

August 23, 2017

Mr. Brent J. Fields, Secretary
Securities and Exchange Commission
100 F Street NE.,
Washington, DC 20549
rule-comments@sec.gov

Re: File Number SR-MSRB-2017-05

Dear Mr. Fields:

Ascensus College Savings Recordkeeping Services, LLC, Ascensus Broker Dealer Services, Inc. and Ascensus Investment Advisors, LLC, collectively (“Ascensus College Savings”) is a leading service provider and partner to states and businesses in the 529 industry. Ascensus College Savings administers over \$90 billion in assets in 529 qualified tuition programs comprised of 34 plans across 18 states and the District of Columbia. Assets under administration by Ascensus College Savings represent approximately one third of the 529 industry.

We are contacting you to express our strong opposition to the revisions proposed to Municipal Securities Rulemaking Board Rule A-13 (“Proposed Rule”) that would impose a new underwriting fee on underwriters of 529 plan securities, as underwriter and 529 college savings plan (“529 Plan”) are defined in MSRB Rule G-45, respectively. We are writing to provide our full endorsement of the comment letter submitted by the Investment Company Institute (“ICI”) and to request that the Commission abrogate, or suspend and institute disapproval proceedings with respect to the Proposed Rule.

In addition to our support of the ICI comment letter, we would like to express some additional concerns regarding the Proposed Rule based upon our first-hand experience with the implementation of MSRB Rule G-45. As the proposed fees would only be applicable to service providers that have designated themselves as “underwriters”¹ for purposes of filing Form G-45, the challenges regarding the interpretation and implementation of MSRB Rule G-45 are relevant.

The Proposed Rule would result in new and inequitable costs to the 529 industry.

The Proposed Rule, as currently drafted, would impose an inequitable and additional cost on service providers to 529 Plans and the 529 industry as a whole. Due to the lack of clarity and applicability of the role of an underwriter with regard to 529 Plans, there is inconsistent interpretation of the term. In addition, the burden to file MSRB Form G-45, which was intended

¹ Securities and Exchange Act Rule 15c2-12-(f)(8) The term underwriter means any person who has purchased from an issuer of municipal securities with a view to, or offers or sells for an issuer of municipal securities in connection with, the offering of any municipal security, or participates or has a direct or indirect participation in any such undertaking, or participates or has a participation in the direct or indirect underwriting of any such undertaking; except, that such term shall not include a person whose interest is limited to a commission, concession, or allowance from an underwriter, broker, dealer, or municipal securities dealer not in excess of the usual and customary distributors' or sellers' commission, concession, or allowance.

to fall to a 529 Plan underwriter, is inequitably shared across service providers that are not underwriters. The implementation of the Proposed Rule will only exacerbate this inequity while imposing additional costs on the 529 industry which will then be passed to the consumer.

As established in the letter submitted by the ICI, there is confusion in the 529 industry regarding the definition of underwriter. Unlike a traditional municipal bond offering, there is no entity that purchases 529 Plan securities and then resells those securities to investors. 529 Plans, similar to mutual funds, offer securities as a continuous offering. There is a clear argument that there are no underwriters used in a "direct sold" 529 Plan, as these 529 Plan securities are offered and sold directly by the applicable state. However, it is not clear what role, if any, an underwriter plays with respect to an "advisor sold" 529 Plan. The fact that there is no regulatory definition of a "direct 529 Plan" or an "advisor 529 Plan" adds to the confusion.

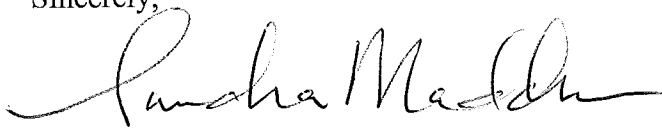
As a service provider to a variety of 529 Plans, we have encountered various interpretations among our business partners regarding the definition of an underwriter. As a result, there may be service providers that are identified as an underwriter on Form G-45, but arguably may not be an underwriter, or vice versa. Some service providers, in the spirit of cooperation with the MSRB's stated goal in gathering industry data to better serve the 529 industry, may not have fully perceived the risks and the potential costs associated with being designated as an underwriter. Based on the inconsistent interpretations of the definition of underwriter, the proposed fees will likely be inconsistently assessed. This will result in certain service providers being subject to an unfair competitive disadvantage.

Ascensus College Savings provides a variety of services to 529 Plans; these include, recordkeeping, program management and distribution services. We interact with numerous service providers, including investment managers, custodians, and broker dealers. Ascensus College Savings, in its sole capacity as recordkeeper, is not an underwriter. However, as a recordkeeper Ascensus College Savings facilitates and/or completes the Form G-45 filing on behalf of nineteen different 529 Plans, coordinates among multiple service providers and utilizes significant internal resources to complete Form G-45 filings (greater than 250 hours annually). The implementation of MSRB Rule G-45 has placed an inequitable cost to service providers such as Ascensus. This inequity will only be increased by the additional assessment of fees.

The imposition of addition costs to 529 Plans will inevitably lead to higher costs to the consumer. The proposed fees will result in service providers, already burdened with the costs of filing of Form G-45, to be subject to additional and unjustified fees. Service providers, like all businesses, incorporate regulatory compliance into their operating costs, and ultimately into their service fees.

Thank you for your consideration of our request. For any additional information, please contact me at [REDACTED] or [REDACTED].

Sincerely,



Sandra Madden
General Counsel
Ascensus College Savings