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Compliance Date Set for More Data From Underwriters.

The Municipal Securities Rulemaking Board set a compliance date of Nov. 30, 2020, for an amendment requiring additional data from underwriters in the primary market.

Starting then, underwriters will be required to provide more information about new offerings of bonds. The change is in association with Rule G-32 on disclosures in connection with primary offerings, which was amended to require additional data about new issue bonds to be included on Form G-32.

The new amendment will ultimately increase transparency and equal access to information, the MSRB has said.

The Securities and Exchange Commission approved the amendments to Rule G-32 along with changes to Rule G-11 on primary offering practices in June.

Form G-32 is submitted to the MSRB by underwriters and provides information about a new issuance, such as the underwriting spread, maturity date, initial offering price, minimum denomination and more.

Most of the data would be auto-populated from the New Issuer Information Dissemination Service (NIIDS) onto Form G-32.

The NIIDS system, developed by the Depository Trust Company at the Securities Industry and Financial Markets Association’s request, collects information about a new muni issue from underwriters or their representatives in an electronic format and then makes that data immediately available to vendors that provide such information to market participants.

Nine data fields would be manually completed by underwriters such as identifying syndicate managers, identifying municipal advisors and more.

The MSRB also asked dealers to provide the minimum denomination of a new issue and to indicate yes or no on whether a minimum denomination is subject to change, which Bond Dealers of America supported.

However, BDA has opposed identifying the MA, and said the information was obtainable from the final official statement.

The MSRB plans to make the amended Form G-32 available by early summer.

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