



January 30, 2023

**VIA ELECTRONIC SUBMISSION**

Ronald W. Smith  
Corporate Secretary  
Municipal Securities Rulemaking Board  
1300 I Street NW, Suite 1000  
Washington, DC 20005

**Re: MSRB Notice 2022-13 – Request for Comment on Draft Amendments to Create an Exemption for Municipal Advisor Representatives from Requalification by Examination**

---

Dear Mr. Smith,

The Securities Industry and Financial Markets Association (“SIFMA”)<sup>1</sup> appreciates this opportunity to provide input on the Municipal Securities Rulemaking Board’s (“MSRB’s”) Request for Comment on Draft Amendments to Create an Exemption for Municipal Advisor Representatives from Requalification by Examination (the “Notice”).<sup>2</sup> Overall, SIFMA appreciates the MSRB’s goal to provide greater flexibility for individuals seeking to requalify after having stepped away from the municipal securities market and their role as a regulated municipal advisor for a period of time. SIFMA asks that the MSRB consider our comments below suggesting additional clarifications in furtherance of this goal.

**I. Relief Should Be Harmonized with FINRA Rules**

SIFMA members appreciate the goal of the proposed amendments to allow for registered professionals to be able to step away from the industry for a time and requalify without examination. This exemption is beneficial for firms to retain talent and beneficial for professionals who may want to spend a few years in an unregulated role or otherwise away from the industry. We agree that the flexibility these proposed changes provide supports diversity, equity and inclusion efforts in the municipal securities market by easing barriers to re-entry for

---

<sup>1</sup> SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

<sup>2</sup> MSRB Notice 2022-13 (December 1, 2022).

individuals who have stepped away from a regulated role for family needs, educational pursuits, or other employment.

SIFMA members, however, do believe strongly that these amendments should be harmonized with the recent changes to Rule G-3<sup>3</sup> covering broker dealers. Further, SIFMA members feel that Rule G-3 should be harmonized in this area with FINRA Rules 1210 and 1240 and the FINRA Maintaining Qualifications Program. There are many individuals that hold multiple registrations who are qualified as a broker dealer and broker dealer principal as well as a municipal advisor and municipal advisor principal. We feel having two completely different sets of rules for municipal advisors and broker dealers, in this instance, is unduly complicated, expensive, and burdensome both for firms and individuals seeking to requalify. For these reasons, SIFMA members do not feel it is necessary to have a different requalification process for municipal advisors and broker dealers, but instead seek to have the process be uniform to reduce the regulatory burden and increase the likelihood of compliance.

Additionally, the differing continuing education requirements for municipal advisors and broker dealers seeking to requalify should be further reviewed, as merely completing the prior 3 years of a municipal advisor's new firm's continuing education upon return to the industry may in practice be repetitive or create confusion due to outdated information.

## **II. Relief Should be Extended to Municipal Advisor Principals**

SIFMA believes that this relief for municipal advisors should be extended to municipal advisor principals, as the relief for registered broker dealers also covers broker dealer principals. Consistency across rule sets, whenever possible, aids in compliance as well as reduces costs and regulatory risks. We do not agree that a municipal advisor's role as a fiduciary should preclude similar treatment or require more limited relief. All regulated persons in municipal securities have specific roles, duties and obligations that must be known and fulfilled. Whether an individual is a fiduciary or not doesn't change the amount of required industry knowledge, but merely requires an acknowledgement and understanding of that role.

## **III. Compliance Resources on Professional Qualifications Would Be Helpful**

SIFMA members feel that over time, the license requirements to become a regulated individual in the municipal securities industry have become increasingly complicated, as have the rules regarding continuing education and requalification, when applicable. We ask that the MSRB consider compliance resources in this area, to aid individuals and firms seeking to comply with the rules.

\* \* \*

Thank you for considering SIFMA's comments. Overall, SIFMA appreciates the MSRB's goals of these proposed amendments to Rule G-3 to create greater flexibility for those who have stepped away from being a municipal advisor for a period of time and seek to requalify. SIFMA

---

<sup>3</sup> 87 Fed. Reg. 56137 (Sept. 13, 2022).

asks that the MSRB consider our comments in furtherance of these goals. If a fuller discussion of our comments would be helpful, I can be reached at (212) 313-1130 or lnorwood@sifma.org.

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Norwood', written in a cursive style.

Leslie M. Norwood  
Managing Director  
and Associate General Counsel

cc: ***Municipal Securities Rulemaking Board***

Bri Joiner, Director, Regulatory Compliance

Billy Otto, Assistant Director, Market Regulation

Saliha Olgun, Interim Chief Regulatory Officer

Gail Marshall, Senior Advisor to Chief Executive Officer