



The Security Traders Association of New York, Inc.

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January 7, 2022

Ms. Vanessa Countryman  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-1090

Re: File No. S7-18-21; Reporting of Securities Loans

Dear Ms. Countryman:

On behalf of the members of The Security Traders Association of New York, Inc. ("STANY")<sup>1</sup> we respectfully request that the U.S. Securities and Exchange Commission ("Commission") extend the comment period for the above-captioned proposal ("Proposal") from the current 30-day period to a 90-day period from the date of publication in the Federal Register to provide the industry and the public with suitable time in which to evaluate and comment on the Proposal.<sup>2</sup>

Given the breadth of the Proposal, the impact on a broad range of market participants, and the timing of the filing, the 30-day comment period is insufficient and inconsistent with the spirit of the Administrative Procedure Act which requires agencies to provide the public with adequate notice of proposed rules and a meaningful opportunity to comment.

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<sup>1</sup> STANY, a membership association representing professionals engaged in the trading of securities since 1937, is committed to be a leading advocate of policies and programs that foster investor trust, professional ethics, and marketplace integrity and that support capital formation, marketplace innovation, and education of market participants. As an industry organization comprised of individuals employed in the securities markets, STANY does not represent a single business or business model, but rather provides a forum for trading professionals representing institutions, hedge funds, broker-dealers, ATs, trading centers and technology companies to share their unique perspectives on issues facing the securities markets.

<sup>2</sup> See Release No. 34-93613 (November 18, 2021), 86 FR 69802 (December 8, 2021)

We do not believe that providing a 90-day comment period will materially delay the Commission's efforts to complete rulemaking under the Dodd-Frank Act which charged the Commission with promulgating rules designed to increase the transparency of information available to brokers, dealers, and investors, with respect to the loan or borrowing of securities. On the contrary, the solicitation of public and market participant comments will enhance the quality of Commission rulemaking.

The Commission typically provides a comment period of 30-days only in rare instances and then generally only when proposals address ministerial rulemakings. In a case of significant rulemaking, such as the instant Proposal in which the Commission seeks comment on 97 subjects each with multiple questions, the Commission has historically provided the public with a 60 or 90-day period in which to submit comments.

On this, and other complex regulatory proposals, public comments, and market participant feedback from a broad range of experiences plays a significant role in identifying potential unintended negative consequences attendant to new and revised rules. STANY and its members are interested working with the commission to minimize unintended consequences of rulemaking and ensure that regulations best serve the U.S. capital markets and the Commission's objective. Industry and public feedback make for better rulemaking.

The vast scope of the new requirements proposed for securities lending and the potential costs that the requirements may impose, warrant a 90-day comment period. We respectfully request that the Commission extend the comment period on the Proposal so that STANY member firms and the public have 90 days in which to evaluate, analyze, and provide meaningful comments.

Respectfully submitted,

/s/ Kimberly Unger

Kimberly Unger  
CEO

cc:

The Honorable Gary Gensler, Chair  
The Honorable Elad L. Roisman, Commissioner  
The Honorable Hester M. Peirce, Commissioner  
The Honorable Allison Herren Lee, Commissioner  
The Honorable Caroline A. Crenshaw, Commissioner