

Quick Reference Guide - 2024 SLGS Program Changes

State and Local Government Series Securities

SLGS Program Changes in Brief

	New Rule	Old Rule
Subscriptions	Security information is required for SLGS time deposits when a subscription is submitted.	Security information was required by 3:00 PM on issue date.
	Changes to principal amounts greater/less than 10% are calculated at the security level.	Changes to principal amounts greater/less than 10% were calculated at the case level.
	Maturity date changes are restricted to +/- 30 days for certificate of indebtedness (C of I), +/- 6 months for notes, and +/- 1 year for bonds.	Maturity date changes were allowed until 3:00 PM on issue date with no restrictions.
	Subscriptions require a 'Yes' or 'No' designation for EMMA® (Electronic Municipal Market Access) registration. 'Yes' designations must reflect the "Issue Description" as it is registered in EMMA.	There was no designation requirement for the EMMA Registration.
Redemptions	Early redemption requests cannot be entered until 14 days after the issue date for notes and bonds.	Early redemption requests could be requested the day after issuance for notes and bonds.
	New lead time of five (5) business days is required for SLGS demand deposit redemptions \$500 million or more. All lead time requirements for demand redemptions will be determined by total redemptions at the owner level.	SLGS demand deposit redemption lead times were one (1) business day for \$10 million or less and three (3) business days for more than \$10 million. All lead time requirements were determined at the security level.
Certifications	Subscribers certify that the term of securities being subscribed for is no longer than reasonably necessary for the underlying governmental purpose.	No certification as to security terms was required.
	Subscribers certify that funds or issuer eligibility changes will be communicated to Treasury as soon as practicable.	No certification as to eligibility changes was required.

SLG Safe Customer Experience Enhancements

Subscriptions	Subscriptions can now be saved without submitting (but must be submitted the same business day).	Subscriptions must be entered and submitted at the same time.
Debt Issuance Suspension Period (DISP)	Special 90-day C of I's are accessible in SLG Safe during a debt limit contingency.	Special 90-day C of I's were not accessible in SLG Safe during a debt limit contingency.

SLGS Securities - Rule Amendment



The U.S. Department of the Treasury, Bureau of the Fiscal Service has published an updated rule governing State and Local Government Series (SLGS) nonmarketable Treasury securities under CFR Title 31, Subtitle B, Chapter II, Subchapter A, Part 344. The amended rule will be effective Monday, August 26, 2024, unless an extension is necessary. If an extension is required, Fiscal Service will issue an updated press release.

The new rule amends the SLGS regulations to prevent impermissible uses of the SLGS program, most notably the use of program flexibilities by tax-advantaged entities, usually a state or local government, investing in SLGS securities to create impermissible cost-free options. In addition, the rule makes administrative changes to increase efficiencies in the program to lower Treasury's borrowing and administrative costs, and additional costs passed to the Federal taxpayer.

The TreasuryDirect website has more information about the SLGS Program and the updated regulation.

The SLGS program began in 1972 to assist state and local government entities in complying with IRS arbitrage regulations. SLGS securities are not available to the general public.

This guide only summarizes select changes and the complete SLGS rules (31 CFR Part 344) should be consulted for all changes that have been made. In the event that information in this guide conflicts with the SLGS rules, the rules will govern.

SLGS & SLG Safe Help Desk:
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