

June 12, 2026

Director of Research and Technical Activities
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Letter of Comment No. 021
File Reference: Infra
Project No. 3-43
Date Received: 06/16/2026

Email: director@gasb.org

RE: Project No. 3-43

We appreciate the opportunity to provide feedback on the Exposure Draft (ED) *Infrastructure Assets-an Amendment of GASB Statement No. 34*, dated March 25, 2026. The purpose of the ED is to improve the financial reporting requirements for infrastructure assets, thereby enhancing consistency in their application and better meeting the information needs of financial statement users.

The views expressed herein are written on behalf of the Professional Standards Committee (PSC) of the Texas Society of CPAs. The committee has been authorized by the Texas Society of CPAs' Leadership Council to submit comments on matters of interest to the membership. The views expressed in this document have not been approved by the Texas Society of CPAs' Leadership Council or Board of Directors and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs.

While the PSC supports the objective and background of the Infrastructure Assets project, we would like to reiterate the following observations, which were indicated in its previous comment letter dated January 14, 2025, issued in response to the Preliminary View (PV), *Infrastructure Assets*, dated September 30, 2024.

- The PSC notes that the use of modified approach is unique in the accounting of governmental entities. In addition, users of financial statements include a wide variety of stakeholders. The PSC believes that a description of the modified approach is essential to the understanding of the financial statements and adequate economic, social or political decision making. More importantly, paragraph B31 states the Board believes the use of a modified approach to report infrastructure assets is a significant accounting policy and, as a result, a description of the modified approach should continue to be included in the summary of significant accounting policies in notes to financial statements.
- The PSC would like further clarification regarding the requirement to disclose infrastructure assets by major class that have exceeded 80% of their estimated useful lives. While paragraph B29 explains 80% is a percentage close enough to the end of the useful lives of infrastructure assets to provide users with some information about the amount and age of infrastructure assets that are nearing the end of their useful lives, the PSC still believes it is an arbitrary number. Further, we question whether this is truly essential information.
- The PSC finds providing a 10-year schedule of the estimated annual amount of maintenance expenses compared to actual maintenance expenses related to infrastructure assets to be burdensome. The PSC notes that Paragraph B36 explains requiring this



information for the past 10 years would be consistent with other information presented as RSI, which generally includes information for 10 years, and the Board believes it would place information in an appropriate historical context. In addition, paragraph B37 states that the Board believes providing information for 10 years will assist users identifying trends in a government's maintenance and preservation expenses without resulting in an overly burdensome presentation. The PSC respectfully disagrees with this conclusion.

We appreciate the opportunity to submit comments on the Exposure Draft (ED) *Infrastructure Assets-an Amendment of GASB Statement No. 34*.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey L. Johanns". The signature is written in a cursive, flowing style.

Jeffrey Johanns, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants