

MSRB Notice

2026-05

Publication Date
May 6, 2026

Stakeholders
Municipal Advisors,
Issuers, Municipal
Securities Dealers, Bank
Dealers

Notice Type
Informational Notice

Category
Fair Practice;
Professional
Qualification;
Administration

Affected Rules
[Rule G-1](#), [Rule G-3](#),
[Rule G-20](#), [Rule G-23](#),
[Rule G-37](#)

Correction to MSRB Notice 2026-03 Requesting Comments on Draft Amendments to MSRB Rules to Retire Financial Advisor Terminology Pursuant to the MSRB’s Municipal Advisor Retrospective Rule Review

On April 23, 2026, the Municipal Securities Rulemaking Board (“MSRB”) published a notice requesting comments on draft amendments to MSRB Rules G-1, G-3, G-20, G-23 and G-37 to eliminate references to the term “financial advisor” or “financial advisory and consultant services” in references to brokers, dealers and municipal securities dealers serving in such financial advisory capacity, as well as seeking input on the scope and approach toward undertaking the MSRB’s retrospective review of its suite of municipal advisor rules (the “April Notice”).¹ In connection with the text of the draft amendments to Rule G-23, on activities of financial advisors, included in the April Notice, this notice corrects an error in section (c) of Rule G-23 and addresses an ambiguity in section (f) of Rule G-23 as they appear in the April Notice.

Specifically, the last sentence of the draft amendments to Rule G-23(c) retained a reference to “financial advisory services”. This notice corrects that reference to read as “new issue municipal advisory services”. In addition, the draft amendments did not include changed language to section (f) of Rule G-23 but retains a reference to state or local law applicable to the activities of “financial advisors”. While this language was retained because at least some such state



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¹ See MSRB Notice 2026-03, Request for Comment on Draft Amendments to MSRB Rules to Retire Financial Advisor Terminology Pursuant to the MSRB’s Municipal Advisor Retrospective Rule Review (April 23, 2026), available at <https://www.msrb.org/sites/default/files/2026-04/Notice%202026-03.pdf>.

or local laws include specific references to the term financial advisor, the MSRB now believes that retaining that terminology in this context creates ambiguity and therefore this notice changes that reference to “municipal advisors”.

As a result, the language of sections (c) and (f) of Rule G-23 for which the MSRB seeks comment in the April Notice, as revised by this notice, reads as follows:²

* * * * *

Rule G-23 – Activities of Dealers Providing New Issue Municipal Advisory Services Financial Advisors

(a) - (b) No additional changes.

(c) *Agreement with Respect to New Issue Municipal Financial Advisory Relationship*. Each new issue municipal financial advisory relationship entered into by a broker, dealer, or municipal securities dealer shall be evidenced by a writing entered into and delivered to the issuer prior to, upon or promptly after the inception of the new issue municipal financial advisory relationship (or promptly after the creation or selection of the issuer if the issuer does not exist or has not been determined at the time the relationship commences) as required under Rule G-42(c). Such writing shall also include, to the extent applicable, set forth the basis of compensation, if any, for the financial advisory services to be rendered, including provisions relating to the deposit of funds with or the utilization of fiduciary or agency services offered by such broker, dealer, or municipal securities dealer or by a person controlling, controlled by, or under common control with such broker, dealer, or municipal securities dealer in connection with the rendering of such new issue municipal financial advisory services, and shall be delivered to the issuer.

(d) - (e) No additional changes.

(f) *Applicability of State or Local Law*. Nothing contained in this rule shall be deemed to supersede any more restrictive provision of state or local law applicable to the activities of municipal financial advisors.

* * * * *

² Underlining indicates new language; strikethrough denotes deletions.

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In order to avoid further confusion, the MSRB is revising the April Notice to reflect the changes described above. The April Notice remains unchanged in all other respects. The April Notice, as revised, is available at <https://www.msrb.org/sites/default/files/2026-04/Notice%202026-03.pdf>. Comments on the April Notice, as so revised, should be submitted no later than July 20, 2026.