

AMENDMENT TO H.R. **3817**  
OFFERED BY MR. DRIEHAUS

[amendment to IPA discussion draft of October 1, 2009

At the end of the bill insert the following:

1 **TITLE VII—REGISTRATION OF**  
2 **MUNICIPAL FINANCIAL ADVI-**  
3 **SORS**

4 **SEC. 701. MUNICIPAL FINANCIAL ADVISER REGISTRATION**  
5 **REQUIREMENT.**

6 (a) IN GENERAL.—The Securities Exchange Act of  
7 1934 is amended by inserting after section 15E (15  
8 U.S.C. 78o-7) the following new section:

9 **“SEC. 15F. MUNICIPAL FINANCIAL ADVISER REGISTRATION**  
10 **REQUIREMENT.**

11 “(a)(1)(A) IN GENERAL.—It shall be unlawful for  
12 any person to make use of the mails or any means or in-  
13 strumentality of interstate commerce to act as a municipal  
14 financial adviser unless such person is registered as a mu-  
15 nicipal financial adviser in accordance with subsection (b).

16 “(B) EXCEPTION FOR EMPLOYEES.—Subparagraph  
17 (A) shall not apply to a natural person associated with  
18 a municipal financial adviser, as long as such adviser is

1 registered in accordance with subsection (b) and is not a  
2 natural person.

3       “(2) The Commission, by rule or order, as it deems  
4 consistent with the public interest and the protection of  
5 investors, may conditionally or unconditionally exempt  
6 from paragraph (1) of this section any municipal financial  
7 adviser or class of municipal financial advisers specified  
8 in such rule or order.

9       “(b)(1) A municipal financial adviser may be reg-  
10 istered by filing with the Commission an application for  
11 registration in such form and containing such information  
12 and documents concerning such municipal financial ad-  
13 viser and any persons associated with such municipal fi-  
14 nancial adviser as the Commission, by rule, may prescribe  
15 as necessary or appropriate in the public interest or for  
16 the protection of investors. Within 45 days of the date of  
17 the filing of such application (or within such longer period  
18 as to which the applicant consents), the Commission  
19 shall—

20               “(A) by order grant registration, or

21               “(B) institute proceedings to determine whether  
22 registration should be denied. Such proceedings shall  
23 include notice of the grounds for denial under con-  
24 sideration and opportunity for hearing and shall be  
25 concluded within 120 days of the date of the filing

1 of the application for registration. At the conclusion  
2 of such proceedings, the Commission, by order, shall  
3 grant or deny such registration. The Commission  
4 may extend the time for conclusion of such pro-  
5 ceedings for up to 90 days if it finds good cause for  
6 such extension and publishes its reasons for so find-  
7 ing or for such longer period as to which the appli-  
8 cant consents.

9 The Commission shall grant such registration if the  
10 Commission finds that the requirements of this sec-  
11 tion are satisfied. The Commission shall deny such  
12 registration if it does not make such a finding or if  
13 it finds that if the applicant were so registered, its  
14 registration would be subject to suspension or rev-  
15 ocation under paragraph (4).

16 “(2) An application for registration of a municipal  
17 financial adviser to be formed or organized may be made  
18 by a municipal financial adviser to which the municipal  
19 financial adviser to be formed or organized is to be the  
20 successor. Such application, in such form as the Commis-  
21 sion, by rule, may prescribe, shall contain such informa-  
22 tion and documents concerning the applicant, the suc-  
23 cessor, and any persons associated with the applicant or  
24 the successor, as the Commission, by rule, may prescribe  
25 as necessary or appropriate in the public interest or for

1 the protection of investors. The grant or denial of registra-  
2 tion to such an applicant shall be in accordance with the  
3 procedures set forth in paragraph (1) of this subsection.  
4 If the Commission grants such registration, the registra-  
5 tion shall terminate on the 45th day after the effective  
6 date thereof, unless prior thereto the successor shall, in  
7 accordance with such rules and regulations as the Com-  
8 mission may prescribe, adopt the application for registra-  
9 tion as its own.

10       “(3) Any provision of this title (other than section  
11 5 and subsection (a) of this section) which prohibits any  
12 act, practice, or course of business if the mails or any  
13 means or instrumentality of interstate commerce is used  
14 in connection therewith shall also prohibit any such act,  
15 practice, or course of business by any registered municipal  
16 financial adviser or any person acting on behalf of such  
17 a municipal financial adviser, irrespective of any use of  
18 the mails or any means or instrumentality of interstate  
19 commerce in connection therewith.

