

**Congress of the United States**  
Washington, DC 20515

July 12, 2023

The Honorable Gary Gensler  
Chair  
Securities and Exchange Commission  
100 F Street NE  
Washington, D.C. 20549

Dear Chair Gensler,

We write with respect to the Securities and Exchange Commission's (SEC) two proposed rulemakings pertaining to security-based swaps and securities loans. In order to help the communities we represent succeed, regulators must support the U.S. economy by promoting liquid and efficient markets. We are concerned that the SEC's proposals to publicly disclose positions in security-based swaps and securities loans on a loan-by-loan basis could impair market liquidity and hinder the SEC's core mission to maintain fair, orderly, and efficient markets.

During your testimony before the House Financial Services Committee on April 18<sup>th</sup>, 2023, we were encouraged to hear that the SEC is taking into consideration the bipartisan letter on these proposals from the 117<sup>th</sup> Congress.<sup>1</sup> We write to clarify that the approach suggested in that letter is consistent with the relevant portions of the Dodd-Frank Act – Section 763 related to SBS and Section 984(b) related to securities lending – and Congress's intent when writing this landmark law.

We support regulatory changes aimed at increasing transparency to give regulators the tools they need to surveil markets and ensure they are fair, efficient, and competitive. While well-intentioned, we believe the proposals could compromise these objectives by releasing sensitive and potentially misleading information to the public. In order to avoid unintended negative consequences, we encourage the Commission to adopt an approach that requires reporting solely for regulatory purposes when finalizing these proposals. This would allow the Commission to study the collected data and consult stakeholders before making any determinations about the specifics of a public dissemination regime, consistent with the Dodd-Frank Act.

We appreciate your efforts on these important issues and look forward to your response.

Sincerely,

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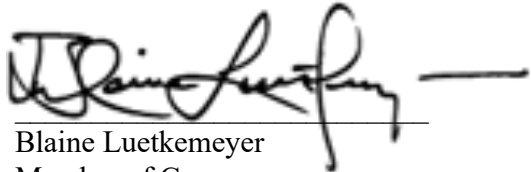
<sup>1</sup> <https://www.sec.gov/comments/s7-32-10/s73210-20151614-320117.pdf>



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Member of Congress



David Scott  
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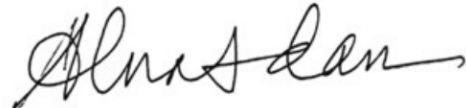
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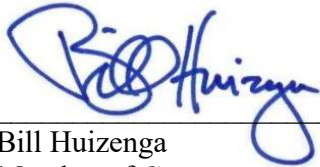
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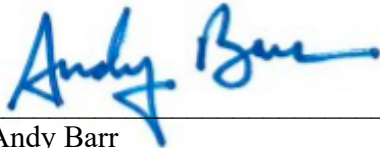
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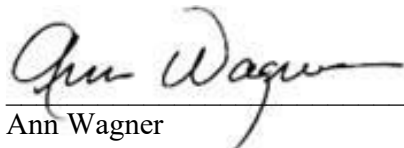
Vicente Gonzalez  
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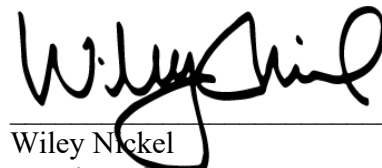
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