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**Public Works for a Better Government**

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President and Chief Executive Officer  
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Leslie F. Seidman, Chairperson  
Financial Accounting Standards Board  
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Paul Beswick, Chief Accountant  
Office of the Chief Accountant  
Securities and Exchange Commission  
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Dear Ms. Polley, Ms. Seidman, and Mr. Beswick:

I am writing to notify you of publication by Public.Resource.Org, a nonprofit corporation, of a developer release of the FASB standards. Because the FASB standards have been duly declared to be an Edict of Government, these materials may be freely published. Our purpose in doing so is to promote public understanding of the laws that govern us and to encourage innovation in the development of new tools for accountants, financial professionals, investors, the media, and the public.

The FASB web site is very clear about the governmental nature of the FASB standards, which are required by law:

"Since 1973, the Financial Accounting Standards Board (FASB) has been the designated organization in the private sector for establishing standards of financial accounting that govern the preparation of financial reports by nongovernmental entities. Those standards are officially recognized as authoritative by the Securities and Exchange Commission (SEC) (Financial Reporting Release No. 1, Section 101, and reaffirmed in its April 2003 Policy Statement) and the American Institute of Certified Public Accountants (Rule 203, Rules of Professional Conduct, as amended May 1973 and May 1979)."

The policy statement of the Securities and Exchange Commission, arrived at after long and careful deliberation, is equally clear. The Policy Statement Reaffirming the Status of the FASB as a Designated Private-Sector Standard Setter (Release Nos. 33-8221; 34-47743; IC-26028; FR-70, April 2003) states:

“The Securities and Exchange Commission has determined that the Financial Accounting Standards Board (FASB or Board) and its parent organization, the Financial Accounting Foundation (FAF), satisfy the criteria in section 108 of the Sarbanes-Oxley Act of 2002 and, accordingly, FASB's financial accounting and reporting standards are recognized as ‘generally accepted’ for purposes of the federal securities laws. As a result, registrants are required to continue to comply with those standards in preparing financial statements filed with the Commission, unless the Commission directs otherwise.”

Legally-mandated rules—Edicts of Government—have no copyright under long-standing legal precedents and public policies of the United States. The Supreme Court of the United States has repeatedly reaffirmed this principle, stating for example in *Banks v. Manchester* (128 U.S. 244, 1888) that:

“The authentic exposition and interpretation of the law, which, binding every citizen, is free for publication to all, whether it is a declaration of unwritten law, or an interpretation of a constitution or a statute.”

The United States Copyright Office has unequivocally stated this policy in §206.01 of the Compendium of Office Practices II:

“Edicts of government, such as judicial opinions, administrative rulings, legislative enactments, public ordinances, and similar official legal documents are not copyrightable for reasons of public policy. This applies to such works whether they are Federal, State, or local as well as to those of foreign governments.”

Our initial release of this data is quite rough, but we're looking forward to working with this data as the project progresses. Right now, we are using the 2011 FASB standards, with a simple HTML transformation. Our goal is to incorporate GASB standards and to provide substantial value-add on top of the existing formats by incorporating more extensive cross-linking and summary files.

Please let me know if you have any questions. I hope you will join me in welcoming broader availability of these standards that are so critical to the functioning of our economy.

Sincerely yours,

Carl Malamud  
Public.Resource.Org