

documentation of its analysis that in the event of a legal challenge the account control agreement would be held to be legal, valid, binding, and enforceable under the applicable law.

The collection of information is mandatory and is designed to ensure that stand-alone SBSBs maintain sufficient liquidity at all times to meet all unsubordinated obligations of their customers and counterparties and, should a nonbank SBSB fail, that there are sufficient resources for an orderly liquidation. These information collections facilitate the monitoring of the financial condition of nonbank SBSBs by the Commission. The information collected by the Commission under Rule 18a–1, as adopted, is kept confidential to the extent permitted by the Freedom of Information Act (5 U.S.C. 552 *et seq.*).

The annual aggregate initial burden for all respondents is estimated to be 4,310 hours. The aggregate initial cost burden for all respondents is estimated to be \$2,772,334. The aggregate annual burden for all respondents is estimated to be 28,933 hours. The aggregate annual cost burden for all respondents is estimated to be \$3,732,600.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

Written comments are invited on: (a) whether this proposed collection of information is necessary for the proper performance of the functions of the SEC, including whether the information will have practical utility; (b) the accuracy of the SEC's estimate of the burden imposed by the proposed collection of information, including the validity of the methodology and the assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated, electronic collection techniques or other forms of information technology.

The public may view and comment on this information collection request at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202505-3235-018 or email comment to MBX.OMB.OIRA.SEC_desk_officer@omb.eop.gov within 30 days of the day after publication of this notice, by October 20, 2025.

Dated: September 16, 2025.

J. Matthew DeLesDernier,
Deputy Secretary.

[FR Doc. 2025–18117 Filed 9–18–25; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–103987; File No. SR–MSRB–2025–01]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Order Approving a Proposed Rule Change To Amend Rule G–14 RTRS Procedures Under MSRB Rule G–14 Regarding the Timing of Reporting Transactions in Municipal Securities to the MSRB and To Make a Related Amendment to Rule G–12

September 16, 2025.

I. Introduction

On June 10, 2025, the Municipal Securities Rulemaking Board (“MSRB” or “Board”) filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”) ¹ and Rule 19b–4 thereunder, ² a proposed rule change to (i) amend Rule G–14 RTRS Procedures under MSRB Rule G–14, on reports of sales or purchases, to rescind a previously approved but not yet effective shortening of the amount of time within which brokers, dealers and municipal securities dealers (“dealers”) must report most transactions to the MSRB, reverting such timeframe to the currently operative 15-minute reporting timeframe, (ii) amend the Rule G–14 RTRS Procedures to eliminate two previously approved but not yet effective reporting exceptions and a manual trade indicator relating to the rescinded shortened timeframes, and (iii) make a related conforming amendment to MSRB Rule G–12, on uniform practice (“Rule G–12”), as described herein (the “proposed rule change”). ³ The proposed rule change was published for comment in the **Federal Register** on June 20, 2025. ⁴ On July 22, 2025, the Commission extended until September 18, 2025, the time 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. ⁵ The Commission received comment letters on the proposed rule change. ⁶

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Exchange Act Release No. 103262 (June 16, 2025), 90 FR 26390 (June 20, 2025) (“Notice”). Comments on the proposed rule change are available at <https://www.sec.gov/comments/sr-msrb-2025-01/srmsrb202501.htm>.

⁴ See Notice, 90 FR at 26390.

⁵ See Exchange Act Release No. 103516 (July 22, 2025), 90 FR 35325 (July 25, 2025).

⁶ See Letters to Secretary, from Christopher A. Iacovella, President & Chief Executive Office,

The MSRB filed a response to comments on File No. SR–MSRB–2025–01.⁷

II. Description of the Proposed Rule Change

On September 20, 2024, the Commission issued an order approving proposed rule change SR–MSRB–2024–01, as modified by Amendment No. 1, which modified, among other things, the baseline 15-minute reporting requirement for reporting trades to MSRB’s Real-time Transaction Reporting System (“RTRS”) in two ways: (i) reducing the deadline for reporting such trades to no later than one minute after the Time of Trade (the “one-minute reporting requirement”) and (ii) requiring that trades be reported as soon as practicable, regardless of the amended deadline (the “as soon as practicable requirement”).⁸ Under file No. SR–MSRB–2024–01, the MSRB also added two new exceptions to the new one-minute reporting requirement for trades with a manual component⁹ and for trades by dealers with limited trading activity¹⁰ and included a requirement that dealers append a new manual trade indicator to identify all manual trades.¹¹ The 2024 Amendments were intended to make publicly available more timely information about the market and the prices at which municipal securities transactions are executed.¹² The MSRB has not

