

Letter of Comment No: File Reference: FSP78U

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Mr. Lawrence W. Smith Director - Technical Application and Implementation Activities and EITF Chair Financial Accounting Standards Board 401 Merritt 7, 6th Floor Norwalk, CT 06856

Dear Mr. Smith:

I am writing to you on behalf of the over 12,000 members of the Florida Life Care Residents Association, all of which are residents of the state's continuing care retirement communities. Our association was established in 1989 and has played an active role in the development of continuing care statutes since its inception.

Our membership has concerns regarding the recent Securities and Exchange Commission's position on the reporting of refundable entrance fees. The SEC position calls for the classification of all refundable entrance fees as current liabilities. This is in direct conflict with accepted accounting practices for CCRCs. Given that our membership is residents, the fear is that such a change will confuse current and prospective residents since the change will result in a distortion of financial ratios.

We ask that the members of the FASB seriously consider opposing adoption of the SEC opinion.

Thank you for your time and consideration.

Sincerely,

Bennett Napier, CAE Executive Director