

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-66866; File No. SR-MSRB-2012-02)

April 26, 2012

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Granting Approval of Proposed Rule Change Consisting of Establishment of Historical Data Subscription from Submissions to the MSRB Electronic Municipal Market Access System (“EMMA”)

I. Introduction

On February 27, 2012, the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”),¹ and Rule 19b-4 thereunder,² a proposed rule change to establish a subscription containing historical documents and data obtained from submissions to the MSRB Electronic Municipal Market Access System (“EMMA”). The proposed rule change was published for comment in the Federal Register on March 12, 2012.³ The Commission received no comments on the proposed rule change. This order approves the proposed rule change.

II. Background and Description of Proposal

In June 2009, the MSRB implemented an electronic system for free public access to primary market disclosure documents and related information for the municipal securities market through EMMA (the “Primary Market Disclosure Service”).⁴ In July 2009, the MSRB implemented a permanent continuing disclosure service to receive electronic submissions of, and make publicly available access to, continuing disclosure

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 66522 (March 6, 2012), 77 FR 14574 (the “Commission’s Notice”).

⁴ See Securities Exchange Act Release No. 59966 (May 21, 2009).

documents and related information through EMMA (the “Continuing Disclosure Service”).⁵ EMMA provides subscription services, including the Primary Market Disclosure Subscription Service⁶ and the Continuing Disclosure Subscription Service, that make documents and related indexing information available on a current basis to subscribers through a real-time data stream.⁷ The proposed rule change would clarify that subscribers to the Primary Market Disclosure Service and Continuing Disclosure Service would be able to access historical data for the most recent six months on a daily rolling basis and establish purchase agreements for historical products consisting of twelve consecutive complete month data sets of the documents and related indexing information obtained through submissions to the Primary Market Disclosure Service (the “Primary Market Disclosure Historical Product”) received since June 1, 2009⁸ and submissions to the Continuing Disclosure Service (the “Continuing Disclosure Historical

⁵ See Securities Exchange Release No. 59061 (December 5, 2008).

⁶ The Primary Market Disclosure Subscription Service provides subscribers all primary market disclosure documents, including official statements, preliminary official statements, advance refunding documents (“primary market disclosure documents”), and any amendments thereto, together with related indexing information, provided by submitters through EMMA, for an annual fee of \$20,000.

⁷ The Continuing Disclosure Subscription Service provides subscribers all continuing disclosure documents, together with related indexing information, provided by submitters through EMMA, for an annual fee of \$45,000.

⁸ The EMMA Primary Market Subscriber Manual provides a complete, up-to-date listing of all data elements made available through the EMMA Primary Market Disclosure Subscription Service. The primary market disclosure documents and data elements provided in the Primary Market Disclosure Historical Product are the same as those currently provided in the EMMA Primary Market Disclosure Subscription Service.

Product”) received since July 1, 2009.⁹ The purpose of the proposed rule change is to provide historical products for the Primary Market Disclosure and Continuing Disclosure Subscription Services, which are currently only available on a current basis through the real-time data stream. A more complete description of the proposal is contained in the Commission’s Notice.

III. Discussion and Commission Findings

The Commission has carefully considered the proposed rule change and finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to the MSRB.¹⁰ In particular, the proposed rule change is consistent with Section 15B(b)(2)(C) of the Exchange Act, which provides that the MSRB’s rules shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in

⁹ The EMMA Continuing Disclosure Subscriber Manual provides a complete, up-to-date listing of all data elements made available through the EMMA Continuing Disclosure Subscriber Manual. The continuing disclosure documents and data elements provided in the Continuing Disclosure Historical Product are the same as those currently provided in the EMMA Continuing Disclosure Subscription Service.

¹⁰ In approving this proposed rule change, the Commission notes that it has considered the proposed rule’s impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

general, to protect investors, municipal entities, obligated persons, and the public interest.¹¹

The proposed rule change is also consistent with Section 15B(b)(3)(B)(ii) of the Exchange Act, which provides that the MSRB shall not be prohibited from charging commercially reasonable fees for automated subscription-based feeds or similar services, or for charging for other data or document-based services customized upon request of any person, made available to commercial enterprises, municipal securities market professionals, or the general public, whether delivered through the Internet or any other means, that contain all or part of the documents or information, subject to approval of the fees by the Commission under Section 19(b).¹²

The Commission believes that the proposed rule change is consistent with the Exchange Act. The proposed rule change would establish a subscription service that would make information collected by EMMA's Primary Market Disclosure Service and the Continuing Disclosure Service available to market participants through an additional avenue. Broad access to the information collected by EMMA, in addition to the public access through the EMMA web portal, should further assist in preventing fraudulent and manipulative acts and practices by improving the opportunity for public investors to access material information about primary market disclosure information and continuing disclosure information. The proposed rule change also provides for commercially reasonable fees to partially offset costs associated with operating the Primary Market and Continuing Disclosure Services of EMMA and producing and disseminating information products to purchasers.

¹¹ 15 U.S.C. 78o-4(b)(2)(C).

¹² 15 U.S.C. 78o-4(b)(3)(B)(ii).

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Exchange Act,¹³ that the proposed rule change (SR-MSRB-2012-02) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Kevin M. O'Neill
Deputy Secretary

¹³ 15 U.S.C. 78s(b)(2).

¹⁴ 17 CFR 200.30-3(a)(12).