

Municipal Advisor Registration - Effect of Proposed Rules on Issuer and Obligor Boards

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Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) amended Section 15B of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”), effective October 1, 2010, to, among other things, (1) require municipal advisors to register with the Securities and Exchange Commission (the “SEC”), (2) establish a fiduciary duty between a municipal advisor and a municipal entity for which it is acting as a municipal advisor,¹ and (3) subject municipal advisors to additional anti-fraud provisions.² The SEC adopted an interim final temporary rule (Rule 15Ba2-6T; the “Temporary Rule”) to enable municipal advisors to satisfy the statutory requirement to register with the SEC, which rule became effective October 1, 2010, and expires on December 31, 2011.

Practice

- Disclosure Counsel