American Securities Association (July 10, 2025) (“ASA Letter”); Gerard O’Reilly, Co-CEO and Co-Chief Investment Officer, and David A. Plecha, Global Head of Fixed Income, Dimensional Fund Advisors LP (July 10, 2025) (“Dimensional Fund Advisors Letter”); Kenneth E. Bentsen Jr., President and CEO, SIFMA and SIFMA Asset Management Group (July 11, 2025) (“SIFMA Letter”); Howard Meyerson, Managing Director, Financial Information Forum (“FIF Letter”); Michael Decker, Senior Vice President, Research and Public Policy, Bond Dealers of America (July 11, 2025) (“BDA Letter”); Tyler Gellasch, President and CEO, Healthy Markets Association (Aug. 8, 2025) (“HMA Letter”). One of these commenters also commented on the governance practices and rulemaking processes of the MSRB. See ASA Letter at 2–5. Those comments are outside of the scope of the proposed rule change.

⁷ See Letter to Secretary, Commission, from Ernesto A. Lanza, Chief Regulatory and Policy Officer, MSRB, dated September 5, 2025, available at <https://www.sec.gov/comments/sr-msrb-2025-01/srmsrb202501-648967-1945034.pdf> (“MSRB Letter”).

⁸ See Exchange Act Release No. 101118 (Sept. 20, 2024), 89 FR 78955 (Sept. 26, 2024), File No. SR–MSRB–2024–01 (the “2024 Amendments”). The 2024 Amendments were developed in close coordination with the Financial Industry Regulatory Authority (“FINRA,” and together with the MSRB, the “SROs”).

⁹ See 2024 Amendments, 89 FR at 78957–59.

¹⁰ See *id.* at 78957.

¹¹ See *id.* at 78959.

¹² See *id.* at 78956.

implemented the changes approved in File No. SR–MSRB–2024–01.

Following the approval of the amendments, the MSRB stated that it “continued to engage with market participants and received further feedback expressing various concerns regarding aspects of the one-minute reporting requirement.”¹³ According to the MSRB, these concerns emerged as dealers began to consider the “specific steps they would need to undertake” to comply with the 2024 Amendments.¹⁴ According to the MSRB, these concerns related to additional scenarios involving potential trades with a manual component beyond those discussed in the 2024 Amendments, and to issues that could arise in the case of certain fully automated trades.¹⁵ Specifically, the MSRB noted that the scenarios identified by the dealers raised the prospect that a potentially broader array of circumstances than previously anticipated during the course of the rulemaking for the 2024 Amendments may exist where, at this time, the adjustment of dealer systems and workflows, including those dependent on third party vendors or market utilities associated with achieving and complying with the shortened reporting timeframes under the 2024 Amendments might not be feasible in the near-term.¹⁶

The MSRB also explained that in reviewing trade reporting data through the end of 2024 that reflected market practices since the 2022 trade reporting data used in connection with the 2024 Amendments, it had observed that trades that were likely reported electronically were being reported more rapidly in 2024 as compared to 2022.¹⁷ In addition, the MSRB noted that, to the extent dealers are not already reporting trades as soon as practicable, the inclusion of the requirement for reporting as soon as practicable would have the effect of increasing the proportion of trades being reported within shorter timeframes than they currently are, without regard to a one-minute, five-minute or 15-minute deadline, potentially translating into significant improvement in market-wide average reporting times and in turn reducing market-wide lags in pricing information being made more widely available and reduce information arbitrage.¹⁸ The MSRB explained that it

believed that the inclusion of the as soon as practicable requirement may, by itself, result in improvements in the timing of trade reporting, with greatest improvements likely to occur for those trades currently being reported nearer to the 15-minute deadline.¹⁹

