SECURITIES AND EXCHANGE COMMISSION

August 30, 2022

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Order Approving a Proposed Rule Change to Amend FINRA Rule 6730 (Transaction Reporting) to Enhance TRACE Reporting Obligations for U.S. Treasury Securities

I. Introduction

On May 23, 2022, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) and Rule 19b-4 thereunder, a proposed rule change to amend FINRA Rule 6730 (Transaction Reporting) to Enhance TRACE Reporting Obligations for U.S. Treasury Securities. The proposed rule change was published for comment in the Federal Register on June 3, 2022. On July 13, 2022, pursuant to Section 19(b)(2) of the Act, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change. The Commission received five comments on the

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FINRA submitted a response to the comments on August 18, 2022. This order approves the proposed rule change.

II. Description of the Proposal

FINRA is proposing two changes to its Trade Reporting and Compliance Engine (“TRACE”) reporting rules to enhance the regulatory audit trail and require members to report transactions in U.S. Treasury Securities to FINRA in a more timely manner. Information reported to TRACE regarding transactions in U.S. Treasury Securities is used for regulatory

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7 See letter to Vanessa Countryman, Secretary, Commission, from Robert McNamee, FINRA, dated August 18, 2022 (“FINRA Response Letter”).

8 TRACE is the FINRA-developed system that facilitates the mandatory reporting of over-the-counter transactions in eligible fixed income securities. See generally FINRA Rule 6700 Series.

9 Under Rule 6710(p), a “U.S. Treasury Security” means a security, other than a savings bond, issued by the U.S. Department of the Treasury (the “Treasury Department”) to fund the operations of the federal government or to retire such outstanding securities. The term “U.S. Treasury Security” also includes separate principal and interest components of a U.S. Treasury Security that has been separated pursuant to the Separate Trading of Registered Interest and Principal of Securities (STRIPS) program operated by the Treasury Department.

and other official sector\textsuperscript{11} purposes and is not disseminated publicly.\textsuperscript{12} Among other regulatory uses, FINRA makes the data available to the official sector to assist in the monitoring and analysis of the U.S. Treasury Security markets. The first proposed change would require members to report electronically executed transactions in U.S. Treasury Securities to TRACE in the finest increment captured by the system that executed the transaction. FINRA is proposing to provide an exception from the amended execution timestamp provision for members with limited trading volume in U.S. Treasury Securities. The second proposed change would reduce the reporting timeframe for transactions in U.S. Treasury Securities.

**Execution Timestamps**

Existing Supplementary Material .04 to Rule 6730 provides that, when reporting transactions in U.S. Treasury Securities executed electronically to TRACE, FINRA members must report the Time of Execution\textsuperscript{13} pursuant to paragraph (c)(8) of Rule 6730 to the finest increment of time captured by the member’s system (\textit{e.g.,} millisecond, microsecond), but at a

\begin{footnotesize}
\begin{enumerate}
\item The Treasury Department, the Board of Governors of the Federal Reserve System (the “Federal Reserve”), the Federal Reserve Bank of New York, the SEC and the U.S. Commodity Futures Trading Commission comprise the Inter-Agency Working Group for Treasury Market Surveillance (IAWG or “official sector”).
\item Under Rule 6710(d), the “Time of Execution” generally means the time when the parties to a transaction agree to all of the terms of the transaction that are sufficient to calculate the dollar price of the trade.
\end{enumerate}
\end{footnotesize}
minimum, in increments of seconds.\textsuperscript{14} The “member’s system” referenced in the existing rule refers to the system that is used to report the transaction to TRACE (i.e., the member’s “reporting system”). Under the existing FINRA rule and related guidance, if a member uses multiple systems to facilitate trade reporting and those systems differ in granularity, then the member may use the finest increment that is common across all systems.\textsuperscript{15} As a result, currently FINRA members may use a reporting system to report a trade to TRACE in an increment of time that is less precise than that captured by the system that is used to execute the transaction (i.e., the “execution system”).\textsuperscript{16}

\textsuperscript{14} Existing Supplementary Material .04 provides that a member must report “at a minimum, in increment of seconds.” As discussed below, FINRA states that, to avoid confusion, the proposed amendments update this language to clarify that members must report trades in an increment of “no longer than a second” and no shorter than a microsecond. TRACE currently cannot accept a Time of Execution in an increment that is finer than a microsecond. The proposed rule change would also make a non-substantive edit to Supplementary Material .04 to capitalize the defined term “Time of Execution.” See Notice, supra note 3, at 33845 n. 10.

