

Dear Financial Regulatory Authority,

I am writing to comment on the proposed new Section 14 – Accounting Support Fee for the Governmental Accounting Standards Board under Schedule A to the Financial Regulatory Authority (FINRA) By-Laws to implement the GASB Accounting Support Fee.

Given my career in governmental finance and accounting which spans 32 years, 30 of which was as an Accountant and Finance Officer with Bay County, Michigan and currently as the Interim Fiscal Services Director for the City of Bay City, Michigan, I truly understand the importance and necessity to have an independent organization, such as the Governmental Accounting Standards Board (GASB), to develop, improve and promulgate standards of accounting and financial reporting for state and local governments in the United States.

I also recognize that, in order for the GASB to effectively perform the above functions, they need ample funds to support their activities. There is a need for the GASB to have an independent funding source to ensure that they receive sufficient funds by which to operate. By assessing and allocating an Accounting Support Fee among FINRA members on a transaction based basis, more specifically on municipal securities transactions that are reported to the Municipal Securities Rulemaking Board (MSRB), appears to be a reasonable, equitable, and an efficient fee assessment method which will provide adequate funding to the GASB through an independent source.

However, as noted in your Regulatory Notice 11-28, dated June 2011, some FINRA member firms may seek to pass the GASB Accounting Support Fee on to customers engaged in municipal transactions. It concerns me and the City of Bay City that member firms may try to pass these fees through to issuers of municipal securities, to which I and the City of Bay City are opposed. Therefore, I am requesting clarification to ensure that the fee assessed on FINRA members cannot be passed through to municipal bond issuers.

Thanking you in advance for your time and consideration in this matter.

Sincerely,

Michael J. Regulski CGFM
Interim Fiscal Services Director
City of Bay City, Michigan
mregulski@baycitymi.org
989.894.8219