



September 28, 2018

Legislative and Regulatory Activities Division  
Office of the Comptroller of the Currency  
400 7th Street SW, Suite 3E-218  
Washington, DC 20219  
Docket ID OCC-2018-0013

Ann E. Misback, Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue NW  
Washington, DC 20551  
Docket No. R-1616

Robert E. Feldman, Executive Secretary  
Attention: Comments/Legal ESS  
Federal Deposit Insurance Corporation  
550 17th Street NW  
Washington, DC 20429  
FDIC RIN 3064-AE77

Transmitted via the Federal eRulemaking Portal

To Whom It May Concern:

SIFMA<sup>1</sup> is pleased to comment on the recent interim final rule on “Liquidity Coverage Ratio: Treatment of Certain Municipal Obligations as High-Quality Liquid Assets” (the “Rule”) published by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (together the “Agencies”).

SIFMA believes the Rule represents a sound regulatory implementation of Section 403 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (PL 115-174, the “Act”). Section 403 of the Act requires the Agencies to amend their Liquidity Coverage Ratio rules to provide Level 2B High Quality Liquid Asset (“HQLA”) treatment for municipal securities that are investment grade and liquid and readily marketable. The Rule effectively carries out this provision without applying any restrictions on municipal securities as HQLA that do not also apply to other Level 2B HQLA. We believe the Rule is consistent with congressional intent and effectively implements the new statute. SIFMA fully supports the interim final Rule and we thank the principals and staff of the Agencies for their work on this issue.

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<sup>1</sup> SIFMA is the voice of the US securities industry. We represent the broker-dealers, banks and asset managers whose nearly one million employees provide access to the capital markets, raising over \$2.5 trillion for businesses and municipalities in the US, serving clients with over \$18.5 trillion in assets and managing more than \$67 trillion in assets for individual and institutional clients including mutual funds and retirement plans. SIFMA, with offices in New York and Washington, DC, is the US regional member of the Global Financial Markets Association. For more information, visit [www.sifma.org](http://www.sifma.org).

We again appreciate the opportunity to comment. Please do not hesitate to call or write if you have any questions.

Best regards,



Michael Decker  
Managing Director