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2024 Joint Compliance Outreach Program for Municipal Market Participants - SEC Remarks

Hello, everyone:

As is customary, my comments today are provided in my official capacity as Director of the Office of Municipal Securities (OMS), but do not necessarily reflect the views of the Securities and Exchange Commission (Commission), the Commissioners, or members of the staff.

I want to start by thanking the Commission, FINRA, and MSRB staff as well as our market participants, panelists, and moderators for helping execute this year's Joint Outreach Program. We hear from market participants how important and useful this event is for understanding the actions and activities of the various market regulators. And they are also important for regulators to hear directly from you. I hope this year's event provided useful guidance, insightful discussion, and food for thought. We will also be posting resources related to the Joint Outreach Program on the Commission's website^[1] if you want to go back later and review specific items.

In these remarks, I want to summarize some important takeaways from the Joint Outreach Program in the context of some of the things that I am seeing in the municipal market.

As noted in the program's "Statutory Fiduciary Duty Panel," the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) codified a "statutory fiduciary duty" for municipal advisors.^[2] It is separate and distinct from MSRB Rule G-42.^[3] The statutory fiduciary duty for municipal advisors, like other fiduciary duties, is generally said to require that a municipal advisor act in utmost good faith, use reasonable care to avoid misleading clients, and fully and fairly disclose conflicts of interest.^[4] Municipal advisors also owe their municipal entity clients a duty of care and a duty of loyalty.^[5]

[Continue reading.](#)

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