

Bond Case Briefs

Municipal Finance Law Since 1971

- **Ed. Note:** We'll be off next week, celebrating the happy fact that we've yet to do a single day of honest labor. Any day now... Double Dose O' Drivel 9/15!
- [Proposed Amendments to MSRB Rule G-27: SIFMA Comment Letter](#)
- [Financing Company Settles SEC Charges Over Unregistered Municipal-Bond Brokerage Activity.](#)
R4 Capital Funding cops to acting as an unregistered broker in connection with over \$1.16 billion in municipal bond offerings over 31 deals. For which they agreed to pay a \$100k penalty. Why would anyone ever bother to register? \$100k doesn't even cover the catering budget for 31 issuances totaling \$1.16 billion. .16 might look like a rounding error, but that's \$160 million (if my math checks out, which is unlikely). Just astonishing.
- [Muni Junk-Bonds Face Pickier Buyers With Shrinking Risk Premiums.](#)
- [Payments in Lieu of Taxes \(PILT\): Section 6902 Payments – Congressional Research Service Report](#)
- [Kutak Rock Secures Win for City of Boulder.](#)
- [Save South Boulder v. The City of Boulder, Colorado](#) – Colorado Court of Appeals upholds City of Boulder's emergency ordinance to fund the South Boulder Creek Flood Mitigation Project – using stormwater utility fees and \$66 million in revenue bonds – without requiring a public vote.
- [In Re Easterly Rocmuni High Income Municipal Bond Fund](#) – In putative class action arising from the collapse of a municipal bond fund – an open-end mutual fund invested in tax-exempt debt securities, the majority of which were junk bonds – US District Court denied defendant's motion to dismiss, finding that the plaintiffs' Securities Act claims stated misrepresentations that the fund would not hold more than 15% of its net assets in illiquid investments and its understatement of its exposure to distressed assets; interesting analysis of liquidity and valuation.
- And Finally, Compelling Amicus Brief Filed by the Friends of Sapphire Brooches is brought to us this week by [Emerald Necklace Conservancy, Inc. v. City of Boston](#), That's a staggeringly specific niche advocacy non-profit. Are Emerald Necklaces facing some type of existential peril of which we are blessedly unaware? Are they in any way affiliated with Save Upper East Side Pearl Clutchers? Those gals put the party in tea party.