October 5, 2010

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

Re: File Reference Number 1860-100

Dear Mr. Golden:

Watkins Meegan LLC is pleased to submit our response to the FASB’s Request for Comments on the Exposure Draft issued on September 1, 2010, *Compensation-Retirement Benefits-Multiemployer Plans (Subtopic 715-80), Disclosure about an Employer’s Participation in a Multiemployer Plan*. Our Firm represents hundreds of contractors, not-for-profit organizations, and other non-public entities, many of whom participate in multiemployer pension plans.

It is our opinion that the proposed disclosure requirements, particularly with regard to withdrawal liability, will have unintended consequences for issuers of financial statements that participate in a multiemployer plan, but have no intent of withdrawing from the plan. The proposed disclosures are also likely to result in misinterpretation of the footnotes to the financial statements by readers of the financial statements. Additionally, we believe the proposed disclosures will require additional administrative time and costs to issuers, as well as delay the issuance of financial statements and potentially result in information overload for financial statement users. Further discussion of our position follows below.

With regard to unintended consequences for issuers of the financial statements that participate in a multiemployer plan but have no intent to withdraw from the plan, it is likely that readers of such financial statements will interpret the disclosure to mean that withdrawal is likely, or at least reasonably possible, when that is not the case at all. This misinterpretation may affect the ability of the issuer to obtain or maintain financing and/or surety credit, and for not-for-profits to receive funding. It can also have a workplace effect. The morale of employees of participating employers who may read the notes to the financial statements may incorrectly conclude that the employer may be withdrawing from the plan, given the nature of the disclosure. We also note that the provisions governing the imposition of withdrawal liabilities may differ significantly between industries and between plans, which may cause confusion as financial statement users attempt to interpret the withdrawal liability disclosures.
Secondly, and equally important, the proposed disclosures will result in an additional administrative burden for issuer staff to collect and provide data to actuaries, and to review data reported by actuaries. It is likely to result in additional actuarial fees to the Plan, which ultimately will be shared by the participating employers.

Thirdly, the proposed disclosures are likely to delay the issuance of audited financial statements for employers that participate in multiemployer plans. Financial statement issuers whose year-end is different than the Plan year-ends will be waiting for actuarial information to be provided as plan actuaries respond to numerous participating employer requests for such information. Additionally, in the case of audited financial statements, auditors will have to audit the information once it is received. Many financial statement issuers already have deadlines that are difficult to meet, without the delays of waiting on actuarial information.

Lastly, the proposed disclosures are voluminous, particularly for financial statement issuers that may participate in several multiemployer plans. This may result in financial statement users being overwhelmed with information to such an extent that it undermines the user’s ability to gain meaningful insight from the proposed disclosures.

We support transparency in reporting. In cases of participating employers that have indicated their intent to withdraw, such disclosure may be useful to readers. However, for the reasons stated above, we do not believe that such disclosures provide useful information when it is not at least reasonably possible that the participating employer will withdraw and incur a withdrawal liability. We ask that the FASB reconsider its position in light of these comments and the many others it is likely to receive.

Sincerely,

[Signature]

Walter Meehan