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MSRB to Begin FY 2020 with Focus on Governance.

Washington, DC – The Municipal Securities Rulemaking Board (MSRB) today announced its organizational priorities and published its [budget for Fiscal Year 2020](#), beginning October 1, 2019. The FY 2020 priorities include a comprehensive focus on governance, with the formation of a new special Board committee to examine the MSRB’s governance practices.

Governance and Leadership

“The Board recognizes that how we govern ourselves as an organization is fundamental to our ability to effectively protect municipal securities investors, issuers and the public interest,” said MSRB Chair-Elect Ed Sisk. “We see room for continuous improvement in this area and welcome ideas from policymakers, regulators and stakeholders. Under the leadership of the special committee on governance, we will examine all aspects of our governance practices, including the size and composition of the Board, to identify opportunities to improve fairness and transparency.”

The Board also created a special committee to lead the nationwide search for a new president and CEO following the retirement of President and CEO Lynnette Kelly at the end of FY 2019. The committee will begin the search process by conducting interviews for outside executive search firms in connection with the [first quarterly Board meeting](#) of the fiscal year in October.

“While the Board is eager to identify the right candidate to lead the MSRB into the future, we remain confident in the staff’s dedication and ability to continue to advance our mission during this time of organizational change,” Sisk said. The Board named MSRB Chief Financial Officer Nanette Lawson as interim CEO effective October 1.

Stakeholder Engagement

In addition to establishing two special committees, the Board added a new standing committee on stakeholder engagement to its five permanent committees on audit and risk, finance, nominating and governance, steering, and technology. Board members, including the historic incoming class of five women, serve on one or more committees.

“Under outgoing Board Chair Gary Hall, the MSRB greatly expanded the opportunities for stakeholders to provide feedback directly to the members of the Board,” Sisk said. “This standing committee will ensure the Board’s strategic discussions and decisions continue to benefit from the diverse perspectives in our market.”

Regulation for the Future

In recognition of the rapidly evolving municipal market, the MSRB plans to continue its [retrospective rule review](#) and development of [new compliance resources](#). For the third consecutive year, the Board’s compliance initiatives will be informed by a Compliance Advisory Group. The Board also will continue for the second year with a Municipal Fund Securities Advisory Group to provide input to the Board on municipal market rules, practices, transparency and education related to municipal fund securities, including 529 savings plans and ABLE programs.

Technology and Data

The Board has authorized an enterprise-wide migration of the MSRB's Electronic Municipal Market Access (EMMA®) website and related market transparency systems to the cloud. A new dedicated data management and analytics department will focus on data governance, quality and analytics, including exploring potential opportunities to leverage cloud technologies to advance the organization's data strategy.

"Making municipal securities data and disclosures available at no cost to investors and the public on the EMMA website was a radical advancement in market transparency a decade ago," Sisk said. "The MSRB believes moving to the cloud will position us to make market data even more accessible, usable and reliable for all market participants."

FY 2020 Budget

Funding these organizational priorities requires rigorous stewardship of resources. In support of the MSRB's continued commitment to public accountability, transparency and responsible financial management, the MSRB is releasing its FY 2020 budget, which provides insights about the organization's revenue, expenses and reserves. Operating expenses of \$42 million reflect a 4 percent increase from the prior fiscal year and are indicative of the MSRB's steady commitment to the [long-term strategic goals](#) of the organization. Revenues reflect the higher professional fees to be paid by municipal advisors to advance the MSRB's goal of fair and equitable fees across regulated entities. The Board's strategic focus on managing reserves is continuing, with excess reserves dedicated to fund a \$2.3 million operating deficit in addition to funding the MSRB's technology transition to the cloud.

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