August 25, 2026

VIA ELECTRONIC SUBMISSION
Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File Number SR–MSRB–2026–04; Self-Regulatory Organizations; Notice of Filing of a Proposed Rule Change to Amend MSRB Rule G–27 To Exclude Certain Public Finance Activities from Term ''Structuring of Public Offerings or Private Placements,'' Extend the Length of the Exclusion for Non-Primary Residences from Municipal Branch Office Designation, and Make a Technical Update to the Rule's Title

Dear Ms. Countryman,

SIFMA[1] writes in support of the MSRB's proposal to amend MSRB Rule G-27 to exclude certain public finance activities from the term "structuring of public offerings or private placements," extend the length of the exclusion for non-primary residences from the municipal branch office designation, and make a technical update to the Rule's title.[2]

SIFMA applauds the MSRB's forward-thinking efforts to modernize its rules to reduce undue compliance burdens on regulated entities while continuing to provide appropriate investor and issuer protections. In furtherance of this goal, the MSRB should work towards eliminating all location-based concepts of supervision, recognizing that functional-based supervision comports with how business and supervision is conducted today and how regulators operate in the current electronic workplace.

[1] SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly 1 million employees, we advocate for legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA).

[2] 91 Fed. Reg. 49460 (Aug. 4, 2026).

I. The SEC Should Approve the MSRB's Draft Amendments to Rule G-27

a. The SEC Should Approve the MSRB's Proposal that Increases the Length of the Exclusion from the Municipal Branch Office Registration for Locations Other than a Primary Residence from 30 to 90 Business Days

The SEC should approve the MSRB's draft amendments that increase the 30-business day exclusion from the municipal branch office registration for locations other than a primary residence to 90 days. As stated above and discussed below in greater detail, SIFMA believes that Rule G-27 should not be location-based at all, but expanding this exclusion in any way is helpful to those that work remotely from locations other than their primary residence. SIFMA also feels strongly that the expansion of the exclusion would not reduce issuer and investor protections.

b. The SEC Should Approve the MSRB's Proposal to Define "Excluded Public Finance Activities" in Proposed Supplementary Material .07

SIFMA believes that this amendment, which excludes certain structuring activities from the requirement to register a location as an Office of Municipal Supervisory Jurisdiction (OMSJ), is a significant positive development. Structuring commonly occurs at a client site, while traveling, or otherwise away from an OMSJ, rendering the location-based requirement anachronistic in today's municipal securities business.

It is important for MSRB rules to be neutral as to business model or structure. SIFMA appreciates the MSRB's revision to its proposal that reflects that broker-dealers operate under a variety of business models, structures and processes, many of which impact what is deemed "final approval" of a transaction by a broker-dealer.

This action demonstrates that efficient markets can outweigh harmonization with other regulators or regulatory regimes in certain circumstances. SIFMA does, however, urge FINRA to move forward with similar rule changes updating their rules to reflect the modern workplace, and for the SEC to approve such changes.

II. The MSRB Should Eliminate All Location-Based Concepts of Supervision, Recognizing that Functional-Based Supervision Comports with How Business and Supervision is Conducted Today and How Regulators Operate in the Current Electronic Workplace

SIFMA appreciates the MSRB taking the opportunity to review MSRB Rule G-27, on dealer supervision, and proposing changes to reflect the modern workplace.[3] SIFMA also appreciates that the MSRB has begun to address some of the longstanding issues with Rule G-27. Here, the

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[3] SIFMA also appreciates that FINRA is reviewing its rules on supervision in the modern workplace. *See also,* SIFMA letter on FINRA Regulatory Notice 25-07 (Jul. 14, 2025), https://www.finra.org/sites/default/files/NoticeComment/SIFMA%20Comment%20on%20FINRA%20RN%2025-07%20%28July%2014%202025%29.pdf.

MSRB has been creative and responsive to the municipal finance industry. The MSRB can make additional amendments to Rule G-27 so that the rule further reflects how business and supervision is conducted today and how regulators operate in the current electronic workplace. Such changes would position the rule to cover inevitable future developments, including paperless workflows, around the clock trading cycles, and tokenized securities.

Virtually all SEC and FINRA examinations since 2020 have been conducted in an effective manner either largely or completely electronically. Regulators are able to effectively conduct remote examinations of broker-dealers and carry out other statutory obligations via fully remote or hybrid work arrangements, and broker-dealers are similarly able to effectively conduct remote supervision themselves. Comparatively, MSRB Rule G-44, on supervisory and compliance obligations of municipal advisors, has no location-based supervision requirements. Municipal advisors have been able to effectively supervise their compliance with MSRB rules without location-based requirements since the adoption of Rule G-44 in 2014.

As described in our letter to the MSRB, SIFMA advocates for the elimination of the OMSJ designation, which was originally intended for physical offices that maintained hard copy books and records and carried out supervisory functions through line-of-sight practices, relying on direct, over-the-shoulder oversight to detect potential violations or exceptions. At the time of the OMSJ implementation over 40 years ago, supervisors needed to be physically present in a shared work location to conduct effective supervision. Today, technology has removed the need for in-person supervision; rather, supervision is now primarily, and oftentimes exclusively, conducted through firm-wide, centralized, electronic networks that can be accessed by authorized employees with supervisory responsibilities and which provide real-time data regarding employee business activities. In today's workplace, it is not physical presence that enables effective supervision, it is authorized access to the systems which enable effective supervision, and that access is independent of physical location. As a result, the OMSJ designation is outdated. Further, maintaining the OMSJ designation is burdensome without contributing to the quality of overall supervision because it requires firms to devote significant resources to determine whether each remote work location constitutes an OMSJ.[4] However, this determination does not change the way in which work is supervised at each of these locations.

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Thank you for considering SIFMA's comments. SIFMA supports the SEC's approval of the MSRB's proposed amendments to Rule G-27 and is appreciative not only of the MSRB's retrospective review of Rule G-27, but also its thoughtful consideration and incorporation of industry comments into revised amendments. We look forward to continuing to work with the SEC, MSRB and FINRA on future incremental changes to dealer supervision rules to reflect

[4] *Id*. These arguments follow those already made to FINRA.

changes in the modern workplace. If a fuller discussion of our comments would be helpful, I can be reached at (212) 313-1130 or lnorwood@sifma.org.

Sincerely,

Leslie M. Norwood
Managing Director and Associate General Counsel
Head of Municipal Securities

cc: ***Securities and Exchange Commission***
Dave Sanchez, Director, Office of Municipal Securities
Municipal Securities Rulemaking Board
Ernesto A. Lanza, Chief Regulatory and Policy Officer
Financial Industry Regulatory Authority
Robert L.D. Colby, Chief Legal Officer