

3-27-09

Mr. Russell Golden Technical Director Financial Accounting Standards Board 301 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116



LETTER OF COMMENT NO.

93

Via email: director@fasb.org

RE: Preliminary Comments on Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b: Recognition and Presentation of Other-Than-Temporary Impairments

Dear Mr. Golden:

The Kansas Bankers Association (KBA) appreciates the opportunity to comment on the Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b, *Recognition and Presentation of Other-Than-Temporary Impairments* ("proposed FSP"). We commend the FASB's efforts to improve guidance relating to other than temporary impairment: ("OTTI"). The KBA is a non-profit trade association that is fortunate to have 327 of the 329 banks in Kansas as members.

The KBA believes the proposed changes allow for the repair of accounting rules in order to improve current flaws. These changes will improve transparency and accuracy in the financial statements for financial institutions.

We are in agreement with the comments made by the American Bankers Association in its comment letter dated March 24, 2009 (attached). That letter made the following major points:

- OTTI should be based on credit losses rather than mark to market losses.
- The Proposed FSP should apply to securities with OTTI at the effective date.
- Recoveries of OTTI should be reversed.
- The discussion of the meaning of "credit losses" should be expanded.
- Equity securities that hold asset-backed securities should be addressed.

We understand that the ABA will be also submitting a more detailed letter in the near future. You may count us as supporting those views and comments also.

Thank you for your attention to these matters and for considering our views.

Sincerely.

Charles A. Stones

Charles A. Stones
President & CEO