

OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 17	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2020 - * 03 Amendment No. (req. for Amendments *)
Filing by Municipal Securities Rulemaking Board Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934		
Initial * <input checked="" type="checkbox"/> Amendment * <input type="checkbox"/> Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/> Section 19(b)(3)(A) * <input checked="" type="checkbox"/> Section 19(b)(3)(B) * <input type="checkbox"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="checkbox"/> Date Expires *		
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/> Section 806(e)(2) * <input type="checkbox"/>		Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
Exhibit 2 Sent As Paper Document <input type="checkbox"/> Exhibit 3 Sent As Paper Document <input type="checkbox"/>		
Description Provide a brief description of the action (limit 250 characters, required when Initial is checked *). <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Proposed Rule Change to Waive MSRB Market Activity Fees Related to Transactions with the Municipal Liquidity Facility Established by the Board of Governors of the Federal Reserve System </div>		
Contact Information Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action. <div style="margin-top: 10px;"> First Name * Gail Last Name * Marshall Title * Chief Compliance Officer E-mail * gmarshall@msrb.org Telephone * (202) 838-1500 Fax </div>		
Signature Pursuant to the requirements of the Securities Exchange Act of 1934, Municipal Securities Rulemaking Board has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. <div style="text-align: right; margin-right: 100px;">(Title *)</div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> Date 05/28/2020 By Ronald W. Smith (Name *) </div> <div style="border: 1px solid black; padding: 5px; width: 300px;"> Corporate Secretary </div> </div> <div style="margin-top: 10px; text-align: center;"> NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. </div> <div style="text-align: center; margin-top: 10px;"> rsmith@msrb.org, rsmith@msrb.org </div>		

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFT website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”),¹ and Rule 19b-4 thereunder,² the Municipal Securities Rulemaking Board (“Board” or “MSRB”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change consisting of a proposed amendment to MSRB Rule A-13 regarding underwriting and transaction assessments for brokers, dealers and municipal securities dealers (collectively “dealers”) to waive certain underwriting, transaction and technology assessments (“market activity fees”) related to transactions with the Municipal Liquidity Facility (“Facility” or “MLF”) established by the Board of Governors of the Federal Reserve System (“Federal Reserve”) (the “proposed rule change”) as described below. The MSRB has designated the proposed rule change as “establishing or changing a due, fee, or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2)⁴ thereunder, which renders the proposal effective upon filing with the Commission.

(a) The text of the proposed rule change is attached as Exhibit 5. Text proposed to be added is underlined.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Board on May 15, 2020. Questions concerning this filing may be directed to Gail Marshall, Chief Compliance Officer, at 202-838-1361.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The MSRB is closely monitoring the impact of the coronavirus disease (“COVID-19”) pandemic on the municipal market and municipal market participants, including

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

issuers, investors, dealers and municipal advisors.⁵ The Federal Reserve, noting that “[t]he municipal securities market is an important part of the financial system, which helps provide states, cities, and counties (and their political subdivisions and other governmental entities) with the funding needed to provide essential public services to their citizens,”⁶ established the MLF, which has been authorized under Section 13(3) of the Federal Reserve Act.⁷ “The immediate purpose of the MLF is to enhance the liquidity of the primary short-term municipal securities market through the purchase at issuance of Tax Anticipation Notes (“TANs”), Tax and Revenue Anticipation Notes (“TRANs”), Bond Anticipation Notes (“BANs”), and similar short-term notes” (collectively, “Eligible Notes”).⁸

The MSRB continues to monitor announcements by the Federal Reserve to understand how the Facility will operate in conjunction with MSRB rules.⁹ The Facility intends to provide a liquidity backstop to certain issuers through a special purpose vehicle (“SPV”). The SPV may purchase certain Eligible Notes through a direct sale to the SPV or, if there is a competitive sale process, the SPV generally will not submit a bid in the competitive sale process, but instead may agree to purchase such municipal securities that are not awarded to other bidders.¹⁰

Based on the information currently available regarding the operation of the MLF, the MSRB believes that the MLF would be a customer for purposes of Rule A-13 and, therefore, the underwriting, transaction and technology assessments under Rule A-13 would be applicable to dealers’ transactions with the MLF. The MSRB recognizes that dealers are experiencing operational challenges coupled with unprecedented conditions in

⁵ Wall Street Journal: How the Muni Market Became the Epicenter of the Liquidity Crisis (April 2, 2020) <https://www.wsj.com/articles/how-the-muni-market-became-the-epicenter-of-the-liquidity-crisis-11585823404>.

