

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 2024 - * 06

Amendment No. (req. for Amendments *)

Filing by Municipal Securities Rulemaking Board

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

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input checked="" type="checkbox"/> 19b-4(f)(6)		
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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 the MSRB's Real-Time Transaction Reporting System and Price Dissemination Information Facility to Retire the Transmission Control Protocol Secure Socket Connection

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 * Thushara Last Name * Perera

Title * Director, Market Regulation

E-mail * tperera@msrb.org

Telephone * (202) 838-1500 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Municipal Securities Rulemaking Board has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/30/2024 (Title *)

By Ronald W. Smith Corporate Secretary
(Name *)

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.

rsmith@msrb.o
rg

Digitally signed by
rsmith@msrb.org
Date: 2024.07.30 09:50:27
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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 EFFS website.

Form 19b-4 Information *

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MSRB-2024-06 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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MSRB-2024-06 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

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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

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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

MSRB-2024-06 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

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b-4 thereunder,² the Municipal Securities Rulemaking Board (the “MSRB”) is filing with the Securities and Exchange Commission (the “Commission”) a proposed rule change to amend the MSRB’s Real-Time Transaction Reporting System and Price Dissemination Information Facility (“IF-1”) to consolidate access by subscribers to the real-time transaction data residing within the Real-Time Transaction Reporting System (“RTRS”) through a web service and to fully retire the Transmission Control Protocol secure socket connection (“TCP secure socket connection”) (the “proposed rule change”).

The MSRB has filed the proposed rule change under Section 19(b)(3)(A)(iii) of the Exchange Act³ and Rule 19b-4(f)(6)⁴ thereunder, as a noncontroversial rule change that renders the proposed rule change effective upon filing. The MSRB will announce the operative date of the proposed rule change, which would be no earlier than 30 days following the filing of the proposed rule change with the Commission, in a regulatory notice to be published on the MSRB website. The operative date will be the earlier of nine months following the filing date or the day by which all subscribers are deemed to have discontinued the use of the TCP secure socket connection. During the period leading to the operative date, the MSRB will no longer permit new subscribers to establish new connectivity to RTRS using the TCP secure socket connection.

(a) The text of the proposed rule change is attached as Exhibit 5. Text to be added is underlined, and text proposed to be deleted is enclosed in brackets.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The board of directors of the MSRB approved the proposed rule change at its meeting on April 17-18, 2024. Questions concerning this filing may be directed to Thushara Perera, Director, Market Regulation, or William Otto, Assistant Director, Market Regulation, at (202) 838-1500.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

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

(a) Purpose

MSRB Rule G-14, on transaction reporting, requires brokers, dealers and municipal securities dealers (“dealers”), and associated persons to report executed transactions in municipal securities to RTRS, with limited exceptions. The MSRB disseminates trade reporting information from RTRS to subscribers through certain data subscription feeds.⁵ One subscription feed offered by the MSRB is the Real-Time Transaction Data Subscription Service (the “Real-Time Subscription”). Currently, subscribers to the Real-Time Subscription may connect to RTRS to obtain real-time data through one of two methods: a TCP secure socket connection, a broadcast service, referred to in IF-1 as a “TCP secure socket connection” and referred to by subscribers as the TCP secure socket interface, and a secure web Application Programming Interface connection, referred to in IF-1 as the “web service”.⁶

The MSRB has utilized a socket service-based technology since the introduction of RTRS in 2005, with the current version consisting of the TCP secure socket connection. The MSRB later added the web service in 2018 as an additional connectivity option to obtain real time transaction data through the Real-Time Subscription.⁷ Since then, the TCP secure socket connection has become less reliable than the web service, with greater susceptibility for individual subscribers to experience sporadic temporary connection problems.⁸ In some cases, this can require the intervention of information technology support resources from both the MSRB and individual subscribers for troubleshooting and resolving such issues when they arise.

The MSRB has determined to consolidate access by subscribers to the Real-Time Subscription through the web service and to retire the older TCP secure socket connection. The purpose of the proposed rule change is to amend IF-1 to remove the reference to the TCP secure socket connection therein to reflect its retirement. Current subscribers using the TCP secure socket connection that wish to continue receiving the real-time transaction data subscription would need to migrate to the web service. The MSRB expects that, upon migration, these

⁵ The MSRB also disseminates trade reporting information free of charge to the general public through the MSRB's centralized Electronic Municipal Market Access (EMMA®) website. EMMA® is a registered trademark of the MSRB.

⁶ See IF-1, MSRB Real-Time Transaction Data Subscription Service, Access to Real-Time Service and Replay Files.

