

**MEMO# 17625**

June 4, 2004

# **INSTITUTE COMMENT LETTER ON SEC PROPOSAL TO REQUIRE ELECTRONIC FILING AND POSTING OF PROPOSED RULE CHANGES OF SELF-REGULATORY ORGANIZATIONS**

[17625] June 4, 2004 TO: CLOSED-END INVESTMENT COMPANY MEMBERS No. 38-04 EQUITY MARKETS ADVISORY COMMITTEE No. 26-04 SEC RULES MEMBERS No. 83-04 RE: INSTITUTE COMMENT LETTER ON SEC PROPOSAL TO REQUIRE ELECTRONIC FILING AND POSTING OF PROPOSED RULE CHANGES OF SELF-REGULATORY ORGANIZATIONS As we previously informed you, the Securities and Exchange Commission has proposed changes under the Securities Act of 1933 and the Securities Exchange Act of 1934 that would amend certain requirements relating to rule changes proposed by self-regulatory organizations ("SROs").\* Attached is the Institute's comment letter on the proposal, which is briefly summarized below. The letter supports requiring each SRO to: (1) post all proposed rule changes, and any amendments thereto, on its public website no later than the next business day after filing with the SEC; (2) post and maintain a current and complete version of its rules on its website; and (3) update its public website to reflect rule changes no later than the next business day following notification of the SEC's approval of the rule change. The letter notes that the proposed requirements would enhance access by interested persons to SRO rules and rule changes, thereby, in part, facilitating efforts to identify and comment on SRO proposals. The letter also notes that the proposal would facilitate compliance efforts. The letter expresses extreme concern that the Commission has not addressed the short time period provided for public comment on SRO proposals. The letter notes that a 21-day comment period often does not provide a meaningful "opportunity" to comment because it is extremely difficult to develop comprehensive, well-considered comments in this period, especially with respect to complex proposals. The letter urges the Commission to extend the public comment period to 60 days for significant SRO proposals. Dorothy M. Donohue Associate Counsel Attachment (in .pdf format) \* See Memorandum to Closed-End Investment Company Members No. 28-04 and SEC Rules Members No. 62-04 [17436], dated April 28, 2004 and Memorandum to Equity Markets Advisory Committee No. 20-04, dated April 28, 2004 [17434]. 2 Note: Not all recipients receive the attachment. To obtain a copy of the attachment, please visit our members website (<http://members.ici.org>) and search for memo 17625, or call the ICI Library at (202) 326-8304 and request the attachment for memo 17625.

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