

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2022 - * 017

Amendment No. (req. for Amendments *)

Filing by Financial Industry Regulatory Authority

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * ☒ Amendment * ☐ Withdrawal ☐

Section 19(b)(2) * ☒ Section 19(b)(3)(A) * ☐ Section 19(b)(3)(B) * ☐

Pilot ☐ Extension of Time Period for Commission Action * ☐ Date Expires *

Rule

☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☐ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☐ 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

☐

Section 806(e)(2) *

☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

☐

Exhibit 2 Sent As Paper Document

☐

Exhibit 3 Sent As Paper Document

☐

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed Rule Change to Amend FINRA Rule 6750 Regarding the Publication of Aggregated Transaction Information on U.S. Treasury Securities

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Robert Last Name * McNamee
Title * Associate General Counsel
E-mail * robert.mcnamee@finra.org
Telephone * (202) 728-8012 Fax (202) 728-8264

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Financial Industry Regulatory Authority has duty caused this filing to be signed on its behalf by the undersigned thereunto duty authorized.

Date 06/23/2022

(Title *)

By Racquel Russell

(Name *)

Senior Vice President and Director of Capital M

Racquel
Russell

Digitally signed by Racquel
Russell
Date: 2022.06.23 16:28:34
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NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

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FINRA-2022-017 - 19b-4.docx

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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FINRA-2022-017 - Exhibit 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

FINRA-2022-017 - Exhibit 5.docx

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ the Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to amend FINRA Rule 6750 to provide that FINRA may publish or distribute aggregated transaction information and statistics on U.S. Treasury Securities on a more frequent basis.

The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The FINRA Board of Governors authorized the filing of the proposed rule change with the SEC. No other action by FINRA is necessary for the filing of the proposed rule change.

If the Commission approves the proposed rule change, the effective date of the proposed rule change will be the date of Commission approval.

¹ 15 U.S.C. 78s(b)(1).

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

(a) Purpose

On July 10, 2017,² FINRA members began reporting information on transactions in U.S. Treasury Securities³ to the Trade Reporting And Compliance Engine (TRACE).⁴ Information reported to TRACE regarding individual transactions in U.S. Treasury Securities is used for regulatory and other official sector purposes and is not published or disseminated.⁵ On December 20, 2019, the SEC approved amendments to Rule 6750 (Dissemination of Transaction Information) to allow FINRA to publish weekly aggregated transaction information and statistics on U.S. Treasury Securities at no charge

² See Regulatory Notice 16-39 (October 2016) (SEC Approves Rule Change to Require Reporting of Transactions in U.S. Treasury Securities to the Trade Reporting and Compliance Engine (TRACE)); see also Securities Exchange Act Release No. 79116 (October 18, 2016), 81 FR 73167 (October 24, 2016) (Order Granting Accelerated Approval of File No. SR-FINRA-2016-027).

³ 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.

⁴ FINRA’s TRACE rules apply only to FINRA members. However, FINRA notes that certain banks that are not FINRA members will begin reporting information on transactions in specified fixed income securities to TRACE starting on September 1, 2022 pursuant to requirements adopted by the Board of Governors of the Federal Reserve System. See Agency Information Collection Activities: Announcement of Board Approval Under Delegated Authority and Submission to OMB, 86 FR 59716 (October 28, 2021) (Federal Reserve approval to implement the Treasury Securities and Agency Debt and Mortgage-Backed Securities Reporting Requirements (FR 2956; OMB No. 7100-NEW)).

⁵ Rule 6750(c)(5) provides that FINRA will not disseminate information on U.S. Treasury Securities.

(unless FINRA submits a rule filing imposing a fee for such data).⁶ Pursuant to amended Rule 6750.01(b), on March 10, 2020 FINRA began posting on its website weekly, aggregate data on the trading volume of U.S. Treasury Securities reported to TRACE.⁷

FINRA has received favorable feedback on the weekly aggregated trading volume data for U.S. Treasury Securities that is currently made available on its website and, in consultation with the Treasury Department, now believes it would be appropriate to increase the cadence of this aggregated data. Accordingly, FINRA is proposing to amend paragraph (b) of Supplementary Material .01 to Rule 6750 to delete the word “weekly” so as to permit more frequent publication of aggregated U.S. Treasury Security transaction information and statistics, such as on a daily basis.⁸

FINRA notes that the more frequent aggregated U.S. Treasury Security data would continue to not identify individual market participants or transactions, and FINRA would continue to not publish aggregated transaction information and statistics by

⁶ See Securities Exchange Act Release No. 87837 (December 20, 2019), 84 FR 71986 (December 30, 2019) (Order Approving File No. SR-FINRA-2019-028).