Consistent with the MSRB’s goal to enhance market transparency without the potential compliance burdens and costs associated with the one-minute reporting requirement and the use of a special condition indicator for trades with a manual component, the MSRB determined that it would be appropriate to rescind the one-minute reporting requirement and related provisions of the 2024 Amendments, and revert the rule language to maintain the currently-operative 15-minute RTRS reporting standard.²⁰ In addition, the MSRB has also determined to retain the as soon as practicable requirement and related provisions, as well as certain other clarifying amendments, of the 2024 Amendments. Therefore, and as described more fully in the Notice, the MSRB filed the proposed rule change to: (i) amend the Rule G–14 RTRS Procedures under MSRB Rule G–14, on reports of sales or purchases, to rescind a previously approved but not yet effective shortening of the amount of time within which dealers must report most transactions to the MSRB, reverting such timeframe to the currently operative 15-minute reporting timeframe, (ii) amend the Rule G–14 RTRS Procedures to eliminate two previously approved reporting exceptions and a manual trade indicator relating to the rescinded shortened timeframes, and (iii) make a related conforming amendment to Rule G–12.²¹

In addition to the changes described above, and more fully in the Notice, the 2024 Amendments included certain changes that would, as a matter of substance, be retained and not be affected by the proposed rule change. The addition by the 2024 Amendments to paragraph (a)(ii) of Rule G–14 RTRS Procedures of the requirement that transactions effected with a Time of Trade during the hours or the RTRS Business Day must be reported as soon as practicable would be retained without change.²² The addition by the 2024 Amendments to Supplementary Material .03 would be retained and

renumbered as Supplementary Material .01, with minor non-substantive grammatical and clarifying changes.²³ The amendment by the 2024 Amendments of paragraph (a)(iv) of Rule G–14 RTRS Procedures regarding designation of late trades and patterns or practices of late reporting without exceptional circumstances or reasonable justification²⁴ would also not be affected by the proposed rule change. Additional clarifying amendments from the 2024 Amendments that reorganize certain existing materials into more logical groupings, such as previously established special condition indicators, and clarifying the reporting timeframe for trades on an invalid RTTM trade date, would also be retained.²⁵

III. Summary of Comments and MSRB’s Response

The Commission received six (6) comment letters in response to the Notice. The MSRB responded to the comment letters received in the MSRB Letter.²⁶ The MSRB reiterated its view that the proposed rule change is appropriate given the additional information obtained since the approval of the 2024 Amendments.²⁷ In particular, the MSRB explained that the additional information suggested that the balance of burdens and benefits of the 2024 Amendments appears to have shifted over that period, as (1) the burdens of the shortened reporting timeframe in the 2024 Amendments may be higher than initially estimated; and (2) the net positive impact of the tightened timeframe, as compared to not changing the timeframe, may not be as large as originally estimated in light of observed improvements in actual reporting performance by dealers

²³ The word “reporting” would be added to the phrase “trades with a manual reporting component” to provide greater clarity in light of the deletion of the substantive provisions and definition relating to the exception for trades with a manual component. See Notice, 90 FR at 26392.

²⁴ See Exchange Act Release No. 99402 (Jan. 19, 2024), 89 FR 5384, 5391 (Jan. 26, 2024) (“2024 Notice”), at Section II.A.1, discussion under heading Pattern or Practice of Late Trade Reporting, for a full discussion of these provisions. See also MSRB Notice 2024–12 (SEC Approves Amendments to MSRB Rule G–14 to Shorten Timeframe for Reporting Transactions in Municipal Securities) (Sept. 20, 2024) (“2024 MSRB Notice”), Section F. Pattern or Practice of Late Trade Reporting: Exceptional Circumstances or Reasonable Justification, at 18–20.

²⁵ See 2024 Notice, 89 FR at 5392, Section II.A.1, discussion under heading Technical Amendments, for a full discussion of these provisions.

²⁶ See *supra* note 7.

²⁷ See MSRB Letter at 2.

¹³ See Notice, 90 FR at 26391.

¹⁴ See *id.*

¹⁵ See *id.*

¹⁶ See *id.*

¹⁷ See *id.* at 26396, Table 2—Trade Report Time Comparison: 2022 and 2024 and accompanying text.

¹⁸ See *id.* at 26392.

¹⁹ See *id.*

²⁰ See *id.*

²¹ See *id.* The proposed rule change would also partially revert the change made by the MSRB in the 2024 Amendments to Rule G–12(f)(i), relating to the timing for submission of trades to be compared, to reflect the reversion from one minute to 15 minutes under the proposed rule change.

