National Association of State
Auditors, Comptrollers
and Treasurers

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June 22, 2026

Mr. Alan Skelton
Director of Research and Technical Activities
Governmental Accounting Standards Board
801 Main Avenue
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Dear Mr. Skelton:

On behalf of the National Association of State Auditors, Comptrollers and Treasurers, we appreciate the opportunity to respond to the Governmental Accounting Standards Board's Exposure Draft (ED), *Infrastructure Assets*.

We are concerned that the benefits for the users of financial statements are not commensurate with the significant effort and costs required by governments to implement this proposed standard. However, we have the following specific comments that we believe the Board should consider.

Paragraph 4
While we appreciate the Board's clarification of the definition of infrastructure assets, we believe it would be helpful if the Board provides an example of "buildings that have a primary purpose that is integral to a network of infrastructure assets but are only an ancillary part of that network" that should be considered infrastructure assets.

Paragraph 6
We believe the concerns related to the practical application of the proposed requirements for road infrastructure presented in paragraphs B61-66 of Appendix B are valid and will likely present significant implementation challenges, including for larger governments. Governments may face significant challenges in implementing the guidance as drafted due to the nature, volume, and complexity of road assets, as well as the manner in which the assets were initially recorded. The proposed requirements would also require significant changes to many systems and processes.

We believe that the determination of "substantially different" accounting treatment between infrastructure assets and other capital assets may lead to inconsistency and confusion for preparers, auditors and users.

Paragraph 7
We request that the Board reconsider its view described in paragraph B19 on not establishing a specific timeframe to perform reviews of estimated useful lives and salvage values on infrastructure assets. We are concerned that the use of the term "should perform a periodic review" will be open to wide interpretation given the very long useful lives of infrastructure assets, resulting in inconsistent application among governments. Considering the long life of infrastructure assets, we believe the Board should provide guidance on the expected frequency of the assessments and circumstances that would prompt reassessment.

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Paragraph 9
We believe it would be helpful if the Board includes a comprehensive illustrative example capital asset note disclosure to clarify, for example, if the intent is to have a basic infrastructure line in the changes to capital asset table with an additional table breaking out the various infrastructure networks and related accumulated depreciation. Alternatively, if the Board would like to see a single capital asset table including sub-categories for infrastructure networks. At a minimum, we request that examples be included in future implementation guidance before the required implementation date.

Paragraph 11
We do not agree with the proposal related to disclosing, by network of infrastructure assets, the historical cost, accumulated depreciation, and historical-cost weighted-average age of infrastructure assets that have exceeded 80 percent of their estimated useful lives. The significance of the 80 percent estimated useful life threshold is not clear to us; therefore, we recommend the Board consider requiring additional disclosures only for those items that are fully (100 percent) depreciated.

Further, separating infrastructure assets between those that have exceeded 80 percent of their estimated useful lives and those that have reached 100 percent will be extremely difficult to accomplish and may provide information that is not useful or inaccurate. Broadly, the 80 percent threshold seemingly provides little incremental value to the reader and not meet the “essential” criteria in GASB Concepts Statement No. 7. Tracking between the two thresholds will be difficult because repairs and maintenance are completed in stages, based on need, available funding, etc. For entities with large populations of infrastructure assets, we are concerned that additional calculations and disclosures for multiple thresholds will require extra time and resources, and that the benefits may not exceed the costs.

If the Board proceeds with this requirement, we encourage including an additional illustration to Appendix C.1 of the disclosure in tabular format. Disclosing such information in a paragraph impacts readability, especially when there are numerous infrastructure networks involved.

We appreciate the opportunity to provide our comments. Should you have any questions or need additional information regarding our response, please contact Kim O’Ryan of NASACT at (859) 276-1147.

Sincerely,

Steve McCoy

Steve McCoy
President, NASACT
State Treasurer, Georgia