



American Institute of CPAs
1455 Pennsylvania Avenue, NW
Washington, DC 20004-1081

September 17, 2010

The Honorable Darrell E. Issa, Ranking Member
Committee on Oversight and Government Reform
United States House of Representatives
Washington, DC 20515

RE: The Financial Industry Transparency Act of 2010, H.R. 6038

Dear Congressman Issa:

On behalf of the 360,000 members of the American Institute of Certified Public Accountants (AICPA), I am writing in support of your legislation, H.R. 6038, the "Financial Industry Transparency Act of 2010," which calls for financial regulatory agencies and the Securities and Exchange Commission to adopt data standards to modernize and enhance the transparency of key information flows, and specifies the characteristics of such data standards. I applaud your efforts to require the adoption of electronic data standards possessing the characteristics as outlined in your legislation. The AICPA believes that this represents a critical step toward increasing the transparency of capital markets in a manner that is most efficient and effective for all parties involved in the exchange and analysis of key financial and other business information.

As you know, the provisions of this legislation were considered as a series of amendments during the House-Senate Conference of the Dodd-Frank Wall Street Reform Act, and were adopted unanimously by the House conferees. Unfortunately, the language was not included in the final bill. We encourage Congress to enact H.R. 6038 as it will provide the investing public, regulators, and other users of business information with easier access to vital data for analyzing financial reports and other publicly available documents.

The SEC has already taken an important first step in this direction by adopting rules gradually requiring use of eXtensible Business Reporting Language (XBRL) for public company financial reporting. Your bill would extend use of data tagging to a broader class of business information for SEC registrants as well as banks, savings institutions, insurance companies and others. Leveraging data standards, as proposed in H.R. 6038, that "incorporate a widely accepted, nonproprietary, searchable, computer-readable format" and are "consistent with United States generally accepted accounting principles or Federal financial accounting standards (as appropriate)" would enhance the efficiency of the organizations that must provide this information on a regular basis by reducing duplication of efforts, while also enhancing the usability and transparency of that information for the regulatory bodies and other stakeholders who consume and analyze it. Importantly, such standardized business reporting is expanding worldwide, where data standards are being leveraged to significantly reduce the compliance reporting burden and, at the same time, enhancing the usability and transparency of reported information. The United States should not be left behind.

Thank you again for your leadership on this important issue. We are also happy to discuss with you additional areas where implementation of data standards can further enhance financial reporting and make it more valuable to investors, issuers and regulators alike. If you have any questions or if we can be of any further assistance, please feel free to contact Diana Huntress Deem at 202.434.9276 or ddeem@aicpa.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry C. Melancon".

Barry C. Melancon, CPA
President and CEO

cc:

The Honorable Edolphus Towns, Chairman, House Oversight and Government Reform Committee
The Honorable Barney Frank, Chairman, House Financial Services Committee
The Honorable Spencer Bacchus, Ranking Member, House Financial Services Committee