



Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Financial Data Transparency Act, File No. S7-2024-05

Via electronic submission: [SEC.gov | Financial Data Transparency Act Joint Data Standards](https://www.sec.gov/financial-data-transparency-act-joint-data-standards)

October 21, 2024

On behalf of TOWN OF SUNNYVALE, TEXAS, we write today to provide comments on S7-2024-05, the Proposed Rule to establish data standards and impose other mandates in order to implement the Financial Data Transparency Act. As a government/entity with outstanding bonds and looking to access the bond market in the future – EXAMPLE – we are very interested in how the federal government will develop this and additional rulemaking. We are concerned about how this will impact how our government prepares financial and disclosure information and the impact on Security of our financial documents.

We concur with comments made by issuer organizations, especially the Government Finance Officers Association and urge regulators to carefully review these comments. GFOA's more in-depth analysis and discussion of the concerns of the issuer community strongly reflect what we are likely to experience here in TOWN OF SUNNYVALE, TEXAS.

TOWN OF SUNNYVALE, TEXAS supports strong financial transparency and standards, and we believe that the reporting practices we and other governments provide are already significant. We currently have a website for financial transparency where we place financial reports, annual audit and Annual budgets. We have a budget program that interacts with our website to allow people to drill down to the account level. We continue to expand our transparency with interactive website that allows citizen to email council as well as Finance for information. They can log complaints as well as problems with roads or other areas. In addition, we have an App for the phone that allows people to view and interact with the Town. We file all required reports with the State comptroller, all property tax information is available on our website. We file with EMMA for SEC reporting. All can be accessed by the public.

While we stand by our robust reporting standards, we are aware that the SEC and other regulators may continue with efforts to impose mandates on how our financial information is submitted to regulators. Regulators must avoid any actions that would conflict with the Tower Amendment, and provisions in the FDTA prohibiting any new disclosure requirements. Additionally, the SEC should

strongly consider utilizing the provision in the FDTA to scale implementation and mandates of the law in our sector and avoid burdening small governments and entities. The SEC should focus on minimizing “market disruption” and we can focus on what is practical and feasible. This will help to minimize costs for our taxpayers and limit the possibility of disruption in the municipal securities market.

Changes to the way we develop our financial information into a structured data format could take considerable staff time and resources to find consultants and programs to comply with these mandates. Specifically, we estimate implementation may cost

- What will it cost to acquire any new software or technology? \$7,000
- What will it cost to reorient any systems in place (ERP)? Unknow at this point.
- What will it cost to hire staff to learn and onboard? \$4,000
- What will it cost to hire a consultant to implement or to train? \$10,000
- What will it cost to remain compliant throughout? \$5,000

We understand that there are other elements of the rulemaking that could also be imposed on issuers and others in the municipal securities market. As regulators consider these items going forward, they need to be aware that the elements that apply to corporate entities and the federal government face greater hurdles for local governments, including **TOWN OF SUNNYVALE, TEXAS.**

The best way for the SEC and other regulators to understand how governments like ours currently prepare financial and disclosure information, and to understand how any new mandates would affect us and work in our sector is to have conversations with us. The law calls on regulators to consult with issuers and other market participants, and that should be the first step of many, as this proposed rule is finalized, and additional rulemaking is developed.

This law is an unfunded federal mandate on Town of Sunnyvale, Texas and tens of thousands of others across the country. We hope that the examples and information we provided, as well as ongoing conversations, will assist in thoughtful and workable rules that, if needed, our government can easily implement without extensive burden.

Thank you for the opportunity to submit these comments. We welcome the opportunity to discuss any of these issues in greater detail with regulators as the process moves forward.

Sincerely,

TOWN OF SUNNYVALE, TEXAS