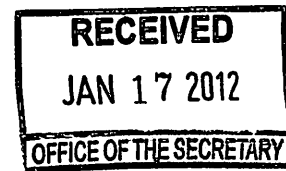


**REGISTERED MUNICIPAL ACCOUNTANTS ASSOCIATION OF N.J**  
**P.O. BOX 742**  
**RIDGEWOOD, NEW JERSEY 07451**

January 6, 2012

Chairman Mary Schapiro  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Room 10200  
Washington, DC 20549



**Re: Dodd Frank Act/Municipal Advisory Services**

Dear Chairman Schapiro:

I appreciate the opportunity, on behalf of the Registered Municipal Accountants Association of New Jersey (the "Association"), for which I serve as President, to comment on the November 9, 2011 letter from the Chair of the Municipal Securities Rulemaking Board ("MSRB") to you as the Chair of the U.S. Securities and Exchange Commission ("SEC") which suggests that certain activities undertaken in connection with the issuance of municipal securities should constitute providing advice as a "municipal advisor" pursuant to Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and thus requires registering under the provision of the Dodd-Frank Act.

I previously submitted a letter dated February 22, 2011 on behalf of the Association addressed to Elizabeth Murphy, Secretary of SEC, as the Association's comments to the Dodd-Frank Act. I will not repeat them here but the Association would like to incorporate them again as well as the comments submitted by the American Institute of Certified Public Accountants ("AICPA") on February 25, 2011 since those comments are particularly germane in addressing the suggestions by the MSRB in the above-referenced letter. We are submitting these comments now to the November 9, 2011 MSRB letter because we believe that there is a misunderstanding of both the services and professional responsibilities of accountants and auditors in providing services to municipal governments. Those services certainly include much more than the issuance and impact of debt on the budgets and operations of municipal governments.

The Association fully understands that the goals of the Dodd-Frank Act, among other things, are to ensure that those persons who provide advice to such governmental entities have a fiduciary duty to such entities and a duty of fair dealing, a duty of care and honesty and loyalty to those governmental entities. The Association recognizes that the goal is also to ensure that there is some consequential benefit to the purchasers of the municipal securities so that the municipal market benefits from such standards of care as well. The Association asks the MSRB and the SEC to recognize that the standards and regulations that apply to Certified Public Accountants ("CPA") and Registered Municipal Accountants ("RMA") and the continued oversight by the United States Government Accountability Office ("GAO"), AICPA and State Accounting Boards as a part of our continuing education and license requirements are at least at the level that are sought to be imposed by the Dodd-Frank Act on persons who may not have such professional licenses but nevertheless interact on behalf of local governments and the municipal market when issuing securities.

The concern that the Association has about the list of activities set forth in the November 9, 2011 of the MSRB is that many of the activities are performed by accountants in the ordinary course of providing budget/accounting services to their government clients. These services are within their professional capacity and are performed in a manner that in most cases are unrelated to the issuance of municipal securities and to the extent that they are, they are incidental to that service. They should not be considered as providing municipal advice simply because the work product of those activities is used in the issuance of municipal securities.

It is also critical that the accountants who prepare the budgets and audits be the ones who interpret those documents and control the written and verbal representations that are made with regard to them when a governmental entity or its advisors seek to use those documents to access the note and bond markets. When accountants do interpret, explain, sign off or engage in discussions with those in the municipal market who will rely on those interpretations, they should not be viewed as municipal advisors subject to the registration requirements and other provisions of the Dodd-Frank Act when doing so since the work product is usual and customary to the accounting profession.

As an example using just the list of services that were provided to you by the MSRB in their November 9, 2011 letter, the following partial list of services provided by a CPA or RMA should not be deemed as providing municipal advisory services when done in connection with municipal securities, since many are budget related services that the auditors and accountants are generally involved in for reasons unrelated to actual marketing of debt, involve financial controls that are essential to the governmental entity's budget in a much broader context than just debt or they involve accounting services that are provided permissively in the ordinary course of meeting their professional responsibilities:

1. Preparation and models to review debt capacity constraints under a series of revenue and economic scenarios.
2. Budget planning and analysis, particularly with respect to capital and other financial matters for which financing transactions could reasonably be considered as well as collateral budgetary impacts.

3. Assistance to issuers in establishing/monitoring implementation of financial controls as they relate to sources of repayments for and uses of proceeds of issuers' financing transactions.
4. Setting periodic targets within each fiscal year and implementing corrective measures when necessary to assure on-budget performance for capital and other financial matters for which financing transactions could reasonably be considered.
5. Structure delinquent assets for sale-non-performers like tax and utility liens or vacant buildings.
6. Development of investment guidelines for issuer and/or permitted investments for indentured funds.
7. Provide cash flow calculations for verification of cash flows in a refunding.
8. Assistance provided to issuers/obligated persons in addressing citizen concerns to proposed project and related financing.

For the reasons set forth in this letter and the prior correspondence referenced herein, the Association respectfully requests that the suggestions provided by the MSRB in their November 9, 2011 letter be reconsidered.

Thank you for your consideration.

Respectfully yours,



Gary W. Higgins, President  
Registered Municipal Accountants Association  
of New Jersey

cc: Elizabeth Murphy, Secretary, Securities and Exchange Commission