**College Savings Foundation**

**Board Meeting**

**September 17, 2013**

**Washington, DC**

Present: Peter Mazareas, Strategic Advancement Group; Roger Michaud, Franklin Templeton Investments; Kyla Doyle, Fidelity Investments; Paul Curley, Strategic Insight; Elizabeth Fontaine, MEFA; Arthur Dunn, Boston Financial Data Systems; Nancy Sobin, College Savings Bank; Scott Hintz, State Farm; Mary Morris, Virginia College Savings Plan; Chris McGee, Virginia College Savings Plan; Chris Lynch, TIAA-CREF; Zeny Agullana, Scholarshare; Rich Polimeni, Bank of America/Merrill Lynch

On Phone: Tom Morgan, BlackRock; Mary Nickeson, Archimedes Systems; Steve Piekara, Allianz Global Investors; John Park, BlackRock; John Stergiou, Allianz Global Investors; John Bryson, John Hancock; Rich Wolle, Franklin Templeton; Andrea Feirstein, AKF Consulting Group; Paul Paeglis, College Advantage; Stacey Belford, American Century Investments; Stefanie Mattson, State Farm; Rachel Biar, Nebraska College Savings Plan

Consultants: Barbara Pate, Davis & Harman; Randy Hardock, Davis & Harman; Lynthia Romney, Romneycom; Kathy Hamor, College Savings Foundation

Chairman Roger Michaud called the meeting to order at 1:05 p.m. EST and welcomed everyone to the Board Meeting.

**Speaker Series:**

Chairman Roger Michaud reminded CSF members of the speaker series being started where CSF would invite speakers to present on various topics at the CSF Board meetings.

**Speaker:**

Peter Mazareas, Chair of the CSF 2012 Summit Task Force, introduced Art Hauptman as the speaker. As background, Peter discussed the 2012 CSF summit: *The College Cost Conundrum*. In conjunction with the summit, CSF commissioned two papers. One is a 15 Year Retrospective on 529s done byStrategic Insight and the other is a paper on the increasing costs of college done by Art Hauptman.

Art Hauptman:

Art Hauptman wrote a paper, as output from the CSF 2012 CSF summit, *The College Cost Conundrum.* The paper, entitled *Winning the Race: Making College More Affordable, Accessible and Attainable,* looked at where savings fits into higher education financing. Hauptman mentioned that Congress and the Administration would rather put funds into Pell grants and other forms of financial aid instead of tax incentives.

Hauptman mentioned five strategies for winning the race:

1. **Simplify and streamline** what has become a far too complicated aid system for students and families as well as the officials who must administer it.
2. Adopt policies that will help **bend back the higher education cost curve** by slowing the growth or reducing what is charged and how much is spent per student.
3. **Tailor public subsidies** to better meet the very diverse needs of different groups of students so that each group of student receives the kind of assistance they most need.
4. **Reverse the growing reliance on loans** to pay for college which threatens the sustainability of the system and reduce its adverse consequences for so many borrowers.
5. Use supply-side approaches **to** **increase the number of well-qualified college graduates** especially those from low income and minority families.

He described the dualities in federal and state programs showing that the total amount of student aid is $200 billion with the total cost of college being $400 billion. There has been an increase in the number of degrees awarded, but this has been done through debt. Hauptman advised CSF to look at how much people would have saved for college in 529 plans.

Discussion:

* How to draw the cost curve down? Look at steps outlined in Art’s final paper. Most have to do with state policy. He recommends setting tuition rates at what average people can pay and make sure that those who cannot afford it get funds do they don’t have to borrow. With regard to loans, he stated that colleges need to discount to those who are borrowing. He also mentioned that loan policies have an impact on pricing.
* Administration’s proposal to pay student aid based on graduation rates. Art felt that this is not a good policy.
* How do you measure the costs of savings? He mentioned that there are disincentives for savings in student aid packages as they are included as assets for the students.
* He made comments about the Gates, New America and Lumina Foundations being critical of 529s. There is a predilection for student aid for low income students . . . a feeling that it is better to do things on the cost side rather than the tax side. Further, there is no evidence that more funds in Pell grants achieve the goal of better funding higher education.

**June 2013 Board Meeting Minutes:**

The minutes from the Board meeting held on June 10, 2013 in Washington, DC were approved unanimously.

**Financial Report:**

Mary Morris gave the financial report. She noted that CSF is on track with the budget. CSF has $169,948.94 on hand with more than $40,000 in dues payments outstanding. The Financial Report was approved unanimously by the Board.

