

years, or *three*[two] or more years, respectively, from the effectiveness of this Supplementary Material .09), except as provided in paragraph (b)(3) of this Supplementary Material .09.

(3) Transactions Executed Less Than 5 Minutes Before TRACE System Closes

Transactions executed on a business day less than 15, 10, or 5 minutes (the 15-, 10-, or 5-minute timeframe is available for up to one year, up to *three*[two] years, or *three*[two] or more years, respectively, from the effectiveness of this Supplementary Material .09) before 6:30:00 p.m. Eastern Time must be reported as soon as practicable after the TRACE system opens the next business day (T + 1), but no later than within 15 minutes after the TRACE system opens the next business day, and if reported on T + 1, designated “as/of” and include the date of execution.

(4) No Change.

2. FINRA Proposes To Make a Correction to the Text of Proposed Rule 6730.09(b)(2)

Additionally, Partial Amendment No. 1 would make a correction to the proposed rule text such that proposed Rule 6730.09(b)(2) would require reporting within the prescribed timeframe from “the Time of Execution” rather than “after the TRACE system opens.”²⁰ As originally proposed, for transactions subject to the manual trades exception that were executed on a business day at or after 8:00:00 a.m. Eastern Time (“ET”) through 6:29:59 p.m. ET (*i.e.*, during TRACE system hours), the rule text erroneously would have required reporting “. . . as soon as practicable, but no later than within 15, 10, or 5 minutes after the TRACE system opens. . . .”²¹ Partial Amendment No. 1 would correct the text of proposed Rule 6730.09(b)(2) so that it requires reporting of these transactions “. . . as soon as practicable, but no later than within 15, 10, or 5 minutes of the Time of Execution. . . .”²²

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change, as amended by Partial Amendment No. 1, is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission’s internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-FINRA-2024-004 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-FINRA-2024-004. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission’s Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of the filing also will be available for inspection and copying at the principal office of FINRA. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to File Number SR-FINRA-2024-004 and should be submitted on or before August 21, 2024.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²³

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2024-16801 Filed 7-30-24; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-100589; File No. SR-MSRB-2024-01]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Amendment No. 1 to Proposed Rule Change Consisting of Amendments to MSRB Rule G-14 To Shorten the Timeframe for Reporting Trades in Municipal Securities to the MSRB

July 25, 2024.

I. Introduction

On January 12, 2024, the Municipal Securities Rulemaking Board (“MSRB”) 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 (1) amend MSRB Rule G-14 (“Rule G-14”), on reports of sales or purchases, to (i) shorten the amount of time within which brokers, dealers, and municipal securities dealers (collectively, “dealers,” and each individually, a “dealer”) must report most transactions to the MSRB; and (ii) require dealers to report certain transactions with a new trade indicator, and make certain clarifying amendments, and (2) make conforming amendments to MSRB Rule G-12, on uniform practice (“Rule G-12”), and the MSRB’s Real-Time Transaction Reporting System (“RTRS”) Information Facility (“IF-1”) to reflect the shortened reporting timeframe (collectively, the “proposed rule change”).³ The proposed rule change was published for comment in the **Federal Register** on January 26, 2024.⁴

The Commission received comments in response to the proposed rule change.⁵ On April 22, 2024, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act⁶ to determine whether to approve or disapprove the proposed rule change.

On July 18, 2024, the Commission, pursuant to Section 19(b)(2) of the Act,⁷ designated September 20, 2024, as the date by which the Commission shall either approve or disapprove the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Exchange Act Release No. 99402 (Jan. 19, 2024), 89 FR 5384 (Jan. 26, 2024) (“Notice”).

⁴ *Id.* at 5384.

⁵ Comment letters received by the Commission are available on our website at <https://www.sec.gov/comments/sr-msrb-2024-01/srmsrb202401.htm>.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ 15 U.S.C. 78s(b)(2).

²⁰ See Partial Amendment No. 1 at 5.

²¹ See proposed Rule 6730.09(b)(2).

²² See Partial Amendment No. 1 at 5.

²³ 17 CFR 200.30-3(a)(12).

proposed rule change.⁸ On July 18, 2024, the MSRB responded to comments⁹ and filed Amendment No. 1 to the original proposed rule change (“Amendment No. 1”). The text of Amendment No. 1 is available on the MSRB’s website.¹⁰

II. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Amendment

As described further below, the MSRB filed Amendment No. 1 to amend the proposed rule change to (i) revise the definition of a “dealer with limited trading activity” in proposed subsection (d)(xi) of Rule G–14 RTRS Procedures¹¹ and (ii) modify the pace of phasing-in the shortened reporting timeframe for a “trade with a manual component” in proposed Supplementary Material .02(b).

