



SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-563, OMB Control No. 3235-0693]

Proposed Collection; Comment Request; Extension: Rules 17g-8 and 17g-9

Upon Written Request, Copies Available From

Securities and Exchange Commission

Office of FOIA Services

100 F Street NE

Washington, DC 20549-2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the existing collection of information provided for in Rules 17g-8 and 17g-9 (17 CFR 240.17g-8 and 17 CFR 240.17g-9) under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.). The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

Rules 17g-8 and 17g-9 set forth collection of information requirements. Specifically, Rule 17g-8 requires nationally recognized statistical rating organizations (“NRSROs”) to establish, maintain, enforce, and document policies and procedures that are reasonably designed to achieve the objectives articulated in the rule. Generally, these policies and procedures pertain to (i) the procedures and methodologies NRSROs use to determine credit ratings, and (ii) the symbols, numbers, or scores NRSROs use to denote credit ratings.¹ Rule 17g-8 also requires that the policies and procedures an NRSRO is required to establish, maintain, and enforce pursuant to Section 15E(h)(4)(A) of the Securities Exchange Act of 1934 must, at a minimum, include policies and procedures reasonably designed to achieve the objectives articulated in the rule.²

¹ See 240.17g-8(a) and (b).

² See 240.17g-8(c).

Rule 17g-9 requires each NRSRO to establish, maintain, enforce, and document standards of training, experience, and competence for the individuals it employs to participate in the determination of credit ratings that are reasonably designed to achieve the objective that the NRSRO produces accurate credit ratings.³

Currently, there are 10 credit rating agencies registered as NRSROs with the Commission. The Commission estimates that the total annual hour burden for NRSROs to comply with Rule 17g-8 and Rule 17g-9 is 1,450 hours and 34,658 hours, respectively. The Commission further estimates that these annual hour burdens will result in a total annual cost with respect to Rule 17g-8 of \$539,400 and with respect to Rule 17g-9 of \$12,951,746. These costs are attributable to costs NRSROs may incur in completing updates and other activities relating to the policies and procedures adopted pursuant to Rule 17g-8 and the standards adopted pursuant to Rule 17g-9, and in conducting the periodic testing of credit analysts pursuant to standards adopted under Rule 17g-9.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information on respondents; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

³ See 240.17g-9.

Please direct your written comments to: Dave Bottom, Director/Chief Information Officer,
Securities and Exchange Commission, c/o John Pezzullo, 100 F St NE, Washington, DC 20549
or send an email to: PRA_Mailbox@sec.gov.

Dated: May 1, 2024.

Sherry R. Haywood,

Assistant Secretary.

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