

MEMO# 36020

February 12, 2025

FINRA and the MSRB Delay Effectiveness of Amendments to Shorten Reporting Timeframes for TRACE-Eligible Securities and Municipal Securities

[36020]February 12, 2025TO:ICI Members

Fixed-Income Advisory Committee

Municipal Securities Advisory CommitteeSUBJECTS:Fixed Income Securities

Investment Advisers

Municipal Securities

Trading and MarketsRE:FINRA and the MSRB Delay Effectiveness of Amendments to Shorten Reporting Timeframes for TRACE-Eligible Securities and Municipal Securities

Last week, [FINRA](#) and the [MSRB](#) announced that they will not be setting an effective date for their approved rule changes related to reducing the trade reporting timeframe for certain transactions reported to FINRA's TRACE and MSRB's RTRS, respectively.[\[1\]](#) Previously, the SEC had approved trade reporting for subject fixed income securities to be as soon as practicable, but reducing the outer-limit timeframe from 15 minutes to one minute, with exceptions for (1) member firms with "limited trading activity"; and (2) manual trades. For background on previous actions in this area, please see <https://www.ici.org/memo35867>.

In making its announcement, FINRA stated that, in light of questions and concerns that have been raised regarding the amendments, FINRA staff will work expeditiously on developing and filing with the SEC substantive changes to the amendments that take into consideration these questions and concerns. FINRA indicated that it welcomes continued engagement regarding potential modifications to the amendments.

The MSRB indicated that it intends on maintaining implementation of its rule amendments on substantially the same delayed implementation timeframe as announced by FINRA. The MSRB also expressed interest in continued engagement with stakeholders. ICI continues to follow developments on these TRACE and RTRS amendments.

Tim White

Associate General Counsel - Markets, SMAs & CITs

Notes

[1] For the adopted rules, see Order Granting Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Amend MSRB Rule G-14 To Shorten the Timeframe for Reporting Trades in Municipal Securities to the MSRB, Exchange Act Release No. 101118, 89 Fed. Reg. 78955 (Sept. 26, 2024), *available at* <https://www.govinfo.gov/content/pkg/FR-2024-09-26/pdf/2024-22028.pdf>; Order Approving a Proposed Rule Change, as Modified by Partial Amendment No. 1, To Amend FINRA Rule 6730 (Transaction Reporting) To Reduce the 15-Minute TRACE Reporting Timeframe to One Minute, Exchange Act Release No. 101121, 89 Fed. Reg. 78930 (Sept. 26, 2024), *available at* <https://www.govinfo.gov/content/pkg/FR-2024-09-26/pdf/2024-22027.pdf>.

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