\textsuperscript{15} Specifically, TRACE Treasury FAQ #3.5.8 provides as follows: Question: Our firm will use two separate systems to facilitate trade reporting of U.S. Treasury Securities for different business lines. One system (“System A”) has the capability to capture the time of execution to the millisecond; however, the second system (“System B”) will only capture the time of execution to the second. Will our firm be required to update System B to capture the time of execution to the millisecond? Answer: No. The rule requires members to report the time of electronic executions to the finest increment of time captured in the member’s system (e.g., millisecond, microsecond), but at a minimum, in increments of seconds. Since the firm would be reporting the time of execution to the finest increment captured by each system, the firm would not need to make any updates to System B to comply with a finer time increment.

\textsuperscript{16} For purposes of Supplementary Material .04, FINRA would consider the relevant execution system to be the system used to execute the particular U.S. Treasury Security transaction being reported to TRACE, regardless of whether the member is using its own internal systems for execution or if the transaction is executed through an external system. For example, if a member executes a transaction in a U.S. Treasury Security through an alternative trading system (“ATS”) or other electronic trading platform, the member would be required to report in the finest increment of time captured by such ATS...
To improve the granularity and consistency of transaction information for U.S. Treasury Securities, FINRA is proposing to amend Supplementary Material .04 to Rule 6730 to instead provide that, when reporting transactions in U.S. Treasury Securities executed electronically, members must report the Time of Execution pursuant to paragraph (c)(8) of Rule 6730 to the finest increment of time captured by the execution system (e.g., millisecond, microsecond), but reporting must be in an increment of (i) no longer than a second and (ii) no shorter than a microsecond. Amended Supplementary Material .04 would not require FINRA members to update execution systems for U.S. Treasury Securities—instead members must update their reporting systems, if necessary, to ensure that their TRACE reports reflect the finest increment of time captured by the execution system (but not finer than a microsecond). Therefore, a FINRA member may be required to update its reporting system for U.S. Treasury Securities if such reporting system does not currently report to TRACE to the same level of granularity as the execution system.

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or electronic trading platform (but no finer than a microsecond, in line with TRACE system parameters). See Notice, supra note 3, at 33845 n. 12.

17 The TRACE system does not accept trade reports in increments finer than a microsecond. Where a firm captures time in a finer increment, the firm must truncate the time when reporting the transaction to TRACE. Specifically, TRACE FAQ #3.5.37 provides as follows: Question: Is rounding permitted when reporting the Time of Execution of a U.S. Treasury Security transaction to TRACE? Answer: No. Members must accurately report a transaction’s Time of Execution and are not permitted to round when reporting to TRACE. The TRACE system can accommodate reporting up to the microsecond and, where the firm captures time in an increment finer than microseconds, the firm must truncate when reporting to TRACE. See Notice, supra note 3, at 33845 n. 13.

18 See Notice, supra note 3, at 33845. In connection with the proposed rule change, FINRA also proposes to amend its existing TRACE FAQs to clarify that a member must report using the finest increment of time captured by the execution system, and therefore may need to update other systems to enable trade reporting using the execution system’s level of timestamp granularity. See Notice, supra note 3, at 33845 n. 14.
FINRA is also proposing to add new Supplementary Material .07 to Rule 6730 to provide a limited exception for members with limited trading volume in U.S. Treasury Securities from the proposed requirement to report electronically executed transactions in U.S. Treasury Securities to the finest increment of time captured by the execution system.\textsuperscript{19} The proposed Supplementary Material would define a “member with limited trading volume in U.S. Treasury Securities” as a FINRA member that executed transactions in U.S. Treasury Securities of $10 million or less in average daily par value, computed by aggregating buy and sell transactions, during the preceding calendar year. Where a member’s activity is below the proposed criteria during the preceding calendar year, such member would not be required to report transactions in U.S. Treasury Securities in the finest increment captured by the execution system and would be permitted to continue to report the Time of Execution for transactions in U.S. Treasury Securities executed electronically as it does today for the duration of the following calendar year.

