



National Electrical Contractors Association ★ Penn-Del-Jersey Chapter ★ “Connect with the Best”
October 28, 2010

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 1860-100

Dear Sir or Madam:

I am the Government Affairs Coordinator for the Penn-Del-Jersey Chapter, National Electrical Contractors Association. Our organization represents approximately two-hundred (200) electrical contractors, employing over 10,000 employees who perform over \$1 billion of work in Pennsylvania, Delaware and parts of New Jersey and Maryland.

I am writing regarding the “Exposure Draft on Compensation – Retirement Benefits – Multiemployer Plans” (Topic 715-80) that will significantly impact the Contractors we represent who participate in multiemployer defined benefit pension plans. We recognize and understand the need for greater transparency in providing accurate information to end users to assist them in making informed, responsible decisions; however, we are concerned with the following:

- The dramatic expansion of reporting requirements that employers contributing to multiemployer pension plans will need to disclose.
- Expanding the threshold to change the current reporting standard from “probable or reasonably possible” to “remotely possible”, will lead to misleading and inaccurate information on an employer’s financial statement negatively impacting an employer’s ability to secure a line of credit or a loan.
- Withdrawal liability assessments can be expensive and will be an administrative burden on employers who will likely have to fund actuarial calculations for the number of defined benefit plans in which they participate.

We believe that withdrawal liability should only be disclosed when it has been incurred or will likely be incurred in the future. We are opposed to providing misleading and inaccurate withdrawal liability information. It is unlikely that an employer will cease contribution to a defined benefit plan and actually incur withdrawal liability.

In summary, we oppose FASB’s 715-80 proposal and ask that you take into consideration our concerns regarding this issue. Thank you for the opportunity to submit comments and share with you the significant impact this will have on our industry.

Respectfully,

Nick Bradley

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