20       “(4) The Commission, by order, shall censure, place  
21 limitations on the activities, functions, or operations of,  
22 suspend for a period not exceeding 12 months, or revoke  
23 the registration of any municipal financial adviser if it  
24 finds, on the record after notice and opportunity for hear-  
25 ing, that such censure, placing of limitations, suspension,

1 or revocation is in the public interest and that such munic-  
2 ipal financial adviser, whether prior or subsequent to be-  
3 coming such, or any person associated with such municipal  
4 financial adviser, whether prior or subsequent to becoming  
5 so associated—

6           “(A) has willfully made or caused to be made  
7           in any application for registration or report required  
8           to be filed with the Commission or with any other  
9           appropriate regulatory agency under this title, or in  
10          any proceeding before the Commission with respect  
11          to registration, any statement which was at the time  
12          and in the light of the circumstances under which it  
13          was made false or misleading with respect to any  
14          material fact, or has omitted to state in any such  
15          application or report any material fact which is re-  
16          quired to be stated therein;

17          “(B) has been convicted within 10 years pre-  
18          ceding the filing of any application for registration  
19          or at any time thereafter of any felony or mis-  
20          demeanor or of a substantially equivalent crime by  
21          a foreign court of competent jurisdiction which the  
22          Commission finds—

23                 “(i) involves the purchase or sale of any  
24                 security, the taking of a false oath, the making  
25                 of a false report, bribery, perjury, burglary, any

1 substantially equivalent activity however de-  
2 nominated by the laws of the relevant foreign  
3 government, or conspiracy to commit any such  
4 offense;

5 “(ii) arises out of the conduct of the busi-  
6 ness of a municipal financial adviser, broker,  
7 dealer, municipal securities dealer, government  
8 securities broker, government securities dealer,  
9 investment adviser, bank, insurance company,  
10 fiduciary, transfer agent, nationally recognized  
11 statistical rating organization, foreign person  
12 performing a function substantially equivalent  
13 to any of the above, or entity or person required  
14 to be registered under the Commodity Ex-  
15 change Act (7 U.S.C. 1 et seq.) or any substan-  
16 tially equivalent foreign statute or regulation;

17 “(iii) involves the larceny, theft, robbery,  
18 extortion, forgery, counterfeiting, fraudulent  
19 concealment, embezzlement, fraudulent conver-  
20 sion, or misappropriation of funds, or securities,  
21 or substantially equivalent activity however de-  
22 nominated by the laws of the relevant foreign  
23 government; or

24 “(iv) involves the violation of section 152,  
25 1341, 1342, or 1343 or chapter 25 or 47 of

1 title 18, or a violation of a substantially equiva-  
2 lent foreign statute;

3 “(C) is permanently or temporarily enjoined by  
4 order, judgment, or decree of any court of competent  
5 jurisdiction from acting as a municipal financial ad-  
6 viser, investment adviser, underwriter, broker, deal-  
7 er, municipal securities dealer, government securities  
8 broker, government securities dealer, transfer agent,  
9 nationally recognized statistical rating organization,  
10 foreign person performing a function substantially  
11 equivalent to any of the above, or entity or person  
12 required to be registered under the Commodity Ex-  
13 change Act or any substantially equivalent foreign  
14 statute or regulation, or as an affiliated person or  
15 employee of any investment company, bank, insur-  
16 ance company, foreign entity substantially equivalent  
17 to any of the above, or entity or person required to  
18 be registered under the Commodity Exchange Act or  
19 any substantially equivalent foreign statute or regu-  
20 lation or from engaging in or continuing any con-  
21 duct or practice in connection with any such activity,  
22 or in connection with the purchase or sale of any se-  
23 curity;

24 “(D) has willfully violated any provision of the  
25 Securities Act of 1933, the Investment Advisers Act

1 of 1940, the Investment Company Act of 1940, the  
2 Commodity Exchange Act, this title, the rules or  
3 regulations under any of such statutes, or is unable  
4 to comply with any such provision;

5 “(E) has willfully aided, abetted, counseled,  
6 commanded, induced, or procured the violation by  
7 any other person of any provision of the Securities  
8 Act of 1933, the Investment Advisers Act of 1940,  
9 the Investment Company Act of 1940, the Com-  
10modity Exchange Act, this title, the rules or regula-  
11tions under any of such statutes, or has failed rea-  
12sonably to supervise, with a view to preventing viola-  
13tions of the provisions of such statutes, rules, and  
14regulations, another person who commits such a vio-  
15lation, if such other person is subject to his super-  
16vision. For the purposes of this subparagraph, no  
17person shall be deemed to have failed reasonably to  
18supervise any other person, if—

