August 31, 2023

Dave Bottom
Director/Chief Information Officer
Securities and Exchange Commission
c/o John Pezzullo
100 F St NE
Washington, DC 20549

Dear Mr. Bottom:

RE: Proposed Collection; Comment Request; Extension: Rule 17g-1 and Form NRSRO

Thank you for the opportunity to comment on the Securities and Exchange Commission (SEC) Proposed Collection; Comment Request; Extension: Rule 17g-1 and Form NRSRO. 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.

Recent developments suggest that the review of Form NRSRO comes at an opportune time for the Commission to require that Form NRSRO be prepared in structured, machine-readable format through the use of data standards.

The Financial Data Transparency Act (FDTA) was signed into law on December 23, 2022, as part of H.R. 7776, the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023. The FDTA calls for the use of data standards by member agencies of the U.S. Financial Stability Oversight Council, including the SEC. Data standards required to be established under the final rules are defined as:
- Including common entity identifiers
- Being open and nonproprietary
- Able to render data searchable and machine-readable
- Documenting financial reporting requirements in machine-readable taxonomies
- Incorporate standards developed and maintained by voluntary consensus standards bodies
- Consistent with applicable accounting and reporting principles

Transitioning to the reporting of Form NRSRO in standardized data format would satisfy FDTA requirements. XBRL is the appropriate data standard for the preparation of Form NRSRO. Not

only is it the best fit for the FDTA, but credit rating agencies are already familiar with XBRL and are currently required to prepare credit rating data in XBRL format for SEC submission.

We also recommend that portions of Form NRSRO be prepared in XBRL-CSV. The XBRL standard is a semantic data model that unequivocally represents data; it can be expressed in multiple formats including XML, JSON, XHTML, and CSV. While credit rating data is required to be prepared in XML format, we encourage the Commission to opt for XBRL-CSV for Form NRSRO as most appropriate for the transition matrices included in Exhibit 1 to Form NRSRO.

The XBRL-CSV technical specification is optimal for large volumes of repetitive data. It was established as a new technical specification in 2022 and would be the easiest format from the standpoint of both preparers and users of the data. XBRL-CSV has the same benefits as other XBRL specifications such as Inline XBRL or traditional (XML-based) XBRL. An XBRL-CSV prepared document generates unambiguously machine-readable data, and applications on the market today to prepare data in traditional (XML-based) XBRL or Inline XBRL, can also be adapted to prepare data in XBRL-CSV format. Furthermore, we suggest that the Commission consider transitioning the required reporting of credit rating data from XBRL in XML format, to XBRL-CSV. This would improve efficiencies both in data preparation and extraction.

We also encourage the SEC to house Form NRSRO submissions as well as credit rating data in structured data format on its EDGAR platform rather than link to the forms at NRSRO websites. By making this change, the SEC can ensure that the public has a full history of form submissions, and that the filer cannot modify the form once it has been completed without making such modifications apparent to data consumers.

This is a good opportunity for the SEC to transition to the requirements of the FDTA and take advantage of the availability of a technical data standards specification that would most appropriately fit the required disclosures.

Thank you again for the opportunity to comment. 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

XBRL.US is the national consortium for the business reporting standard.

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