²² See *id.*

between 2022 and 2024 under the current 15-minute standard.²⁸

A. Reversion to a 15-Minute Baseline Reporting Requirement

Four of the six commenters expressed support for the proposed rule change's reversion to a 15-minute baseline reporting requirement.²⁹ One commenter stated that they support the "current proposals to restore and clarify the 15-minute reporting timeframe" because the SROs "failed to demonstrate a substantive problem in trade reporting that required shortening the reporting window from 15 minutes to 1 minute."³⁰ This commenter also stated that the SROs "ignored or dismissed [...] obvious problems [with the 2024 Amendments], pressing forward without meaningful engagement [with stakeholders]."³¹ Another commenter reiterated that "implementation of one minute trade reporting, even in its final form that includes an exception for so-called manual trades, would have serious negative implications for the corporate bond, agency debt, securitized product, and municipal securities market," in particular for smaller broker-dealers, and "commend[ed] FINRA and the MSRB for reconsidering their fixed-income trade reporting rules and for proposing changes they believe to be in the best interest of fair, liquid, and transparent markets."³² A further commenter stated that the "vast majority of corporate and municipal bond trades are already reported within one minute" and that some trades are "simply not physically possible to report" within 60 seconds.³³ This commenter also stated that those "trades that take longer than one minute to report would generally be subject to one of the two exceptions and would remain subject to 15-minute reporting in the first year the [2024] Amendments are in effect" so, the 2024 Amendment would "not improve market transparency in any meaningful way."³⁴ This commenter supported rescinding the 2024 Amendments as compliance "would not have been justified by the negligible improvements in market transparency that would have resulted from allowing the changes to take full effect."³⁵

Two commenters opposed the proposed rule change.³⁶ One commenter stated that "shortening the time between trade execution and price dissemination would enhance transparency and reduce information asymmetries in the municipal securities market" and "strongly believed that transparency fosters a fair and efficient market and that market quality is improved when public information is disseminated evenly and in real time to all market participants."³⁷ Another commenter stated that the SROs had "made a compelling case for shortening the timeframe for reporting from 15 minutes to 1 minute"³⁸ and that the record before the Commission now "is not materially different" from the record for the 2024 Amendments.³⁹ This commenter also stated that "neither FINRA nor the MSRB offered new facts or material analysis" in their respective proposed rule changes⁴⁰ to "support backtracking on the timelines of trade reporting."⁴¹

In response to these comments, the MSRB explained that it continues to believe that the proposed rule change is appropriate at this time, given the additional information obtained since approval of the 2024 Amendments.⁴² In particular, the MSRB described how the balance of burdens and benefits appeared to have shifted since the approval of the 2024 Amendments.⁴³ Specifically, the MSRB stated that the percentage of all trades reported within 15 seconds of time of trade increased from 24.8% in 2022 to 34.2% in 2024, representing a 9.6 percentage improvement in the two-year period since 2022; trades reported within 30 seconds of time of trade increased from 52.7% in 2022 to 56.7% in 2024, representing a 4.0 percentage improvement during the two-year period since 2022; and trades reported within one minute of time of trade increased from 78.1% in 2022 to 80.8% in 2024, representing a 2.7 percentage improvement during the two-year period since 2022.⁴⁴ Based on this new data that was not yet available at the time of the 2024 Amendments, the MSRB observed that more than four out of five trades were already being reported within the one-minute proposed timeframe under the 2024

Amendments, and trades reported faster than one minute showed substantial rates of improvements over the two-year period from 2022 to 2024, without regard to either the manual trade exception or the exception for dealers with limited trading activity provided for under the 2024 Amendments.⁴⁵ While the percentage of total trades of all trade sizes reported within 10 or 15 minutes after the time of trade remained relatively steady from 2022 to 2024, the MSRB stated that the percentage of the largest trades—those greater than \$5 million, generally viewed as having the greatest influence on market prices—showed material improvements during this period.⁴⁶ Trades with par size greater than \$5 million reported within 10 minutes of time of trade showed a 2.4 percentage improvement from 2022 (91.7% of all such trades) to 2024 (94.1%), and those reported within 15 minutes showed a 1.5 percentage improvement from 2022 (94.6%) to 2024 (96.1%).⁴⁷

The MSRB also obtained additional information regarding the practical difficulties associated with complying with the 2024 Amendments.⁴⁸ The MSRB stated that these practical difficulties raised the prospect that a potentially broader array of circumstances than previously anticipated during the course of the rulemaking for the 2024 Amendments may exist where, at this time, the adjustment of dealer systems and workflows, including those dependent on third party vendors or market utilities, associated with achieving and complying with the shortened reporting timeframes under the 2024 Amendment may not be feasible in the near-term.⁴⁹ Although the MSRB recognized that the 2024 Amendments without change would likely incrementally accelerate the trade reporting process when compared to the current state, the MSRB found that it would also impose substantial technology subscription or upgrade expenses for active dealers who are currently not close to reporting all fully automated trades within one minute, and additional compliance and system costs for all dealers to provide a new trade indicator.⁵⁰ Thus, the MSRB

⁴⁵ See MSRB Letter at 3.