19 “(i) there have been established proce-  
20dures, and a system for applying such proce-  
21dures, which would reasonably be expected to  
22prevent and detect, insofar as practicable, any  
23such violation by such other person, and

24 “(ii) such person has reasonably dis-  
25charged the duties and obligations incumbent



1           upon him by reason of such procedures and sys-  
2           tem without reasonable cause to believe that  
3           such procedures and system were not being  
4           complied with;

5           “(F) is subject to any order of the Commission  
6           barring or suspending the right of the person to be  
7           associated with a municipal financial adviser;

8           “(G) has been found by a foreign financial reg-  
9           ulatory authority to have—

10           “(i) made or caused to be made in any ap-  
11           plication for registration or report required to  
12           be filed with a foreign financial regulatory au-  
13           thority, or in any proceeding before a foreign fi-  
14           nancial regulatory authority with respect to reg-  
15           istration, any statement that was at the time  
16           and in the light of the circumstances under  
17           which it was made false or misleading with re-  
18           spect to any material fact, or has omitted to  
19           state in any application or report to the foreign  
20           financial regulatory authority any material fact  
21           that is required to be stated therein;

22           “(ii) violated any foreign statute or regula-  
23           tion regarding transactions in securities, or con-  
24           tracts of sale of a commodity for future deliv-

1           ery, traded on or subject to the rules of a con-  
2           tract market or any board of trade;

3           “(iii) aided, abetted, counseled, com-  
4           manded, induced, or procured the violation by  
5           any person of any provision of any statutory  
6           provisions enacted by a foreign government, or  
7           rules or regulations thereunder, empowering a  
8           foreign financial regulatory authority regarding  
9           transactions in securities, or contracts of sale of  
10          a commodity for future delivery, traded on or  
11          subject to the rules of a contract market or any  
12          board of trade, or has been found, by a foreign  
13          financial regulatory authority, to have failed  
14          reasonably to supervise, with a view to pre-  
15          venting violations of such statutory provisions,  
16          rules, and regulations, another person who com-  
17          mits such a violation, if such other person is  
18          subject to his supervision; or

19          “(H) is subject to any final order of a State se-  
20          curities commission (or any agency or officer per-  
21          forming like functions), State authority that super-  
22          vises or examines banks, savings associations, or  
23          credit unions, State insurance commission (or any  
24          agency or office performing like functions), an ap-  
25          propriate Federal banking agency (as defined in sec-

1       tion 3 of the Federal Deposit Insurance Act (12  
2       U.S.C. 1813(q)), or the National Credit Union Ad-  
3       ministration, that—

4               “(i) bars such person from association with  
5               an entity regulated by such commission, author-  
6               ity, agency, or officer, or from engaging in the  
7               business of securities, insurance, banking, sav-  
8               ings association activities, or credit union activi-  
9               ties; or

10              “(ii) constitutes a final order based on vio-  
11              lations of any laws or regulations that prohibit  
12              fraudulent, manipulative, or deceptive conduct.

13       “(5) Pending final determination whether any reg-  
14       istration under this subsection shall be revoked, the Com-  
15       mission, by order, may suspend such registration, if such  
16       suspension appears to the Commission, after notice and  
17       opportunity for hearing, to be necessary or appropriate in  
18       the public interest or for the protection of investors. Any  
19       registered municipal financial adviser may, upon such  
20       terms and conditions as the Commission deems necessary  
21       or appropriate in the public interest or for the protection  
22       of investors, withdraw from registration by filing a written  
23       notice of withdrawal with the Commission. If the Commis-  
24       sion finds that any registered municipal financial adviser  
25       is no longer in existence or has ceased to do business as

1 a municipal financial adviser, the Commission, by order,  
2 shall cancel the registration of such municipal financial  
3 adviser.

