

The Municipal Securities Rulemaking Board (MSRB) believes that inadequate disclosure is a risk to municipal securities investors, who need timely, accurate and complete information about a municipal security to make informed decisions. This document briefly describes the regulatory framework for ongoing disclosure in the municipal securities market and the MSRB's role in facilitating disclosure.

REGULATORY FRAMEWORK FOR ONGOING DISCLOSURE

Under U.S. Securities and Exchange Commission (SEC) [Rule 15c2-12](#), municipal securities underwriters generally must determine that an issuer has entered into a written contract providing for certain ongoing disclosures to investors throughout the life of the securities, commonly referred to as a continuing disclosure agreement (CDA).¹ Through CDAs, issuers agree to provide disclosure of annual financial information, operating data, the occurrence of certain events (such as payment delinquencies and defaults) and other information to investors. Official statements and continuing disclosures are made publicly available on the MSRB's [Electronic Municipal Market Access \(EMMA®\) website](#).

PRINCIPLES FOR TIMELY AND COMPLETE DISCLOSURE

The MSRB recommends municipal securities issuers consider the following [principles](#) for timely and complete disclosure:

- Fully own the official statement and include all relevant information for investors, such as detailed cost of issuance, priority of creditor payments and the most current financial and operating information and pension liability.
- Make timely and complete continuing disclosures to investors throughout the life of the security, facilitated with effective policies, procedures and industry best practices.
- Voluntarily disclose to investors significant information that could affect the debt profile or credit profile of the issuer or any other entity responsible for repayment of the security.
- Fully utilize EMMA and its specialized issuer and disclosure features as a resource.

¹ Effective February 27, 2019, SEC amendments to Rule 15c2-12 require a CDA to include two event notices related to financial obligations. The amendments require the disclosure of any (1) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; and (2) default, event of acceleration, termination event, modification of terms or other similar events under the terms of the financial obligation, any of which reflect financial difficulties.

- Institute regular training for and make educational resources about the municipal market and its rules available to professionals at all levels of government.

PUBLIC ACCESS TO DISCLOSURE

The MSRB provides the platform for the public display of this information through EMMA. Contact the MSRB's support line for assistance with submitting disclosure documents to EMMA at 202-838-1330 or MSRBsupport@msrb.org. EMMA also includes features that facilitate disclosure, such as an email reminder service for recurring financial disclosures and customized issuer homepages.

DISCLOSURE RESOURCES

The MSRB assists market participants by helping to advance their knowledge on disclosure and other topics through in-person educational events, webinars, an [online education center](#) and through [MuniEdPro®](#), a suite of interactive, online courses regarding the municipal market and MSRB regulations. [View the MSRB's issuer resource library.](#)

THE MSRB'S ROLE IN THE MUNICIPAL SECURITIES MARKET

The MSRB is authorized by federal law to conduct various activities related to the municipal securities market, including authority to write rules governing the activities of brokers, dealers, municipal securities dealers and municipal advisors. Federal law limits the MSRB's authority with respect to the activities of municipal security issuers. The summary descriptions in this publication are provided as an educational service of the MSRB intended to promote the general knowledge of municipal market participants and has no regulatory intent. The publication does not describe all applicable provisions of law and is neither a legal interpretation nor a statement of MSRB guidance.