

1840-100 Comment Letter No. 360

## SANTA CLARA VALLEY CHAPTER

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION W. THOMAS BARROW Executive Manager

October 19, 2010

Mr. Russell G. Golden Technical Director Financial Accounting Standards Board

Dear Mr. Golden,

Santa Clara Valley Chapter NECA employers urge FASB to revise its proposed standard to require disclosure of any liability only in a way that comports with the special legislative rules that Congress enacted for multiemployer defined benefit plans in the construction industry.

The Santa Clara Valley Chapter NECA is not commenting specifically on other controversial aspects of the Exposure Draft, but would generally be in agreement with the views expressed by the U.S. Chamber of Commerce and other public construction companies filed with FASB, urging FASB to reconsider the initiative altogether, to strike at particular problematic areas in a more cost-effective way. The Santa Clara Valley Chapter NECA urges FASB to reconsider the evaluation of loss contingencies in the construction industry in a more realistic way that allows considerations of potential losses net of potential recoveries so as to avoid detailed and misleading data.

In the absence of overall reconsideration of the Exposure Draft, The Santa Clara Valley Chapter NECA would urge FASB to adopt a construction industry specific rule on multiemployer defined benefit plan withdrawal liability that fully comports with the special rules enacted by Congress in 1980. To do less would be to raise a conflict with that Congressional policy, and further raise the specter of very serious other unintended consequences for the industry, not the least of which would be to have flawed, out-of-date and misleading information nevertheless threatening the unwarranted contraction of commercial and surety bonding credit to the great jeopardy of sponsoring employers, the plans themselves, and the industry's capacity to continue to provide benefits to employees and plan participants, loss of jobs, and services to the economy.

Kindest Regards

Tom Barrow

Executive Manager, NECA

g cried (1800)