4 “(6)(A) With respect to any person who is associated,  
5 who is seeking to become associated, or, at the time of  
6 the alleged misconduct, who was associated or was seeking  
7 to become associated with a municipal financial adviser,  
8 the Commission, by order, shall censure, place limitations  
9 on the activities or functions of such person, or suspend  
10 for a period not exceeding 12 months, or bar such person  
11 from being associated with a municipal financial adviser,  
12 if the Commission finds, on the record after notice and  
13 opportunity for a hearing, that such censure, placing of  
14 limitations, suspension, or bar is in the public interest and  
15 that such person—

16 “(i) has committed or omitted any act, or is  
17 subject to an order or finding, enumerated in sub-  
18 paragraph (A), (D), or (E) of paragraph (4) of this  
19 subsection;

20 “(ii) has been convicted of any offense specified  
21 in subparagraph (B) of such paragraph (4) within  
22 10 years of the commencement of the proceedings  
23 under this paragraph; or

1           “(iii) is enjoined from any action, conduct, or  
2           practice specified in subparagraph (C) of such para-  
3           graph (4).

4           “(B) It shall be unlawful—

5           “(i) for any person as to whom an order under  
6           subparagraph (A) is in effect, without the consent of  
7           the Commission, willfully to become, or to be, associ-  
8           ated with a municipal financial adviser in contraven-  
9           tion of such order; or

10          “(ii) for any municipal financial adviser to per-  
11          mit such a person, without the consent of the Com-  
12          mission, to become or remain, a person associated  
13          with the municipal financial adviser in contravention  
14          of such order, if such municipal financial adviser  
15          knew, or in the exercise of reasonable care should  
16          have known, of such order.

17          “(7) No registered municipal financial adviser shall  
18          act as such unless it meets such standards of operational  
19          capability and such municipal financial adviser and all  
20          natural persons associated with such municipal financial  
21          adviser meet such standards of training, experience, com-  
22          petence, and such other qualifications as the Commission  
23          finds necessary or appropriate in the public interest or for  
24          the protection of investors. The Commission shall establish  
25          such standards by rules and regulations, which may—

1           “(A) specify that all or any portion of such  
2 standards shall be applicable to any class of munic-  
3 ipal financial advisers and persons associated with  
4 municipal financial advisers;

5           “(B) require persons in any such class to pass  
6 tests prescribed in accordance with such rules and  
7 regulations, which tests shall, with respect to any  
8 class of partners, officers, or supervisory employees  
9 (which latter term may be defined by the Commis-  
10 sion’s rules and regulations) engaged in the manage-  
11 ment of the municipal financial adviser, include  
12 questions relating to bookkeeping, accounting, super-  
13 vision of employees, maintenance of records, and  
14 other appropriate matters; and

15           “(C) provide that persons in any such class  
16 other than municipal financial advisers and partners,  
17 officers, and supervisory employees of municipal fi-  
18 nancial advisers, may be qualified solely on the basis  
19 of compliance with such standards of training and  
20 such other qualifications as the Commission finds  
21 appropriate.

22 The Commission, by rule, may prescribe reasonable fees  
23 and charges to defray its costs in carrying out this para-  
24 graph, including, but not limited to, fees for any test ad-  
25 ministered by it or under its direction.

1       “(c)(1)(A) No municipal financial adviser shall make  
2 use of the mails or any means or instrumentality of inter-  
3 state commerce in connection with which such municipal  
4 financial adviser engages in any fraudulent, deceptive, or  
5 manipulative act or practice or violates such rules and reg-  
6 ulations regarding conflicts of interest or fair practices,  
7 including but not limited to rules and regulations related  
8 to political contributions, as the Commission shall pre-  
9 scribe in the public interest or for the protection of inves-  
10 tors or to maintain fair and orderly markets.

11       “(B) The Commission shall, for the purposes of this  
12 paragraph as the Commission finds necessary or appro-  
13 priate in the public interest or for the protection of inves-  
14 tors, by rules and regulations define, and prescribe means  
15 reasonably designed to prevent, such acts and practices  
16 as are fraudulent, deceptive, or manipulative.

17       “(2) If the Commission finds, after notice and oppor-  
18 tunity for a hearing, that any person subject to the provi-  
19 sions of this section or any rule or regulation thereunder  
20 has failed to comply with any such provision, rule, or regu-  
21 lation in any material respect, the Commission may pub-  
22 lish its findings and issue an order requiring such person,  
23 and any person who was a cause of the failure to comply  
24 due to an act or omission the person knew or should have  
25 known would contribute to the failure to comply, to com-

1 ply, or to take steps to effect compliance, with such provi-  
2 sion or such rule or regulation thereunder upon such  
3 terms and conditions and within such time as the Commis-  
4 sion may specify in such order.

