Government Finance Officers Association
660 North Capitol Street, Suite 410
Washington, D.C. 20001
202.393.8467

October 21, 2024

Vanessa A. Countryman
Secretary
Securities and Exchange Commission (SEC)
100 F Street, NE
Washington, DC 20549-1090

RE: Financial Data Transparency Act Joint Data Standards
[Release No. 33-11295; 34-100647; IA-6644; IC-35290; File No. S7-2024-05]

Dear Secretary Countryman and other interested parties:

The Government Finance Officers Association (GFOA) appreciates the opportunity to share our comments regarding proposed rulemaking (File No. S7-2024-05) (Proposed Rule) related to P.L. 117-263, 136 Stat. 3421 (2022), the Financial Data Transparency Act (FDTA).

GFOA's mission is to advance excellence in public finance, representing public finance officials throughout the United States. The association's more than 25,000 members are made up of state and local government finance officers who are deeply involved in planning, financing, and implementing thousands of governmental operations in their jurisdictions. Our members issue tax-exempt debt as the primary financing vehicle to raise capital for vital public projects, infrastructure, and other fiscal needs. The Proposed Rule as well as forthcoming proposed rules will have extensive impacts on our members and on the entire universe of 50,000 state and local government municipal issuers, [1] and our comments reflect these concerns.

The tax-exempt bond market is vital for state and local governments and investors. In 2023 alone, state and local government issued over **$350 billion in municipal bonds, and the size of the entire outstanding market of municipal securities is more than $4.1 trillion**.[2] For more than

[1] https://www.msrb.org/sites/default/files/MSRB-Dealer-Participation-and-Concentration-Report.pdf?la=en
[2] https://www.sifma.org/resources/research/us-municipal-bonds-statistics/

200 years,[3] the municipal bond market has worked fairly and efficiently to address the needs, whether it is in our largest states and cities or rural communities and districts across the United States. State and local governments and issuers of municipal securities, as well as investors and all market participants, have a $4.1 trillion vested interest in ensuring that the market does not experience disruption caused by unintended misinterpretations of the legislative intent or through misapplication of corporate or other global schemas to the municipal securities market.

Municipal bond issuers are already subject to financial transparency standards in place; more so than in the private sector, as all governmental information, including financial, budget and capital decision making are public. Additionally, GFOA has published numerous best practices for members to follow on the importance of robust disclosure practices and providing information to the public and municipal bond investors.[4]

Our comments below discuss key areas within the Proposed Rule and seek to answer many of the questions proposed in the rulemaking and discussed by the SEC Commissioners. The key tenets of our comments reflect the need for regulations to:

Stay true to the text of the law prohibiting direct regulation of issuers, citing the Tower Amendment specifically, and text in the FDTA stating that regulations may not impose any new disclosure requirements. Governmental entities are not "financial entities" which are the parties that are regulated under this Proposed Rule.

Not imposing unfunded mandates on state and local governments. Any required cost that an issuer incurs to comply with or remain compliant with this law is an unfunded mandate.

Consider the challenges, redundancies and unfunded mandates associated with applying broader corporate sector requirements to the public sector such as entity and securities identifiers.

Stay true to the text of the law and utilize the provisions to scale data reporting requirements and minimize disruptive changes to the municipal securities market.

Adhere to the text of the law as it requires consultation with municipal market participants throughout the rulemaking process.

[3] 1812 New York City GO Bond. https://www.sechistorical.org/museum/galleries/mun/mun02a_share_growth.php
[4] Debt Management (gfoa.org)

THE FDTA

Our comments on the Proposed Rule, reflect our interpretation of the following portions of the FDTA:

The FDTA states: "(8)(A) The Commission [SEC] shall adopt data standards for information submitted to the Board [MSRB]." It goes on to state: "(D) Nothing in this paragraph may be construed to affect the operation of paragraph (1) or (2) of subsection (d) [the Tower Amendment]." In other words, the SEC shall adopt data standards, but neither the SEC nor the MSRB is authorized, via the data standard rules, to require any issuer of municipal securities to file anything with the SEC or the MSRB[5]. Any data standard should be voluntary. GFOA opposed the SEC's encroachment on the Tower Amendment via Rule 15c2-12, and it opposes any further encroachment.

