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10/21/2024

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](https://www.sec.gov) | [Financial Data Transparency Act Joint Data Standards](#)

Dear Secretary Countryman,

As the Vermont State Treasurer, I am writing to comment on the Financial Data Transparency Act (FDTA). As Vermont's former Deputy Commissioner of Securities and, later, Commissioner of Financial Regulation and President of the North American Securities Administrators Association, I am acutely conscious of the need for transparency in the marketplace. In that spirit, I want to express that you have my full support for the sentiments behind transparent financial reporting. However, I also believe that Vermont's existing practices are exemplary in these pursuits and provide ample transparency to potential bond buyers. My chief concerns about the FDFTA regard the unfunded mandates and potential disproportionate impacts on small issuers such as Vermont.

As it stands, the FDFTA creates a mandate that will increase the burden of issuing municipal bonds and place an acute pressure on our resources as a very small state. I worry that higher regulatory costs—having a disproportionate effect on our reporting and, eventually, our taxpayers—will stymie issuances designed to revitalize our local economies and infrastructure as we rebuild after multiple years of flooding. While I entirely support the intent behind better financial reporting transparency, I want to ensure that no undue burden is passed to our offices and citizens and that Vermont can continue the progressive growth we have been working so hard to achieve these past few years.

Our office, which is the largest issuer in the state, typically does one bond issue per year, for an amount averaging about \$60 million in the recent past. We retain only a small staff responsible for supporting the issuance and maintenance of bonds, and they all have many other responsibilities as well. With our limited resources, the FDFTA's proposed reporting mandates could outstrip our bandwidth without meaningfully increasing investor protection.

The additional necessity to purchase new reporting software would raise material costs of bonding and, thus, of vital capital projects. With more time commitment required and higher cost thresholds, some projects may become unfeasible as we and our smaller issuers struggle to

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subsist. Inevitably, our state's smallest issuers will feel the most critical strain from increased requirements.

Regarding our concerns, I urge the SEC to consider the FDTA's potential side effects on states with scarcer resources. I hope that we can work together to avoid unnecessary unfunded mandates and their undue burdens on smaller municipalities. Our hope is ever to retain the flexibility and autonomy necessary to serve local government constituents effectively without prohibitive overhead costs.

I appreciate your consideration of these comments, and I look forward to discussions on balancing transparency and efficiency without creating outsized burdens for small municipalities like Vermont and our other local issuers.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Pieciak", with a long horizontal line extending from the end.

Mike Pieciak
Vermont State Treasurer