October 15, 2010

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06586-5116

File Ref: 1860-100

Re: FASB Multi-Employer Pension Disclosure

Dear Sir or Madam:

On behalf of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers, and Helpers (IBB), I am responding to the Proposed Accounting Standards Update – Compensation – Retirement Benefits – Multiemployer Plans (Subtopic 715-80) Disclosure about an Employer’s Participation in a Multiemployer Plan, issued on September 1, 2010. As a major sponsor of such a plan, IBB has a significant interest in how these proposed changes, if adopted, would adversely affect our 675 employer partners.

The Boilermaker-Blacksmith National Pension Trust has been in existence since 1960, providing our members with financial security upon retirement. Participating employers make contributions into the fund on behalf of each Boilermaker as determined by collective bargaining agreements. For a half-century these employers have been willing to negotiate respectable retirement terms for their Boilermaker employees, and more importantly, they have been able to meet those commitments. Considering how long multi-employer plans have been in existence and the level of regulatory scrutiny they already receive under ERISA and the Pension Protection Act of 2006, we are at a loss as to why, according to your Summary and Questions for Respondents, your various constituents are only now concerned about a perceived “lack of transparency about an employer’s participation in a multiemployer plan.” The financial hardship these plans suffered in 2008 was not insignificant, but the proposed accounting changes will not provide a true picture of any particular plan’s viability or an employer’s real liability to a plan or plans.

To date you have received over two dozen responses from various plan participants or their representatives addressing the serious flaws in, and unintended consequences of, these proposed changes. We believe these collective objections are valid and justified. While the Multiemployer Plans Exposure Draft addresses several disclosure items, at the heart of the matter is the concern over the disclosure of the potential liability cost of an employer withdrawing from a plan regardless of whether such withdrawal is imminent or even contemplated. Although the proposed changes would have this information treated as only a footnote to financial statements and not, rightly, as a liability, such
information for participating employers will not only be onerous in its compilation but, between market volatility and the use of year-old data, highly inaccurate. If an employer takes some action to incur withdrawal liability, ERISA sets out various formulas that a plan can use for determining what that employer's obligations are to the plan at that time.

We share the concerns of other respondents that the use of such highly speculative data, footnoted or otherwise, will be a significant detriment for employers when working with various financial entities or other potential business partners who know little or nothing about how the multiemployer world operates. Many employers participate in multiple plans - the potential for abuse, misuse and misunderstanding of this information as currently proposed puts these employers and their hard-working employees at an unnecessary and unwarranted disadvantage in such a competitive, low-bid industry as construction.

We encourage FASB to work with experts in multi-employer benefit plans, some of whom have already commented on this proposal with concrete suggestions on how to improve transparency in a more realistic and practical manner.

Thank you for considering our views on this very important matter.

Sincerely,

Abraham Breehey
Director of Legislative Affairs
Special Assistant to the International President