

VIA ELECTRONIC MAIL

rule-comments@sec.gov

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

Re: File Number SR-MSRB-2010-08

Dear Ms. Murphy:

Fieldman, Rolapp & Associates, Inc., an independent municipal financial advisory firm, respectfully submits these comments relating to amendments submitted by the Municipal Securities Rulemaking Board related to Rule A-3 on membership on the Board. As a member of the National Association of Independent Public Finance Advisors we also endorse comments provided by that group to the Rule. In the expansion of the MSRB Board, we urge the MSRB to (i) ensure that the Board fairly represents the regulated entities, including municipal advisors and (ii) to adopt open and transparent processes, ensuring that fair representation has practical impact on its regulatory activities.

To be consistent with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), composition of the MSRB Board, regardless of number, must reflect a broad spectrum of the participants in the municipal marketplace, including those participants to be regulated under the Act. The MSRB has described the proposal as one that "fairly represents all regulated entities." In order to provide that fair representation, the MSRB proposes that of the 11 new board members, 3 be municipal advisor members. Those municipal advisors are in addition to the current membership of seven broker-dealer and bank dealer members. We endorse that concept, particularly if, in the actual nomination and selection of municipal advisor members, those seats are filled by professionals representing regulated entities independent of broker-dealer and bank dealer affiliations.

The MSRB has endorsed fair representation as a goal required by the Act and needed for the appropriate continuation of the municipal securities market. The perspective of the community of independent municipal advisors, those not associated with broker-dealers or bank dealers, is unique and stems from the fiduciary role of municipal advisors that do not also sell bonds. It is essential that the municipal advisor members of the MSRB Board fully represent that interest. The interests of broker-dealers and bank dealers are already well represented on the MSRB Board. Uneven or distorted representation and unchecked broker-dealer or bank dealer dominance is not beneficial to any party, including the dealers themselves. All participants need to be appropriately and fairly represented for successful implementation of the Act, consistent with its intent of reform.

During the transition period, the MSRB Board will be focused on the development and implementation of regulations for municipal advisors. These newly regulated municipal advisors must have adequate representation and that representation must reflect the perspective and knowledge of the new class of regulated entities; that requires it to be separate and unaffiliated with other regulated members. Allowing broker-dealers and bank dealers additional representation via municipal advisors seats expands an already full broker-dealer/bank dealer influence on the Board. Though broker-dealers and bank dealers have different corporate structures, regulatory requirements and likely do not have universally similar perspectives in the day-to-day public finance world, they are not distinct. It is unlikely that an issuer of municipal securities is

Letter to Ms. Elizabeth M. Murphy

September 22, 2010

Page 2

going to vary its business relationship, due diligence process, disclosure, continuing disclosure or pricing negotiation depending if the purchaser is a broker-dealer or a bank dealer. For many purposes, the distinction between the two groups is minute or indistinguishable. Therefore, to provide both groups separate Board representation and then to possibly provide them additional seats via the municipal advisor category is totally inconsistent with fair representation. While we understand the limitation of municipal advisory seats; the seats that are reserved for municipal advisory members must be filled by the entities that will be newly regulated, bringing their new perspectives and approaches, as well as an understanding of the business practices of municipal advisors not affiliated with broker-dealers and banks. Just as public members must be, as defined, independent, so should municipal advisor members.

We strongly object to recent actions to circumvent Act-mandated majority public representation. For the prior Board to take action in July to elect new leadership, and to keep that information from the public and industry participants, causes dismay and disappointment. Even against the backdrop of reform and the mandate of a majority public board and inclusion of new regulated members, the existing MSRB Board has apparently maintained prior practices that, in effect, disenfranchise the incoming Board. Besides reversing the July election and allowing the reconstituted public majority Board to determine its leadership, the MSRB must consider transparency and openness in its decision making, processes and conversations. As an entity created by Congress, empowered with the force of law, the MSRB must revisit its communication and open meeting processes.

As such, Fieldman, Rolapp & Associates, Inc. respectfully submits these comments relating to amendments submitted by the Municipal Securities Rulemaking Board related to Rule A-3.

Regards,

A handwritten signature in black ink, appearing to read "T M DeMars". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Thomas M. DeMars, CIPFA
Managing Principal