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## MSRB Proposes to Extend SEC's Regulation Best Interest to Bank Dealers.

The Municipal Securities Rulemaking Board today proposed a rule change that would amend an existing rule on the suitability of recommendations and transactions. The proposed changes would promote regulatory parity between bank dealers and broker-dealers with regard to Regulation Best Interest and the recommendation of municipal securities transactions or investment strategies involving municipal securities.

The MSRB also proposed changes to another rule related to transactions with sophisticated municipal market professionals. The changes are subject to approval by the Securities and Exchange Commission.

In previous comments, the American Bankers Association has urged the MSRB to consider the compliance costs of including bank dealers in the SEC's Regulation Best Interest Rule, noting that bank dealers in municipal securities do not have a significant retail customer base to warrant a new regulatory compliance regime.

ABA BANKING JOURNAL

APRIL 19, 2022

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