

Q&A Summary: MSRB Compliance Workshop on the Form G-37 Submission Process

The Municipal Securities Rulemaking Board (MSRB) is providing answers to questions addressed during the MSRB's Compliance Workshop on [MSRB Rule G-37](#): Completing Form G-37 conducted on September 14, 2018 to enhance understanding of the provisions of MSRB Rule G-37, on Political Contributions and Prohibitions on Municipal Securities Business and Municipal Advisory Business. The purpose of the workshop was to discuss a new data collection process effective October 1, 2018 for quarterly disclosures required under Rule G-37. As context for the discussion of the data collection process, the workshop also included a summary of the key terms of Rule G-37.

The below answers are intended to be read in conjunction with Rule G-37 and related guidance and do not create new legal or regulatory requirements, or new interpretations of existing requirements, and should not be interpreted as establishing new standards of conduct.

1. What are the key changes to the submission process?

Among other things, the changes will add definitions of key terms that will be viewable within the submission portal; will allow multiple users at a regulated entity to enter and edit data, and save and submit Form G-37; and will improve data integrity by eliminating the ability to attach information in all sections of the form except for the reporting of information about the municipal entities with which the regulated entity has engaged in municipal securities business or municipal advisory business. For this section, regulated entities may manually key in information about these municipal entities or may import the same information from an Excel file or similar file format. For future submission periods, submitters will also be able to avoid re-keying of information by selecting an option to pre-populate data from a prior submission and make any changes to that information as necessary. All these changes, except for the option to pre-populate from a prior submission, will be reflected on Form G-37 in October 2018. The ability to pre-populate from a prior submission will be available in January 2019.

2. Are there any changes to the information collected on Form G-37?

No. There are no changes to the information collected, only to the way in which it is collected, to improve the experience for submitters and promote data integrity.

3. Must I make a test submission of the new submission process?

No. Test submissions are optional. The MSRB encourages test submissions so that users may become familiar with the new submission process before they make their first required submission using the new submission process. The final day to make a test submission will be September 30, 2018. The first required submissions using the new submission process will be for 2018 third quarter submissions, which are due to the MSRB by no later than October 31, 2018.

4. How do I make a test submission?

To access the beta test site for Form G-37, please visit [EMMA Dataport Web User Interface Beta Environment](#), click the EMMA Dataport link at the top right side of the screen and enter your MSRB Gateway account username and password.

5. Where can I find the updated submission manual that reflects the new submission process?

You may [review the updated submission manual here](#).

6. What kind of files can be imported into Section IV (relating to municipal securities business and municipal advisory business) of Form G-37?

Excel and CSV files can be imported. PDFs will no longer be accepted.

7. Why do I need to file a Form G-37 if I don't make any political contributions?

The purpose and intent of Rule G-37 is to address quid pro quo corruption or its appearance in connection with the awarding of municipal securities business, municipal advisory business or investment advisory services (to the extent a municipal advisor is involved in the solicitation of such investment advisory services). In practice, it is possible that a regulated entity may make a contribution to an official of a municipal entity and only get awarded the contract in a subsequent reporting period. Each Form G-37 collects information that pertains only to the relevant calendar quarter. In order to be in a position to draw a potential connection between the awarded business and the contribution, Form G-37 seeks information as to both the regulated entity's business and its contributions, even when both do not occur in the same reporting period. Thus, even if a firm has no political contributions to report for a particular period, it is important that it files a Form G-37 disclosing the municipal entities with which it has engaged in business so that any apparent nexus between the making of contributions in one quarter and business done in a different quarter can be identified.

If the firm has no information to report (*e.g.*, it has no reportable contributions, no reportable

payments, and has not engaged in municipal securities business or municipal advisory business with a municipal entity during the relevant calendar quarter) or has met all of the requirements for the exemption based on Form G-37x, then it is not required to make a Form G-37 submission for that period. Dealers and municipal advisors should be sure to consult the detailed definitions in Rule G-37 (*e.g.*, the scope of the terms "municipal securities business" and "municipal advisory business") to fully understand whether they qualify for an exemption from the filing requirement.

8. Do I need to make a Form G-37 submission if I did not engage in municipal securities business or municipal advisory business with a municipal entity during the reporting period?

No, if the dealer or municipal advisor has no other information to report on Form G-37 (*i.e.*, there are no reportable contributions, payments or bond ballot information). This is because Section IV of Form G-37 requires disclosure of the name of any municipal entity with which the regulated entity has engaged in municipal securities business or municipal advisory business during the relevant calendar quarter. Information about clients (or solicited municipal entities, in the case of municipal advisor third-party solicitors) that are not municipal entities is not required.

ADDITIONAL RESOURCES

- [MSRB Rule G-37, Political Contributions and Prohibitions on Municipal Securities Business and Municipal Advisory Business \(rule text\)](#)
- [Draft Instructions for Forms G-37, G-37x and G-38t \(Version, 3.0, August 2018 for Use with Beta Testing of System Changes Effective October 2018\)](#)

- [Questions and Answers Concerning Political Contributions and Prohibitions on Municipal Securities Business: Rule G-37](#)
- [Information on Exemptive Relief under MSRB Rule G-37](#)
- [Compliance Advisory for Municipal Advisors \(August 2018\)](#)