

## MSRB NOTICE 2011-53 (SEPTEMBER 12, 2011)

### MSRB FILES PROPOSED RULE CHANGE WITH SEC TO EXTEND THE EFFECTIVE DATE OF AMENDMENTS TO EMMA TO PROVIDE CREDIT RATINGS AND RELATED INFORMATION FOR MUNICIPAL SECURITIES ON EMMA

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On September 12, 2011 the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“SEC”), a proposed rule change<sup>[1]</sup> to extend the effective date of the amendment (“Amendment”) to the continuing disclosure service of the MSRB’s Electronic Municipal Market Access system (“EMMA”) to provide for the posting of credit rating and related information on the EMMA public website (the “original proposal”).<sup>[2]</sup> The Amendment was approved by the SEC on October 13, 2010,<sup>[3]</sup> with an effective date of no later than October 13, 2011.

The proposed rule change would change the effective date of the original proposal to “no later than December 31, 2011” but would not change the language of the Amendment. Under the proposed rule change, the MSRB would announce the proposed rule change no later than five (5) business days prior to December 31, 2011.

#### **BACKGROUND**

Currently, the continuing disclosure service of EMMA receives submissions of continuing disclosure documents and related indexing information from issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 under the Securities Exchange Act of 1934, as well as other voluntary continuing disclosure documents concerning municipal securities. The original proposal amended the continuing disclosure service of EMMA to allow for the posting of credit rating information and related information to provide additional information to retail investors and other market participants regarding municipal securities (the “credit ratings project”).

The proposed rule change would provide the MSRB with sufficient time to complete its existing development related to the credit ratings project to allow for the posting of credit rating information provided by Nationally Recognized Statistical Rating Organizations (NRSROs) that agree to participate in the credit ratings project, as further described in the original proposal. The MSRB had previously received the commitment of one NRSRO to participate in the credit ratings project and is in on-going discussions with a second NRSRO. Additional time is required to finalize an agreement with the second NRSRO. The extension of the effective date as proposed in the proposed rule change would permit the credit ratings project to be launched with the participation of both NRSROs. Any additional NRSROs that hereafter agree to participate in the credit ratings project under the terms of the original proposal would be incorporated into the credit ratings project in a subsequent phase of development.

Questions on the proposals may be directed to Peg Henry, General Counsel, Market Regulation, or Leslie Carey, Associate General Counsel, at (703) 797-6600.

September 12, 2011

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[1] File No. [SR-MSRB-2011-16](#). Comments on the proposed rule change should be submitted to the SEC and should reference this file number.

[2] See [SR-MSRB-2010-03](#) (May 20, 2010).

[3] See SEC Release No. 34-63086, File No. [SR-MSRB-2010-03](#) (October 13, 2010) (“Approval Order”).