5       “(d) Every registered municipal financial adviser  
6 shall establish, maintain, and enforce written policies and  
7 procedures reasonably designed, taking into consideration  
8 the nature of such municipal financial adviser’s business,  
9 to prevent the misuse in violation of this title, or the rules  
10 or regulations thereunder, of material, nonpublic informa-  
11 tion by such municipal financial adviser or any person as-  
12 sociated with such municipal financial adviser. The Com-  
13 mission, as it deems necessary or appropriate in the public  
14 interest or for the protection of investors, shall adopt rules  
15 or regulations to require specific policies or procedures  
16 reasonably designed to prevent misuse in violation of this  
17 title (or the rules or regulations thereunder) of material,  
18 nonpublic information.

19       “(e) A municipal financial adviser and any person as-  
20 sociated with such municipal financial adviser shall be  
21 deemed to have a fiduciary duty to any municipal securi-  
22 ties issuer for whom such municipal financial adviser acts  
23 as a municipal financial adviser. A municipal financial ad-  
24 viser may not engage in any act, practice, or course of  
25 business which is not consistent with a municipal financial



1 adviser's fiduciary duty. The Commission shall, for the  
2 purposes of this paragraph, by rules and regulations de-  
3 fine, and prescribe means reasonably designed to prevent,  
4 such acts, practices, and courses of business as are not  
5 consistent with a municipal financial adviser's fiduciary  
6 duty to its clients."

7 (b) DEFINITION.—Section 3(a) of the Securities Ex-  
8 change Act of 1934 (15 U.S.C. 78c(a)) is amended by  
9 adding at the end the following new paragraphs:

10 "(65) MUNICIPAL FINANCIAL ADVISER.—

11 "(A) The term 'municipal financial adviser'  
12 means a person who, for compensation, engages  
13 in the business of—

14 "(i) providing advice to a municipal  
15 securities issuer with respect to—

16 "(I) the issuance or proposed  
17 issuance of securities, including any  
18 remarketing of municipal securities  
19 directly or indirectly by or on behalf  
20 of a municipal securities issuer;

21 "(II) the investment of proceeds  
22 from securities issued by such munic-  
23 ipal securities issuer;

24 "(III) the hedging of any risks  
25 associated with subclauses (I) or (II),

1 including advice as to swap agree-  
2 ments (as defined in section 206A of  
3 the Gramm-Leach-Bliley Act regard-  
4 less of whether the counterparties  
5 constitute eligible contract partici-  
6 pants); or

7 “(IV) preparation of disclosure  
8 documents in connection with the  
9 issuance, proposed issuance, or pre-  
10 vious issuance of securities issued by  
11 a municipal securities issuer, includ-  
12 ing, without limitation, official state-  
13 ments and documents prepared in  
14 connection with a written agreement  
15 or contract for the benefit of holders  
16 of such securities described in section  
17 240.15c2-12 of title 17, Code of Fed-  
18 eral Regulations; or

19 “(ii) assisting a municipal securities  
20 issuer in selecting or negotiating guaran-  
21 teed investment contracts or other invest-  
22 ment products; or

23 “(iii) assisting any municipal securi-  
24 ties issuer in the primary offering of secu-  
25 rities not involving a public offering.

1 “(B) Such term does not include—

2 “(i) an attorney, if the attorney is of-  
3 fering advice or providing services that are  
4 of a traditional legal nature;

5 “(ii) a nationally recognized statistical  
6 rating organization to the extent it is in-  
7 volved in the process of developing credit  
8 ratings;

9 “(iii) a registered broker-dealer when  
10 acting as an underwriter, as such term is  
11 defined in section 2(a)(11) of the Securi-  
12 ties Act of 1933 (15 U.S.C. section  
13 77b(a)(11)); or

14 “(iv) a State or any political subdivi-  
15 sion thereof.

16 “(66) MUNICIPAL SECURITIES ISSUER.—The  
17 term ‘municipal securities issuer’ means—

18 “(A) any entity that has the ability to  
19 issue a security the interest on which is exclud-  
20 able from gross income under section 103 of the  
21 Internal Revenue Code of 1986 and the regula-  
22 tions thereunder; or

23 “(B) any person who receives the proceeds  
24 generated from the issuance of municipal secu-  
25 rities.