While the FDTA defines a common data standard by creating Section 124 of the Financial Stability Act of 2010 (12 USC 5321) ("Section 124", or "General Data Standard"), it does not directly apply those standards to filings for municipal securities. It does say a standard for municipal securities "shall incorporate and ensure compatibility with (to the extent feasible)" Section 124 provisions, and explicitly mentions clauses (i) through (vi) of subsection (c)(1)(B) which describes general characteristics of the data to be reported. GFOA interprets that as meaning the data standard rules for municipal securities should be similar to other FDTA data, and that the SEC should take into account the idiosyncrasies of the municipal securities market when creating this data standard.

Finally, Section 5826 of the FDTA is titled "No New Disclosure Requirements" and states that "Nothing ... shall be construed to require ... additional information ... beyond information that was collected or made publicly available under any such provision, as of the day before the date of enactment of this Act." The title of the section, and the fact that a plain reading of the FDTA without the section does not appear to require "new data", GFOA interprets the intent of the section as follows: "new data" is recommended per the proposed rulemaking (such as legal entity identifier or common security identifier), and at the same time "new data" restricts flexibility of issuers to accommodate "new data" such as when the Governmental Accounting Standards Board (GASB) modifies financial statement requirements to require new data.

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[5] The Tower Amendment, (15 USC 78o-4(d)(1)) states "Neither the Commission [the SEC] nor the Board [the Municipal Securities Rulemaking Board, or MSRB] is authorized under this chapter, by rule or regulation, to require any issuer of municipal securities, directly or indirectly through a purchaser or prospective purchaser of securities from the issuer, to file with the Commission or the Board prior to the sale of such securities by the issuer any application, report, or document in connection with the issuance, sale, or distribution of such securities." In addition, Section 4(d)(2) repeats and adds "information" to the restriction of not authorizing the MSRB (but not the SEC) from requiring any issuer of municipal securities to directly or indirectly, through a broker dealer, municipal advisor or otherwise, to furnish to the MSRB or to a purchaser any information with respect to such issuer, and then explicitly allows the MSRB to require municipal securities dealers to furnish information "which is generally available from sources other than such issuer."

SECURITIES LAW AND LEGAL CONCERNS

GFOA is concerned with how the Proposed Rule defines "collections of information" to be submitted to the Municipal Securities Rulemaking Board ("MSRB").

Footnote 17 states that "Section 5823 refers to information submitted to the [MSRB]. …[T]he Agencies interpret the directive of section 124(b)(1) of the Financial Stability Act to apply to such specific collections of information." GFOA strongly disagrees with this interpretation which is inconsistent with the plain language of the Financial Stability Act. Section 124(b)(1)(A) of the Financial Stability Act describes the directive of the joint agencies as applying to "the collections of information reported to each covered agency by financial entities under the jurisdiction of the covered agency…."

Information submitted to the MSRB cannot be considered part of the "plain language" of this directive for two reasons. First, the MSRB is not a "covered agency" which is defined in Section 124(a) of the Financial Stability Act as including federal regulatory agencies and not, therefore, self-regulatory organizations. Second, the vast majority of filings submitted to the MSRB are either filings by state and local governmental issuers or filings of offering documents prepared by state and local governmental issuers. Accordingly, those filings are not made by "financial entities" but by governments. *No matter how far one stretches the definition of "financial entities" it cannot include states and local governments.*

GFOA was surprised by the joint agencies' interpretation, as the entire intention behind the legislation discussions surrounding Section 5823 of the FDTA was to craft a specific rule for information submitted to the MSRB. The entire purpose of Section 5823 was to allow for data standards to be developed in a sensible way for the municipal securities market. Section 5823 was crafted to specify that state and local governmental issuers, most notably small- and mid-size issuers, lack the technology systems to comply with the data standards that apply to financial entities and, as such, a tailored process by which the SEC can scale the data standards to and minimize disruption in the municipal securities market were essential parts of Section 5823. According to our read of Footnote 17, the joint agencies have unilaterally thrown out that tailored process and subjected any information submitted to the MSRB to data standards developed pursuant to Section 124(b) of the Financial Stability Act – despite its plain language.

GFOA questions the key goals of the proposed regulations to establish interoperability of data among agencies that do not regulate, or use the data in their regulation of, state and local governments. The benefits of implementing such requirements are unclear, as they create no overriding benefit to the communities they serve.

