October 9, 2024

ICI Draft Comment Letter on Financial Data Transparency Act: Proposed Joint Data Standards; Comments Due by October 14 at 12:00 pm ET

[35882]

October 09, 2024

TO: Accounting/Treasurers Committee
Equity Markets Advisory Committee
Municipal Securities Advisory Committee
Operations Committee
SEC Rules Committee
Securities Operations Advisory Committee
Small Funds Committee RE: ICI Draft Comment Letter on Financial Data Transparency Act: Proposed Joint Data Standards; Comments Due by October 14 at 12:00 pm ET

Attached for your review is a draft ICI comment letter to the proposal[1] issued by nine federal agencies (the "Agencies"),[2] including the Securities and Exchange Commission, to jointly establish data standards for collections of information reported to the Agencies under the Financial Data Transparency Act of 2022 ("FDTA").[3] The Agencies propose to require, among other things, that financial entities utilize a common nonproprietary legal entity identifier ("LEI") that is available under an open license for information reported to each Agency.[4] In addition to the LEI, the Proposal identifies the Financial Instrument Global Identifier ("FIGI")[5] as the proposed common identifier for financial instruments. The SEC proposed the joint standards on August 2nd, please see the ICI memo summarizing the Proposal here: https://www.ici.org/memo35808.

Comments on the Proposal are due to the SEC by Monday, October 21, 2024. The draft letter includes several areas where ICI seeks member feedback. To ensure that we have sufficient time to incorporate or address your views before October 21st, please provide me with any feedback or comments by email at mitra.surrell@ici.org no later than 12:00 pm Eastern Time on Monday, October 14.

Mitra Surrell

Associate General Counsel, Markets, SMAs, & CITs

Notes

[1] See Financial Data Transparency Act Joint Data Standards, Rel. Nos. 33-11295; 34-100647; IA-6644; IC-35290; File No. S7-2024-05, 89 Fed. Reg. 67,890 (Aug. 22, 2024) (the "Proposal"), available at https://www.govinfo.gov/content/pkg/FR-2024-08-22/pdf/2024-18415.pdf.

[2] The nine Agencies are the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Consumer Financial Protection Bureau, the Federal Housing Finance Agency, the Commodity Futures Trading Commission ("CFTC"), the Securities and Exchange Commission, and the Department of the Treasury.

[3] Pub. L. 117-263, title LVIII, 136 Stat. 2395, 3421 (2022) (adding, among other things, a new section 124 of the Financial Stability Act of 2010, which is codified at 12 U.S.C. 5334 ("Section 124")).

[4] The Agencies propose to establish the International Organization for Standardization (ISO) 17442-1:2020, Financial Services - Legal Entity Identifier (LEI) as the legal entity identifier joint standard. See ISO 17442-1:2020, Financial services - Legal Entity Identifier (LEI), INTERNATIONAL ORGANIZATION FOR STANDARDIZATION, available at https://www.iso.org/standard/78829.html.

[5] FIGI was established by the Object Management Group, which is an open-membership standards consortium. The FIGI is an international identifier for all classes of financial instruments, including, but not limited to, securities and digital assets. See Standard Symbology for Global Financial Securities, OBJECT MANAGEMENT GROUP, available at https://www.omg.org/figi/. Bloomberg L.P. irrevocably contributed its FIGI intellectual property to Object Management Group in 2015 and continues to function as a registration authority for FIGI issuances.