Under the proposed rule change, a FINRA member that relies on the exception for limited trading volume would be required to confirm on an annual basis that it continues to meet the criteria for the exception based on its trading activity during the preceding calendar year. Where a member no longer meets the criteria for the exception based on its trading activity during a given preceding calendar year, the member may no longer rely on the exception.

\textsuperscript{19} The proposed rule change would also make non-substantive, conforming edits to the Supplementary Material to Rule 6730. Specifically, existing Supplementary Material .06 to Rule 6730 provided a temporary exception for aggregate transaction reporting of U.S. Treasury Securities executed in ATS trading sessions. By its terms, that temporary exception expired on April 12, 2019. Therefore, FINRA is proposing to delete the temporary exception under existing Supplementary Material .06, renumber existing Supplementary Material .07 (ATS Identification of Non-FINRA Member Counterparties for Transactions in U.S. Treasury Securities) as Supplementary Material .06 and add the new exception for members with limited trading volume in U.S. Treasury Securities as new Supplementary Material .07. \textit{See} Notice, \textit{supra} note 3, at 33846 n. 15.
beginning 90 days after the end of such calendar year, which FINRA believes would provide such members with a sufficient amount of time to make any systems changes that may be needed to comply with the amended timestamp requirement.\textsuperscript{20}

**Reporting Timeframe Reduction**

Under existing Rule 6730(a)(4)(A), transactions in U.S. Treasury Securities executed on a business day at or after 12:00:00 a.m. Eastern Time through 5:00:00 p.m. Eastern Time must be reported the same day during TRACE System Hours, i.e., 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time.\textsuperscript{21} A transaction executed on a business day after 5:00:00 p.m. Eastern Time but before the TRACE system closes can be reported the same day before the TRACE system closes, but must be reported no later than the next business day (T+1) during TRACE System Hours, i.e., 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time, and, if reported on T+1, designated “as/of” and include the date of execution. Finally, a transaction executed on a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time (or a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day) must be reported the next business day (T+1)

\textsuperscript{20} Under the proposed rule change, once a member’s activity falls outside of the scope of the proposed criteria based on its trading activity during a given preceding calendar year, such member generally may no longer rely on the exception beginning 90 days after the end of such calendar year, irrespective of whether it again meets the criteria in a subsequent calendar year. However, a member may consult with FINRA staff regarding the availability of the exception where the member has changed business lines or undergone a corporate restructuring that significantly impacts its level of activity in U.S. Treasury Securities. See Notice, supra note 3, at 33846 n. 16.

\textsuperscript{21} Under Rule 6710(t), “TRACE System Hours” means the hours the TRACE system is open, which are 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time on a business day, unless otherwise announced by FINRA.
during TRACE System Hours, i.e., 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time, designated “as/of,” and include the date of execution.

To provide more timely information about transactions in U.S. Treasury Securities, FINRA is proposing to amend Rule 6730(a)(4) to reduce the trade reporting timeframe as follows. Amended Rule 6730(a)(4) would provide that transactions in U.S. Treasury Securities must be reported as soon as practicable, but no later than the following time periods: Amended Rule 6730(a)(4)(A) would require that a transaction executed on a business day at or after 12:00:00 a.m. Eastern Time through 7:59:59 a.m. Eastern Time must be reported the same day no later than 60 minutes after the TRACE system opens. A transaction executed on a business day at or after the time the TRACE system opens at 8:00:00 a.m. Eastern Time through when the TRACE system closes at 6:29:59 p.m. Eastern Time (standard TRACE System Hours) must be reported within 60 minutes of the Time of Execution, except that a transaction executed on a

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22 FINRA is not proposing to provide an exception for members with limited trading activity in U.S. Treasury Securities from the proposed reduced reporting timeframe requirement. See Notice, supra note 3, at 33846 n. 18.

