

Congress of the United States
Washington, DC 20515

March 11, 2009

The Honorable Mary Schapiro
Chairman
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chairman Schapiro:

As you know, we inserted the provision in the Emergency Economic Stabilization Act of 2008 (EESA) mandating that the U.S. Securities and Exchange Commission (SEC) study mark-to-market accounting standards and report its findings to Congress within 90 days. While we appreciate the SEC's timely completion and delivery of the report mandated by EESA, unfortunately, very little progress has been made toward implementing any of the report's recommendations since its transmittal to Congress last December.

Many Members of Congress share our concern that these accounting rules governing valuation and loss provisioning are making the current financial crisis worse than it otherwise might have been. We also agree with Chairman Bernanke that these accounting rules may be contributing to an unnecessary tightening of credit in today's challenging markets.

We are particularly concerned that the SEC and the Financial Accounting Standards Board (FASB) lack a sufficient sense of urgency in addressing the negative impact of mark-to-market accounting rules in the current economic environment. The failure of FASB to act or the SEC to exercise its authority under the circumstances is in no way playing it safe. In fact under the current circumstances, it continues to be a dangerous course of action.

The SEC has the power to force FASB to act or to act in their place where necessary. The time for review and study has passed and action is needed now. Therefore, we urgently request the SEC to take immediate action.

Sincerely,


Spencer Bachus
Member of Congress


Roy Blunt
Member of Congress