

**Congress of the United States**  
**House of Representatives**  
**Committee on Energy and Commerce**  
**Room 2125, Rayburn House Office Building**  
**Washington, D.C. 20515**

**SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS**

February 11, 1985

Mr. Donald S. Kirk  
Chairman  
Financial Accounting Standards Board  
P.O. Box 3821  
Stamford, Connecticut 06905

Dear Mr. Kirk:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee on Energy and Commerce, through its Subcommittee on Oversight and Investigations, will hold hearings regarding the performance of public accounting firms and the Securities and Exchange Commission in assuring accurate financial reporting to the public under the provisions of the federal securities laws. The Committee requests that you appear and testify on behalf of the Financial Accounting Standards Board at the hearing scheduled for Wednesday, February 20, 1985. The hearing will commence at 10:00 a.m. in Room 2123 of the Rayburn House Office Building.

As Chairman of the FASB, the Committee would appreciate a report from you regarding the activities of the FASB in setting accounting standards. The Committee requests the following for each standard: a summary of the standard and the pros and cons for adopting it; the remaining alternative accounting treatments for the type of business transaction covered; your view as to how the FASB standard improved upon previous practices; and an evaluation of accounting or implementation problems which remain. This summary and analysis of FASB standards should be very brief and in layman's language in order to assist the Committee's review of accounting standards. You should also identify problem areas where new or improved accounting standards are needed.

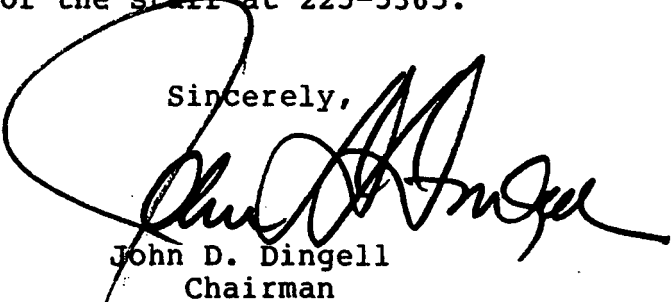
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You should be aware that the Committee will employ the following procedures with regard to your testimony:

1. witnesses are requested to provide a prepared statement of any length which will be included in its entirety in the published hearing record;
2. witnesses are requested to summarize their prepared statement in not more than 10 minutes and respond to the questions of Committee Members;
3. witnesses are requested to provide the Committee with 30 copies of their prepared statement no later than two business days in advance of their testimony; and
4. witnesses are requested to provide the Committee with an additional 70 copies of their prepared statement in advance of their testimony.

Should you have any questions regarding this hearing, please contact John Chesson of the staff at 225-5365.

Sincerely,



John D. Dingell  
Chairman

JDD:JC/sf