23 In connection with the proposed changes to Rule 6730(a)(4) discussed above, the proposed rule change would also make conforming changes to Supplementary Material .03 to Rule 6730, which sets forth standards for firms reporting transactions “as soon as practicable” after the Time of Execution in accordance with Rule 6730(a). Existing Rule 6730.03 provides that “[e]ach member with a trade reporting obligation pursuant to paragraph (a) above for a TRACE-Eligible Security that is subject to dissemination must adopt policies and procedures reasonably designed to comply with the requirement that transactions in TRACE-Eligible Securities be reported ‘as soon as practicable’ by implementing systems that commence the trade reporting process at the Time of Execution without delay.” Under the proposed rule change, the “as soon as practicable” standard would also apply to transactions in U.S. Treasury Securities, which are not subject to dissemination. Therefore, FINRA is proposing to update the first sentence of Rule 6730.03 to provide that “[e]ach member with an obligation to report a transaction in a TRACE-Eligible Security ‘as soon as practicable’ pursuant to paragraph (a) of this Rule must adopt policies and procedures reasonably designed to comply with this requirement by implementing systems that commence the trade reporting process at the Time of Execution without delay.” See Notice, supra note 3, at 33846 n. 19.
business day less than 60 minutes before 6:30:00 p.m. Eastern Time can be reported the same day before the TRACE system closes, but must be reported no later than 60 minutes after the TRACE system opens the next business day (T+1), and if reported on T + 1, designated “as/of” and include the date of execution. Finally, a transaction executed on a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time, or a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day (determined using Eastern Time) must be reported the next business day (T+1) no later than 60 minutes after the TRACE system opens, designated “as/of,” and include the date of execution.

FINRA represents that it will announce the effective date of the proposed rule change in a Regulatory Notice. The effective date will be no later than 365 days following publication of the Regulatory Notice announcing Commission approval of the proposed rule change.

III. Discussion and Commission Findings

After careful review of the proposed rule change, the comment letters, and FINRA’s response to the comments, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities association. In particular, the Commission finds that the proposed rule change is consistent with Section 15A(b)(6) of the Act, which requires, among other things, that FINRA’s rules be designed to prevent fraudulent and manipulative acts and practices; promote just and equitable principles of trade, and, in general, protect investors and the public interest. In particular, the proposed rule change would enhance the regulatory audit trail for U.S. Treasury

24 In approving this proposed rule change, the Commission has considered the proposed rule’s impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).
Securities available to FINRA and the official sector and assist FINRA in carrying out its statutory duties to surveil and regulate this segment of the market.

Pursuant to Section 19(b)(5) of the Act,\textsuperscript{26} the Commission consulted with and considered the views of the Treasury Department in determining to approve the proposed rule change. The Treasury Department indicated its support for the proposal.\textsuperscript{27} Furthermore, pursuant to Section 19(b)(6) of the Act,\textsuperscript{28} the Commission has considered the sufficiency and appropriateness of existing laws and rules applicable to government securities brokers, government securities dealers, and their associated persons in approving the proposal.

**Execution Timestamps**

As stated above, FINRA proposes to require members to report electronically executed transactions in U.S. Treasury Securities to TRACE in the finest increment captured by the system that executed the transaction. FINRA also proposes to provide an exception from the amended execution timestamp provision for members with limited trading volume in U.S. Treasury Securities. Two commenters raised operational and technological concerns associated with this proposal\textsuperscript{29} and two commenters requested clarification to the definition of an electronically executed transaction.\textsuperscript{30}

\textsuperscript{26} See 15 U.S.C. 78s(b)(5) (providing that the Commission “shall consult with and consider the views of the Secretary of the Treasury prior to approving a proposed rule filed by a registered securities association that primarily concerns conduct related to transactions in government securities, except where the Commission determines that an emergency exists requiring expeditious or summary action and publishes its reasons therefor”).

\textsuperscript{27} See E-mail from U.S. Treasury Department staff to Justin Pica, Division of Trading and Markets, Commission (August 25, 2022).


\textsuperscript{29} See SIFMA Letter at 3; FIF Letter at 2.