⁷ See Exchange Act Release No. 83038 (Apr. 12, 2018), 83 FR 17200 (Apr. 18, 2018), (File No. MSRB-2018-02) available at <https://www.msrb.org/sites/default/files/MSRB-2018-02-Fed-Reg.pdf>.

⁸ These connectivity issues are confined to TCP socket service subscribers only and are not related to RTRS, EMMA®, or any other MSRB system.

subscribers would experience improvements in the consistency and reliability of receiving trade data information in real-time.

The MSRB would announce the operative date of the proposed rule change, which would be no earlier than 30 days following the filing of the proposed rule change with the Commission, in a regulatory notice to be published on the MSRB website. The operative date will be the earlier of nine months following the filing date or the day by which all subscribers are deemed to have discontinued the use of the TCP secure socket connection. The MSRB intends to engage in outreach efforts to impacted subscribers to support the transition from the TCP secure socket connection to the web service.

Lastly, the proposed rule change also includes minor language changes to improve the readability and technical accuracy of the rule. These changes include adding the word “disseminated” to better describe the mechanics of the Real-Time Subscription, adding the article “a” to clarify the use of a single connection, and changing “connecting with RTRS” to “connected to RTRS” to more accurately describe the connection between the web service and RTRS.

(b) Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2) of the Exchange Act,⁹ which provides that the MSRB shall propose and adopt rules to effect the purposes of the Exchange Act with respect to, among other matters, transactions in municipal securities effected by dealers. Section 15B(b)(2)(C) of the Exchange Act¹⁰ further provides that the MSRB’s rules shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The proposed rule change would improve subscribers’ experience using the Real-Time Subscription to receive trade data. As noted above, the TCP secure socket connection has become less reliable than the web service, with greater susceptibility for individual subscribers to experience sporadic temporary connection problems and requiring the intervention and resources of information technology support resources from both the MSRB and individual subscribers for resolving such issues. By consolidating subscriber connection to only the web service, the MSRB can also streamline technical support for the web service and provide an improved user

⁹ 15 U.S.C. 78o-4(b)(2).

¹⁰ 15 U.S.C. 78o-4(b)(2)(C).

experience for subscribers.¹¹ As a result, the MSRB believes that subscribers will benefit from a common connection with more efficient technical support and faster resolution when any issues arise.

These improvements in the resiliency and efficiency of the Real-Time Subscription will further remove impediments to and perfect the mechanism of a free and open market in municipal securities by making it more likely that subscribers to the Real-Time Subscription receive continuous transaction information. Therefore, the MSRB believes that the proposed rule change satisfies the applicable requirements of Section 15B(b)(2)(C) of the Exchange Act.¹²

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

Section 15B(b)(2)(C) of the Exchange Act¹³ requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. The MSRB does not believe the proposed rule change to amend IF-1 would result in any burden on competition. Therefore, the MSRB does not believe the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act. In determining whether these standards have been met, the MSRB is guided by the MSRB’s Policy on the Use of Economic Analysis in MSRB Rulemaking.¹⁴ The proposed rule change consists of revisions to remove language relating to the TCP secure socket connection to obtain trade reporting data from RTRS.

The proposed rule change is of a technical nature. This proposed rule change to IF-1 would remove references to the “TCP secure socket connection” for access to RTRS data to

¹¹ Using the web service exclusively would also allow the MSRB to perform more efficient maintenance and information technology deployments during business hours, thereby enhancing business continuity in addition to subscriber experience.

¹² 15 U.S.C. 78o-4(b)(2)(C).

¹³ Id.

¹⁴ See Policy on the Use of Economic Analysis in MSRB Rulemaking, available at <https://www.msrb.org/Policy-Use-Economic-Analysis-MSRB-Rulemaking>. In evaluating whether there was any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act, the MSRB was guided by its principles that required the MSRB to consider costs and benefits of a rule change, its impact on efficiency, capital formation and competition, and the main reasonable alternative regulatory approaches. For those rule changes which the MSRB files for immediate effectiveness under Section 19(b)(3)(A) of the Exchange Act (15 U.S.C. 78s(b)(3)(A)), including information facility rule filings, while not subject to the policy, the MSRB usually focuses its examination exclusively on the burden of competition on regulated entities, but may also include any additional economic analysis that the MSRB believes may inform the rulemaking process based on the facts and circumstances.

correspond to the MSRB's planned retirement of that connection for a subset of subscribers. Subscribers presently using the TCP secure socket connection would need to convert to web service for messaging with RTRS. However, with the introduction of a more modern technology infrastructure, issues for individual subscribers using the TCP secure socket connection have increased, and MSRB staff has spent time and resources troubleshooting problems and restoring connectivity to individual subscribers. The MSRB expects that such efforts would need to be continued on a longer-term basis so long as the TCP secure socket connection is available. Subscribers using the TCP secure socket connection are burdened with the higher level of service disruptions and inquiries to MSRB support staff as compared to subscribers through the web service.

