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MSRB Releases Fiscal Year 2019 Strategic Initiatives and Budget Summary.

Washington, DC – The Municipal Securities Rulemaking Board (MSRB) today [announced strategic initiatives](#) and published an associated [budget summary for its 2019 fiscal year](#), beginning October 1, 2018. The strategic initiatives, which are approved by the MSRB Board of Directors, are the organization's highest priorities and support its role protecting investors and municipal entities in the \$3.8 trillion municipal securities market.

This year, the Board is focused on enhancing the ways the MSRB receives industry feedback. In addition, the MSRB will prioritize exploring “big data” and cloud computing with a strategic \$5 million investment to position the organization's information technology (IT) infrastructure for the future. The organization plans to conduct a feasibility assessment of the benefit of transitioning to the cloud and explore ways to leverage the power of cloud computing to analyze unstructured market data.

“Our investment will fund the exploration and potential transition to cloud computing, if we determine doing so would serve our long-term interest in operating resilient and secure IT infrastructure and data systems,” said Board Chair Gary Hall. “It also will help determine whether we can gain additional insight from the vast amount of data that the MSRB collects on behalf of the market.”

Stakeholder feedback will continue to feature prominently this year in many of the MSRB's activities. New advisory groups will add greater insight to policy questions for the MRSB and its Board, and other activities will expand the MSRB's access to balanced, expert market knowledge from a variety of professionals in the municipal securities market. This year, MSRB Board members, not just staff, will have multiple touchpoints with stakeholders through formal meetings, Town Halls and firm visits.

In FY 2019, market regulation resources will support an initiative focused on ensuring MSRB rules are up-to-date, effective and reflective of current market practices, and, that they are consistently interpreted. An ongoing retrospective rule review will continue, and staff will work to ensure that MSRB rules and interpretive guidance are streamlined, appropriately tailored, function efficiently and are consistent with those of other regulators, when possible.

As part of its focus on data, the MSRB will make improvements for municipal entities that submit bond disclosure information to the MSRB's [Electronic Municipal Market Access \(EMMA®\) website](#), which has been a repository for all data and disclosure documents on more than a million outstanding municipal securities for over the past decade. The submission improvements are responsive to stakeholder feedback gathered through focus groups and other engagement and will improve the quality of indexing data for disclosure documents and integrate relevant tools and resources for issuers throughout the submission process.

The budget summary aligns with the MSRB's commitment to transparent and responsible financial

management. This year, the Board of Directors, which develops the budget with senior management, is communicating steps to reduce the organization's reserve funds. The Board recently approved a temporary three-month reduction in the organization's underwriting, transaction and technology fees to take place at the start of the 2019 fiscal year. "This temporary fee relief is estimated to reduce our excess reserves by \$2.6 million, advancing our goal of fair and equitable fees across regulated entities," said Hall.

Given the transition the industry is experiencing following the recent federal tax reform, the Board kept the MSRB's FY 2019 expense budget flat with last year. The planned revenue reduction, together with a flat expense budget, resulted in an operating deficit of \$1.7 million, and a total FY 2019 budget deficit of \$4.3 million.

Date: October 1, 2018

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