



**Government Finance Officers Association**

1301 Pennsylvania Avenue, NW Suite 309  
Washington, D.C. 20004  
202.393.8020 fax: 202.393-0780

September 22, 2010

Ms. Elizabeth M. Murphy  
Secretary, Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**RE: Release No. 34-62827; FileNo. SR-MSRB-2010-08**

Dear Ms. Murphy:

The Government Finance Officers Association (GFOA) appreciates the opportunity to respond to MSRB Rule A-3. The GFOA is a professional association representing 18,000 state, provincial and local finance officers in the United States and Canada, and is dedicated to the sound management of government financial resources and actively promotes transparency in government finance.

The GFOA has been following with great interest the changes that the *Dodd-Frank Act* is bringing to the municipal securities market, and we appreciate the time requirements that both the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) are under to make the mandated changes.

The *Act* represents a critical change in the MSRB, and therefore, we believe that the composition of its Board, under Rule A-3, is of great importance. Specifically, the MSRB must ensure that there is adequate issuer representation in light of the new MSRB mission to protect municipal entities and obligated persons in addition to investors. Furthermore, we suggest that the establishment of the new MSRB leadership should be undertaken with the new stakeholders of the MSRB, and the process that is currently occurring in this regard be restarted in order for the MSRB's leadership and agenda to best reflect its internal changes and new mandates due to the *Dodd-Frank Act*.

While the law states that the Board must be comprised of 'at least' one issuer and 'at least' one investor, we hope that that MSRB will go beyond those standards in order to fulfill its mission to have a majority public board (e.g., 4 issuers, 4 investors, and 3 general public members). As the MSRB determines the composition of future boards, these numbers – as a percentage of the total number of board members – should not be altered (e.g., a 15 member Board should be represented by 3 issuers, 3 investors, and 2 general public members). We also suggest that the issuer positions should be filled by qualified representatives of various-sized state and local governments to ensure a balanced representation of the issuer community.

While we will monitor and comment on upcoming MSRB rules related to financial advisors, having adequate independent financial advisors on the Board is essential and should be a number equal to those representing banks and broker/dealers. Based on internal discussions of the GFOA's Governmental Debt Management Committee, we believe that the fairest way to ensure representation of independent financial advisors would be to only allow those financial advisors who are truly independent and unaffiliated with banks and broker/dealer firms to serve on the Board in that capacity.

Thank you again for the opportunity to comment on this important matter.

Sincerely,

// sg //

Susan Gaffney

Director, Federal Liaison Center