to rollover to another account if the rollover of funds is not captured at NAV, maximum account balance, or K-12 related disclosures. Should this list of examples be modified, narrowed, or expanded? Please explain.**

my529 does not believe that the MSRB need provide any list—much less an exhaustive list—of specific examples because all of the above-mentioned items are already covered in my529’s official statement—its Program Description. Because the municipal fund securities sold by 529 Plans are a continuous offering, retail 529 investors make an initial investment and receive an official statement with all the necessary disclosures when that initial investment decision is made. Municipal fund security offerings differ from municipal securities because there is no secondary market and at account opening the customer is made aware of all these issues.

- 9. What would be an appropriate non-exhaustive list of specific examples to describe information that may be material to local governmental entities investing in LGIPs?**

N/A.

- 10. The MSRB envisions addressing processes and procedures that dealers would be required to implement to ensure that material information regarding municipal securities is disseminated to registered representatives who are engaged in sales to and purchases from a customer and principal review for time of trade disclosures, as currently is required under Supplementary Material .04 of Rule G-47. Either in adapting such language or in more broadly addressing supervisory and recordkeeping requirements, please describe how the MSRB can provide clarity to**

dealers meeting their supervisory and recordkeeping obligations related to a new time of trade rule without creating any undue burdens on the market. Please describe any specific market practices that impact real-time or post-principal review for time of trade disclosures.

N/A.

11. Are there other elements under the 2006 Guidance on customer protection obligations relating to marketing of 529 savings plans that market participants think should be codified in proposing a new rule?

As noted above, my529 believes that it already provides adequate disclosures in its official statement. my529 believes and understands that the majority of other 529 Plans do so as well. The advantage of having a rule is that the rule would provide certainty as well as a safe harbor for my529 and other 529 Plans.

* * * * *

Thank you again for providing an opportunity to comment on the Notice. We hope these observations are helpful as the MSRB considers possible rulemaking. Please do not hesitate to contact us with any questions or for more information. You may reach my529 by calling Greg Dyer at (801) 366-8441.

Sincerely,



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