
MSRB Proposes One-Time Exemption for Municipal Advisors to Requalify for Certification.

The MSRB proposed amendments to MSRB Rule G-3 ("Professional Qualification Requirements") to provide a one-time exemption for municipal advisors who allowed their qualification to lapse.

The MSRB proposed:

- creating a "one-time, criteria-based exemption" for former municipal advisor representatives who allowed their qualification to lapse; the exemption allows the advisor to requalify, without examination, no later than one year after a two-year lapse;
- removing language that allows the MSRB to waive the reexamination requirements under "extraordinary cases" for municipal advisor representatives and principals;
- clarifying an interpretive question regarding the lapse in qualification for individuals associated with dually registered broker-dealers and advisors; and
- specifying the means for electronic delivery of a requisite MSRB notice regarding satisfaction of the criteria-based exemption.

In addition, the MSRB proposed amending MSRB Rule G-8 ("Books and Records to be Made by Brokers, Dealers, and Municipal Securities Dealers and Municipal Advisors") to require municipal advisors to keep books and records regarding the exemption.

The MSRB stated that it is proposing amendments to MSRB Rules G-3 and G-8 as part of its rule book modernization initiative and an "industry-wide continuing education (CE) initiative."

The MSRB requested a compliance date of no more than 30 days following the SEC's approval of the amendments.

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