



Letter of Comment No: 91
File Reference: EITF03-1A

October 28, 2004

Amalgamated Bank

America's Labor Bank

Mr. Lawrence Smith
Director and Chairman of the Emerging Issues Task Force
Financial Accounting Standards Board
401 Merritt 7
Norwalk, Connecticut 06856

Re: Proposed FASB Staff Position, EITF Issue 03-1-a, "Implementation Guidance for the Application of Paragraph 16 of EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments"

Dear Mr. Smith,

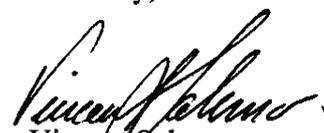
Amalgamated Bank thanks you for the opportunity to respond to your request for comments on the proposed FASB Staff Position, since the issues directly affect our asset/liability management process. Currently we have assets of \$4 billion. We are a New York State chartered bank with branches in New York, California, New Jersey, and Washington, DC.

We strongly believe that debt securities held in the Available-for-Sale portfolio should not be written down due to changes in interest rates. FAS #115 was meant to give banks the flexibility to manage their assets and liabilities more effectively, by repositioning the portfolio to better reflect the economic conditions of the time. Market value adjustments to investments created by interest rate changes are already reflected in the equity section of the balance sheet. Changing this could result in an inappropriate recognition of losses, affecting the bottom line unnecessarily.

Market value adjustments created by interest rate changes should be considered temporary impairments, since the value of the securities can recover when interest rates change. A bank should be able to decide when it is appropriate to sell, and losses on available-for-sale securities should be recognized when a decision is made to sell or when securities are permanently impaired as in a decline in credit quality.

Thank you for considering the concerns of the industry regarding this proposal. I would be glad to discuss our experience with you, if you wish to have more details.

Sincerely,


Vincent Salerno
Chief Financial Officer