

## Bachus Statement on FASB Mark to Market Modifications

April 2, 2009

Congressman Spencer Bachus (AL), the top Financial Services Committee Republican, who has played a leading role in working to ensure that financial accounting rules do not worsen the current economic downturn, issued this statement on the Financial Accounting Standards Board's (FASB) adoption of modifications to mark to market rules:

"Today's announcement that the FASB will be adjusting mark to market rules is long overdue. Financial institutions and community banks have been adversely affected by the rigid application of these rules during this financial crisis, causing further instability in the banking system. I look forward to hearing more from the FASB later this month when they appear before the Financial Services Committee."

This announcement is a step forward in a process that began last October with the insertion of a provision in the original TARP legislation by Bachus and Congressman Roy Blunt (MO). The Washington Post highlighted Bachus' work in October: "The guy who got that provision into the bill, Rep. Spencer Bachus (R-Ala.), the ranking minority member of the House Banking Committee, told me he wasn't trying to politicize accounting. 'It just says, 'Study it,' he told me. "It doesn't say [to do] a study to repeal it. It doesn't say [to do] a study to suspend it."

On October 2, 2008, Bachus wrote Chairman Barney Frank (MA), urging the Committee to hold hearings on this matter. On October 14, 2008, Bachus wrote the SEC calling upon the agency to complete its study in a timely manner. The SEC's report, issued on December 30, 2009, included recommendations to the FASB addressing the negative impact mark-to-market accounting has had on our financial markets. On March 12, 2009, the Financial Services Committee held a hearing at which Bachus and other Committee Members urged prompt implementation of the SEC recommendations.

NOTE: Click [HERE](#) to view a comprehensive timeline of events leading up to today.