Section 124 is applied to Municipal Securities via Section 5823 of the FDTA. Section 5823 of the FDTA is clear in that the SEC shall adopt a data standard for municipal securities with reference to Section 124, and not a "directive" to directly "apply" Section 124 data standards. If Section 5823 were a directive to apply Section 124 data standards to submission to the MSRB, it would have been easy to say that. Why direct the SEC to adopt a data standard for municipal securities if not to adopt a data standard that is has differences ("to the extend feasible") from Section 124? GFOA strongly opposes any interpretation of "collections of information" that subjects information submitted to the MSRB to any data standards not developed pursuant to Section 5823.

COSTS

The proposed regulation gives the impression – as noted in its economic analysis – that there are no costs associated with the mandates because there is nothing specifically actionable in this set of regulations. That would be part of the second round of regulations by design. GFOA believes that the conditions outlined in the Proposed Rule will significantly contribute to the next round of rulemaking by the SEC, and the combination of rules will be very costly for state and local governments. For example, while the FDTA says no new data "may" be required, there is no prohibition on requiring new data. New data must be gathered and disseminated, so there will be a cost. Figuring out how to extract, organize and report the data to meet the requirements of the rule will be very costly, even if there is no new data.

GFOA estimates that of the roughly 50,000 tax-exempt bond issuers currently responsible for filing continuing disclosures in EMMA, including annual comprehensive financial reports (ACFRs) to disclosures could add more than $1.5 billion in implementation costs. This estimate considers the following:

- At least 15 percent of governments (and nonprofits) will buy and implement new software at a minimum of $100,000 per government;
- At least 10 percent will need to reconfigure existing systems which will require hiring outside consultants ranging from $100,000 to $200,000;
- At least 25 percent will struggle to update their systems on their own by utilizing staff capacity at a minimum cost of $50,000; and
- The remaining governments, perhaps 50 percent, will develop "shadow systems" and use redundant processes to deal with additional reporting needs costing $5,000 to $100,000.

This means that the costs for all affected public entities required to comply with the mandate would total more than $1.5 billion within just two years and a disproportionate burden would likely be placed on smaller entities with the fewest resources.

In addition to hiring, training or contracting assistance to help with implementation as well as potential financial systems and software to accommodate new data standards, additional costs are embedded in these proposed regulations. Those additional unfunded mandates include maintaining purchased software or ERP systems, purchasing and maintaining issuer and security identifiers, and potential costs for noncompliance – both regulatory- and market-derived.

Governments will also be subject to ongoing costs of maintaining systems and extracting, organizing, reviewing, formatting, and reporting the data. Even at a low estimate of $1,000 per entity per year, that amounts to an annual cost of $50 million per year to taxpayers. The costs associated with complying with the law will hit large and small governments at a time when public sector finance office staffing is already challenged[6]. Also, governments will need to anticipate spending years before making the outlays to properly forecast and budget for these costs.

GFOA presents this information in the form of estimates because specifying costs on a national scale comes with numerous challenges considering many unanswered implementation questions remain. While GFOA has estimated the general costs for governments and entities to comply with the law, key variables in determining specific costs for this sector are largely unknown, especially:

1) The amount of data that needs to be provided in structured format;
2) Costs of consultants to explain the required data to be reported;
3) The implied cost of teaching or hiring staff who will understand the definitions of the data to be reported;
4) The modifications needed to process and systems to enable the systems to track and report the data;
5) The manpower needed to create, extract and organize the required data.

An important question yet to be addressed is: Will the cost of producing this data standard be offset by the benefit of having the data? What is the value of providing FDTA-compliant data for bonds that never trade (buy and hold investors)? Municipal bonds have a historically low default rate compared to other asset classes. Clearly many investors want to monitor their investments, but to whom is this data beneficial? The cost of implementing new systems – which could be of minimal use to issuers and investors – to replace existing processes – which are extensive and effective – are great. The investor community has not asked for these requirements. The FDTA was an initiative of data brokers looking for another product to sell, and not of investors seeking useful data. The level of burden placed on state and local governments to supply this information should be commensurate with the lack of interest by investors.

[6] https://www.gfoa.org/materials/gfr0623-talent-shortage

MANDATES

Common legal entity identifier: Failing to set up legal entity identifiers (LEIs) correctly could have significant costs and market consequences for all types of entities issuing municipal securities and investors. GFOA therefore strongly recommends against mandating LEI as a CLEI for the municipal securities sector. Ideas and concepts that increase efficiency and usability of data are often adopted by markets, and we encourage the SEC consider projects already underway to satisfy this objective, such as the "naming convention" project currently being conducted by the MSRB.

