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MSRB Requests Comment on Draft Compliance Resources for Supervisors: Cadwalader

The MSRB [requested comment](#) on draft compliance resources to assist regulated entities in their supervision over new issue pricing of municipal securities. The MSRB stated that “the goal of the compliance resources is to enhance understanding regarding the existing regulatory standards applicable to regulated entities’ supervision of conduct when pricing a new issuance of municipal securities.”

One proposed compliance resource would focus on underwriting activity under MSRB Rule G-17 (“Conduct of Municipal Securities and Municipal Advisory Activities”) and supervisory obligations under MSRB Rule G-27 (“Supervision”). The second resource would focus on duty of care obligations under MSRB Rule G-42 (“Duties of Non-Solicitor Municipal Advisors”) and non-solicitor municipal advisors’ duties under MSRB Rule G-44 (“Supervisory and Compliance Obligations of Municipal Advisors”).

Both proposed resources would summarize the relevant rule requirements, provide responses to FAQs and offer “Questions for Consideration” to help entities design their compliance procedures.

The MSRB specifically requested comment on the following issues, among others:

- the relevance of the questions posed and the usefulness of the responses given in the FAQs;
- the format of the resources;
- the language of the draft compliance resources in conveying the “flexibility” afforded to entities in tailoring their supervisory systems; and
- whether the MSRB should amend the abovementioned rules or adopt formal interpretive guidance expressly to define new issue pricing obligations.

Comments on the compliance resources must be submitted by January 4, 2022.

Cadwalader Wickersham & Taft LLP

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