\textsuperscript{30} See SIFMA Letter at 3; FIF Letter at 2.
FINRA states that it acknowledges the operational and technological changes that members may need to undertake in order to comply with the proposed change.\(^31\) FINRA also states its view that the benefits to the regulatory audit trail of aligning the timestamps reported to TRACE with those captured by the relevant execution system are appropriate.\(^32\) In response to comments seeking clarification to the definition of an electronically executed transaction, FINRA notes that the current timestamp granularity provision in TRACE reporting rules already applies to transactions that are “executed electronically” and further notes that it encourages members to contact FINRA for guidance on whether a particular transaction would be considered an electronically executed transaction.\(^33\)

The Commission believes that the proposed change to align the level of granularity provided in TRACE reports with the level of granularity in the execution systems will enhance the regulatory audit trail for U.S. Treasury Securities available to FINRA and the official sector by facilitating more efficient matching and sequencing of transactions in the audit trail data.\(^34\) As discussed above, the current rule permits FINRA members to report a trade to TRACE in an increment of time that is less precise than that captured by the execution system, which makes it difficult for FINRA to match and sequence trades. The Commission believes the proposed

\(^{31}\) See FINRA Response Letter at 4-5.
\(^{32}\) See FINRA Response Letter at 5.
\(^{33}\) See id.
\(^{34}\) FINRA represents that, under the existing rule, members may report a trade to TRACE in an increment of time that is less precise than that captured by the execution system, which makes it difficult for FINRA to match interdealer trades when two sides report at different time granularity because coarse granularity in timestamps makes sequencing trades less precise. To address this concern, the proposal requires that, when reporting transactions in U.S. Treasury Securities executed electronically, members must report the Time of Execution to the finest increment of time captured by the execution system, but must report in an increment of time that is no longer than a second and no shorter than a microsecond. See Notice, supra note 3, at 33847.
change is reasonably designed to address this concern as FINRA represents that finer time granularity in the audit trail would allow transactions to be matched more accurately and sequenced with more precision, thus facilitating trade matching and sequencing for U.S. Treasury Securities. This, in turn, facilitates market oversight by providing FINRA and the official sector with more useful information on U.S. Treasury Security transactions. The Commission also believes that providing an exception from the amended execution timestamp requirement for FINRA members with limited trading volume in U.S. Treasury Securities is appropriate, as the proposed exception would reduce burdens for FINRA members with limited activity.

The Commission recognizes that the proposed change may result in costs for FINRA members that trade U.S. Treasury Securities where members must implement changes to their processes and systems for reporting U.S. Treasury Securities transactions to TRACE. As discussed above, however, the Commission believes that the important regulatory purpose served by the proposal justifies the potential burdens. The Commission also recognizes that the proposed change may also affect competition among reporting firms, where firms reporting only a limited number of trades may face the same costs of upgrading their systems and therefore find their limited trading in U.S. Treasury Securities less viable. The Commission nevertheless believes that the impact on such firms is expected to be mitigated by the proposed exception for eligible FINRA members with limited trading volume, as previously described.

**Reporting Timeframe Reduction**

As stated above, FINRA proposes to shorten the reporting timeframe for transactions in U.S. Treasury Securities. Two commenters support the proposal to require members to report
transactions in U.S. Treasury Securities to TRACE in a more timely manner.\textsuperscript{35} One commenter suggests that FINRA postpone implementation of a shorter reporting timeframe.\textsuperscript{36} This commenter notes several current initiatives related to TRACE, including the Treasury Department’s recent publication of a Request for Information\textsuperscript{37} (RFI) on additional post-trade transparency of data regarding secondary market transactions of U.S. Treasury Securities, and suggests that implementing technological and operational changes now, followed by the possibility of additional changes at a later date, would be inefficient and could result in work that is unnecessary in the long term.\textsuperscript{38}

FINRA acknowledges the fact that there are several current TRACE initiatives\textsuperscript{39} but notes that it does not believe that there is any conflict presented by advancing the proposal to shorten the reporting timeframe for transactions in U.S. Treasury Securities and states that it does

\textsuperscript{35} See Citadel Letter at 1; FIA Letter at 1-2.

\textsuperscript{36} See SIFMA Letter at 1-2. This commenter also encouraged FINRA to review the benefits of a shortened reporting timeframe in light of how FINRA and its regulatory partners are using TRACE data, and to consider whether that use is impeded by the current reporting timeframes and whether there are any incremental benefits from a 60-minute timeframe as opposed to an intermediate interval (such as two hours, as originally recommended by SIFMA). See id. In response, FINRA states that the proposal strikes an appropriate balance to provide FINRA and the official sector with more timely information about U.S. Treasury Security market activity, noting that members already report over 90 percent of transactions in U.S. Treasury Securities within 60 minutes of the Time of Execution. See FINRA Response Letter at 4.


