May 24, 2023

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Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Dear Secretary:

RE: Cybersecurity Risk Management Rule for Broker-Dealers, Clearing Agencies, Major Security-Based Swap Participants, the Municipal Securities Rulemaking Board, National Securities Associations, National Securities Exchanges, Security-Based Swap Data Repositories, Security-Based Swap Dealers, and Transfer Agents, File No. S7-06-23

Thank you for the opportunity to comment on the proposed Cybersecurity Risk Management Rule. We support the Commission's proposal to require information regarding cybersecurity risk to be filed electronically and to be submitted in machine-readable format.

XBRL US is a nonprofit standards organization, with a mission to improve the efficiency and quality of reporting in the U.S. by promoting the adoption of business reporting standards. XBRL US is a jurisdiction of XBRL International, the nonprofit consortium responsible for developing and maintaining the technical specification for eXtensible Business Reporting Language (XBRL). XBRL is a free and open data standard widely used in the United States, and around the world, for reporting by public and private companies, as well as banks and government agencies.

We support the Commission's proposal to require reporting using a structured data language, however we urge the Commission to opt for the XBRL data standard rather than creating a new custom XML schema designed specifically for Form SCIR. Requiring XBRL would be more efficient and cost-effective and would allow both preparers and data consumers to avail themselves of a competitive marketplace of open-source and commercial tools that already work with the open-source XBRL standard. This approach would enable economies of scale and ensure the lowest possible cost to all stakeholders. Furthermore, Inline XBRL is proposed for cybersecurity information reported by public companies and investment management companies in two other SEC rule proposals. Reporting one set of cybersecurity data in XML and other cybersecurity datasets in XBRL would be inconsistent and not cost-effective.

Below are responses to specific questions posed in the proposal.

Question 10. What are the costs and benefits associated with requiring Covered Entities to file Part I of proposed Form SCIR using a structured data language? Should the Commission require Covered Entities to file Part I of proposed Form SCIR using a structured data language, such as a custom XML? Should the Commission require Covered Entities to file Part I of proposed Form

SCIR using a different structured data language than a custom XML, such as Inline XBRL? Why or why not?

We support the requirement that covered entities prepare Form SCIR, Part I in structured format, however we strongly urge the Commission to require the Inline XBRL standard rather than custom XML.

The rationale for custom XML rather than Inline XBRL is noted in the SEC proposal as "*...the ability for EDGAR to provide fillable web forms for entities to comply with their custom XML requirements, leading to a lower burden of compliance for Covered Entities without Inline XBRL experience.*" The Commission can leverage XBRL to perform the same function, providing a fillable web form that automatically generates XBRL-formatted data from Part I of Form SCIR. The advantage of this approach over custom XML is that the data produced is then in a structured format that can be commingled with other data collected by the SEC and used by data aggregators and end users. Data that is all structured the same can be commingled, shared and is interoperable with other datasets prepared using the same data standard. Data prepared in a custom XML schema is not interoperable with other datasets that are not prepared in the same XML schema.

Furthermore, the Commission has already proposed to require cybersecurity incident data from public companies and for Investment Advisers, Registered Investment Companies, and Business Development Companies to be prepared in Inline XBRL format.

The public company rule proposal notes the argument for Inline XBRL as "*Requiring Inline XBRL tagging of the disclosures provided pursuant to these disclosure items would benefit investors by making the disclosures more readily available and easily accessible to investors, market participants, and others for aggregation, comparison, filtering, and other analysis … would enable automated extraction and analysis of the granular data required by the proposed rules, allowing investors and other market participants to more efficiently perform large-scale analysis and comparison of this information across registrants and time periods.*"

The same argument made by the SEC in this earlier rule proposal holds true for both Part I and Part II of Form SCIR as well. In addition, the XBRL schema created for cybersecurity reporting for public companies and investment management companies can be repurposed for use with the covered entities named in this proposal.

Question 18. Are there any other costs and benefits associated with requiring Covered Entities to file Part II of proposed Form SCIR using a structured data language? If so, please describe them. Should the Commission require Covered Entities to file Part II of proposed Form SCIR using a structured data language, such as a custom XML? Should the Commission require Covered Entities to file Part II of proposed Form SCIR using a different structured data language than a custom XML, such as Inline XBRL? Why or why not?

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While there will be a learning curve for covered entities when first preparing their report in structured data format, given the relative sophistication and resources available to these entities, we believe that the learning curve will be short.
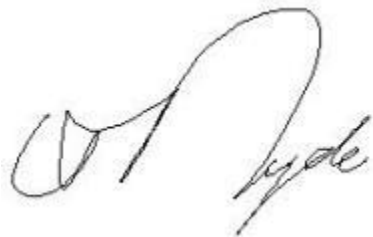
As noted in our response to question 10 above, we recommend that the SEC opt for the Inline XBRL data format, rather than custom XML for Part II of Form SCIR. This approach will be more efficient for the marketplace, and lead to the lowest short- and long-term costs of report preparation. Narrative data like that reported in Form SCIR will be more easily extracted, compared, and analyzed in a format that can produce it in both human- and machine-readable format. And again, this approach is consistent with other cybersecurity data that is proposed to be collected by the SEC for public companies and investment management companies. Gathering all data on a specific topic like cybersecurity in the same structured format will allow it to be fully interoperable, and more easily aggregated and analyzed by regulators, investors, and the public.

Question 72. Should the Commission modify the structured data language requirement for both Parts I and II of Form SCIR in accordance with the alternatives discussed in Section IV.F. below? Should Covered Entities be required to file the cybersecurity risk and incident disclosures on Part II of Form SCIR in the EDGAR system in a structured data language? Why or why not? Would custom XML or Inline eXtensible Business Reporting Language ("iXBRL") be the most suitable data language for this information? Or would another data language be more appropriate?

As noted in our responses to questions 10 and 18 above, we recommend that the SEC choose the Inline XBRL data standard rather than custom XML schema.

Thank you again for the opportunity to comment on this important rule proposal. Please contact me if you have any questions or would like to discuss our comments further. I can be reached at (917) 582-6159 or Campbell.Pryde@Xbrl.us.

Sincerely,

Campbell Pryde
President and CEO, XBRL US

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