

MEMO# 31974

September 19, 2019

ICI Joins Petition for Transparency of Funding of Consolidated Equity Market Data

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September 19, 2019 TO: ICI Members

Equity Markets Advisory Committee SUBJECTS: Trading and Markets RE: ICI Joins Petition for Transparency of Funding of Consolidated Equity Market Data

ICI, jointly with three other trade associations and a broad range of capital markets participants, recently submitted the attached petition urging the Securities and Exchange Commission (SEC) to take steps to improve transparency into the revenues of the public data feeds for equity markets, also known as securities information processors or “SIPs.” The SIPs are operated by the self-regulatory organizations—the national securities exchanges and FINRA—through three national market system (NMS) plans.

The petition urges the SEC to require the SIPs to disclose basic information about the funds the SIP NMS plans collect from users and how those funds are used. Specifically, the petition requests that the SEC amend the SIP NMS plans to require quarterly disclosure of: (i) the amounts of fee revenue, by category, received by the plans, and revenues received as a result of audits; (ii) the amounts that are paid out to the plan participants, processors, administrators, and others; and (iii) amounts that are paid to enhance the SIPs. The petition argues that these disclosures are necessary for stakeholders to evaluate the appropriateness of SIP fees and assess the self-regulatory organizations’ administration of the SIPs, which are intended to operate as public utilities for the benefit of equity market participants.

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[Attachment](#)

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