ikon

To:

From: Sent: Alan Jensen [jenseal@sierrahealth.com] Wednesday, June 09, 2004 7:34 PM

Letter of Comment No: 4043 File Reference: 1102-100

Director - FASB

Subject:

Share-Based Payment Exposure Draft

Alan Jensen 10000 Via Delores Ave. Las Vegas, NV 89117

June 9, 2004

Ms. Suzanne Bielstein Financial Accounting Standards Board 401 Merrit 7 Norwalk, CT 06856-5116

Dear Ms. Bielstein:

Re: Share-Based Payment Exposure Draft

I work for a company that allows employees to purchase my employer's stock at a discount through an Employee Stock Purchase Plan (ESPP). I understand that the Financial Accounting Standards Board (FASB) has proposed a change to accounting standards that would require my company to count this discount as an expense against its earnings (Share-Based Payment exposure draft). I respectfully request that you reconsider this proposal and not require expensing of the discount allowed in ESPPs.

I am concerned that required expensing of the discount in the ESPP may make this valuable benefit plan less attractive to my employer, potentially causing my employer to either discontinue the plan, or reduce or eliminate the current discount. If the discount is greatly reduced or eliminated, buying company stock through the ESPP would no longer be much of a benefit. Unlike benefits aimed only at high-paid executives, this is a valuable benefit for employees across the company.

The ESPP is a very important benefit to me. Being able to participate in an ESPP has enabled me to invest in my financial future and experience a sense of ownership in my company. This benefit helped attract me to and serves as an incentive for me to remain with my employer. I could even say I continuously strive to perform to the best of my ability because I am an owner of the company.

I am a 62-year old man approaching retirement within a few years. When I joined Sierra Health Services in Las Vegas 5 years ago, my wife and had heavy credit card debt and had used up our savings because losing my employment. We didn't see any way we could retire before we died. The ESPP program offered by Sierra has been an absolute godsend. Through this program we have been able to able to pay off our credit card debt and begin saving some money. We have believed that if we were careful with our savings, and continued participating in the ESPP, we could retire by the time I reached 66 years of age. If the advantages of the ESPP are going to be eliminated by this proposed plan, I'm unsure when or if we will be able to retire. My feeling is that the net effect of this plan will be to punish the average worker who has very few options for financial security. PLEASE reconsider this proposal and allow us to continue with this much-needed break.

Millions of workers like me in companies across the country are able to purchase their employer's stock through ESPPs. This builds company

loyalty and helps to promote high standards of work when employees have a sense of ownership.

I strongly urge FASB to consider the negative impact the proposed rule would have on the nearly 16 million workers like me and eliminate the expensing requirement for ESPP discounts in the final rule.

CC: SEC, Chairman, William Donaldson SEC, Chief Accountant, Donald Nicolaisen Employee Ownership Coalition (eoc@vennstrategies.com)

Sincerely,

Alan W. Jensen