The FDTA requires the use of a common legal entity identifier (CLEI) to identify each issuer. The Global Legal Entity Identifier Foundation (GLEIF) has created LEIs that are in common use in the corporate market. The LEI system was developed with a simpler parent/subsidiary structure of corporate entities, and the use of LEI numbers in the municipal securities sector is quite limited (typically only used in swap transactions). Additionally, GLEIF developed the LEI system without having a structure to address component entities within a municipal entity that may be able to issue debt, and myriad overlapping political subdivision systems and joint agencies that are the structure of state and local governments. If LEI is not adapted to the municipal securities sector, obtaining and maintaining required LEIs would not be manageable for small entities or for large entities with multiple components.

Applying LEIs comprehensively to over 50,000 state and local governments and entities is not a possibility given the current system. Incorporating and utilizing LEIs effectively in this sector would require a municipal securities market-based observation/oversight group with definitive decision-making authority representing the full spectrum of issuers and others in the municipal securities market. This oversight group would work with GLEIF to ensure that LEI numbers are established correctly and reflect the sovereignty afforded to all issuers in the United States. GLEIF's current designations of "parent" and "child" cannot work in the public sector.

While the LEI has often been referred to as a low-cost naming convention, assigning LEIs does indeed carry a cost[7]. Depending on the implementation of this requirement, certain issuers of municipal securities may have networks of component units and political subdivisions that will also need to maintain LEIs and be required to upkeep the LEI, which comes with a cost. This is an unfunded mandate.

This is especially a concern for entities that have acquired LEI numbers already and have found misappropriated designated relationships. For example, a state is not a "parent" of a county government in the United States; the relationship is more akin to franchisor/franchisee than parent/subsidiary. Additionally, last year, a few selected municipal securities issuers were assigned

[7] For cost information, beginning at "75 Euro" for new LEI, see here: LEI Worldwide. The charge for renewal is "70 Euro". Roughly $76 times 50,000 issuers is an unfunded mandate of $3.8 million annually.

as “observers” of the overseeing organization, GLEIF. Our limited participation produced few or no changes to incorporate the idiosyncrasies of municipal securities issuers, such as sovereignty at the very lowest levels of government.

The Proposed Rule states “However, this proposed joint rule would not impose any requirements that any particular entity obtain an LEI and incur the associated costs; such requirements would be determined by the Agency-specific rulemakings.” We encourage the SEC not to adopt a requirement to mandate an issuer to obtain an LEI and incur the associated costs.

Replacement of CUSIP with FIGI: Section (c)(1)(A) of the General Data Standards, specifies “... common non-proprietary legal entity identifier that is available under open license for all entities required to report...” There is no similar statement for a security identifier (“identifier of financial instruments”). For other identifiers, the requirement is “nonproprietary or made available under an open license”. A plain text read of the proposed rules would say that CLEI should be both nonproprietary and open license, whereas other identifiers merely need to be one or the other. The security identifier requirement is created by the Proposed Rule (“the Agencies propose to establish the following common identifiers ...”) and not specifically by FDTA. While it may be desirable to have a security identifier that meets both nonproprietary and open license, there is no FDTA requirement that a security identifier be “non-proprietary” and “open license”.

Issuers of municipal securities have 9-digit CUSIPs assigned to their securities, designating 6-digits for the issuer, 2 additional digits as the securities identifier, and a check digit. A comprehensive shift from CUSIP to FIGI for the securities identifier will require issuers-especially larger issuers – to change their practices and internal controls. This would elicit another level of risk and cost in transition, including modifying their systems for the new securities identifier.

The concept is that FIGI does not come at a cost, whereas CUSIP does; however, it appears that FIGI cannot be a stand-alone securities identifier as the identifier assignment changes between platforms. CUSIPs will still be needed on platforms for buying, selling, settling, and transaction/holdings reporting of securities. Issuers are concerned about the potential for redundant and overlapping systems in both securities identifiers and issuer identification (which is not a part of the FIGI number, as it is in CUSIP). Again, we believe the SEC is not interested in mandating system modifications that are costly, add risk and create overlapping systems that issuers will need to maintain for compliance. We recommend that the SEC consider a long lead time for implementing a wholesale replacement of CUSIP if that is the decision.

