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Letter of Comment No: 3788
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From: Paul Collins [Paul89108@cox.net]
Sent: Thursday, June 10, 2004 10:20 PM
To: Director - FASB
Subject: Share-Based Payment Exposure Draft

Paul Collins
7501 West Charleston Blvd #6
Las Vegas, Nevada 89117

June 10, 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 have been working for Sierra Healthcare off and on for close to 10 years. I have left the company and came back 3 times. I have finally been at a point where I can invest money in my company and will get a nice benefit this summer under the ESPP program. My plan is to use this extra weeks pay I will get to go visit my children back east. I will spend this \$600 on airline tickets, car rental and toys for the kids. The money from this type of program allows me to see my kids and in turn help the economy. This little chunk of change I get is small to what the CEO's of ENRON and WORLDCOM received when they had their stock options. I am just a little fish in the working class of America. The ESPP program give me a little back for what I do. I consider it a shame that big government feels the need to step on the little guy because the big guy can. Leave it be. The program helps everyone in the long run.

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,

Paul H. Collins RN