

Citizens Against Higher Taxes

**James H. Broussard, Chairman (717) 507-5171
P.O. Box 343, Hershey, Pennsylvania 17033**

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LETTER OF COMMENT NO. 61

Technical Director
File Reference Number 1530-100
FINANCIAL ACCOUNTING STANDARDS BOARD
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Sir,

As both an academic (Professor, Lebanon Valley College) and as Chairman of Pennsylvania's largest taxpayer's organization I write now to express my encouragement for the adoption of the FASB's proposed changes to the accounting standards of the Financial Guaranty Industry. At a time when the public is clamoring for "transparency" within the industry, these new standards provide it and a true benefit to taxpayers.

The current accounting system is confusing and, accordingly, gives investors pause before they are willing to risk capital. The sound financial health of the industry and uniform standards of demonstrating such health is vital to municipal finance and the integrity taxpayers should expect from those dealing with their money.

The proposed changes will help ensure that the industry is operating in a straightforward and totally honest way. This will increase public confidence and strengthen the industry itself by allowing municipalities to have a clearer picture of the financial health of those that serve them and the taxpayers they represent.

Although this is a relatively obscure issue, I know that many taxpayer organizations are seriously interested in the inner workings of municipal finance and, by extension, in the financial guarantee industry. They want standards like the ones currently being proposed. I encourage you to adopt them.

Sincerely,

James H. Broussard

JHB:cg