⁶ Federal Reserve Bank of New York, FAQs: Municipal Liquidity Facility (“Fed FAQs”) <https://www.newyorkfed.org/markets/municipal-liquidity-facility/municipal-liquidity-facility-faq>.

⁷ 12 U.S.C. 343 (1932).

⁸ Fed FAQs.

⁹ See e.g., Federal Reserve Bank of New York, Term Sheet regarding the Facility (May 11, 2020) (“Fed Term Sheet”) <https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200511a1.pdf>.

¹⁰ See Fed FAQs.

the municipal market due to the COVID-19 pandemic.¹¹ The MSRB is proposing to waive these market activity fees for transactions conducted with the MLF. Specifically, the MSRB is proposing to provide a temporary waiver to dealers for the assessment of the:

- Underwriting fee in the amount .00275% (\$.0275 per \$1,000) of the par value pursuant to Rule A-13(c)(i) on the par amount of the primary offering that is purchased by or on behalf of the MLF;
- Transaction fee on sales to the MLF in the amount equal to .001% (\$.01 per \$1,000) of the total par value of sales to customers that it reports to the Board under MSRB Rule G-14(b), on reports of sales and purchases, pursuant to Rule A-13(d)(ii); and
- Technology fee of \$1.00 per transaction for sales to the MLF that it reports to the Board under Rule G-14(b), pursuant to Rule A-13(d)(iv)(b).

The MSRB intends the waiver to be temporary and to expire at the same time as the MLF. The MLF is currently scheduled to cease purchasing Eligible Notes on December 31, 2020, unless the Federal Reserve Board of Governors and the Treasury Department extend the program.¹² The MSRB will waive the market activity fees assessed on transactions with the MLF by issuing a credit for the amount of the applicable assessment. The amount of the fees to be waived will be displayed on a monthly statement as a credit against the gross billing and netted to indicate the amount due. Consistent with Rule A-13(e), the amount due is to be paid within 30 days of the sending of the invoice by the Board.

(b) Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act,¹³ which provides that the MSRB's rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove

¹¹ Supra note 5.

¹² The Federal Reserve Bank will continue to fund the SPV after such date until the SPV's underlying assets mature or are sold. See Fed Term Sheet.

¹³ 15 U.S.C. 78o-4(b)(2)(C).

impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The MSRB believes that dealers' transactions with the MLF will serve to facilitate the smooth functioning of the municipal securities market during times of strain resulting from the COVID-19 pandemic. Providing a waiver of market activity fees resulting from such transactions will help to provide liquidity for the municipal market and serve to remove impediments to and perfect the mechanism of a free and open market in municipal securities without impacting the protection of investors, municipal entities, obligated persons, and the public interest.

The MSRB also believes that the proposed rule change is consistent with Section 15B(b)(2)(J) of the Act¹⁴ which requires, in pertinent part, that the MSRB's rules shall provide that each municipal securities broker, municipal securities dealer, and municipal advisor shall pay to the Board such reasonable fees and charges as may be necessary or appropriate to defray the costs and expenses of operating and administering the Board and that such rules shall specify the amount of such fees and charges.

The MSRB recognizes that dealers are experiencing operational challenges coupled with unprecedented conditions in the municipal market due to the COVID-19 pandemic and believes this temporary waiver of certain market activity fees will provide some relief. The temporary waiver would be applicable to a limited number of transactions for a limited duration, consistent with the operation of the MLF.¹⁵ The MSRB believes that the waiver would not materially alter the total amount of fees collected by the MSRB or negatively impact its long-term sustainability, thereby continuing to ensure that the MSRB is sufficiently capitalized to meet its regulatory responsibilities. Accordingly, the MSRB believes that the proposed waiver of certain assessments on a temporary basis is reasonable and appropriate.

4. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Act¹⁶ requires that MSRB rules be designed not to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The goal of the proposed rule change is to provide relief during the exigent circumstances of the COVID-19 pandemic. The relief will apply equally to all

¹⁴ 15 U.S.C. 78o-4(b)(2)(J).

¹⁵ See Fed Term Sheet.

