



Washington Update



HOUSE OVERSIGHT HOLDS HEARING ON DATA ACT

With only a few days left in the Congressional schedule, the House Oversight and Government Reform Committee held a hearing last Wednesday on the federal government’s work toward implementation of the Digital Accountability and Transparency Act to bring more transparency to federal spending. The hearing, entitled “Transforming Federal Spending: Implementing the Digital Accountability and Transparency Act,” featured Senators Mark Warner (D-VA) and Rob Portman (R-OH), Senate co-sponsors of the DATA Act, Comptroller General Gene Dodaro, Office of Management and Budget Controller Dave Mader, and Treasury Assistant Fiscal Secretary David Lebryk. The panelist discussed the federal government’s progress to date and the hurdles to full implementation. Of note was a report released during the hearing from

the U.S. Government Accountability Office, which stated that effective implementation of the DATA Act would help address government-wide management challenges and improve oversight: <http://oversight.house.gov/wp-content/uploads/2014/12/12-3-2014-Full-Committee-Hearing-Dodaro-Statement1.pdf>.

To view the hearing and testimony from all of the panelists, visit <http://oversight.house.gov/hearing/transforming-federal-spending-implementing-digital-accountability-transparency-act>.

While the DATA Act does not require additional reporting for grant recipients, it does require that recipients of federal grant funds use financial data standards that are to be developed by OMB and the Treasury Department in accordance with the law. Currently, OMB and Treasury are seeking input from the entire grants community on the data elements that are under discussion. The elements currently being discussed are those required under the Federal Funding Accountability and Transparency Act (now required on USA Spending) and additional elements to comply with the DATA Act, including elements such as obligated amount, unobligated amount, amount of budgetary resources and others. To review and comment on the data standards under development, please visit the public GitHub page at <http://fedspendingtransparency.github.io/>.

HOUSE PASSES STATE SALES TAX DEDUCTION

On Wednesday, the House passed a 378-46 vote to approve the Tax Increase Prevention Act of 2014 (H.R. 5771), which would allow taxpayers on their 2014 taxes to deduct state and local sales taxes instead of state and local income taxes. This one-year tax fix is particularly beneficial for



taxpayers in the states without income taxes: Alaska, Florida, Nevada, South Dakota, Texas, Washington, Wyoming, Tennessee and New Hampshire. H.R. 5771 has moved on to the Senate, where it will need to be passed sometime this week, as both chambers are expected to adjourn for the holiday break by Friday. Although the bill passed the House overwhelmingly, Ways and Means Committee Chairman Dave Camp (R-MI) noted in his floor speech that “This on-again, off-again style of legislating on a temporary basis is a terrible way to make tax policy...”

MSRB TO ACCEPT DISCLOSURES ABOUT MUNICIPAL ASSET-BACKED SECURITIES

The Municipal Securities Rulemaking Board has announced a change to the Electronic Municipal Market Access service to add disclosures related to municipal asset-backed securities. The change will provide for the collection and public dissemination of certain disclosures related to municipal asset-back securities. The changes facilitate a requirement adopted by the U.S. Securities and Exchange Commission that seeks to benefit investors by making these disclosures readily available on the EMMA website, which houses all disclosures and trade data for municipal securities.

In January 2015, the MSRB will provide updated documentation for submitters of and subscribers to continuing disclosures reflecting the new category of disclosure that will be accepted by EMMA. The exact operative date in January 2015 of the changes to the EMMA system will be announced in a separate notice published on the MSRB website.

MSRB AND FINRA TO HOST WEBINAR ON PROPOSALS TO PROVIDE PRICING REFERENCE INFORMATION TO INVESTORS

The Municipal Securities Rulemaking Board and the Financial Industry Regulatory Authority are hosting a joint educational webinar on companion rule proposals that would require disclosure of pricing reference information on customer confirmations for transactions in fixed income securities. The free webinar will take place Thursday, December 18, 2014 at 3:00 p.m. ET. The goal of the webinar is to help market participants submit meaningful comments in response to the rule proposals. Under the two proposals, bond dealers in retail-sized fixed income transactions would be required to disclose on the customer’s confirmation the price of certain same-day principal trades in the same security, as well as the difference between this reference price and the customer’s price.

The MSRB’s request for comment can be viewed at <http://www.msrb.org/~media/Files/Regulatory-Notices/RFCs/2014-20.ashx?n=1>.

The free webinar registration can be found at <https://event.on24.com/eventRegistration/EventLobbyServlet?target=reg20>.

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