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October 20, 2006

Ms. Nancy M. Morris Secretary Securities and Exchange Commission 100 F Street, NE Washington, DC 20549-1090

By E-mail: rule-comments@sec.gov

Re: Securities and Exchange Commission Proposed Amendment [Release No. 33-8735; File No. S7-03-06] Concerning Executive Compensation Disclosure

Dear Ms. Morris:

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, submits the following comments to you regarding the above captioned proposed amendment. NYSSCPA thanks SEC for the opportunity to comment on this matter.

The NYSSCPA SEC Practice Committee deliberated the proposed amendment and drafted the attached comments. If you would like additional discussion with us, please contact Mitchell Mertz, the Chair of the SEC Practice Committee at (212) 891-4048, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,

Thomas E. Riley

President

Attachment



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NEW YORK STATE SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

COMMENTS TO THE US SECURITIES AND EXCHANGE COMMISSION ON SEC PROPOSED AMENDMENT [RELEASE NO. 33-8735; FILE NO. S7-03-06] CONCERNING EXECUTIVE COMPENSATION DISCLOSURE

OCTOBER 20, 2006

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New York State Society of Certified Public Accountants

Comments to the US Securities and Exchange Commission on Proposed Amendment [Release No. 33-8735; File No. S7-03-06] Concerning Executive Compensation Disclosure

October 20, 2006

We appreciate the opportunity to comment on your Release No. 33-8735 (File No. S7-03-06) requesting comments on a proposed amendment to the disclosure requirements for executive and director compensation.

We agree that the structuring of the rule to limit disclosure to highly compensated employees who have responsibility for significant policy decisions is appropriate. Further, we believe that the determination of compensation, in order to determine if disclosure for any employees is necessary, should be calculated in the same manner as the executive officers for whom disclosure currently is required.

We do not see any conceptual reason for limiting the disclosure to large accelerated filers. Smaller registrants can have similar situations where the proposed disclosure would be informative to investors. Disclosure of the need to highly compensate certain individuals for bringing critical skills and judgments vital to an organization's success will help investors make informed decisions regardless of the size of the entity.

We believe that the guidance set forth in the proposed rules is adequate for registrants to assess whether an employee has responsibility for significant policy decisions. Attempting to develop a precise definition would be difficult. The guidance offered in the proposed release is, in our view, adequate for registrants to apply judgment in making their assessments.