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SEC Commissioners Address Municipal Securities Disclosure Practices.

At the 2020 Municipal Securities Disclosure Conference, Chair Jay Clayton, Commissioners Hester Peirce and Elad Roisman and Office of Municipal Securities Director Rebecca Olsen solicited feedback on ways to improve municipal securities disclosure practices.

Mr. Clayton [expressed concern](#) over the lack of clarity regarding whether an issuer is in compliance with ongoing disclosure obligations. He requested feedback on a Fixed Income Market Structure Advisory Committee recommendation that the Commission consider the need for the creation of a disclosure framework, including timeframe obligations.

Mr. Roisman [emphasized](#) that municipal issuers would benefit from greater clarity on both the content and timing of the information. He noted that efforts to improve transparency within the municipal market are “daunting” as a result of the diversity of issuers. However, he stated, it is ultimately necessary to ensure regulations are evolving with markets “fairly and favorably for all investors.”

Ms. Peirce [cautioned](#) against utilizing “one-size-fits-all directives” for municipal issuers. Ms. Peirce raised a number of questions regarding the role of the Commission in shaping those practices, among them:

- whether corporate issuer disclosure standards should be applied to municipal issuers;
- how to balance investor protection concerns and the “political implications of fact-checking government officials’ public statements”; and
- how the Commission can provide assurance to issuers that are hesitant to make disclosures due to potential legal liability.

Ms. Olsen [described](#) a recent [Staff Legal Bulletin](#) as to trading in municipal securities in the secondary market. She also called attention to recent statements on the importance of disclosures in light of COVID-19 ([see previous coverage](#)).

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