

Seeking Public Input on RMBS Disclosure and ABS Registration



On Sept. 26, 2025, the Securities and Exchange Commission issued a concept release to solicit public comment on the current SEC rules governing asset-backed securities (ABS), including residential mortgage-backed securities (RMBS). RMBS and ABS play an important role in the U.S. capital markets and the U.S. economy, allowing companies and financial institutions to access lower-cost capital to make loans to borrowers and finance operations. In 2004, the Commission established a comprehensive registration, disclosure, and ongoing reporting regulatory framework for RMBS and ABS offerings, with subsequent amendments in 2014.

In light of market trends and developments since the 2014 amendments, the Commission is soliciting comments on whether the current framework for ABS registration and reporting is serving the needs of the current ABS market. In particular, the Commission is seeking input on any steps needed to facilitate more public RMBS offerings and increase liquidity in the public RMBS market, which could potentially lead to benefits for the U.S. housing market, while maintaining appropriate investor protections.

Background

Securitization is a method of financing in which financial assets are pooled and converted into securities, ABS, that may be offered and sold in the capital markets. This method helps provide companies, including banks and other financial institutions, with access to lower-cost capital, enabling them to make loans to borrowers or otherwise finance operations, facilitating capital formation in critical economic sectors, such as housing and consumer lending.

In 2004, the Commission adopted Regulation AB, creating a set of specialized registration, disclosure, and reporting requirements for public ABS offerings and providing the current definition of “asset-backed security” for purposes of compliance with those requirements.

Following the 2008 financial crisis there was a precipitous decline in public RMBS offerings, with no public RMBS offerings since 2013. When Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) in 2010, it directed the Commission to adopt several rules intended to address concerns in the ABS market at the time, including a lack of transparency about the securities.

- One of the rules adopted by the Commission in 2014 in response to the Dodd-Frank Act mandate for increased transparency was a requirement that ABS issuers disclose standardized information about the underlying assets, such as mortgage loans underlying publicly offered RMBS. Some of the asset-level disclosure requirements relate to sensitive information about the mortgage loans underlying RMBS. To mitigate privacy concerns, the Commission designed certain of these requirements to anonymize the data.

The Dodd-Frank Act also added a definition of “asset-backed security” in the Securities Exchange Act of 1934 (Exchange Act). The Exchange Act definition is broader than the definition in Regulation AB.

Highlights of the Concept Release

Recent Developments in Asset-Backed Securities Market

Despite growing interest among ABS market participants for the return of public offerings of RMBS, RMBS has been issued only through private offerings since 2013. Market participants often cite the RMBS asset-level disclosure requirements as a key barrier to the return of RMBS to the public market.

Additionally, market trends and developments in the ABS market more generally, such as new and expanding types of ABS, have prompted the Commission to assess whether the existing framework for registration and reporting is serving the needs of the ABS market today.

Reassessment of RMBS Asset-Level Disclosure Requirements

The concept release solicits public input on whether certain RMBS asset-level disclosure requirements should be revised and discusses the following general topics:

- Whether the Commission’s asset-level disclosure requirements adopted in 2014 are a contributing factor to the absence of publicly offered RMBS;
- Whether any RMBS asset-level disclosure requirements should be revised, removed, added, or otherwise modified to (1) better align with market practice and needs, (2) reduce potential burdens associated with obtaining and disclosing certain information, or (3) reduce ambiguity in the current requirements;
- Whether the Commission should consider changing the frequency of certain disclosures; and
- Whether the Commission should allow issuers to omit certain information as long as they identify the omission and provide an explanation.

Potential Disclosure of Certain Sensitive RMBS Asset-Level Information

The concept release solicits public input on whether and how to address potential disclosure of certain sensitive RMBS asset-level information, including the following issues:

- Whether it would be appropriate to permit RMBS issuers to provide certain sensitive information to investors on an issuer-sponsored website, as is current market practice for privately offered RMBS, and any concerns arising from such an approach;
- Whether there are appropriate alternative approaches to providing RMBS investors with access to sensitive asset-level information; and

- Whether RMBS issuers should make any representations, undertakings, or certifications with respect to the sensitive asset-level information.

Reassessment of the Definition of “Asset-Backed Security”

The concept release solicits public comments on whether to revise the definition of “asset-backed security” in Regulation AB to facilitate expanded access to the public ABS market, as well as whether certain other definitions in Regulation AB should be revised.

The concept release seeks public input on the following:

- Whether the ABS definition in Regulation AB should be revised to better align with the Exchange Act definition and, if so, how;
- Whether such revision would require revisions to other definitions or other requirements in Regulation AB;
- The potential impacts to market participants that would result from such revisions; and
- Any market trends or developments that the Commission should consider in connection with such potential changes.

Interested persons are invited to comment on the general and specific questions raised in the release, as well as on any other aspects of the current framework for registration and reporting requirements for publicly offered ABS. The Commission also welcomes comments on any costs, burdens, or benefits that may result from possible regulatory responses related to the items discussed in the release or otherwise raised by commenters.

What’s Next?

The concept release will be published on the SEC’s website and in the Federal Register. The comment period will remain open for 60 days.