**Conference Committee:**

Scott Hintz gave the conference committee report. The CSF 2014 conference will be held at the Mansion on Forsyth Park from March 4 – 6, 2014. The theme is *Working Together to Help Families Plan, Save, and Succeed in College.*

The Save the Date email was sent out and the agenda was reviewed. It was decided that there would be a session on investments. Roger Michaud and Andrea Feirstein will work on that. There were also discussions about having someone talk about the economy as well as packaging insurance under a 529 wrapper, hybrids being used in 529s, high yield/fixed income; reducing volatility and lowering risk.

There was also a discussion about inviting financial advisors, and other financial professionals to attend the last day of the conference at a special rate. Since the conference ends at noon that day, it was decided that sponsor presentations would be held after lunch. After that there would be sessions for financial professionals about 529 plans. Kathy will look into continuing education credit for the various professions. It was decided that the public session would be held from 5:30 to 7 and CSF would recommend that local financial professionals invite their clients to attend. For the public session, plans are to have one session for parents while simultaneously having another for the high school students.

**Membership Committee Report:**

Rich Polimeni gave the membership committee report. Rich mentioned that the Montana Guaranteed Student Loan Program has not renewed its membership. He also mentioned that the firm where Mark Chapleau works may join. Rich and Stacey Belford will be going over the list of potential members and will reach out to them about joining CSF. Rich mentioned that he has reached out to former members about re-joining and they may be interested. He asked for a contact for the North Carolina program and Andrea Feirstein said that she would provide him with that information.

**Legislative Committee:**

Zeny Agullana, Barbara Pate and Randy Hardock discussed legislative activity.

**State Legislation:**

Zeny mentioned that no one has contacted her or Bill Raynor about state legislation. She further asked

if anyone knows of state legislation to please let her or Bill know.

Randy and Barbara gave the federal legislative report:

**Current Federal Legislative Landscape:**

Randy discussed the current legislative landscape and mentioned that the continuing resolution that funds the government is the first issue facing Congress and the Administration as the government fiscal year runs from October 1 to September 30. In mid-October, the debt ceiling will be reached. Congress and the Administration may reach agreement at the last minute. This should tie up issues in Washington until mid- to late- October. The President continues to promote Pell Grants and taxes are not expected to be part of the debt ceiling debate.

**Tax Reform:**

The process continues with House Ways and Means Committee Chair, Dave Camp, committed to marking up a bill this year. Expect that the Republicans on the Committee will report something out. With regard to tax reform, it is expected that education tax credits will be combined while the Republicans will push to simplify the tax code. As they look for sources of revenue, it is expected that there will be an enormous push to get people out of traditional IRAs and 401(k) s towards Roth treatment. This will raise review over the ten year window. Randy further mention that it is not likely that the Senate Finance Committee will get to tax reform and the President is “not there” on tax reform. That said, there is a scenario that they could do corporate tax reform, education and some other simplifications and reforms. In this case, ABLE is likely to be included.

Barbara added that on the House side, Chairman Camp is going all out to get tax reform done during his last term as Chair of the Ways and Means Committee. He would like this to be bi-partisan and realizes that it won’t be. It is uncertain what House leadership will do on this issue. On the Senate side, no one is quite sure how this will play out.

Barbara then discussed specific legislation.

**H.R. 529**

H.R. 529 was introduced on February 6 and contains the higher cost provisions from the 529 legislation introduced in the 112th Congress. These provisions are the employers’ piece and the saver’s credit. There is one co-sponsor for the bill. Chairman Camp has asked Ways and Means Committee Republicans to hold off sponsoring and cosponsoring tax legislation while the Committee discusses tax reform. There have been some exceptions, including the Chairman’s approval given for introduction of H.R. 529 in order to preserve the bill number. There has been no movement on this.

**ABLE Legislation (H.R. 647/S. 313)**

This legislation is very popular and both the House and Senate bills have a large number of co-sponsors. Randy noted that the bill sponsors wanted to get the bills introduced and the language has not been changed with the suggestions we made last year. Roger and Bill have been in discussions with CSPN about taking a broader approach to include using existing 529s with added flexibility. Currently there are 256 co-sponsors in the House and 45 in the Senate. This could be folded in tax reform legislation in a section that deals with tax credits.