¹⁶ 15 U.S.C. 78o-4(b)(2)(C).

dealers and extend for the duration of the MLF.¹⁷ Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

6. Extension of Time Period of Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

The MSRB has designated the proposed rule change as “establishing or changing a due, fee, or other charge” under Section 19(b)(3)(A)(ii) of the Act¹⁸ and Rule 19b-4(f)(2)¹⁹ thereunder, which renders the proposal effective upon filing with the Commission.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

¹⁷ Currently, the MLF is planning to only purchase Eligible Notes until December 31, 2020. See Fed Term Sheet.

¹⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁹ 17 CFR 240.19b-4(f)(2).

- Exhibit 1 Completed Notice of Proposed Rule Change for Publication in the
 Federal Register
- Exhibit 5 Text of Proposed Rule Change

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-_____ ; File No. SR-MSRB-2020-03)

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Waive MSRB Market Activity Fees Related to Transactions with the Municipal Liquidity Facility Established by the Board of Governors of the Federal Reserve System

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____ the Municipal Securities Rulemaking Board (“MSRB”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of a proposed amendment to MSRB Rule A-13 regarding underwriting and transaction assessments for brokers, dealers and municipal securities dealers (collectively “dealers”) to waive certain underwriting, transaction and technology assessments (“market activity fees”) related to transactions with the Municipal Liquidity Facility (“Facility” or “MLF”) established by the Board of Governors of the Federal Reserve System (“Federal Reserve”) (the “proposed rule change”) as described below. The MSRB has designated the proposed rule change as “establishing or changing a due, fee, or

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2)⁴ thereunder, which renders the proposal effective upon filing with the Commission.

The text of the proposed rule change is available on the MSRB’s website at www.msrb.org/Rules-and-Interpretations/SEC-Filings/2020-Filings.aspx, at the MSRB’s principal office, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The MSRB is closely monitoring the impact of the coronavirus disease (“COVID-19”) pandemic on the municipal market and municipal market participants, including issuers, investors, dealers and municipal advisors.⁵ The Federal Reserve, noting that “[t]he municipal securities market is an important part of the financial system, which helps provide states, cities, and counties (and their political subdivisions and other governmental entities) with the funding

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ Wall Street Journal: How the Muni Market Became the Epicenter of the Liquidity Crisis (April 2, 2020) <https://www.wsj.com/articles/how-the-muni-market-became-the-epicenter-of-the-liquidity-crisis-11585823404>.

needed to provide essential public services to their citizens,”⁶ established the MLF, which has been authorized under Section 13(3) of the Federal Reserve Act.⁷ “The immediate purpose of the MLF is to enhance the liquidity of the primary short-term municipal securities market through the purchase at issuance of Tax Anticipation Notes (“TANs”), Tax and Revenue Anticipation Notes (“TRANs”), Bond Anticipation Notes (“BANs”), and similar short-term notes” (collectively, “Eligible Notes”).⁸

The MSRB continues to monitor announcements by the Federal Reserve to understand how the Facility will operate in conjunction with MSRB rules.⁹ The Facility intends to provide a liquidity backstop to certain issuers through a special purpose vehicle (“SPV”). The SPV may purchase certain Eligible Notes through a direct sale to the SPV or, if there is a competitive sale process, the SPV generally will not submit a bid in the competitive sale process, but instead may agree to purchase such municipal securities that are not awarded to other bidders.¹⁰

Based on the information currently available regarding the operation of the MLF, the MSRB believes that the MLF would be a customer for purposes of Rule A-13 and, therefore, the underwriting, transaction and technology assessments under Rule A-13 would be applicable to dealers’ transactions with the MLF. The MSRB recognizes that dealers are experiencing

⁶ Federal Reserve Bank of New York, FAQs: Municipal Liquidity Facility (“Fed FAQs”) <https://www.newyorkfed.org/markets/municipal-liquidity-facility/municipal-liquidity-facility-faq>.

⁷ 12 U.S.C. 343 (1932).

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⁹ See e.g., Federal Reserve Bank of New York, Term Sheet regarding the Facility (May 11, 2020) (“Fed Term Sheet”) <https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200511a1.pdf>.

