November 1, 2010

Technical Director
File Reference No. 1860-100
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: Proposed Accounting Standards Update, Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosure about an Employer’s Participation in a Multiemployer Plan

We are pleased to submit our comments for your consideration regarding the Proposed Accounting Standards Update ("ASU"). Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosure about an Employer’s Participation in a Multiemployer Plan. Our review of the proposed standards has identified concerns principally related to disclosure of a withdrawal liability and the effective date for the ASU.

Union Pacific Corporation owns one of America’s leading transportation companies, Union Pacific Railroad Company (UPRR), the largest freight railroad in North America in terms of revenues. Under collective bargaining agreements, UPRR participates in multiemployer benefit plans that provide certain postretirement health care and life insurance benefits for eligible employees.

Withdrawal Liability

We do not believe that disclosure of the obligations arising from potential withdrawals from multiemployer plans, as proposed under this ASU, would be beneficial to readers of our financial statements. Disclosure of withdrawal liabilities would not provide financial statement users with useful information and it may potentially mislead investors and users of our financial statements. Under current authoritative guidance, a liability would be recognized when it was probable that a liability had been incurred and the amount of loss could be reasonably estimated. To require a disclosure for a future event that may be improbable or remote would be misleading. Additionally, the withdrawal liabilities that would be disclosed under this proposed ASU may not be representative of our obligations because updated information for the plans may not be available as of the date of our financial statements. We do not believe that additional disclosures, which may be misleading and impose a significant administrative burden on plan administrators and employers, should be finalized as currently written.
Effective Date

We believe that the proposed effective date for the ASU (less than two months after the deadline for submitting comments) does not give plan administrators and participating employers adequate time to ensure accurate and timely reporting of any finalized standards. To fulfill the requirements of the proposed standards, we will need the assistance of plan administrators who, at present, may not be capable of collecting and providing the required information to participating employers. Given the substantial increase in proposed disclosures and the significant time and effort that would be required to obtain and support the additional information, we strongly recommend delaying the effective date by a year.

If you have any question in relation to this letter, please do not hesitate to contact me.

Sincerely,

Jerry Gose
Assistant Vice President – Financial Reporting
Union Pacific Railroad Company