Perhaps FIGI and CUSIP can authorize Bloomberg to assign “BBC[CUSIP]” (or some other 3-digit prefix) as a FIGI identifier for securities with a 9-digit CUSIP. Issuers can then decide whether they want to continue using CUSIPs (and receive a “BBC” FIGI) or not (and receive a “BBG”

FIGI). The cost to modify reporting systems to report on a CUSIP based FIGI is orders of magnitude less expensive than modifying systems to track a separate FIGI. Systems could then be modified on the issuer's time frame to incorporate a unique FIGI number. Continuing the use of CUSIP does not violate the guidance for municipal securities of the General Data Standards (no FDTA requirement for security identifier) and meets the 'no new data' intent of FDTA Section 5826.

Finally, if the intention or result of this and future rulemaking consists of having both FIGI and CUSIP and securities identifiers, that too could lead to confusion and disruption for issuers and throughout the municipal market. It is imperative that the SEC tread cautiously and with significant input from the market as it addresses these matters.

DATA STANDARDS

While issuers can understand a taxonomy for existing data, it is not clear that new taxonomies for new data are necessary. The SEC should strive to find ways to submit the existing information in a readily available and least costly format for the data to be easily extracted, without the need for a taxonomy for new data.

If the simple, least burdensome solution is rejected, any efforts related to this sector with regard to "data transmission format" and "schema and taxonomy format" would have to be specific to this sector, and not rolled into more macro formats used by multiple agencies. The large variety of subsectors in the municipal securities market must be accounted for. Again, with the FDTA stating that the SEC must engage with this sector as it develops rules, understanding how each of these elements would or could apply is imperative.

Data transmission format – Flexibility for issuers of municipal securities is crucial; one set way to transmit information will not be workable and the costs of establishing a format in the municipal securities market would be significant. For example, a solution that meets the legislative intent would be for entities to submit information in whatever format they prefer (that meets the standard) and then have the end user determine the format it wants to use to review the information.

GFOA remains concerned with static technology that is assigned as a required format when the nature of the methodologies in machine readability continues to evolve. We again emphasize the significant size of our market and the services that we provide. If more than 50,000 issuers of municipal securities are mandated to invest in static technology that must be updated imminently or even eventually, that is a displacement of funds that could otherwise be committed to essential public services. In addition, ubiquitous formats such as pdf, excel, and xml, require software to convert the information into a displayable format - software that is not guaranteed to be available

5-10 years from now. Simple formats, such as ascii text in CSV format (a preferred National Archives format for structured data[8]), can be read 100 years from now by a person using a basic text editor.

Schema and taxonomy format – We strongly recommend that the SEC not apply a singular taxonomy across the wide variety of "financial entities" subject to the Proposed Rule, provided issuers of municipal securities are not financial entities. GFOA firmly recommends that any discussions about taxonomies be conducted as a market-based discussion outside of the jointly established standard taxonomy and in consultation with the municipal sector. This appears to be a concern of the joint rule makers; page 35 of the proposed regulations notes that: "Not all Agency collections of information have a taxonomy associated with them, as a taxonomy may not be appropriate. Further a taxonomy would not be required for all collections of information subject to the FDTA."

Issuers of municipal securities are subject to a variety of reporting regimens for a variety of policy reasons. Even something as simple as Total Debt can devolve into non-comparable data when sub-classes are implemented, such as Unlimited Tax GO, Limited Tax GO, self-supporting GO debt, Appropriation, Moral Obligation, Special Assessment, various types of Revenue Bonds, conduit, etc. Similarly, a uniform taxonomy of financial terms is unlikely to work for the entirety of the state and local government and entities sector. If any, there will need to be multiple taxonomies developed to accommodate various types of issuers of municipal securities. GFOA does not recommend a singular taxonomy format for submission of this data.

Artificial Intelligence (AI) – AI in its current state should not be considered for FDTA reporting purposes. Data brokers and other end users are free to use whatever method they want to process and interpret the data. However, AI in its current state has "hallucination" issues, and should not be relied upon to provide error-free data. Any assumption that AI can be used to reduce the cost of compiling data is premature as in its current state. AI produced data must be heavily reviewed and compared with non-AI produced data. The more interesting question is not how AI can be utilized, but what data is of interest to Investors.

Extensive and detailed conversations about a potential second phase of rulemaking for the municipal sector is imperative. It is difficult to conceive of one useful data standard that could apply to all the different types of state and local governments and entities that issue municipal securities in the United States, and to the various type of credits that are pledged by even a single government. For example, one useful data standard for a general obligation credit may not be the same as useful data standard for their electric utility credit. Again, numerous variables only apply to this sector, for which regulators would need to develop precise and accessible rules for the mandate to be operational.

