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Cc: Tim
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The FASB proposal to change the accounting rules for employee stock options can cause drastic negative consequences.

The first mine field is a raft of accounting issues that can drastically impact companies large and small, next is the whole issue of option valuation. In my mind, the overriding danger is that the new rules will crush the entrepreneurial spirit of an industry that is completely reliant on innovation and agility. Employee stock options are a brass ring, an opportunity to make a difference and receive a reward through individual performance and innovation.

I agree that some controls are needed for stock incentives to top executives. We have seen quite a few examples of abuses in governance by the CFOs, CEOs, and COOs of large and small corporations, but why punish the rank and file for those excesses? I disagree with changes to employee option accounting that will undoubtedly have a large negative impact.