**Schock-Rubio Consolidation Legislation (H.R. 2253/S. 1090)**

These bills were introduced on June 4. The bills consolidate education tax credits and repeal the above the line dedication for qualified tuition and related expenses. This could be included in a smaller tax reform bill.

Barbara announced the Congressional visits with the staffs of Reps. Griffin (R-AR); Reichert (D-WA)Diane Black (R-TN); Sam Johnson (R-TX); and Tiberi (R-OH) were scheduled for September 18 for those who planned to attend.

**Legal and Regulatory Affairs Committee:**

Chris McGee gave the report and noted that after a 2 year dialogue with MSRB on information sharing and gathering, MRSB submitted rules to the SEC. The SEC has not yet commented on these. Chris mentioned that the IRS put out a request for comments concerning the paperwork burden on 529s. He stated that this is a good opportunity to address changes to investment direction and aggregation rules. The response is being drafted.

1. MSRB/SEC
	1. MSRB filed with the Securities and Exchange Commission revised amendments to MSRB [Rule G-8](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwOTA2LjIyNjkyNzAxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDkwNi4yMjY5MjcwMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjQ5OTk3JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://www.msrb.org/Rules-and-Interpretations/MSRB-Rules/General/Rule-G-8.aspx), [Rule G-11](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwOTA2LjIyNjkyNzAxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDkwNi4yMjY5MjcwMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjQ5OTk3JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://www.msrb.org/Rules-and-Interpretations/MSRB-Rules/General/Rule-G-11.aspx) and [Rule G-32](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwOTA2LjIyNjkyNzAxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDkwNi4yMjY5MjcwMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjQ5OTk3JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&102&&&http://www.msrb.org/Rules-and-Interpretations/MSRB-Rules/General/Rule-G-32.aspx) on retail order periods. The revised amendments are in response to comments received by the SEC on the MSRB’s [original rule filing](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwOTA2LjIyNjkyNzAxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDkwNi4yMjY5MjcwMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjQ5OTk3JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&103&&&http://www.msrb.org/Rules-and-Interpretations/SEC-Filings/~/media/Files/SEC-Filings/2013/SR-MSRB-2013-05-SEC-Filing.ashx), which aimed to address concerns that new issues of municipal bonds are not being distributed among different types of retail investors according to the preferences of the state or local government issuing the bonds. September 6, 2013 <http://www.msrb.org/Rules-and-Interpretations/SEC-Filings/~/media/Files/SEC-Filings/2013/MSRB-2013-05%20Partial%20Amendment%201.ashx>
	2. MSRB today [published guidance to help state and local governments evaluate compensation arrangements](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODIwLjIyMTI0MDExJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgyMC4yMjEyNDAxMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjI2ODQxJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://www.msrb.org/msrb1/pdfs/Compensating-Your-Municipal-Advisor.pdf) for the professionals they hire to advise them on financial matters such as issuing municipal securities.  August 20, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Provides-Guidance-for-State-and-Local-Governments-When-Hiring-Municipal-Advisors.aspx>
	3. MSRB is [requesting comment on a proposal to consolidate its multiple registration requirements and forms](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODE5LjIyMDk2NzcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxOS4yMjA5Njc3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjI1NzMwJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-19.aspx) for municipal securities dealers and municipal advisors. August 19, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Requests-Comment-on-Consolidated-Registration-Rule.aspx>
	4. MSRB released a [short video that showcases resources](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODE0LjIxOTg5NTUxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxNC4yMTk4OTU1MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjIyMjEyJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://www.msrb.org/msrb1/Investor-Toolkit-Videos.asp) available to investors on its [Electronic Municipal Market Access (EMMA®) website.](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODE0LjIxOTg5NTUxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxNC4yMTk4OTU1MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjIyMjEyJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://emma.msrb.org/) Investors can use EMMA to make more informed decisions when buying and selling municipal bonds. August 14, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Showcases-EMMA-Resources-for-Investors-in-New-Video.aspx>
	5. MSRB published a fully updated version of its online [Glossary of Municipal Securities Terms](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODEzLjIxOTYzOTMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxMy4yMTk2MzkzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjIxMzEwJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/glossary.aspx), featuring newly defined terms and updated definitions that reflect changes in the municipal securities market. August 13, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Publishes-Updated-and-Enhanced-Online-Glossary-of-Municipal-Securities-Terms.aspx>