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operational challenges coupled with unprecedented conditions in the municipal market due to the COVID-19 pandemic.¹¹ The MSRB is proposing to waive these market activity fees for transactions conducted with the MLF. Specifically, the MSRB is proposing to provide a temporary waiver to dealers for the assessment of the:

- Underwriting fee in the amount .00275% (\$.0275 per \$1,000) of the par value pursuant to Rule A-13(c)(i) on the par amount of the primary offering that is purchased by or on behalf of the MLF;
- Transaction fee on sales to the MLF in the amount equal to .001% (\$.01 per \$1,000) of the total par value of sales to customers that it reports to the Board under MSRB Rule G-14(b), on reports of sales and purchases, pursuant to Rule A-13(d)(ii); and
- Technology fee of \$1.00 per transaction for sales to the MLF that it reports to the Board under Rule G-14(b), pursuant to Rule A-13(d)(iv)(b).

The MSRB intends the waiver to be temporary and to expire at the same time as the MLF. The MLF is currently scheduled to cease purchasing Eligible Notes on December 31, 2020, unless the Federal Reserve Board of Governors and the Treasury Department extend the program.¹² The MSRB will waive the market activity fees assessed on transactions with the MLF by issuing a credit for the amount of the applicable assessment. The amount of the fees to be waived will be displayed on a monthly statement as a credit against the gross billing and netted to indicate the amount due. Consistent with Rule A-13(e), the amount due is to be paid within 30 days of the sending of the invoice by the Board.

¹¹ Supra note 5.

¹² The Federal Reserve Bank will continue to fund the SPV after such date until the SPV's underlying assets mature or are sold. See Fed Term Sheet.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act,¹³ which provides that the MSRB's rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The MSRB believes that dealers' transactions with the MLF will serve to facilitate the smooth functioning of the municipal securities market during times of strain resulting from the COVID-19 pandemic. Providing a waiver of market activity fees resulting from such transactions will help to provide liquidity for the municipal market and serve to remove impediments to and perfect the mechanism of a free and open market in municipal securities without impacting the protection of investors, municipal entities, obligated persons, and the public interest.

The MSRB also believes that the proposed rule change is consistent with Section 15B(b)(2)(J) of the Act¹⁴ which requires, in pertinent part, that the MSRB's rules shall provide that each municipal securities broker, municipal securities dealer, and municipal advisor shall pay to the Board such reasonable fees and charges as may be necessary or appropriate to defray the costs and expenses of operating and administering the Board and that such rules shall specify the amount of such fees and charges.

¹³ 15 U.S.C. 78o-4(b)(2)(C).

¹⁴ 15 U.S.C. 78o-4(b)(2)(J).

The MSRB recognizes that dealers are experiencing operational challenges coupled with unprecedented conditions in the municipal market due to the COVID-19 pandemic and believes this temporary waiver of certain market activity fees will provide some relief. The temporary waiver would be applicable to a limited number of transactions for a limited duration, consistent with the operation of the MLF.¹⁵ The MSRB believes that the waiver would not materially alter the total amount of fees collected by the MSRB or negatively impact its long-term sustainability, thereby continuing to ensure that the MSRB is sufficiently capitalized to meet its regulatory responsibilities. Accordingly, the MSRB believes that the proposed waiver of certain assessments on a temporary basis is reasonable and appropriate.

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) of the Act¹⁶ requires that MSRB rules be designed not to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The goal of the proposed rule change is to provide relief during the exigent circumstances of the COVID-19 pandemic. The relief will apply equally to all dealers and extend for the duration of the MLF.¹⁷ Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

¹⁵ See Fed Term Sheet.

¹⁶ 15 U.S.C. 78o-4(b)(2)(C).

¹⁷ Currently, the MLF is planning to only purchase Eligible Notes until December 31, 2020. See Fed Term Sheet.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁸ and paragraph (f) of Rule 19b-4 thereunder.¹⁹ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-MSRB-2020-03 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2020-03. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all

¹⁸ 15 U.S.C. 78s(b)(3)(A).

¹⁹ 17 CFR 240.19b-4(f).

comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2020-03 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, pursuant to delegated authority.²⁰

Secretary

²⁰ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Rule A-13: Underwriting and Transaction Assessments for Brokers, Dealers and Municipal Securities Dealers

(a) – (h) No change.

Supplementary Material .01 Temporary Suspension of Certain Assessments.

Assessments specified in sections (c)(i), (d)(ii) and (d)(iv)(b) of this rule will be waived by the Board if such assessments result from a transaction the dealer has with the Municipal Liquidity Facility established by the Federal Reserve Board of Governors.