Dear Secretary Yellen and Chairman Gensler:

The organizations listed below, collectively the Public Finance Network, represent state and local governments, governmental entities, authorities, and issuers of municipal securities. We are deeply interested in the law signed by President Biden last December - P.L. 117-263, TITLE LVIII—FINANCIAL DATA TRANSPARENCY ACT of 2022— that requires federal Departments and regulators to develop machine readable data standards for our members in the public sector. Both Subtitle A and Subtitle B, Section 5823 of the Law (Data Transparency Relating to Municipal Securities) will affect the way governments, entities, authorities and all municipal securities issuers prepare their own financial statements and submit information to the Municipal Securities Rulemaking Board.

Financial statements in the state and local government sector are complex and present a variety of financial information that may differ due to the type of entity preparing the statement as well as the
variability of state laws and practices that govern this arena. This is why input from our sector will be essential as the Department of the Treasury, the Securities and Exchange Commission, and other Departments and federal regulators begin the task of understanding how this new mandate will be applied in this sector. We would welcome the opportunity to provide your staffs an overview of governmental financial reporting, an overview of the extensive and expansive types of municipal securities issuers that exist from those who will have to submit machine readable data financial reports to the MSRB, and discuss questions and concerns that our sector has regarding how regulations will be developed and implemented.

Without careful and thorough discussions and understanding of public sector financial reporting at the beginning of the process, there will likely be unnecessary confusion, burdens and costs for our members upon implementation. We respectfully request the opportunity to provide a municipal securities issuers and financial reporting briefing, engage in ongoing dialogues, and participate in industry working groups that will be developed in the months to come.

Please reach out to Emily Brock, Federal Liaison Center Director at the Government Finance Officers Association (ebrock@gfoa.org, 202-393-8467) with any questions and to coordinate efforts going forward.

Government Finance Officers Association, Emily Swenson Brock, 202-393-8467
American Public Gas Association, Emily Wong, 202-470-4262
American Public Power Association, John Godfrey, 202-467-2929
American Public Transportation Association, Eric Bustos, 202-496-4865
American Water Works Association, Tommy Holmes, 202-326-6128
Association of Metropolitan Water Agencies, Dan Hartnett, 202-331-2820
Association of School Business Officials International, Elleka Yost, 866-682-2729
Council of Infrastructure Financing Authorities, Deirdre Finn, 850-445-9619
International City/County Management Association, Amber Snowden, 202-962-3611
Large Public Power Council, John DeStasio, 512-707-1010
National Association of Clean Water Agencies, Kristina Surfus, 202-833-4655
National Association of College and University Business Officers, Ashley Jackson, 202-861-2522
National Association of Counties, Paige Mellerio, 202-942-4272
National Assoc. of Health and Educational Facilities Finance Authorities, Chuck Samuels, 202-434-7311
National Association of State Treasurers, Dillon Gibbons, 916-290-3741
National Association of Towns and Townships, Jennifer Imo, 202-454-3947
National Council of State Housing Agencies, Garth Rieman, 202-624-7710
National Governors Association, Richard Lukas, 202-624-3623
National League of Cities, Michael Gleeson, 202-626-3091
National Special Districts Coalition, Cole Arreola-Karr, 417-861-7418
The United States Conference of Mayors, Larry Jones, 202-861-6709