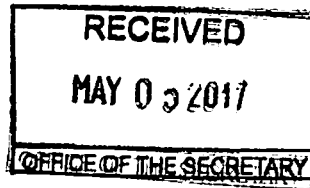




May 4, 2017

Mr. Brent J. Fields  
Securities and Exchange Commission  
100 F Street, NE  
Washington DC 20549-1090



File No. S7-01-17 – Comments on proposed amendments to the Municipal Securities Disclosure Rule

Dear Secretary Fields,

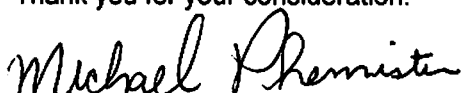
I am writing on behalf of the Dallas Fort Worth International Airport (Airport) to comment on the Security and Exchange Commission's proposed amendments to the Municipal Securities Disclosure Rule 15c2-12. While the Airport generally supports the need for better disclosure related to bank loans, other non-publicly offered private placements and derivative instruments, we find the proposed rule to be out of sync with the current fourteen disclosure requirements. The current disclosure requirements under 15c2-12 are very straightforward and leave little interpretation as to when a material event has occurred and disclosure is required. The proposed rule is too far reaching, nebulous and leaves too much discretion as to what constitutes a material event and when disclosure is required.

For example, critical to the rule is the definition of "financial obligation" of which arguably only clause (a) is related to bank loans or private placements, and clause (d) to derivative instruments. As an airport, we have over 600 leases with airlines, concessionaires and other ground leases related to aviation activities and commercial development. It is unclear from the proposed rule which of these leases would be subject to disclosure. Additionally, clause (e) references monetary obligations resulting from a judicial, administrative or arbitration proceeding entered into by the issuer, or when a monetary judgment is reached. Again as an airport, we are subject to numerous actions and it would be difficult, if not impossible, to monitor and determine which of these actions would require disclosure. It seems that the SEC is seeking to use the concerns about disclosure of bank loans and private placements to implement a sea of changes in municipal disclosure, many of which would likely be irrelevant to bondholders, but would create a tremendous obligation on issuers.

Also of concern is the standard for "materiality." The SEC is suggesting that the standard for "materiality" should strike a balance between having to report small obligations and those which can affect bondholders. Likewise the SEC indicates that the standard of "which reflects financial difficulties" provides a good test for events which should be reported. Without a definition of materiality being provided, the Airport feels that the SEC is opening a proverbial "can of worms". As was seen in the recent MCDC initiative, both issuers and underwriters were hard pressed to make determinations regarding the materiality of certain information. Without a definition of "materiality," the decision is left to issuers and underwriters to determine "materiality." This will be compounded by the fact that each issuer and underwriter may have differing definitions of "materiality". This would create an untenable situation for issuers, issuing multiple series of bonds using different underwriters.

Because of our concerns about the proposed rule, the Dallas Fort Worth International Airport requests that the SEC reconsider the proposed rule and seek additional guidance from issuers and underwriters.

Thank you for your consideration.

  
Michael Phemister  
Vice President  
Treasury Management

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