A. Exception for Dealers With Limited Trading Activity

The MSRB noted that upon further review of the methodology used for proposing a 1,800-trade threshold for qualifying for the dealer with limited trading activity exception in the original proposed rule change, the MSRB had determined to increase the threshold to 2,500 trades in connection with a modification of its methodology.¹²

In establishing the original proposed threshold of 1,800 trades, the MSRB explained that it had used an approach, consistent with other instances where MSRB rules and related transparency activities had been based on inter-dealer trade activity, that relied solely on the sell-side inter dealer trade reports to avoid, for those specific purposes, potential double counting if both the sell-side and buy-side were used.¹³ The MSRB stated that the calculations discussed in the Notice underlying the 1,800-trade threshold in the proposed definition of “dealer with limited trading activity” resulted in a lower threshold and did not fully account for inter-dealer trade reports since only the sell-side inter-dealer trade reports were

taken into account.¹⁴ In order to maintain comparability with the threshold used by the Financial Industry Regulatory Authority, Inc. (“FINRA”) in its proposed definition of “member with limited trading activity”¹⁵ and in light of the plain meaning of the language of the MSRB’s proposed definition of “dealer with limited trading activity,” the MSRB explained that it had recalculated the appropriate threshold for such definition to be 2,500 trades, taking into account both sell-side and buy-side inter-dealer trade reports together with reports of dealer trades with customers, regardless of whether the dealer bought or sold in the customer transaction.¹⁶ The MSRB also stated that Amendment No. 1 would add clarifying language to reflect that the threshold is based on both sell-side and buy-side inter-dealer and customer trade reports.¹⁷ Thus, proposed subparagraph (d)(xi) of Rule G–14 RTRS Procedures would define a dealer with limited trading activity as a dealer that, during at least one of the two prior consecutive calendar years, reported to an RTRS Portal fewer than 2,500 purchase or sale transactions with customers or other dealers, excluding certain exempted transactions as specified therein.¹⁸ The MSRB further noted that the proposed new threshold would continue to account for only a very small portion of the market volume and therefore would have minimal impact on overall trading.¹⁹

B. Exception for Trades With a Manual Component

The MSRB noted concerns expressed by commenters regarding potential difficulties in achieving dramatically shortened reporting timeframes for at least some trades with a manual component and whether dealers would

have sufficient time to make the necessary changes to processes and technology to achieve such shortened timeframes, and determined to modify the pace of phasing-in the shortened reporting timeframe for trades with a manual component to extend the period during which such trades would be reportable by no later than 10 minutes after the Time of Trade from one year to two years.²⁰

The MSRB explained that Amendment No. 1 would, in part, amend proposed Supplementary Material .02(b) to provide in clause (ii) that a trade with a manual component must be reported no later than 10 minutes after the Time of Trade for the second and third calendar years (rather than only the second year) from the effective date of the proposed rule change and to provide in clause (iii) that a trade with a manual component would become reportable no later than five minutes after the Time of Trade after the conclusion of the third calendar year (rather than the second calendar year) from the effective date of the proposed rule change.²¹

The MSRB further explained that the proposed rule change sets out a phased-in implementation of the exception for manual trades that would provide for an ultimate five-minute timeframe for the reporting of such trades. The MSRB also noted that no further reductions in such timeframe, and no elimination of the manual trade exception, could be possible without additional formal rulemaking by the MSRB that would be filed with the Commission, and that any such change would be subject to the required notice and comment process under Section 19 of the Exchange Act.²²

Furthermore, the MSRB stated that it would monitor the implementation of the proposed rule change and, going forward, would analyze trade data related to the operation of the proposed two new exceptions to, among other things, determine whether the eventual five-minute trade reporting timeframe that would become applicable after two years continues to be feasible and appropriate in light of the empirical data collected through the earlier phases of implementation.²³ The MSRB further explained that it would be prepared to take action to provide appropriate guidance or undertake appropriate modifications in connection with the phase-in of the manual trade exception should circumstances warrant any such action, including, but not limited to

¹⁴ *Id.* at 8.

¹⁵ See Exchange Act Release No. 99404 (Jan. 19, 2024), 89 FR 5034 (Jan. 24, 2024) (“FINRA Notice”).