⁴⁶ See MSRB Letter at 3, n.13 (explaining that in 2022, 99.3% of all trades were reported within 10 minutes after the time of trade and 99.6% were reported within 15 minutes, as compared to 99.2% within 10 minutes and 99.5% within 15 minutes in 2024).

⁴⁷ See MSRB Letter at 3, n.14 (explaining that for the largest trades, reporting occurred faster in 2024 as compared to 2022 at all levels).

⁴⁸ See Notice 90, FR at 26391.

⁴⁹ See *id.*

⁵⁰ See *id.*; Notice, 90 FR at 26398.

²⁸ See MSRB Letter at 2–3; Notice, 90 FR at 26391–92.

²⁹ See ASA Letter; SIFMA Letter; FIF Letter; BDA Letter.

³⁰ See ASA Letter at 1–2.

³¹ See *id.* at 2.

³² See SIFMA Letter at 1–2.

³³ See BDA Letter at 2.

³⁴ See *id.*

³⁵ See *id.*

³⁶ See Dimensional Fund Advisors Letter; HMA Letter.

³⁷ See Dimensional Fund Advisors Letter at 1–2.

³⁸ See HMA Letter at 6.

³⁹ See *id.* at 7.

⁴⁰ See *id.*

⁴¹ See *id.* at 2.

⁴² See MSRB Letter at 2.

⁴³ See *id.*

⁴⁴ See *id.*; Notice, 90 FR at 26396.

stated that it believes that it has offered new facts and provided material analysis in support of the proposed rule change and has not merely relied upon the same set of facts and analysis relied upon in connection with the 2024 Amendments.⁵¹

Commenters also addressed the exceptions for dealers with limited trading activity and for trades with a manual component. According to one commenter, both exceptions are vital to the workability of the 2024 Amendments.⁵² Another commenter who supported the rule change stated that even with the exception for manual trades, some trades would not be reported in a timely manner as the reporting time frame shrinks from 15 minutes ultimately to 5 minutes.⁵³ This commenter stated that large amounts of customer allocation may not be able to pass through trade processing and network infrastructure within one minute even if automated.⁵⁴ A further commenter, although believing that the 2024 Amendments were imperfect, supported developing amendments that narrowed the manual trade exception to avert a potential return to manual trading by those seeking to avoid transparency.⁵⁵

In response to these comments, the MSRB stated that a narrowed version of the manual trade exception “could result in the same or greater compliance burden on dealers since a narrower exception would leave a greater proportion of trades subject to the compressed one-minute reporting timeframe”⁵⁶ and “may have only limited likelihood of succeeding in inducing materially more rapid reporting as compared to the natural evolution of trade reporting performance observed between 2022 and 2024.”⁵⁷ As it relates to customer allocations, the MSRB acknowledged that although a customer allocation may be subject to trade reporting under Rule G–14 in certain circumstances, in the case of a purchase of a block order by a dually registered dealer/investment advisor of municipal securities that are then allocated internally to advisory accounts at the same price as the block order, the MSRB has only required that the original block order be reported and not the subsequent related allocations to customers in advisory accounts where, with respect to any such allocation, the

dually registered dealer/investment adviser is acting as an investment adviser to such account directing an internal delivery of a portion of such block of municipal securities acquired by the dually registered broker/investment adviser firm to the advisory account.⁵⁸ The MSRB clarified that such treatment would continue, based on the core principle that RTRS seeks to disseminate publicly only such pricing information that is indicative of market prices.⁵⁹ The MSRB further stated that it believes that publishing price information for smaller customer allocations that were priced based on the larger block price of the original block trade is unlikely to be indicative of market prices, but could also be misleading.⁶⁰