⁷ See FINRA Press Release, FINRA Launches New Data on Treasury Securities Trading Volume, available at <https://www.finra.org/media-center/newsreleases/2020/finra-launches-new-data-treasury-securities-trading-volume>.

⁸ As it has done previously, FINRA may also continue to modify and enhance the format and content of the aggregate U.S. Treasury Security data (e.g., by adding aggregate trade count and pricing information). For example, in 2021, FINRA enhanced the format of the weekly aggregate data to include a new maturity category for nominal coupons: “Greater than 10 years and less than or equal to 20 years.” This category was intended to highlight the on-the-run 20-year bond and provide volume information for off-the-run Treasury bonds whose remaining maturity fall within the maturity band. See Technical Notice (April 29, 2021) (Enhancements to Weekly Aggregated Reports and Statistics for U.S. Treasury Securities).

individual U.S. Treasury Security (except for the category of on-the-run U.S. Treasury Securities because there is only one on-the-run security at a time for each subtype and maturity).⁹ The aggregate U.S. Treasury Security data would also continue to be provided at no charge (unless FINRA submits a rule filing to impose a fee for this data). FINRA believes that the proposed rule change will benefit investors and market participants by providing timelier insight into U.S. Treasury market activity, while maintaining the confidentiality of individual market participants and transactions.

As noted in Item 2 of this filing, if the Commission approves the proposed rule change, the effective date of the proposed rule change will be the date of Commission approval.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹⁰ which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 15A(b)(9) of the Act,¹¹ which requires that FINRA rules not impose any burden on competition that is not necessary or appropriate.

⁹ See Rule 6750.01(b), which currently provides that aggregated transaction information and statistics on U.S. Treasury Securities will not be published or distributed by individual security (except for aggregated data that includes on-the-run U.S. Treasury Securities that may have had only one on-the-run security during the aggregated period), and will not identify individual market participants or transactions.

¹⁰ 15 U.S.C. 78o-3(b)(6).

¹¹ 15 U.S.C. 78o-3(b)(9).

FINRA believes that the proposed rule change will benefit investors and market participants by providing additional insights into U.S. Treasury Security transaction volume, while maintaining the confidentiality of individual market participants and transactions. Accordingly, FINRA believes the proposed rule change is in the public interest and will help provide greater transparency in U.S. Treasury Securities.

4. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the regulatory need for the proposed rule change, its potential economic impacts, including anticipated costs and benefits, and any alternatives considered in assessing how to best meet the proposal's regulatory objectives.

Regulatory Need

The purpose of the proposal is described above and is consistent with TRACE transparency initiatives.

Economic Baseline

As mentioned above, in July 2017, FINRA member firms began reporting transactions in U.S. Treasury Securities to TRACE.¹² Currently, there is no dissemination of transactions to the public, either real-time or on a delayed basis, as

¹² See supra note 2.

member firms report trade activity in U.S. Treasury Securities to TRACE for regulatory purposes only.

There is currently limited publicly available information on U.S. Treasury Security transaction volume. The Federal Reserve Bank of New York publishes average daily trading volume and end-of-the-week positions of primary dealers in U.S. Treasury Securities on a weekly basis.¹³ As noted above, in March 2020, FINRA began publishing weekly aggregate volume data in Treasury Securities.¹⁴

Economic Impacts

The proposed dissemination of more frequent aggregate volume data in U.S. Treasury Securities would not impose any additional requirements on firms. The aggregate volume data published by FINRA will continue to be derived from trade reports already required to be submitted to TRACE. In addition, because the data would be available free of charge, FINRA does not believe that there would be any direct costs associated with the proposal for firms, investors or data consumers.

FINRA expects that the proposed rule change would help market participants better understand the overall trading of U.S. Treasury Securities by providing more timely information that could be utilized in assessing where liquidity is concentrated by security characteristic and market segment. FINRA believes that publishing more frequent aggregated data on U.S. Treasury Securities transactions would further benefit market participants and the investor community by enhancing overall transparency.

¹³ See <https://www.newyorkfed.org/markets/primarydealers> for the definition of “primary dealers” and the weekly statistics.

¹⁴ See supra note 7.

FINRA also considered information leakage concerns, i.e., whether market participants' proprietary trading strategy could be discerned from the published data. FINRA believes that the aggregated framework mitigates these concerns. As is the case under the current rule, aggregated transaction information and statistics on U.S. Treasury Securities will not be published or distributed by individual security (except for aggregated data that includes on-the-run U.S. Treasury Securities that may have had only one on-the-run security during the aggregated period) and will not identify individual market participants or transactions.

Alternatives Considered

No other alternatives were considered for the proposed dissemination framework.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

FINRA does not consent at this time to an extension of the time period for Commission action specified in Section 19(b)(2) of the Act.¹⁵

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

¹⁵ 15 U.S.C. 78s(b)(2).

