director@fasb.org

September 27, 2010

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

Re: File Reference No. 1860-100

Ladies and Gentlemen:

BHA Consulting LLC appreciates this opportunity to comment on the Proposed Accounting Standards Update with respect to Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80), Disclosure about an Employer’s Participation in a Multiemployer Plan (the “Update”), issued by the Financial Accounting Standards Board (the “FASB”) on September 1, 2010. BHA Consulting LLC provides actuarial and consulting services to a number of multiemployer plans, many of whose participating employers will be affected by this proposed Update.

The FASB has invited individuals and organizations to comment on all matters in the proposed Update, particularly on seven issues with questions stated therein. We have never previously commented on any proposed disclosure but believe this particular proposal will have an inappropriate adverse effect upon our clients and their contributing employers as well as other similarly situated businesses. Our responses to some of those issues in addition to other matters in the proposed Update are provided below.

Question 1: Do you agree that the proposed quantitative and qualitative disclosures will result in a more useful and transparent disclosure of an employer’s obligations arising from its participation in a multiemployer plan? Why or why not? If not, what changes would you suggest to the proposed amendments?

Response: We believe that the proposed disclosures are useful in explaining the employer’s contribution obligations to a plan during the normal course of business. Other potential obligations, such as possible increased contribution obligation as a result of a rehabilitation plan or funding improvement plan for a pension plan in critical or endangered status, may not be known, and the possibility of such potential obligation, even if unknown, should be disclosed. There is no mention of any additional disclosure for an employer’s obligations covering post-employment benefits other than pensions. Note that this question deals with an employer’s obligations arising from its participation in the plan, which is related to its obligation to make regular work-related contributions. Issues related to an employer’s obligation upon its possible or actual withdrawal from a plan are covered under question 2 and as well as our response to the question.
Question 2: Do you believe that disclosing the estimated amount of the withdrawal liability, even when withdrawal is not at least reasonably possible, will provide users of financial statements with decision-useful information? Why or why not?

Response: We do not believe such information is appropriate for inclusion and is instead actually misleading, especially when there is not a reasonable possibility of a withdrawal liability assessment. No obligation for additional action or contribution exists for an employer that maintains a relationship with a multiemployer pension plan when there is no reasonable possibility of a withdrawal liability assessment. Withdrawal Liability is in effect primarily a "poison pill" ensuring the continued support of contributing employers when adverse plan experience might arise. In fact for employers in the building trades industry, employer departure does not constitute a withdrawal that triggers potential withdrawal liability assessment except in very specific and rare circumstances regardless of the size of that "liability". The disclosure by an employer of its potential withdrawal liability would likely prove unduly alarming to potential investors for companies required to use GAAP accounting, and additionally, even for those who aren’t so required, might prove harmful to such employer’s bonding requirements, current or future loan covenants, or other financing arrangements or attempts to obtain same. This required disclosure would place inaccurate and inappropriate assessment of the financial responsibility of participating employers and in doing so generate a competitive disadvantage for those employers.

Current withdrawal liability information is rarely available until well after the end of the fiscal year of the plan which may of course be different from the fiscal year end of most employers. This might lead to a further disconnect between the actual measurement date of the potential obligation and the date the obligation is required to be disclosed by the employer.

Question 3: What implementation costs, if any will an employer face in applying the proposed disclosures? Are these costs significantly different when applying the proposed requirements to foreign plans?

Response: We would expect that the additional administrative costs that a contributing employer might have in applying the proposed disclosures would be for additional work by its internal and/or external auditor to gather and appropriately include such information in its financial statements. In the building trades industry this could be particularly burdensome as many employers work with multiple crafts and trade unions on any particular job and may perform work in more than one jurisdiction or region. It would be possible for one employer to be required to gather 5, 10 or even 20 separate reports over a variety of different fiscal periods to compile in a single disclosure. The resulting disclosure could show the employer to be performing poorly with an overwhelming withdrawal liability obligation while in fact the employer work and business prospects are excellent and all financial requirements are being adequately met. This seems counterintuitive and misleading.

Question 4: The Board plans to require that the amendments in the final Update be effective for public entities for fiscal years ending after December 15, 2010. Are there any significant operational issues that the Board should consider in determining the appropriate effective date for the final amendments?

Response: We believe the proposed date is too imminent to allow enough time for multiemployer pension plans to prepare to provide the necessary information to their contributing employers that are public entities. As presently written, the proposed effective date for calendar year public entities is the 2010 calendar year. Presuming that the final Update will be some time after November 1, 2010 (the closing date for responses),
multiemployer plans and their contributing employers will have less than two months before the end of that first fiscal year to act. If the pension plan has a fiscal year that is other than a calendar year, there will be even more justification for deferral of the effective date.

Question 5: The Board intends to defer the effective date for nonpublic entities, as defined on transition paragraph 715-80-68-1, for one year. Do you agree with the proposed deferral? If not, please explain why.

Response: Yes.

Question 6: In addition to the proposed deferral for nonpublic entities, should any of the provisions in this proposed Update be different for nonpublic entities (private companies and not-for-profit organizations)? If so, which provisions and why?

Response: No.

Question 7: Do you believe that the proposed and existing XBRL elements are sufficient to meet the Securities and Exchange Commission’s (SEC) requirements to provide financial statement information in the XBRL interactive data format? If not, please explain why.

Response: Yes.

Additionally, we observe that while we do not foresee significant added compliance costs to an employer, we do anticipate significant increased administrative costs to the multiemployer defined benefit pension plans themselves. They will likely be inundated with questions and requests for information from a large number of participating employers, particularly when a plan is in an endangered or critical status as this is when even greater disclosures are required, causing even more requests for more complicated items of information.

BHA Consulting LLC appreciates the opportunity to provide these comments to the FASB. If you have any questions or need additional information regarding this submission, please feel free to contact us.

Respectfully,

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