B. Retention of the New Requirement To Report Trades “as Soon as Practicable”

Certain commenters supported the requirement to report trades as soon as practicable by explaining that dealers are, in practice already reporting trades as soon as practicable and that any instances where a broker-dealer “purposely refrain[ed] from reporting trades until just before the 15-minute deadline” would be violating MSRB rules, such as Rule G–17.⁶¹ Another commenter supported the implementation of the “as soon as practicable” requirement, stating that it would align MSRB and FINRA rules while promoting fair and transparent markets.⁶²

In response to these comments, the MSRB explained that it “believes that the retention of the requirement for reporting as soon as practicable would have the effect of increasing the proportion of trades being reported within shorter timeframes than they currently are, without regard to a one-minute, five-minute or 15-minute deadline.”⁶³

IV. Discussion and Commission Finding

The Commission has carefully considered the proposed rule change, as well as comment letters received, and the MSRB Letter. The Commission finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and

regulations thereunder applicable to the MSRB.

In particular, the proposed rule change is consistent with the provisions of Section 15B(b)(2)(C) of the Exchange Act and the rules and regulations thereunder.⁶⁴ Section 15B(b)(2)(C) of the Exchange Act provides, in part, that the MSRB’s rules shall be designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanisms of a free and open market in municipal securities, and, in general, to protect investors and the public interest.⁶⁵

The Commission agrees that the proposed rule change is reasonably designed to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and will protect investors and the public interest, because it reasonably balances the benefits of greater market transparency through more timely disclosures and dissemination of information provided through RTRS with the continued feasibility and compliance concerns raised by market participants. The proposed rule change will also foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products.

A. Remove Impediments to and Perfect the Mechanism of a Free and Open Market in Municipal Securities and Municipal Financial Products, and Protect Investors and the Public Interest

The proposed rule change reasonably balances the benefits of more timely trade reporting with the continued feasibility and compliance concerns raised by market participants.⁶⁶ As an initial matter, the MSRB is not required to demonstrate that the Exchange Act requires rescinding the 2024 Amendments. Rather, the MSRB must demonstrate that its proposal to maintain the current reporting requirements in light of market participant feedback is consistent with the requirements of the Act and the rules and regulations thereunder. As the MSRB explained, comments and information obtained by the MSRB since the approval of the 2024 Amendments

⁵¹ See MSRB Letter at 4.

⁵² See BDA Letter at 2.

⁵³ See SIFMA Letter at 3, n.12.

⁵⁴ See SIFMA Letter at 3.

⁵⁵ See HMA Letter at 2, 7–8.

⁵⁶ See MSRB Letter at 4.

⁵⁷ See *id.*

⁵⁸ See *id.*

⁵⁹ See *id.* at 5.

⁶⁰ See MSRB Letter at 6, n.21 (citing to MSRB Notice 2003–20, Notice on Reporting and Comparison of Certain Transactions Effected by Investment Advisors: Rule G–12(f) and G–14 (May 23, 2003)).

⁶¹ See BDA Letter at 2.

⁶² See SIFMA Letter at 2, 3.

⁶³ See MSRB Letter at 4.

⁶⁴ 15 U.S.C. 78o–4(b)(2)(C).

⁶⁵ See *id.*

⁶⁶ See *id.* at 26393.

suggest that the burdens of the shortened reporting timeframe (together with the associated exceptions and manual trade flag) in the 2024 Amendments may be higher than initially estimated, and the net positive impact of the tightened timeframe, as compared to not changing the timeframe, may not be as large as originally estimated in light of observed improvements in actual reporting performance by dealers between 2022 and 2024 under the current 15-minute standard.⁶⁷ While retaining the 2024 Amendments without the changes included in the proposed rule change would likely incrementally accelerate the trade reporting process when compared to the current state, the MSRB explained that it would also impose substantial technology subscription or update expenses for those active dealers that are currently not close to reporting all fully automated trades within one minute, and additional compliance and system costs for all dealers to provide a new trade indicator.⁶⁸

Because the proposed rule change represents a reasonable response to market participants' feasibility and compliance concerns that could have impeded the achievement of the expected benefits the 2024 Amendments, the proposed rule change is reasonably designed to remove impediments to, and perfect the mechanisms of, a free and open market in municipal securities, and to protect investors and the public interest.⁶⁹

