

# **Bond Case Briefs**

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## **SEC Trumpets Record Enforcement Year.**

WASHINGTON — The Securities and Exchange Commission said Thursday that new technology and investigative techniques led to a strong fiscal 2014 enforcement year, including municipal bond cases.

“Aggressive enforcement against wrongdoers who harm investors and threaten our financial markets remains a top priority, and we brought and will continue to bring creative and important enforcement actions across a broad range of the securities markets,” SEC chair Mary Jo White said in a release. In the fiscal year that ended on Sept. 30, the SEC filed a record 755 enforcement actions, and obtained orders totaling \$4.16 billion in disgorgement and penalties, according to preliminary figures. That is well up from fiscal 2013, when the commission brought 686 enforcement actions and obtained orders totaling \$3.4 billion in disgorgement and penalties.

“Time and again this past year, the division’s staff applied its tremendous energy and talent, uncovered misconduct, and held accountable those who were responsible for wrongdoing,” said Andrew Ceresney, director of the SEC’s division of enforcement. “I am proud of our excellent record of success and look forward to another year filled with high-impact enforcement actions.”

The SEC pointed to several firsts in the muni market, including the SEC’s first emergency action to halt a bond sale when it charged Harvey, Ill. in June of failing to disclose the misuse of bond funds and the commission’s first ever use of the investment adviser pay-to-play rule when it charged TL Ventures that same month with violating it.

White also noted a first for the Municipalities Continuing Disclosure Cooperation Initiative, which is designed to get issuers and dealers to report their own violations of their primary offering obligations under the federal securities laws. In July, the SEC reached a settlement with Kings Canyon Joint Unified School District in California for charges of misleading bond investors, making it the first settlement under the MCDC.

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