

HR 6488

Municipal Securities Disclosure Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Dec 8, 2016

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Dec 8, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/6488>

Sponsor

Name: Rep. Moore, Gwen [D-WI-4]

Party: Democratic • **State:** WI • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Dec 8, 2016

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Municipal Securities Disclosure Act of 2016

This bill amends the Securities Act of 1933 to require registration with the Securities and Exchange Commission (SEC) of certain industrial development bonds that finance private projects through municipal securities. (Currently, the Securities Act exempts these private activity municipal bonds from SEC registration.)

The bill amends the Securities Exchange Act of 1934 to require state and local government issuers of municipal securities, or obligated persons or borrowers with respect to these securities, to prepare annual periodic reports and disseminate financial disclosures that the SEC determines appropriate in the public interest and for the protection of investors. (Currently, SEC antifraud rules do not regulate municipal securities issuers directly but the rules prohibit securities dealers from underwriting the buying or selling of municipal securities unless they obtain the state or local government issuer's agreement to provide ongoing disclosures to the Municipal Securities Rulemaking Board. The bill makes state or local government issuers directly responsible for providing the municipal securities disclosures by placing them under the SEC's jurisdiction.)

The SEC may prescribe the accounting methods to be followed in the preparation of the financial statements or require the use of accounting methods established by a standard-setting body.

An issuer or borrower of outstanding municipal securities exceeding \$10 million must adopt internal controls that identify the officials responsible for preparing the required disclosures and provide checks and balances for adequate supervision. The SEC may allow these requirements to be satisfied through a statewide system of disclosure controls and disclosure education.

Actions Timeline

- **Dec 8, 2016:** Introduced in House
- **Dec 8, 2016:** Referred to the House Committee on Financial Services.