	6. MSRB [published an advisory](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODEyLjIxOTMwMzkxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxMi4yMTkzMDM5MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjIwMjY1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-18.aspx) and set of guides to help issuers of municipal bonds better understand the types of information they must publicly disclose and how to use the MSRB’s [Electronic Municipal Market Access (EMMA®) website](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODEyLjIxOTMwMzkxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgxMi4yMTkzMDM5MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjIwMjY1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://emma.msrb.org/) to make these disclosures. The advisory also highlights the role of EMMA as the central repository for continuing disclosures on municipal bonds and the benefits of timely and complete disclosures for issuers and investors alike. August 12, 2013 <http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-18.aspx>
	7. MSRB released [municipal market statistics for the second quarter of 2013](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwODA3LjIxODIyMDQxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDgwNy4yMTgyMjA0MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjE2MDkyJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/msrb1/TRSweb/QuarterlyStats/Quarterly-Stats-2013-Q2.xls), including data on trading patterns and continuing disclosure submissions made to the MSRB for the $3.7 trillion municipal bond market.August 7, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Publishes-Second-Quarter-2013-Municipal-Market-Statistics.aspx>
	8. MSRB announced it is [seeking additional public input on transforming the public display of real-time trade prices](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzMxLjIxNjM2NDgxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDczMS4yMTYzNjQ4MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjEwMDQ1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-14.aspx) on its [Electronic Municipal Market Access (EMMA®) website](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzMxLjIxNjM2NDgxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDczMS4yMTYzNjQ4MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjEwMDQ1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://emma.msrb.org/) into a platform with dramatically enhanced municipal securities pricing information. The MSRB is accepting comments through November 1, 2013. July 31, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Seeks-Input-on-Potential-Enhancements-to-Price-Transparency.aspx>
	9. A fully updated version of the MSRB’s Glossary of Municipal Securities Terms will soon be available on the EMMA® and MSRB websites, providing free access to the industry standard publication of common municipal market definitions. The updated glossary will include newly defined terms, updated definitions and cross-links to related terms. It will also feature improved search functionality, including a smart-search that suggests terms as text is entered. July 30, 2013
	10. MSRB today announced new officers and [Board of Directors](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzMwLjIxNTk2NzMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDczMC4yMTU5NjczMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MjA4ODk0JmVtYWlsaWQ9anNoZXJtYW5AdmlyZ2luaWE1MjkuY29tJnVzZXJpZD1qc2hlcm1hbkB2aXJnaW5pYTUyOS5jb20mZmw9JmV4dHJhPU11bHRpdmFyaWF0ZUlkPSYmJg==&&&100&&&http://msrb.org/About-MSRB/Governance/MSRB-Board-of-Directors.aspx) members who will begin their terms on October 1, 2013. Daniel Heimowitz, Managing Director at RBC Capital Markets, will serve as Chair of the MSRB. Joseph J. Geraci, Managing Director and Co-Head of Municipal Markets at Citi, will serve as Vice Chair. Officer terms are for one year. July 30, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Announces-Selection-of-Officers-and-New-Board-Members-for-Fiscal-Year-2014.aspx>
	11. SEC brings enforcement action against West Clark Community Schools for stating in their official statement that they were in compliance with prior continuing disclosure undertakings. July 29, 2013 <http://www.daypitney.com/news/newsDetail.aspx?pkID=4788>
	12. The Board of Directors of the MSRB held its quarterly meeting July 24-26, 2013, where it addressed themes of transparency and pricing in the municipal market, continued to streamline rules for municipal securities dealers and discussed the City of Detroit bankruptcy. It also approved new officers, board members and a strategic plan to guide the Board's activities beginning October 1, 2013. July 26, 2013 <http://www.msrb.org/News-and-Events/Press-Releases/2013/MSRB-Holds-Quarterly-Meeting-July-2013.aspx>
	13. MSRB’s request for approval on amendments to MSRB Rule A-3 to modify the standard of independence for public MSRB Board members has been published in the Federal Register. July 24, 2013 <http://www.gpo.gov/fdsys/pkg/FR-2013-07-24/pdf/2013-17724.pdf>
	14. MSRB has published a list of rulemaking topics to be discussed at its upcoming [Board of Directors meeting](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzE3LjIxMjA0NjgxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDcxNy4yMTIwNDY4MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTk3OTExJmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/About-MSRB/Governance/MSRB-Board-of-Directors/Board-Meetings.aspx), to be held July 24 – 26, 2013. A summary of actions taken by the Board at the meeting will be sent to regulated entities and published on the MSRB's website following the meeting. July 17, 2013 <http://msrb.org/msrb1/pdfs/Board-Agenda-July-2013.pdf>
