

June 18, 2007

Technical Director – File Reference Number 1530-100 Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, CT 06856-5116

Dear Technical Director:

The prompt adoption of the proposed standards of accounting for the Financial Guarantee Industry will be a benefit to taxpayers and local governments throughout the country.

I have the honor to serve the citizens of the 80th Legislative District in Pennsylvania, and in that capacity, I urge you to adopt these changes. The new standards will more accurately account for revenue and loss, and be a better indicator of risk.

Ultimately, the new standards will give municipalities a clearer picture of the financial health of the bond insurers they do business with. Taxpayers will be better served by more transparent, and accountable, industry accounting standards.

In this post-Sarbanes-Oxley Act era, more transparency in the financial sector is critical for engendering public trust and confidence. I urge the adoption of these standards for the benefit of the municipalities and tax payers who invest billions of dollars with the Financial Guarantee Industry.

	Sincerely,
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<u> </u>	Jerry A. Stern State Representative 80th Legislative District

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