1           “(67) PERSON ASSOCIATED WITH A MUNICIPAL  
2           FINANCIAL ADVISER; ASSOCIATED PERSON OF A MU-  
3           NICIPAL FINANCIAL ADVISER.—The term ‘person as-  
4           sociated with a municipal financial adviser’ or ‘asso-  
5           ciated person of a municipal financial adviser’ means  
6           any partner, officer, director, or branch manager of  
7           such municipal financial adviser (or any person oc-  
8           cupying a similar status or performing similar func-  
9           tions), any person directly or indirectly controlling,  
10          controlled by, or under common control with such  
11          municipal financial adviser, or any employee of such  
12          municipal financial adviser, except that any person  
13          associated with a municipal financial adviser whose  
14          functions are solely clerical or ministerial shall not  
15          be included in the meaning of such term for pur-  
16          poses of section 15F(b) (other than paragraph (6)  
17          thereof).”.

18 **SEC. 702. CONFORMING AMENDMENTS.**

19          (a) SECURITIES EXCHANGE ACT OF 1934 .—The Se-  
20          curities Exchange Act of 1934 is amended—

21                 (1) in section 15(b)(4)(B)(ii) (15 U.S.C.  
22                 78o(b)(4)(B)(ii)), by inserting “municipal finance  
23                 adviser,” after “nationally recognized statistical rat-  
24                 ing organization,”;

1           (2) in section 15(b)(4)(C) (15 U.S.C.  
2       78o(b)(4)(C)), by inserting “municipal finance ad-  
3       viser,” after “nationally recognized statistical rating  
4       organization,”; and

5           (3) in section 17(a)(1) (15 U.S.C. 78q(a)(1)),  
6       by inserting “registered municipal financial adviser,”  
7       after “nationally recognized statistical rating organi-  
8       zation,”.

9       (b) INVESTMENT COMPANY ACT OF 1940.—The In-  
10      vestment Company Act of 1940 is amended—

11           (1) in section 2(a) (15 U.S.C. 80a-2(a)), by in-  
12      serting the following new paragraph:

13           “(54) The term ‘municipal finance adviser’ has  
14      the same meaning as in section 3 of the Securities  
15      Exchange Act of 1934.”;

16           (2) in section 9(a)(1) (15 U.S.C. 80a-9(a)(1)),  
17      by inserting “municipal finance adviser,” after  
18      “credit rating agency,”; and

19           (3) in section 9(a)(2) (15 U.S.C. 80a-9(a)(2)),  
20      by inserting “municipal finance adviser,” after  
21      “credit rating agency,”.

22      (c) INVESTMENT ADVISERS ACT OF 1940.—The In-  
23      vestment Advisers Act of 1940 is amended—

24           (1) in section 202(a) (15 U.S.C. 80b-2(a)), by  
25      inserting the following new paragraph:

1           “(29) The term ‘municipal finance adviser’ has  
2           the same meaning as in Section 3 of the Securities  
3           Exchange Act of 1934.”;

4           (2) in section 203(e)(2)(B) (15 U.S.C. 80b-  
5           3(e)(2)(B)), by inserting “municipal finance ad-  
6           viser,” after “credit rating agency,”; and

7           (3) in section 203(e)(4) (15 U.S.C. 80b-  
8           3(e)(4)) is amended by inserting “municipal finance  
9           adviser,” after “credit rating agency,”.

10 **SEC. 703. EFFECTIVE DATES.**

11           (a) **IN GENERAL.**—The amendments made by this  
12 title shall take effect 30 days after the date of the enact-  
13 ment of this Act.

14           (b) **EFFECTIVE DATE AND REQUIREMENTS FOR**  
15 **REGULATIONS.**—Notwithstanding subsection (a), the Se-  
16 curities and Exchange Commission shall, within 120 days  
17 after the date of the enactment of this Act, publish for  
18 notice and public comment such regulations as are initially  
19 required to implement this title, and shall take final action  
20 with respect to such regulations not later than 270 days  
21 after the date of enactment of this Act.

22           (c) **REGISTRATION DATE.**—No person may continue  
23 to act as a municipal financial adviser, as such term is  
24 defined in section 3(a)(65) of the Securities Exchange Act  
25 of 1934 (as added by this title), after 30 days after the

1 date the regulations described in subsection (b) become  
2 effective unless such person has been registered as re-  
3 quired by the amendment made by section 701 of this  
4 title.

Amend the table of contents in section 2 by adding  
at the end the following:

TITLE VII—REGISTRATION OF MUNICIPAL FINANCIAL ADVISORS

Sec. 701. Municipal financial adviser registration requirement.

Sec. 702. Conforming amendments.

Sec. 703. Effective dates.