	15. MSRB announced that they will soon launch a new tool to help issuers of municipal securities keep track of due dates for recurring financial disclosures to the [Electronic Municipal Market Access (EMMA®) website](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzEwLjIwOTcwMjkxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDcxMC4yMDk3MDI5MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTkwOTM2JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://emma.msrb.org). State and local governments and other entities with annual or quarterly disclosure deadlines will be able to schedule email reminders to alert multiple recipients when it is approaching the time to make a financial disclosure submission to EMMA. July 10, 2013
	16. MSRB released a [report summarizing the type and number of continuing disclosure documents](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzEwLjIwOTYxMDMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDcxMC4yMDk2MTAzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTkwNTQ1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/msrb1/pdfs/MSRB-Continuing-Disclosure-Report-July-2013.pdf) submitted by issuers of municipal securities to the MSRB’s [Electronic Municipal Market Access (EMMA®) website](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzEwLjIwOTYxMDMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDcxMC4yMDk2MTAzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTkwNTQ1JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://emma.msrb.org/) between July 2009 and March 2013. July 10, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Releases-Report-on-Municipal-Bond-Continuing-Disclosure-Documents.aspx>
	17. MSRB requested approval from the Securities and Exchange Commission for proposed amendments to [MSRB Rule A-3](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNzAzLjIwNzM2MDQxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDcwMy4yMDczNjA0MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTgyNTE4JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/Rules-and-Interpretations/MSRB-Rules/Administrative/Rule-A-3.aspx) to modify the standard of independence for public MSRB Board members. July 3, 2013 <http://msrb.org/Rules-and-Interpretations/SEC-Filings/~/media/Files/SEC-Filings/2013/SR-MSRB-2013-06.ashx>
	18. MSRB request to the SEC for approval on proposed new MSRB Rule G-45 and amendments to Rules G-8 and G-9 which require dealers acting in the capacity of underwriters to submit to the MSRB certain information for the 529 plans they underwrite. Comments to SEC by July 19, 2013. June 28, 2013, <http://msrb.org/Rules-and-Interpretations/SEC-Filings/~/media/Files/SEC-Filings/2013/MSRB-2013-04%20Filing.ashx>
	19. MSRB reminds brokers, dealers and municipal securities dealers that amendments to MSRB Rules G-37 and G-8 requiring the public disclosure of additional information related to bond ballot campaign contributions become effective on July 1, 2013. July 24, 2013 <http://msrb.org/Rules-and-Interpretations/Regulatory-Notices/2013/2013-09.aspx>
	20. SEC charges City of Miami for material misstatements and omissions. July 24, 2013 <http://www.mcguirewoods.com/Client-Resources/Alerts/2013/7/SECs-Focus-on-Municipalities-Continues.aspx>
	21. MSRB released new [educational videos for municipal securities investors](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNjE5LjIwMTQwMzMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDYxOS4yMDE0MDMzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTY0NjA2JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&100&&&http://msrb.org/Municipal-Bond-Market/Investor-Resources/Investor-Toolkit.aspx) about what they should expect from their brokers when investing in the municipal securities market. The videos focus on the key obligations of brokers when engaging in municipal securities transactions. The videos are a key addition to the MSRB’s Investor Toolkit, which now also includes new publications on [*Evaluating a Municipal Bond’s Interest Rate Risk*](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNjE5LjIwMTQwMzMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDYxOS4yMDE0MDMzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTY0NjA2JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&101&&&http://www.msrb.org/msrb1/EMMA/pdfs/Evaluating-Interest-Rate-Risk.pdf) and [What to Know When Selling a Municipal Bond Prior to Maturity](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTMwNjE5LjIwMTQwMzMxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDEzMDYxOS4yMDE0MDMzMSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3MTY0NjA2JmVtYWlsaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZ1c2VyaWQ9Y21jZ2VlQHZpcmdpbmlhNTI5LmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&102&&&http://www.msrb.org/msrb1/EMMA/pdfs/Selling-Before-Maturity.pdf). The MSRB Investor toolkit is an online resource to equip investors with basic information to successfully navigate the municipal securities market. June 19, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Releases-What-to-Expect-Videos-for-Municipal-Bond-Investors.aspx>
	22. Michael L. Post will join the MSRB as Deputy General Counsel. Post, who has served for over 10 years at the Securities and Exchange Commission (SEC), will oversee all aspects of the MSRB’s rulemaking activities. June 12, 2013 <http://msrb.org/News-and-Events/Press-Releases/2013/MSRB-Names-Deputy-General-Counsel.aspx>
2. IRS
	1. Proposed Collection; Comment Request for Regulation Project. Asks for comments related to the paperwork and reporting burdens of §529’s proposed regulations. Comments are due October 7, 2013. August 7, 2013. <https://www.federalregister.gov/articles/2013/08/07/2013-19000/proposed-collection-comment-request-for-regulation-project>

