



BDA Attends MSRB Industry Roundtable

On Friday, June 3, 2016, the MSRB held its second industry roundtable for 2016 in their Washington, DC offices. BDA was represented by staff, as well as **Joey Frebes**, Senior Vice President, Director Municipal Securities Compliance, KeyBanc Capital Markets Inc. and **Linda Matkowski**, Executive Vice President, Fixed Income, City Securities Corporation and BDA Board member.

The agenda for the June 2016 roundtable focused on:

- Municipal Advisor Rules Framework Implementation
- The Municipal Market in 2026
- GASB Update on Current and Upcoming Initiatives

The roundtable was moderated by Colleen Woodell, Vice Chair of the Board of Directors, MSRB, as well as Lynnette Kelly, MSRB Executive Director. The complete roundtable agenda is available [here](#) and key points of discussion are summarized below.

Municipal Advisor Rules framework implementation

- Discussion focused on the effort the MSRB is putting into education, outreach and compliance with the new rules
- The industry will likely see a continuing education rule proposal for MAs as the next step for the MSRB
- The MSRB is considering additional guidance for solicitors to state and local government pension plans
- The MSRB is working on the principals exam for those in supervisory positions at their firms
- Model documents to aid with the legal certainty of compliance, reduce regulatory risk and manage compliance costs
- The need for additional clarification about the role of the MA as it relates to issuers versus obligated persons
- The desire to have the MSRB and SEC look at the possibility for an MA to have due diligence responsibilities over the OS in competitive transactions, if they were the one primarily involved in the document preparation

- Discussion about how many firms are leaving the business as a result of the cross bans included in the regulatory regime
- Issuers want to hear pitches from a variety of industry participants without running afoul of the rule
- EMMA
 - The MSRB's new issue calendar is under construction
 - The desire by industry participants that the MSRB produce a tutorial on bank loans including how to ensure proper posting to EMMA
- MSRB's *MuniEdPro* platform will be launched soon and will serve as an interactive way to deliver continuing education content to industry participants
- A discussion about legal entity identifiers and that the MSRB supports the submission of these identifiers to EMMA but are not mandating it

The Municipal Market in 2026 - From Here to There

- Discussion focused on shaping the future of the municipal securities market
- Industry participants said one of their biggest priorities is to be able to extract data from EMMA more efficiently
- The desire for more "plain English" and understandable language in the POS and OS for the retail investor
- The need to establish continuity among industry participants especially when there is turnover; the need for this especially at the issuer level is paramount
- Short discussion about Intercontinental Exchange (ICE) acquiring S&P's evaluation services and what that will mean for the industry
- How essential tax exemption is to the municipal securities market and especially for the infrastructure needs across the country
- The value of bond banks in providing more liquidity to the market in terms of more more standardization but also outlining concerns where they may be cost prohibitive for smaller issuers

GASB Update

- David Bean, Director of Research and Technical Activities, Governmental Accounting Standards Board (GASB) provided an update on current and upcoming initiatives with implications for the muni market

Additional roundtable attendees included representatives from the following organizations

- American Bankers Association
- Education Finance Council
- Government Finance Officers Association

- Investment Company Institute
- National Association of Bond Lawyers
- National Association of Health and Educational Facilities Finance Authorities
- National Association of Municipal Advisors
- National Association of State Auditors, Comptrollers and Treasurers
- National Association of State Treasurers
- National Federation of Municipal Analysts
- SIFMA

The MSRB holds two industry roundtables each year, both in Washington, DC. BDA encourages you to reach out to us if you would like to represent us at future roundtables.

We hope this information is helpful. Feel free to reach out to the BDA with any questions or comments.

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