By retiring the TCP secure socket connection, the MSRB is expected to focus its resources on one method of connection, therefore improving the reliability, availability, and supportability of the Real-Time Subscription. This in turn will benefit the current TCP secure socket connection users with a more reliable connection if they choose to continue their Real-Time Subscription and migrate to the web service. The MSRB believes the proposed rule change, while requiring some initial adjustments by subscribers who currently use the TCP secure socket connection to rewrite, or retrofit, their code for the use of the web service, would reduce connection problems for subscribers and therefore improve market efficiency in the longer term. The proposed rule change would not modify the MSRB's administration of RTRS in collecting and disseminating information to the EMMA® website publicly for transactions in the municipal securities market. Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the Exchange Act.¹⁵

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 on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

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)

The MSRB has designated the proposed rule change as being immediately effective upon filing pursuant to Section 19(b)(3)(A)(iii) of the Exchange Act¹⁶ and Rule 19b-4(f)(6)¹⁷

¹⁵ 15 U.S.C. 78o-4(b)(2)(C).

¹⁶ 15 U.S.C. 78s(b)(3)(A)(iii).

¹⁷ 17 CFR 240.19b-4(f)(6).

thereunder. The proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) by its terms, become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest.

In accordance with Rule 19b-4(f)(6),¹⁸ the MSRB provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing the proposed rule change, or such shorter time as the Commission may designate, as specified in Rule 19b-4(f)(6)(iii).¹⁹ The MSRB will announce the operative date of the proposed rule change, which would be no earlier than 30 days following the filing of the proposed rule change with the Commission, in a regulatory notice to be published on the MSRB website. The operative date will be the earlier of nine months following the filing date or the day by which all subscribers are deemed to have discontinued the use of the TCP secure socket connection.

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

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Exchange 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 Proposed Rule Change

¹⁸ Id.

¹⁹ 17 CFR 240.19b-4(f)(6)(iii).

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-MSRB-2024-06)
Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the MSRB's Real-Time Transaction Reporting System and Price Dissemination Information Facility to Retire the Transmission Control Protocol Secure Socket Connection

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____ the Municipal Securities Rulemaking Board ("MSRB") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the MSRB. 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

The MSRB filed with the Commission a proposed rule change to amend the MSRB's Real-Time Transaction Reporting System and Price Dissemination Information Facility ("IF-1") to consolidate access by subscribers to the real-time transaction data residing within the Real-Time Transaction Reporting System ("RTRS") through a web service and to fully retire the Transmission Control Protocol secure socket connection ("TCP secure socket connection") (the "proposed rule change").

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

The MSRB has filed the proposed rule change under Section 19(b)(3)(A)(iii) of the Exchange Act³ and Rule 19b-4(f)(6)⁴ thereunder, as a noncontroversial rule change that renders the proposed rule change effective upon filing. The MSRB will announce the operative date of the proposed rule change, which would be no earlier than 30 days following the filing of the proposed rule change with the Commission, in a regulatory notice to be published on the MSRB website. The operative date will be the earlier of nine months following the filing date or the day by which all subscribers are deemed to have discontinued the use of the TCP secure socket connection. During the period leading to the operative date, the MSRB will no longer permit new subscribers to establish new connectivity to RTRS using the TCP secure socket connection.

The text of the proposed rule change is available on the MSRB's website at <https://msrb.org/2024-SEC-Filings>, at the MSRB's principal office, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the MSRB 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. The MSRB 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

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

1. Purpose

MSRB Rule G-14, on transaction reporting, requires brokers, dealers and municipal securities dealers (“dealers”), and associated persons to report executed transactions in municipal securities to RTRS, with limited exceptions. The MSRB disseminates trade reporting information from RTRS to subscribers through certain data subscription feeds.⁵ One subscription feed offered by the MSRB is the Real-Time Transaction Data Subscription Service (the “Real-Time Subscription”). Currently, subscribers to the Real-Time Subscription may connect to RTRS to obtain real-time data through one of two methods: a TCP secure socket connection, a broadcast service, referred to in IF-1 as a “TCP secure socket connection” and referred to by subscribers as the TCP secure socket interface, and a secure web Application Programming Interface connection, referred to in IF-1 as the “web service”.⁶

The MSRB has utilized a socket service-based technology since the introduction of RTRS in 2005, with the current version consisting of the TCP secure socket connection. The MSRB later added the web service in 2018 as an additional connectivity option to obtain real time transaction data through the Real-Time Subscription.⁷ Since then, the TCP secure socket connection has become less reliable than the web service, with greater susceptibility for

⁵ The MSRB also disseminates trade reporting information free of charge to the general public through the MSRB’s centralized Electronic Municipal Market Access (EMMA®) website. EMMA® is a registered trademark of the MSRB.

