



March 16, 2026

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

Re: Request for Comment on Draft Amendments to MSRB Rule G-27, Dealer Supervision (MSRB Notice 2026-01)

Dear Mr. Smith,

The American Securities Association¹ (ASA) appreciates the opportunity to comment on the Municipal Securities Rulemaking Board's (MSRB) request for comment on amendments to Rule G-27 (Dealer Supervision). The ASA represents Main Street broker-dealers that serve retail investors, municipalities, and other local institutions across the country. Our members support the MSRB's retrospective rule review and efforts to modernize Rule G-27 in light of current business practices.

I. Support for Proposal and Structuring Clarification

ASA supports the MSRB's proposal to clarify "structuring of public offerings or private placements" in the definition of an office of municipal supervisory jurisdiction (OMSJ). This clarification should reduce uncertainty about which public finance activities trigger OMSJ designation.

We request confirmation that the following support activities, standing alone, do not require OMSJ designation: preliminary data analysis and modeling; drafting presentations and materials for issuer meetings; routine data gathering and document coordination; and running standard debt capacity or sensitivity analyses using established firm models controlled by senior personnel.

II. Modernizing Supervision for Hybrid Work Environments

ASA urges the MSRB to modernize Rule G-27 so that supervision is not anchored primarily to physical locations. Firms now use technology-enabled tools—trade surveillance systems,

¹ ASA is a trade association that represents the retail and institutional capital markets interests of regional financial services firms who provide Main Street businesses with access to capital and advise hardworking Americans how to create and preserve wealth. ASA's mission is to promote trust and confidence among investors, facilitate capital formation, and support efficient and competitively balanced capital markets. This mission advances financial independence, stimulates job creation, and increases prosperity. ASA has a geographically diverse membership base that spans the Heartland, Southwest, Southeast, Atlantic, and Pacific Northwest regions of the United States.





electronic communications monitoring, workflow approvals, and video collaboration—to supervise activities regardless of where personnel are physically located.

A. One-Person Offices. The current framework creates unnecessary compliance burdens by requiring OMSJ designation (and principal licenses) for one-person offices engaged in underwriting, trading, or public finance activities. An individual cannot supervise themselves yet must hold supervisory credentials merely to satisfy location-based registration requirements. These offices typically operate under centralized oversight, including commitment committee review, automated surveillance, and multilayered approval workflows that provide effective supervision regardless of physical location.

B. ASA recommends that the MSRB:

- Acknowledge technology-enabled, virtual supervision within Rule G-27 or its supplementary material;
- Clarify that effective supervision may be achieved through centralized electronic controls rather than on-site presence;
- Tie OMSJ designation to actual supervisory responsibility, not office headcount or activity type; and
- Create a carve-out for one-person offices engaged solely in trading or production activities where the individual has no supervisory responsibilities.

III. Branch Office Framework and 60-Business-Day Extension

ASA supports extending the exclusion for non-primary residential locations from 30 to 60 business days. This change better aligns with hybrid work patterns and eases administrative tracking of occasional remote work. We encourage the MSRB to consider additional flexibility tied to supervisory risk rather than fixed day counts, and to explicitly recognize that firms may rely on centralized electronic surveillance to manage remote work.

IV. Coordination with FINRA on Remote Supervision

ASA encourages close coordination with FINRA on office definitions, residential supervisory locations, and remote inspections to avoid duplicative frameworks. Firms participating in FINRA's Remote Inspections Pilot Program report that remote inspections, when paired with risk assessments and clear written procedures, have enabled more frequent, targeted reviews focused on higher-risk activities while materially reducing travel costs. Remote access to electronic records, exception reports, and digital workpapers often produces a more complete picture of activity than traditional on-site inspections.

We encourage the MSRB to allow remote inspections under Rule G-27 where a firm's risk assessment, technology, and written procedures support this approach, and to ensure municipal supervisory expectations remain aligned with FINRA's evolving framework.





V. Trading and Remote Work

As part of its supervisory review, ASA encourages the MSRB to confirm that traders and market-makers need not be located in an OMSJ solely due to their activity type when appropriate systems and controls are in place. Traders in remote locations operate under strict desk limits, real-time electronic monitoring, multilayered trade approvals, and exception reporting systems. Transaction-based oversight through centralized surveillance provides more effective supervision than location-centric designations.

We emphasize that location-based supervisory frameworks are increasingly misaligned with institutional municipal securities activities performed across varied locations. Transaction-based oversight—through automated surveillance, workflow approvals, and committee reviews—provides more effective supervision than physical presence requirements.

ASA recommends a principles-based framework recognizing that:

- Supervisory licenses should be tied to supervisory responsibility, not office designation or physical presence
- Firms' existing multilayered supervisory systems—including desk oversight, commitment committees, and electronic monitoring—constitute effective supervision regardless of personnel location
- One-person offices should not require principal licenses absent actual supervisory responsibilities

VI. Implementation

ASA recommends a 12- to 18-month implementation period after SEC approval to allow firms to update policies, procedures, location designations, and surveillance tools. A phased or risk-based implementation would be particularly helpful for smaller and mid-sized Main Street firms with limited compliance staff.

VII. Conclusion

ASA appreciates the MSRB's efforts here and we encourage the MSRB to continue its retrospective review with a focus on risk-based, technology-neutral supervision that eliminates redundant location-based requirements and works effectively for hybrid work environments.

Sincerely,

Jessica Giroux

Jessica R. Giroux

Chief Legal Officer

American Securities Association