\textsuperscript{38} See SIFMA Letter at 2.

\textsuperscript{39} See, e.g., FINRA Regulatory Notice 22-17 (August 2, 2022) (FINRA Requests Comment on a Proposal to Shorten the Trade Reporting Timeframe for Transactions in Certain TRACE-Eligible Securities From 15 Minutes to One Minute) available at https://www.finra.org/rules-guidance/notices/22-17.
not believe that the benefits of a shortened reporting timeframe for transactions in U.S. Treasury Securities are reduced in light of these other initiatives. Further, in response to concerns that the Treasury Department’s RFI could result in a proposal or recommendation to increase transparency for transactions in U.S. Treasury Securities, FINRA notes that prior increases in transparency provided by TRACE for other fixed income products have been preceded by a shortened reporting timeframe.

The Commission believes that shortening the timeframe for FINRA members to report transactions in U.S. Treasury Securities to TRACE to as soon as practicable, but no later than within 60 minutes of the Time of Execution (or within 60 minutes after the TRACE system opens for trades executed during specified periods, as described above) will assist FINRA in carrying out its statutory duties to surveil and regulate this segment of the market by providing FINRA with more timely information about activity in the market for U.S. Treasury Securities, including more timely data about intraday pricing and liquidity.

The Commission recognizes that the proposal may result in costs for FINRA members that need to implement changes to their processes and systems. The Commission notes that, according to FINRA, approximately 96 percent of U.S. Treasury Security transaction reports were reported within 60 minutes of the Time of Execution during a sample period of July 2020 to June 2021. In addition, FINRA represents that some FINRA members who trade

40 See FINRA Response Letter at 3.
41 See SIFMA Letter at 2-3
42 See FINRA Response Letter at 3. With respect to the U.S. Treasury Department’s RFI, FINRA further states that, should that initiative result in a proposal or recommendation to increase transparency for transactions in U.S. Treasury Securities, such a result would harmonize with a reduced reporting timeframe for U.S. Treasury Securities. See id.
43 See Notice, supra note 3, at 33848.
in U.S. Treasury Securities also trade in other types of TRACE-Eligible Securities that already require reporting within a shorter timeframe.\textsuperscript{44} While these transactions may occur on separate trading desks, the Commission agrees with FINRA that, to the extent that members are able to leverage existing technology within the firm, the costs associated with the proposed reporting timeframe changes for U.S. Treasury Securities could potentially be reduced. With respect to comments suggesting that FINRA should review the benefits of a shortened reporting timeframe in light of how FINRA and its regulatory partners are using TRACE data,\textsuperscript{45} the Commission agrees with FINRA’s assessment that the proposal strikes an appropriate balance to provide FINRA and the official sector with more timely information about U.S. Treasury Security market activity. The Commission notes that FINRA members already report over 90 percent of transactions in U.S. Treasury Securities within 60 minutes of the Time of Execution.\textsuperscript{46}

Finally, the Commission believes that it would not be appropriate to delay implementation of the proposal beyond the timeframe set forth in the Notice. The Commission agrees with FINRA in its assessment that the proposal does not conflict with other TRACE-related initiatives and that the benefits of a shortened reporting timeframe for transactions in U.S. Treasury Securities are not reduced in light of these other initiatives. Moreover, the Commission believes that further delaying implementation of the proposal would undermine the regulatory

\textsuperscript{44} For example, FINRA states that transactions in corporate bonds and Agency Debt Securities generally are required to be reported to FINRA as soon as practicable, but no later than within 15 minutes of the Time of Execution. In the FINRA sample period, of the 750 MPIDs that reported transactions in U.S. Treasury Securities, 691 MPIDs also reported transactions in corporate bonds and Agency Debt Securities. See Notice, supra note 3, at 33848.

\textsuperscript{45} See supra note 36 and accompanying text.

\textsuperscript{46} See FINRA Response Letter at 4.
interest that the official sector and FINRA have in obtaining access to more timely information about activity in the market for U. S. Treasury Securities.

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,\textsuperscript{47} that the proposed rule change (SR-FINRA-2022-013) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.\textsuperscript{48}

J. Matthew DeLesDernier,
Deputy Secretary.


\textsuperscript{48} 17 CFR 200.30-3(a)(12).