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1. Completed notice of proposed rule change for publication in the Federal Register.

Exhibit 5. Text of the proposed rule change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-FINRA-2022-017)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change to Amend FINRA Rule 6750 Regarding the Publication of Aggregated Transaction Information on U.S. Treasury Securities

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on , the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. 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

FINRA is proposing to amend FINRA Rule 6750 to provide that FINRA may publish or distribute aggregated transaction information and statistics on U.S. Treasury Securities on a more frequent basis.

The text of the proposed rule change is available on FINRA’s website at <http://www.finra.org>, at the principal office of FINRA and at the Commission’s Public Reference Room.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

In its filing with the Commission, FINRA 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 these statements may be examined at the places specified in Item IV below. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

On July 10, 2017,³ FINRA members began reporting information on transactions in U.S. Treasury Securities⁴ to the Trade Reporting And Compliance Engine (TRACE).⁵

³ See Regulatory Notice 16-39 (October 2016) (SEC Approves Rule Change to Require Reporting of Transactions in U.S. Treasury Securities to the Trade Reporting and Compliance Engine (TRACE)); see also Securities Exchange Act Release No. 79116 (October 18, 2016), 81 FR 73167 (October 24, 2016) (Order Granting Accelerated Approval of File No. SR-FINRA-2016-027).

⁴ 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.

⁵ FINRA's TRACE rules apply only to FINRA members. However, FINRA notes that certain banks that are not FINRA members will begin reporting information on transactions in specified fixed income securities to TRACE starting on September 1, 2022 pursuant to requirements adopted by the Board of Governors of the Federal Reserve System. See Agency Information Collection Activities: Announcement of Board Approval Under Delegated Authority and Submission to OMB, 86 FR 59716 (October 28, 2021) (Federal Reserve approval to implement the Treasury Securities and Agency Debt and Mortgage-Backed Securities Reporting Requirements (FR 2956; OMB No. 7100-NEW)).

Information reported to TRACE regarding individual transactions in U.S. Treasury Securities is used for regulatory and other official sector purposes and is not published or disseminated.⁶ On December 20, 2019, the SEC approved amendments to Rule 6750 (Dissemination of Transaction Information) to allow FINRA to publish weekly aggregated transaction information and statistics on U.S. Treasury Securities at no charge (unless FINRA submits a rule filing imposing a fee for such data).⁷ Pursuant to amended Rule 6750.01(b), on March 10, 2020 FINRA began posting on its website weekly, aggregate data on the trading volume of U.S. Treasury Securities reported to TRACE.⁸

FINRA has received favorable feedback on the weekly aggregated trading volume data for U.S. Treasury Securities that is currently made available on its website and, in consultation with the Treasury Department, now believes it would be appropriate to increase the cadence of this aggregated data. Accordingly, FINRA is proposing to amend paragraph (b) of Supplementary Material .01 to Rule 6750 to delete the word “weekly” so as to permit more frequent publication of aggregated U.S. Treasury Security transaction information and statistics, such as on a daily basis.⁹

⁶ Rule 6750(c)(5) provides that FINRA will not disseminate information on U.S. Treasury Securities.

⁷ See Securities Exchange Act Release No. 87837 (December 20, 2019), 84 FR 71986 (December 30, 2019) (Order Approving File No. SR-FINRA-2019-028).

⁸ See FINRA Press Release, FINRA Launches New Data on Treasury Securities Trading Volume, available at <https://www.finra.org/media-center/newsreleases/2020/finra-launches-new-data-treasury-securities-trading-volume>.

⁹ As it has done previously, FINRA may also continue to modify and enhance the format and content of the aggregate U.S. Treasury Security data (e.g., by adding aggregate trade count and pricing information). For example, in 2021, FINRA enhanced the format of the weekly aggregate data to include a new maturity category for nominal coupons: “Greater than 10 years and less than or equal to 20

FINRA notes that the more frequent aggregated U.S. Treasury Security data would continue to not identify individual market participants or transactions, and FINRA would continue to not publish aggregated transaction information and statistics by individual U.S. Treasury Security (except for the category of on-the-run U.S. Treasury Securities because there is only one on-the-run security at a time for each subtype and maturity).¹⁰ The aggregate U.S. Treasury Security data would also continue to be provided at no charge (unless FINRA submits a rule filing to impose a fee for this data). FINRA believes that the proposed rule change will benefit investors and market participants by providing timelier insight into U.S. Treasury market activity, while maintaining the confidentiality of individual market participants and transactions.

