

# Washington Update



## SEC, FINRA, MSRB TO HOLD COMPLIANCE OUTREACH PROGRAM FOR MUNICIPAL ADVISORS

Registration is now open for the Compliance Outreach Program for Municipal Advisors that will take place in Philadelphia on February 3, 2016. The program will be webcast live on the U.S. Securities and Exchange Commission's website.

The SEC's Office of Compliance Inspections and Examinations, in coordination with the SEC's Office of Municipal Securities, is partnering with the Financial Industry Regulatory Authority and the Municipal Securities Rulemaking Board to sponsor the program. The program will provide a forum for discussions between municipal

advisor professionals and regulators about recent exam findings, regulatory issues and compliance practices.

MSRB Executive Director Lynnette Kelly stated, "This program is consistent with the MSRB's goal of providing resources to municipal advisors to help them understand their regulatory obligations. Municipal advisors will benefit from hearing first-hand from our staff."

There is no cost to attend the program. Registration is open to all municipal advisor professionals. Registration for the event can be found at <https://www.cvent.com/events/2016-compliance-outreach-program-for-municipal-advisors-philadelphia-pa-registration-bb918fff4da94e77b3aaa15267a9b913.aspx>.

## PUERTO RICO ASKS FOR CONGRESSIONAL HELP WITH DEBT CRISIS

Last Tuesday, the Senate Judiciary Committee held a hearing to examine and learn more about the origin of the commonwealth of Puerto Rico's fiscal problems and what is needed to help restore fiscal balance and economic growth. One of the biggest hurdles to solving the commonwealth's financial problems is that Puerto Rico has failed to provide audited financial statements for the past two years. Without reliable financial data, the debt and spending increased to the point where Puerto Rico lost investor confidence.

The hearing featured Puerto Rico's governor, Alejandro Javier García Padilla. In prepared remarks, the governor stated:



“The Commonwealth has no legal authority to restructure its debts or any legal recourse to defend its citizens from a default. Congress and the U.S. courts have left the people of Puerto Rico bereft of any legal remedy. And the downward spiral of economic contraction and revenue declines is intensifying. Without a federally authorized legal framework, this will be the beginning of a very long and chaotic process. Give Puerto Rico the tools it needs to manage its crisis.”

With \$70 billion in debt and a shrinking economy and populace, it is widely believed that the commonwealth will soon begin defaulting on bond payments. The next payment of roughly \$1 billion is due on January 1.

Full hearing video and testimony from all panelists can be found at [www.judiciary.senate.gov/meetings/puerto-ricos-fiscal-problems-examining-the-source-and-exploring-the-solution](http://www.judiciary.senate.gov/meetings/puerto-ricos-fiscal-problems-examining-the-source-and-exploring-the-solution).

## THE WEEK AHEAD: STATE EXCHANGES

### Tuesday

The House Energy and Commerce Subcommittee on Oversight and Investigations will conduct a hearing on various state health insurance exchanges to get feedback on the implementation of the exchanges and what challenges they faced. The hearing, entitled “An Overdue Checkup Part II: Examining the ACA’s State Insurance Marketplaces,” will feature testimony from the acting administrator of the Centers for Medicare and Medicaid Services, Andy Slavitt.

<http://energycommerce.house.gov/hearing/overdue-checkup-part-ii-examining-acas-state-insurance-marketplace>

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