¹⁶ See Amendment No. 1 at 8. The MSRB explained that reports of dealer trades with customers, regardless of whether the dealer bought or sold in the transaction, were included in the original methodology and continue to be included in the revised methodology. Based on this change in methodology, the total number of trade reports in 2022 has changed to 16.8 million when counting both the buy-side and the sell-side trades for inter-dealer trades. Previously, when only counting the sell side trades for inter-dealer trades, the total number of reported trades in 2022 was 12.1 million. See Amendment No. 1 n. 21.

¹⁷ See Amendment No. 1 at 8.

¹⁸ *Id.*

¹⁹ See Amendment No. 1 at 9. The MSRB stated that the revised number of transactions under Amendment No. 1 would be expected to continue to capture approximately 1.5 percent of the trades in the municipal securities markets in a given calendar year, based on transaction data from calendar year 2022.

²⁰ See Amendment No. 1 at 9.

²¹ *Id.*

²² 15 U.S.C. 78s. See Amendment No. 1 at 9.

²³ See Amendment No. 1 at 9.

⁸ See Exchange Act Release No. 100557 (July 18, 2024), 89 FR 59951 (July 24, 2024) (“Extension”).

⁹ See Letter from Ernesto A. Lanza, Chief Regulatory and Policy Officer, MSRB, to Secretary, Commission, dated July 18, 2024, available at <https://www.sec.gov/comments/sr-msrb-2024-01/srmsrb202401-491663-1411646.pdf>.

¹⁰ Amendment No. 1 is available at <https://www.msrb.org/sites/default/files/2024-07/MSRB-2024-01-A-1.pdf>.

¹¹ The MSRB stated that the revision to the proposed definition of dealer with limited trading activity does not have a material impact on the MSRB’s economic analysis included in the original proposed rule change. See Amendment No. 1 at 9.

¹² See Amendment No. 1 at 7.

¹³ *Id.* at 7–8.

potentially filing a proposed rule change to extend the implementation period for the eventual five-minute timeframe for trades with a manual component.²⁴

As noted by the MSRB, Amendment No. 1 would provide for a modified phase-in of the shortened reporting timeframe for trades with a manual component that the MSRB believes would foster a more orderly transition to more rapid reporting of manual trades.²⁵ Additionally, the MSRB explained that Amendment No. 1 would allow the MSRB to undertake a more meaningful and timely analysis of potential impacts of the intermediate 10-minute reporting stage in the phase-in process.²⁶ Specifically, the MSRB observed the extended timeframe would provide more time and data for the MSRB to understand whether any adverse impacts have developed as a result of the shortened reporting timeframe to 10 minutes so that the MSRB can determine whether it should undertake additional rulemaking to modify implementation or phase-in of the final step to a five-minute timeframe.²⁷

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the filing as amended by Amendment No. 1 is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-MSRB-2024-01 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2024-01. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all statements with respect to the proposed rule change that

are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

All submissions should refer to File Number SR-MSRB-2024-01 and should be submitted on or before August 21, 2024.

For the Commission, pursuant to delegated authority.²⁸

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2024-16796 Filed 7-30-24; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-100601; File No. SR-NYSEAMER-2024-44]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change To Establish Fees for the NYSE American Aggregated Lite Data Feed

July 25, 2024.

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 July 11, 2024, NYSE American LLC ("NYSE American" 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 publishing this notice to

solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to establish fees for the NYSE American Aggregated Lite data feed. The proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend the NYSE American LLC Equities Proprietary Market Data Fees Schedule ("Fee Schedule") and establish fees for the NYSE American Aggregated Lite ("NYSE American Agg Lite") data feed,⁴ effective July 11, 2024.⁵

In summary, the NYSE American Agg Lite is a NYSE American-only frequency-based depth of book market data feed of the NYSE American's limit order book for up to ten (10) price levels on both the bid and offer sides of the order book for securities traded on the Exchange and for which the Exchange reports quotes and trades under the Consolidated Tape Association ("CTA") Plan or the Nasdaq/UTP Plan. The NYSE American Agg Lite is a compilation of limit order data that the

⁴ The proposed rule change establishing the NYSE American Agg Lite data feed was immediately effective on February 27, 2024. See Securities Exchange Act Release No. 99690 (March 7, 2024), 89 FR 18445 (March 13, 2024) (SR-NYSEAMER-2024-14) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Establish the NYSE American Aggregated Lite Market Data Feed).

⁵ The Exchange originally filed to amend the Fee Schedule on May 13, 2024 (SR-NYSEAMER-2024-31). SR-NYSEAMER-2024-31 was subsequently withdrawn and replaced by this filing.

²⁴ *Id.*

²⁵ *Id.* at 10.

²⁶ *Id.*

²⁷ *Id.*

²⁸ 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.