⁶ See IF-1, MSRB Real-Time Transaction Data Subscription Service, Access to Real-Time Service and Replay Files.

⁷ See Exchange Act Release No. 83038 (Apr. 12, 2018), 83 FR 17200 (Apr. 18, 2018), (File No. MSRB-2018-02) available at <https://www.msrb.org/sites/default/files/MSRB-2018-02-Fed-Reg.pdf>.

individual subscribers to experience sporadic temporary connection problems.⁸ In some cases, this can require the intervention of information technology support resources from both the MSRB and individual subscribers for troubleshooting and resolving such issues when they arise.

The MSRB has determined to consolidate access by subscribers to the Real-Time Subscription through the web service and to retire the older TCP secure socket connection. The purpose of the proposed rule change is to amend IF-1 to remove the reference to the TCP secure socket connection therein to reflect its retirement. Current subscribers using the TCP secure socket connection that wish to continue receiving the real-time transaction data subscription would need to migrate to the web service. The MSRB expects that, upon migration, these subscribers would experience improvements in the consistency and reliability of receiving trade data information in real-time.

The MSRB would announce the operative date of the proposed rule change, which would be no earlier than 30 days following the filing of the proposed rule change with the Commission, in a regulatory notice to be published on the MSRB website. The operative date will be the earlier of nine months following the filing date or the day by which all subscribers are deemed to have discontinued the use of the TCP secure socket connection. The MSRB intends to engage in outreach efforts to impacted subscribers to support the transition from the TCP secure socket connection to the web service.

Lastly, the proposed rule change also includes minor language changes to improve the readability and technical accuracy of the rule. These changes include adding the word “disseminated” to better describe the mechanics of the Real-Time Subscription, adding the

⁸ These connectivity issues are confined to TCP socket service subscribers only and are not related to RTRS, EMMA®, or any other MSRB system.

article “a” to clarify the use of a single connection, and changing “connecting with RTRS” to “connected to RTRS” to more accurately describe the connection between the web service and RTRS.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2) of the Exchange Act,⁹ which provides that the MSRB shall propose and adopt rules to effect the purposes of the Exchange Act with respect to, among other matters, transactions in municipal securities effected by dealers. Section 15B(b)(2)(C) of the Exchange Act¹⁰ further provides that the MSRB’s rules shall be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The proposed rule change would improve subscribers’ experience using the Real-Time Subscription to receive trade data. As noted above, the TCP secure socket connection has become less reliable than the web service, with greater susceptibility for individual subscribers to experience sporadic temporary connection problems and requiring the intervention and resources of information technology support resources from both the MSRB and individual subscribers for

⁹ 15 U.S.C. 78o-4(b)(2).

¹⁰ 15 U.S.C. 78o-4(b)(2)(C).

resolving such issues. By consolidating subscriber connection to only the web service, the MSRB can also streamline technical support for the web service and provide an improved user experience for subscribers.¹¹ As a result, the MSRB believes that subscribers will benefit from a common connection with more efficient technical support and faster resolution when any issues arise.

These improvements in the resiliency and efficiency of the Real-Time Subscription will further remove impediments to and perfect the mechanism of a free and open market in municipal securities by making it more likely that subscribers to the Real-Time Subscription receive continuous transaction information. Therefore, the MSRB believes that the proposed rule change satisfies the applicable requirements of Section 15B(b)(2)(C) of the Exchange Act.¹²

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

Section 15B(b)(2)(C) of the Exchange Act¹³ requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. The MSRB does not believe the proposed rule change to amend IF-1 would result in any burden on competition. Therefore, the MSRB does not believe the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act. In determining whether these standards have been met, the MSRB is guided by the MSRB's Policy on the Use of Economic Analysis in

¹¹ Using the web service exclusively would also allow the MSRB to perform more efficient maintenance and information technology deployments during business hours, thereby enhancing business continuity in addition to subscriber experience.