[8] https://www.archives.gov/records-mgmt/policy/transfer-guidance-tables.html

The SEC and sector representatives would have to review the rules soon after their application to ensure they are working effectively and efficiently, and look for ways to improve the process, if needed. The time horizon for change in this sector is much different than its corporate counterparts because of the variety of types and sizes of entities. Expecting tens or thousands of issuers to make frequent changes of data transmission standards is unreasonable unless the changes are fully funded, education about the change is ubiquitous and accessible and adherence is voluntary.

SCALABILITY AND BURDENS

To reduce costs, we recommend that the SEC seriously consider liberally applying the scaling provision provided in the law. This should include a large carve out for small entities along with limiting information that must be submitted in structured data format; allowing for great flexibility in what structured data format issuers would need to use; and considering ways for information to be provided in the simplest, least costly and least burdensome standard. The burden should instead be on the data brokers that championed FDTA to provide a standard format, which can evolve over time. The standard should not be for issuers to meet the various needs of the ultimate end users, but rather to have issuers submit information that data brokers can read and use to extract and aggregate the information for changing investor purposes.

The municipal securities market comprises a wide variety of issuers that provide an equally wide range of essential public services, and many of these issuers have only a few finance and accounting personnel that will be tasked with implementing this and future rules. The costs will be borne by these governments, and likely disproportionally by smaller governments. As noted above, it is imperative for regulators and especially the SEC in its economic analysis, to take a realistic look at the cost/benefits for any of these mandates, and whether they serve a purpose that truly overcomes the unfunded mandates that will be placed on taxpayers for new regulations that were never asked for by the investor community. The SEC and other regulators must minimize developing and finalizing regulations that are both costly to state and local governments and disruptive to the municipal market.

GFOA will not be recommending a particular bright line or sequence for implementation of required measures, but the SEC should consider that there is a wide variety of complexities in financial information that varies widely among the sectors. While states are in many cases the largest issuers, many entities issue far more municipal securities than the states as they maintain significant infrastructure in order to deliver public services. School districts, transportation and transit systems and some water systems, for example, have significant capital needs.

CONSULTING STATE AND LOCAL GOVERNMENTS.

The statute requires the SEC to consult with market participants when drafting the next round of rulemaking. GFOA has been concerned that regulators did not have extensive engagement with issuers and other market participants during the development of this Proposed Rule. The municipal sector is deeply affected by the rules and having input from those that will be impacted is essential. Going forward, the SEC should take the view that input from issuers and the broader community is essential to drafting appropriate rules. To that point, here are areas where the SEC could consult issuers and the municipal market participants -

- Whether issuers of municipal securities are "financial entities" and covered by the regulation.
- The scope of information that would need to be submitted in structured data format.
- How to determine the structured data platform that could be mandated for issuer EMMA filings, and how that affects other rulemaking (e.g., 15c2-12).
- Whether and how CLEIs can be applied to the municipal securities market and if LEI is selected, how such a system, developed for international corporate entities, comes at zero cost and can work for the thousands of governments and entities that would need to secure an LEI number.
- Understanding the true need, costs and possible redundancies that may result from imposing a FIGI standard and limiting market disruption with the current use of securities identifiers.
- Whether taxonomies are needed, how they would apply, and they would develop easily interpreted definitions.
- Determining how to scale new requirements and reduce burdens for various size and types of issuers.
- Ensuring there are no new disclosure requirements as stated in the law.
- Determining the appropriateness of sequencing revisiting the Rule throughout implementation to determine efficacy and unintended costs.
- Other issues that may arise as different pieces of the regulatory framework are developed.

GFOA appreciates the opportunity to provide input on behalf of our membership on this proposed regulation. We again emphasize the importance of having regulators understand the practical impacts this will have on issuers of municipal securities. We urge regulators, and especially the SEC, to stay true to the intent of the law and in so doing, minimizing federal government overreach and mandates on state and local governments while maximizing issuer flexibility to comply with the proscribed rulemaking.

We look forward to actively providing input throughout the implementation process underway. Thank you again for the opportunity to comment on this important proposed rule.

Sincerely,

Emily S. Brock
Federal Liaison
Government Finance Officers Association