

November 30, 2023

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

Re: Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change Relating to Dissemination of Information on Individual Transactions in US Treasury Securities and Related Fees (File No. SR-FINRA-2023-015)

Dear Ms. Countryman:

The Investment Company Institute¹ is writing to request that the Securities and Exchange Commission (the “Commission”) provide additional time for review of, and public comment on, the Financial Industry Regulatory Authority’s (FINRA) proposed rule changes that would allow FINRA to disseminate transaction-level data in certain US Treasury securities on an end-of-the-day basis.² Given that FINRA did not solicit public comment prior to filing the proposed rule changes and the Commission set a comment deadline of 21 days after publication in the Federal

¹ The [Investment Company Institute](http://www.ici.org) (ICI) is the leading association representing regulated investment funds. ICI’s mission is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor. ICI’s members include mutual funds, exchange-traded funds (ETFs), closed-end funds, and unit investment trusts (UITs) in the United States, and UCITS and similar funds offered to investors all in other jurisdictions. Its members manage \$30.6 trillion invested in funds registered under the US Investment Company Act of 1940, serving more than 100 million investors. Members manage an additional \$8.8 trillion in regulated fund assets managed outside the United States. ICI also represents its members in their capacity as investment advisers to certain collective investment trusts (CITs) and retail separately managed accounts (SMAs). ICI has offices in Washington DC, Brussels, and London, and carries out its international work through [ICI Global](http://www.ici.org/global).

² *Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change Relating to Dissemination of Information on Individual Transactions in U.S. Treasury Securities and Related Fees*, Exchange Act Release No. 34-98859 (Nov. 3, 2023), 88 Fed. Reg. 77388 (Nov. 9, 2023) (“FINRA Proposal”). Section 19(b)(2) of the Exchange Act provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which a self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved.

Register, interested market participants have been afforded less than a month to review this important proposal and submit comments.³

We recognize and generally support ongoing efforts by regulators and other groups to enhance public transparency in the US Treasury markets. We also emphasize, however, that publicly disseminating transaction-level data would significantly impact market liquidity if such measures are not appropriately calibrated. We appreciate that FINRA's proposal seeks to address concerns about information leakage by limiting the scope of products to more liquid issues, delaying dissemination until the end of the day, and imposing cap sizes on larger transaction sizes. Our members would benefit from more time to evaluate and provide feedback on whether these measures, when applied in tandem, would help to assure that the benefits of more granular reporting are not outweighed by the risks.

Accordingly, we request that the Commission extend the 45-day review period for an additional 45 days so that it can continue to review FINRA's proposal and consider any additional comments submitted during this time. We also welcome the Commission, if appropriate after the longer review period, to institute proceedings to determine whether to approve or disapprove the proposed rule change, which could provide market participants further opportunity to comment on whether the proposal is consistent with Section 15A(b)(6) of the Exchange Act.⁴

If you have any questions, please feel free to contact Sarah Bessin at sarah.bessin@ici.org or Nhan Nguyen at nhan.nguyen@ici.org.

Regards,

/s/ Sarah A. Bessin

Sarah A. Bessin
Deputy General Counsel

³ The Commission published notice of FINRA's proposed rule change on November 3, 2023, and the notice was published in the Federal Register on November 9, 2023, with a deadline of November 30, 2023 for public comment. FINRA Proposal at 77388. This deadline is consistent with the Commission's deadline set out in its November 3 release, which provided that public comments must be submitted within 21 days after publication of the proposal in the Federal Register. Based on the timeline set by the Commission, market participants will have had only 28 days (including November 30) to review and comment on the proposal.

⁴ Section 15A(b)(6) of the Exchange Act requires that FINRA rules, among other things, promote just and equitable principles of trade and, in general, protect investors and the public interest.

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cc: The Honorable Gary Gensler
The Honorable Hester M. Peirce
The Honorable Caroline A. Crenshaw
The Honorable Mark Uyeda
The Honorable Jaime Lizárraga

Dr. Haoxiang Zhu, Director
Division of Trading and Markets

US Securities and Exchange Commission

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