



May 3, 2012

Re: H.R. 2146 - Digital Accountability and Transparency Act or "DATA Act"
S. 1789 - 21st Century Postal Service Act of 2012

Dear Members of Congress:

On behalf of the Real Estate Investment Securities Association ("REISA"), this letter is submitted in response to the two separate bills passed on April 25, 2012 by the House and Senate that place severe restrictions on government employees attending meetings and conferences. REISA respectfully urges Congress to consider revisions to amendments that were included in the **Digital Accountability and Transparency Act** or "DATA Act" (H.R. 2146) in the House, and the **21st Century Postal Service Act** of 2012 (S. 1789) in the Senate.

REISA is a trade association serving the securities industry professionals active in offering, managing and distributing of private and public direct investments, including non-traded real estate investment trusts (REITs), real estate partnerships, tenant-in-common interests (TICs), Delaware statutory trust interests (DSTs), real estate income and development funds, oil and gas interests, natural resources, alternative energy investments, leasing programs, non-traded business development companies (BDCs), and corporate debt and equity funds.

REISA works to maintain the integrity and reputation of the industry by promoting the highest ethical standards to its members and provide education, networking opportunities and resources. REISA connects members directly to key industry experts through intimate forums providing timely trends and education and helping create a diversified portfolio for their clients. The association was founded in 2003 and has over 800 members who are key decision makers that represent over 30,000 professionals throughout the nation including:

- Sponsors and managers of real estate and related offerings
- Broker-dealers
- Securities licensed registered representatives
- Registered investment advisers (RIAs)
- Investment adviser representatives (IARs)
- Accountants
- Attorneys
- Mortgage brokers
- Institutional lenders
- Qualified intermediaries
- Real estate agents
- Real estate brokers



REISA fully supports the intent of Congress to require greater transparency and accountability in government spending. Exorbitant or wasteful spending of taxpayer dollars is inexcusable. However, while the amendments are designed to limit spending on government-sponsored conferences and travel expenses for federal employees, the actual text of the bills would have a chilling effect on government employees' participation in meetings and conferences sponsored by non-profit organizations, for-profit associations and trade associations.

The exchange of information that takes place at these conferences between government officials and the private sector is essential to the development of informed policymaking that facilitates economic growth and job creation. If government were to operate in a vacuum, with no opportunity to learn from and partner with industry participants, ill-conceived, unworkable and potentially disastrous policies and rules could be the result. REISA is concerned about the unintended consequences of isolating government officials from the industries they oversee and regulate. This exchange of ideas is beneficial both to government officials as well as the industries they regulate and limiting this interaction will stifle innovation and cooperation. In addition, not all industry conferences are "boondoggles" where lobbyists vie for favors from government agencies and their personnel.

The proposed rules would severely hinder learning opportunities and information sharing between the federal government and the private sector and would hamper job creation and capital formation.

REISA believes that the language of H.R. 2146 and S. 1789 can be easily modified to allow federal employees to attend educational conferences held by associations and other non-governmental organizations, without compromising Congress's goal of enhanced federal accountability.

Suggested modifications for H.R. 2146 Section 308 and S. 1789 Title V, Section 501 include the following:

- Section 5712 (a)(1) defines "conference" as a meeting that "(D) is sponsored by 1 or more agencies, 1 or more organizations that are not agencies, or a combination of such agencies or organizations." This definition would encompass every conference held by an association, corporation or virtually any other non-governmental organization. **REISA's recommendation is to simplify this definition to read "(D) is sponsored by 1 or more agencies,"** and delete "1 or more organizations that are not agencies, or a combination of such agencies or organizations."
- Section 5712 (c)(2) - PUBLIC AVAILABILITY OF CONFERENCE MATERIALS. The amendment would require the materials of conferences attended by government employees to be posted on the public internet website of that agency "including— (D) any video, digital, or audio recordings of the conference." **REISA recommends**



removing the words “of the conference” since it already is explained in the title section of (c)(2) that materials are to cover only presentations made by the agency employee. Leaving the wording as is could be interpreted as requiring all recordings to be posted on the web site, which could discourage not only attendance by industry participants at these conferences but also detract from the free and open exchange of ideas.

- Section 5712 (c)(4) - LIMITATION ON THE ANNUAL NUMBER OF CONFERENCES AN AGENCY MAY SUPPORT. This section limits any agency from expending funds on “more than a single conference sponsored or organized by an organization during any fiscal year, unless the agency is the primary sponsor and organizer of the conference.” If this provision remains, agency employees who seek education from non-governmental sources and the associations and other private sector organizations that invite government employees to conferences, would be unable to have multiple conferences throughout the year and extend invitations to multiple personnel from the same agency to participate based upon their specific areas of specialty. A reasonable reading of this provision would mean that if employees of the National Institutes of Health (NIH) attended a scientific conference sponsored by a medical association, no other employees of the Department of Health and Human Services could attend any other conference held by that same association for the remainder of the fiscal year. **REISA recommends that this entire Section 5712(c)(4) be stricken from the bill.**

While REISA commends the Congress on its well-intentioned actions, the provisions noted above have broad adverse implications for associations and other non-governmental organizations that seek input from government officials and invite government employees to give presentations or attend their conferences. Without modifications, the provisions could hinder the important and educational exchanges between government agencies and the organizations and associations that are overseen by such agencies.

For these reasons, REISA respectfully asks Congress to revise the provisions as recommended above either before the Senate takes up H.R. 2146 or the House considers S. 1789. Thank you for your consideration of this important request.

Sincerely,

Daniel Oschin
President, Real Estate Investment Securities Association