¹² 15 U.S.C. 78o-4(b)(2)(C).

¹³ Id.

MSRB Rulemaking.¹⁴ The proposed rule change consists of revisions to remove language relating to the TCP secure socket connection to obtain trade reporting data from RTRS.

The proposed rule change is of a technical nature. This proposed rule change to IF-1 would remove references to the “TCP secure socket connection” for access to RTRS data to correspond to the MSRB’s planned retirement of that connection for a subset of subscribers. Subscribers presently using the TCP secure socket connection would need to convert to web service for messaging with RTRS. However, with the introduction of a more modern technology infrastructure, issues for individual subscribers using the TCP secure socket connection have increased, and MSRB staff has spent time and resources troubleshooting problems and restoring connectivity to individual subscribers. The MSRB expects that such efforts would need to be continued on a longer-term basis so long as the TCP secure socket connection is available. Subscribers using the TCP secure socket connection are burdened with the higher level of service disruptions and inquiries to MSRB support staff as compared to subscribers through the web service.

By retiring the TCP secure socket connection, the MSRB is expected to focus its resources on one method of connection, therefore improving the reliability, availability, and

¹⁴ See Policy on the Use of Economic Analysis in MSRB Rulemaking, available at <https://www.msrb.org/Policy-Use-Economic-Analysis-MSRB-Rulemaking>. In evaluating whether there was any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act, the MSRB was guided by its principles that required the MSRB to consider costs and benefits of a rule change, its impact on efficiency, capital formation and competition, and the main reasonable alternative regulatory approaches. For those rule changes which the MSRB files for immediate effectiveness under Section 19(b)(3)(A) of the Exchange Act (15 U.S.C. 78s(b)(3)(A)), including information facility rule filings, while not subject to the policy, the MSRB usually focuses its examination exclusively on the burden of competition on regulated entities, but may also include any additional economic analysis that the MSRB believes may inform the rulemaking process based on the facts and circumstances.

supportability of the Real-Time Subscription. This in turn will benefit the current TCP secure socket connection users with a more reliable connection if they choose to continue their Real-Time Subscription and migrate to the web service. The MSRB believes the proposed rule change, while requiring some initial adjustments by subscribers who currently use the TCP secure socket connection to rewrite, or retrofit, their code for the use of the web service, would reduce connection problems for subscribers and therefore improve market efficiency in the longer term. The proposed rule change would not modify the MSRB's administration of RTRS in collecting and disseminating information to the EMMA® website publicly for transactions in the municipal securities market. Accordingly, the MSRB does not believe that the proposed rule change would result in any burden on competition that is not necessary or appropriate in furtherance of the Exchange Act.¹⁵

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 on the proposed rule change.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Exchange Act¹⁶ and Rule 19b-4(f)(6)¹⁷ thereunder. At any time within 60 days of the filing of

¹⁵ 15 U.S.C. 78o-4(b)(2)(C).

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6).

the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Exchange Act.

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 Exchange 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 email to rule-comments@sec.gov. Please include File Number SR-MSRB-2024-06 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-MSRB-2024-06. This file number should be included on the subject line if email 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 10:00 am and 3:00 pm. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-MSRB-2024-06 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, pursuant to delegated authority.¹⁸

Sherry R. Haywood
Assistant Secretary

¹⁸ 17 CFR 200.30-3(a)(12).

IF-1: Real-Time Transaction Reporting and Price Dissemination (The "Real-Time Transaction Reporting System" or "RTRS")

RTRS Functionality

No change.

Transaction Dissemination by RTRS

The MSRB makes RTRS data available through various subscription services described in more detail below. The MSRB may, at its discretion, waive or reduce fees for a service or product for certain non-profit organizations and for organizations providing, at no out-of-pocket charge, services or products to the MSRB for internal or public use or dissemination on MSRB's Electronic Municipal Market Access System (EMMA®) on terms agreeable to the MSRB.

MSRB Real-Time Transaction Data Subscription Service

Subscription. No change.

Access to Real-Time Service and Replay Files. The Real-Time Service is provided in the form of messages disseminated through [and is available over the web. Subscribers to the Real-Time Service must use either a TCP secure socket connection or the] a web service [for] connected[ing with] to RTRS. The Real-Time Service also provides a "Replay" file containing all messages disseminated during a RTRS Business Day.

Real-Time Dissemination. No change.

List of Information Items to be Disseminated. No change.

MSRB Comprehensive Transaction Data Subscription Service

No change.

MSRB Historical Transaction Data Product

No change.

MSRB Academic Historical Transaction Data Product

No change.