If the Commission approves the proposed rule change, the effective date of the proposed rule change will be the date of Commission approval.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹¹ which requires, among other things, that FINRA rules

years.” This category was intended to highlight the on-the-run 20-year bond and provide volume information for off-the-run Treasury bonds whose remaining maturity fall within the maturity band. See Technical Notice (April 29, 2021) (Enhancements to Weekly Aggregated Reports and Statistics for U.S. Treasury Securities).

¹⁰ See Rule 6750.01(b), which currently provides that aggregated transaction information and statistics on U.S. Treasury Securities will not be published or distributed by individual security (except for aggregated data that includes on-the-run U.S. Treasury Securities that may have had only one on-the-run security during the aggregated period), and will not identify individual market participants or transactions.

¹¹ 15 U.S.C. 78o-3(b)(6).

must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 15A(b)(9) of the Act,¹² which requires that FINRA rules not impose any burden on competition that is not necessary or appropriate.

FINRA believes that the proposed rule change will benefit investors and market participants by providing additional insights into U.S. Treasury Security transaction volume, while maintaining the confidentiality of individual market participants and transactions. Accordingly, FINRA believes the proposed rule change is in the public interest and will help provide greater transparency in U.S. Treasury Securities.

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the regulatory need for the proposed rule change, its potential economic impacts, including anticipated costs and benefits, and any alternatives considered in assessing how to best meet the proposal's regulatory objectives.

Regulatory Need

The purpose of the proposal is described above and is consistent with TRACE transparency initiatives.

¹²

15 U.S.C. 78o-3(b)(9).

Economic Baseline

As mentioned above, in July 2017, FINRA member firms began reporting transactions in U.S. Treasury Securities to TRACE.¹³ Currently, there is no dissemination of transactions to the public, either real-time or on a delayed basis, as member firms report trade activity in U.S. Treasury Securities to TRACE for regulatory purposes only.

There is currently limited publicly available information on U.S. Treasury Security transaction volume. The Federal Reserve Bank of New York publishes average daily trading volume and end-of-the-week positions of primary dealers in U.S. Treasury Securities on a weekly basis.¹⁴ As noted above, in March 2020, FINRA began publishing weekly aggregate volume data in Treasury Securities.¹⁵

Economic Impacts

The proposed dissemination of more frequent aggregate volume data in U.S. Treasury Securities would not impose any additional requirements on firms. The aggregate volume data published by FINRA will continue to be derived from trade reports already required to be submitted to TRACE. In addition, because the data would be available free of charge, FINRA does not believe that there would be any direct costs associated with the proposal for firms, investors or data consumers.

¹³ See supra note 3.

¹⁴ See <https://www.newyorkfed.org/markets/primarydealers> for the definition of “primary dealers” and the weekly statistics.

¹⁵ See supra note 8.

FINRA expects that the proposed rule change would help market participants better understand the overall trading of U.S. Treasury Securities by providing more timely information that could be utilized in assessing where liquidity is concentrated by security characteristic and market segment. FINRA believes that publishing more frequent aggregated data on U.S. Treasury Securities transactions would further benefit market participants and the investor community by enhancing overall transparency.

FINRA also considered information leakage concerns, i.e., whether market participants' proprietary trading strategy could be discerned from the published data. FINRA believes that the aggregated framework mitigates these concerns. As is the case under the current rule, aggregated transaction information and statistics on U.S. Treasury Securities will not be published or distributed by individual security (except for aggregated data that includes on-the-run U.S. Treasury Securities that may have had only one on-the-run security during the aggregated period) and will not identify individual market participants or transactions.

Alternatives Considered

No other alternatives were considered for the proposed dissemination framework.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date

if it finds such longer period to be appropriate and publishes its reasons for so finding or

(ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FINRA-2022-017 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-2022-017. This file number should be included on the subject line if e-mail 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 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 such filing also will be available for inspection and copying at the principal office of FINRA. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2022-017 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁶

Jill M. Peterson
Assistant Secretary

¹⁶ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

* * * * *

6000. QUOTATION, ORDER, AND TRANSACTION REPORTING FACILITIES

* * * * *

6700. TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)

* * * * *

6750. Dissemination of Transaction Information

(a) through (c) No Change.

• • • Supplementary Material: -----

.01 Notwithstanding the provisions of paragraph (c) of this Rule, FINRA may, in its discretion, publish or distribute at no charge (unless FINRA submits a rule filing imposing a fee for such data):

(a) No Change

(b) [weekly] aggregated transaction information and statistics on TRACE-Eligible Securities that are U.S. Treasury Securities that are not subject to dissemination. Aggregated transaction information and statistics on U.S. Treasury Securities will not be published or distributed by individual security (except for aggregated data that includes on-the-run U.S. Treasury Securities that may have had only one on-the-run security during the aggregated period), and will not identify individual market participants or transactions.

* * * * *