

MEMO# 27087

March 7, 2013

ICI Draft Comment Letter on MSRB Request for Comment on New Central Transparency Platform; Comments due March 14

[27087]

March 7, 2013

TO: MUNICIPAL SECURITIES ADVISORY COMMITTEE No. 8-13 RE: ICI DRAFT COMMENT
LETTER ON MSRB REQUEST FOR COMMENT ON NEW CENTRAL TRANSPARENCY PLATFORM;
COMMENTS DUE MARCH 14

As you know, the MSRB is seeking comment on the first in a series of concept proposals relating to the planned development of a new central transparency platform (“CTP”) as a successor to the MSRB’s Real-Time Transaction Reporting System (“RTRS”).* One of the core elements of the MSRB’s long-range plan for market transparency is the development of a CTP that would enhance public access to real-time pricing information about municipal securities transactions. This concept proposal seeks comment on the appropriate standard for “real-time” reporting and public dissemination of municipal securities transaction price and related information upon implementation of the CTP. ICI has prepared a short draft comment letter, which is attached and briefly summarized below.

Please provide any comments on the draft letter to the undersigned at jheinrichs@ici.org by Thursday, March 14.

Currently, MSRB Rule G-14 requires brokers, dealers, and municipal securities dealers to report all transactions in municipal securities to RTRS within 15 minutes of the time of trade, with limited exceptions for certain transactions (as delineated in Rule G-14 and the Notice) in which dealers may instead report trades by the end of the day of trade execution. The MSRB seeks comment on, among other things, whether it should shorten the reporting timeframe generally and/or eliminate any of the end-of-day exceptions, or reduce the period of lag in reporting of trades currently subject to such exceptions, upon transitioning to a new reporting system.

The draft letter states our strong support for efforts by the MSRB to improve price transparency in the municipal securities market. To this end, we believe a review of the requirements under Rule G-14, including possibly shortening the current requirement for

dealers to report trades within 15 minutes, as well as potentially eliminating the end-of-day reporting exceptions, is warranted as such lags and exceptions may no longer meet the evolving needs of today's municipal securities market. The draft letter ends by noting that meaningful steps to improve price transparency generally should improve the efficiency of the municipal market.

Jane G. Heinrichs
Senior Associate Counsel

[Attachment](#)

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.