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Stage Set for Shortened Trade Settlement Cycle for Municipal Securities.

Washington, DC - The Municipal Securities Rulemaking Board (MSRB) has [received approval from the Securities and Exchange Commission \(SEC\) to move toward a shortened settlement cycle for municipal securities](#). The MSRB was the first regulator to advance a rule change proposal in support of an industry-wide initiative to reduce the time between trade execution and settlement of the transaction by one business day.

“The MSRB fully supports the industry’s efforts to expedite the settlement process and enhance market efficiency,” said MSRB Executive Director Lynnette Kelly. “We are pleased to be among the first regulators to prepare for this important initiative. The benefits of moving to T+2 will enhance the overall efficiency of the securities markets, promote financial stability and better align the U.S. securities markets with global markets.”

Provisions related to settlement cycles in MSRB Rules G-12, on uniform practice, and G-15, on confirmation, clearance, settlement, have been unchanged since 1995. The SEC’s approval sets the stage for the MSRB to coordinate with fellow regulators and the industry in order to transition to a shortened settlement cycle.

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