B. Foster Cooperation and Coordination

The MSRB explained that the 2024 Amendments were developed in close coordination with FINRA, which adopted a similar shortened trade reporting requirement for many TRACE-eligible securities, and the MSRB and FINRA continue to work in coordination on issues that have presented since such adoption.⁷⁰ In addition, the MSRB noted that fostering a consistent approach across classes of securities would facilitate greater and more efficient compliance among MSRB-registered dealers, the majority of which also transact in other fixed income securities that are subject to FINRA's regulatory

authority.⁷¹ The MSRB further explained that consistent trade reporting requirements tend to reduce the risk of potential confusion and may reduce compliance burdens resulting from inconsistent obligations and standards for different classes of securities.⁷² The MSRB stated that the proposed rule change would continue to promote regulatory consistency, reducing potential errors caused by market participants' imperfect application of differing standards when executing and reporting transactions in municipal securities.⁷³ In particular, the MSRB stated that retaining the as soon as practicable provision added to the Rule G-14 RTRS Procedures by the 2024 Amendments, will have a positive impact on reporting times while harmonizing with existing as soon as practicable provisions of FINRA's TRACE requirements for reporting TRACE-eligible securities.⁷⁴ The Commission agrees that harmonizing reporting requirements across classes of securities would facilitate greater and more efficient compliance among MSRB-registered dealers. Harmonized reporting requirements also reduce the risk of potential confusion from disparate obligations and reduces the potential of reporting errors. Thus, the proposed rule change would foster cooperation and coordination⁷⁵ between the SEC, the MSRB, and FINRA by establishing consistent trade reporting requirements across various classes of fixed income securities.

In approving the proposed rule change, the Commission has considered the proposed rule change's impact on efficiency, competition, and capital formation.⁷⁶ Exchange Act Section 15B(b)(2)(C)⁷⁷ requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.

The proposed rule change would not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act because it takes into account competitive and liquidity concerns that could arise as a result of the costs associated with complying with a shortened reporting timeframe that could cause some dealers to exit the market, curtail their activities or consolidate with other firms. The

MSRB's proposal addresses market participants' feasibility and compliance concerns with the 2024 Amendments.⁷⁸ The MSRB also intends to continue monitoring for further improvements in trade reporting timing and to publish findings for market participants and the general public.⁷⁹ The 2024 Amendments, as modified by the proposed rule change, should continue to enhance market transparency without the potential compliance burdens and costs associated with the one-minute reporting requirement and the use of a special condition indicator for trades with a manual component.⁸⁰

For the reasons noted above, the Commission finds that the proposed rule change is consistent with the Act.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁸¹ that the proposed rule change (SR-MSRB-2025-01) be, and hereby is, approved.

For the Commission, pursuant to delegated authority,⁸²

J. Matthew DeLesDernier,
Deputy Secretary.

[FR Doc. 2025-18148 Filed 9-18-25; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103976; File No. SR-24X-2025-03]

Self-Regulatory Organizations; 24X National Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Fee Schedule To Establish a Monthly Membership Fee

September 16, 2025.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ notice is hereby given that, on September 5, 2025, 24X National Exchange LLC ("24X" or the "Exchange") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is

⁷⁸ See Notice, 90 FR at 26393; MSRB Letter at 3-4.

⁷⁹ See Notice, 90 FR at 26392.

⁸⁰ See *id.*

⁸¹ 15 U.S.C. 78s(b)(2).

⁸² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁶⁷ See *id.*

⁶⁸ See Notice, 90 FR at 26398; MSRB Letter at 4.

⁶⁹ See *id.*

⁷⁰ See Notice, 90 FR at 26394, n.25 (citing to FINRA, Updating TRACE Reporting Timeframes (Feb. 5, 2025), available at <https://www.finra.org/media-center/blog/updating-trace-reporting-timeframes>; MSRB, MSRB Board Authorizes Further Amendments to Rule G-14, Withdraws Pre-Trade Concept Release (Mar. 7, 2025), available at <https://www.msrb.org/Press-Releases/MSRB-Board-Authorizes-Further-Amendments-Rule-G-14-Withdraws-Pre-Trade-Concept>).

⁷¹ See Notice, 90 FR at 26394.

⁷² See *id.*

⁷³ See *id.*

⁷⁴ See Notice, 90 FR at 26392; MSRB Letter at 4.

⁷⁵ See 15 U.S.C. 78o-4(b)(2)(C).

⁷⁶ 15 U.S.C. 78c(f).

⁷⁷ 15 U.S.C. 78o-4(b)(2)(C).