# Litigation Update

# Other News: The MSRB has hired Damon Colbert to work with Larry Sandor.

**Data Committee:**

Mary Morris reported that the 2nd quarter data report and press release were completed and issued in early September. Currently the data covers 70% of the industry. The committee plans to look at industry standards and wants to survey the industry. It is anticipated that the survey will be ready to go by early 2014.

**Media Report**:

Lynthia Romney provided the update on CSF media efforts. The goal continues to be to position CSF as a trusted resource on issues of college savings and financing, with an emphasis on the benefits of 529s as a superior product enabling American middle class families to save for their children’s college education.

The following are highlights of the Media Committee activities since the board meeting in June.

**CSF’s 7th Annual State of College Savings survey:**

This year we made meaningful additions to the survey questions and careful edits to some of the questions. The Executive Committee, Davis & Harmon and the media committee contributed to the survey.

We gathered nearly 1,000 responses from parents of children 18 or under and discovered valuable information on parents’ commitment to saving and use of 529s as one of their savings vehicles or their top savings vehicles.

* A key finding was the answer to a new question – that savings was the primary strategy parents were using to tackle the ballooning cost of college: 43% parents chose Savings, ahead of the 25% choosing Grants/Scholarship/Direct Aid, the 16% selecting Loans/Borrowing, and the 11% selecting Current Income (Remaining 6% is other).
* We also found that the ownership of 529 college savings plans rose to its highest level yet – 37% of parents (up 8 percent from the 29 % last year); and 29% are choosing 529s as their primary savings vehicle up from 24% last year.

Our press release and our Executive Summary with numerous charts told the story.

* We distributed the press release and link to Executive Summary to nearly 400 print and broadcast media and over PR Newswire. We conducted intensive email and telephone follow up with personal finance, higher education and 529 reporters. Later, we crafted follow up pitch tying into Obama administration ideas for reducing the cost of college.
* We secured national television interview for Roger Michaud on *The Willis Report*, hosted by Gerri Willis on Fox News.
	+ Prepared talking points Fox News. See the clip on the CSF website.
* Stories also ran in *Columbus Dispatch, Sacramento Bee, WSAV-TV,* among others.
* Roger conducted interview with *Ignites*, which included survey information.
* Roger conducted interview with *Real Wealth Radio*, which will send podcast to network of Financial Advisors in addition to posting on its website.

**Quarterly Data Press Release:**

* We prepared and distributed the 2Q Data press release to some 300 print and select broadcast contacts.

**Other media:**

* Distributed pitch letter presenting Roger Michaud as spokesperson on issues of student debt and escalating college costs.
* *Christian Science Monitor* picked up statistics from How Youth Plan to Fund College survey.
* Arranged in person interview for Roger Michaud with CCTV with reporter, formerly of PBS.
* Arranged response to media inquiry on student loans with Julie Halpert of Fiscal Times with Peter Mazareas.

**Marketing Task Force:**

Co-Chair Kyla Doyle gave the report. Statistics about social media were provided. Following up from the previous meeting’s request to have members provide general information for the Task Force’s efforts towards a central repository of information pertaining to 529s, Kyla thanked State Farm for providing information and urged CSF members to send any information they have to her, Rich Wolle, Vivian Tsai or Kathy Hamor.

The Task Force is considering having a contest to increase social media followers and this was brought to the Board for further discussion. After a lengthy discussion, it was decided that CSF should focus its efforts in social media towards financial professionals.

The Task Force is also looking into calculators and has reached out to Archimedes about this.

**Administrative Issues Task Force:**

Arthur Dunn gave the report. He mentioned that 10 people from CSF member organizations have volunteered to serve on the Task Force. He will be getting the Task Force members to discuss next steps with the first on being a survey of CSF members on administrative issues and on what the Task Force should focus.

**2013 Board Meetings:**

December 17th will be the annual Membership and Board meetings.

 The meeting was adjourned at 3:50 p.m.