



## MINNESOTA PAINTING & WALLCOVERING EMPLOYERS ASSOCIATION

An Affiliate of the Finishing Contractors Association

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October 27, 2010

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

Via email: [director@fasb.org](mailto:director@fasb.org)

Re: File Reference No. 1860-100  
*Disclosure about an Employer's Participation in a Multiemployer Plan*

Dear Sir or Madam:

On behalf of the Minnesota Painting and Wallcovering Employers Association (MPWEA), we thank you for allowing us to comment on the Exposure Draft referenced above. MPWEA is a trade association comprised of construction painting and decorating employers in the midwest, largely in Minnesota. MPWEA is much like many of the construction employer associations throughout the country, in that it represents the interest of companies of various sizes that participate in multiemployer pension plans.

Our members are alarmed at the disclosures proposed in the Exposure Draft, particularly as it relates to withdrawal liability. Requiring employers to disclose withdrawal liability information in their financial statements does not provide an accurate picture of the financial position of their companies.

As you are aware, the construction industry is provided an exemption under the federal benefits law, the Employee Retirement Income Security Act (ERISA), whereby the liability is triggered when the company makes the decision to end its bargaining relationship with the union but it continues to perform the covered work in the same geographic location. The Exposure Draft appears to mandate that even in the event that a company has not made this decision or isn't even planning such a step, it would be required to include withdrawal liability estimates in its financial statements. Including withdrawal liability in financial statements would mislead those that rely on the statements to provide an accurate picture of a company's liabilities. We respectfully request that FASB withdraw all proposed changes related to withdrawal liability disclosures.

We are concerned about other disclosures proposed in the Exposure Draft, including the proposal to have the companies provide a narrative as to the exposure to risks of participating in the plan; and the funding remedies considered by the respective plans. As many employers in multiemployer plans throughout the country have already voiced in their comment letters, the endeavor to obtain this information is onerous and the information itself is speculative.

FASB's goal of greater transparency regarding an employer's participation in a multiemployer plan is laudable; however, we request that FASB factor in the practicalities of assembling this information regarding multiemployer plans. Several comment letters have been submitted that recommend specific disclosures that are not unreasonably burdensome to produce, and would adequately inform financial statement users without misleading them. Examples include disclosures related to the number and names of funds to which the employer contributes, descriptions of funding improvement and rehabilitation plans, and contribution amounts. We respectfully request that FASB issue a revised 715-80 Exposure Draft that takes into account those comments that have been submitted with recommendations for specific disclosures.

Thank you once again for the opportunity to comment on the Exposure Draft.

Respectfully,

A handwritten signature in black ink, appearing to read 'W. J. Grimm', with a long horizontal flourish extending to the right.

William J. Grimm  
Executive Director