



Budget and Finance Service Area

Jonas Biery, Deputy City Administrator/Chief Financial Officer

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October 21, 2024

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

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

Via electronic submission: SEC.gov | [Financial Data Transparency Act Joint Data Standards](#)

Dear Secretary Countryman:

As the Chief Financial Officer of the City of Portland, Oregon, I am writing to you in response to the proposed rulemaking (File No. S7-2024-05) related to P.L. 117-263, 136 Stat. 3421 (2022), the Financial Data Transparency Act (the "FDTA"). I greatly appreciate your attention to this important matter and being open to feedback from the over 50,000 municipal bond issuers across the United States that will be greatly impacted by FDTA.

As you know, the municipal bond market provides a vital function to the people of the United States by directly funding the infrastructure that is the foundation of our livable communities. The City of Portland, Oregon echoes the concerns raised by the Government Finance Officers Association on the potentially adverse and undue impacts the FDTA will cause on state and local government municipalities, including the City of Portland, as the already existing disclosure and transparency requirements are extensive and robust. These disclosures already include regular provision of audited financials, annual continuing disclosure of other financial and operating information, and notices of material financial events through the Electronic Municipal Market Access (EMMA) platform through the Municipal Securities Rulemaking Board. The City of Portland, Oregon supports strong financial transparency and standards, and we believe that these reporting practices that we and other governments already provide are significant and effective.

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, which already face challenges in staffing due to changes in demographics and retirements, as well as financial and budgetary challenges caused by inflation.**

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With this in mind, the SEC should focus on minimizing the risk of inadvertent market disruption and the collective municipal bond issuer community 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, which could in turn delay funding for critical projects that provide both services and jobs to our communities. 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. Early estimates of implementation costs could be in the tens of thousands of dollars in annual ongoing costs and potentially much one-time investments in accounting/ERP systems.

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 the City of Portland, Oregon.

The best way for the SEC and other regulators to understand how U.S. local governments currently prepare financial and disclosure information, and to understand how any new mandates would affect us and work in our sector, is to have more direct conversations with municipal issuers. 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.

In conclusion, this law is an unfunded federal mandate on the City of Portland and tens of thousands of other local governments across the country. I hope that the examples and information I provided, as well as ongoing conversations, will assist in thoughtful and workable rules that, if needed, the City of Portland and other issuers in the State of Oregon 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,

Jonas Biery
Deputy City Administrator of Budget & Finance /
Chief Financial Officer
City of Portland, Oregon