

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 200

[Release No. 34-73229]

Delegation of Authority to the Chief Financial Officer

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission (“Commission”) is amending its rules to delegate to the Chief Financial Officer the authority granted to the Commission by Section 21F(g)(4) of the Securities and Exchange Act of 1934 (“Exchange Act”) to request that the Secretary of the Treasury invest the portion of the Commission’s whistleblower reward fund that, in its discretion, is not required to meet the current needs of the fund, and determine the maturities for those investments suitable to the needs of the fund. These changes are intended to streamline the operation of the Commission by delegating to staff certain routine financial responsibilities.

DATES: Effective September 29, 2014.

FOR FURTHER INFORMATION CONTACT: Kenneth Johnson, Chief Financial Officer, at (202) 551-5472 or Caryn Kauffman, Deputy Chief Financial Officer, at (202) 551-8834, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION

I. Discussion

Section 21F(g)(1) of the Exchange Act establishes the Securities and Exchange Commission Investor Protection Fund (“Fund”),¹ which is available to pay awards to whistleblowers (as provided in Section 21F(b)), and to fund certain activities of the

¹ 14 U.S.C. 78u-6(g)(1).

Commission’s Inspector General.² The Commission may request that the Secretary of the Treasury invest the portion of the Fund that is not, in the discretion of the Commission, required to meet the current needs of the Funds.³ The Secretary of the Treasury must invest such funds in obligation of the United States, “within maturities suitable to the needs of the funds of the Fund as determined by the Commission on the record.”⁴

The Commission is amending its rules to delegate to the Chief Financial Officer the authority, in accordance with section 21F(g)(4), to make requests to the Secretary of the Treasury to invest the Fund’s monies that are not, in his or her discretion, required to meet the current needs of the Fund and to determine what maturities for these investments are suitable to the needs of the Fund.

The Office of Financial Management, headed by the Chief Financial Officer, is responsible for managing the financial matters of the Commission. In providing the Chief Financial Officer with the authority to perform these additional functions, this amendment is intended to streamline the efficient operation of the Commission.

II. Administrative Law Matters

The Commission has determined that these amendments relate solely to the agency’s organization, procedure, or practice. Accordingly, the provisions of the Administrative Procedure Act regarding notice of proposed rulemaking and opportunity for public participation are not applicable.⁵ The Regulatory Flexibility Act, therefore, does not apply.⁶ Because these rules relate solely to the agency’s organization, procedure, or practice and do not substantially affect the rights or obligations of non-agency parties, they are not subject to the Small Business Regulatory

² 15 U.S.C. 78u-6(g)(2).

³ 15 U.S.C. 78u-6(g)(4)(A).

⁴ 15 U.S.C. 78u-6(g)(4)(B).

⁵ 5 U.S.C. 553(b)

⁶ 5 U.S.C. 601 through 612.

Enforcement Fairness Act.⁷ Finally, these amendments do not contain any collection of information requirements as defined by the Paperwork Reduction Act of 1995, as amended.⁸ Further, because the amendments impose no new burdens on private persons, the Commission does not believe that the amendments will have any impact on competition for purposes of Section 23(a) (2) of the Exchange Act. Accordingly, the amendments are effective [insert date of publication in Federal Register].

STATUTORY AUTHORITY

The amendments to the Commission's rules are adopted pursuant to 15 U.S.C. 77o, 77s, 77sss, 77d, 78d-1, 78d-2, 78w, 78ll(d), 78mm, 80a-37, 80b-11, and 7202.

List of Subjects in 17 CFR Part 200

Administrative practice and procedure, Authority delegations (Government agencies), Organization and functions (Government agencies).

TEXT OF AMENDMENTS

In accordance with the preamble, the Commission hereby amends Title 17, Chapter II of the Code of Federal Regulations as follows:

PART 200 – ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

SUBPART A – ORGANIZATION AND PROGRAM MANAGEMENT

1. The authority citation for Part 200, Subpart A, continues to read, in part, as follows:

Authority: 15 U.S.C. 77o, 77s, 77sss, 77d, 78d-1, 78d-2, 78o-4, 78w, 78ll(d), 78mm, 80a-37, 80b-11, 7202, and 7211 *et seq.* unless otherwise noted.

* * * * *

2. Section 200.30-13 is amended by adding paragraph (c) to read as follows.

⁷ 5 U.S.C. 804.

⁸ 44 U.S.C. 3501 through 3520.

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* * * * *

(c) Pursuant to section 21F(g)(4) of the Securities and Exchange Act of 1934 (15 U.S.C. 78u-6(g)(4)), the making of requests to the Secretary of the Treasury to invest the portion of the Securities and Exchange Commission Investor Protection Fund that is not, in his or her discretion, required to meet the current needs of the fund, and the determination of the maturities for those investments suitable to the needs of the fund.

By the Commission.

Dated: September 26, 2014

Kevin M. O'Neill
Deputy Secretary