

DEPARTMENT OF LABOR**Office of Labor-Management Standards****29 CFR Parts 402, 403, and 408**

RIN 1245-AA10

Labor Organization Annual Financial Reports**AGENCY:** Office of Labor-Management Standards, Department of Labor.**ACTION:** Final rule.

SUMMARY: The Department of Labor (Department) publishes this combined final rule to its regulations to improve its LM Labor Organization Annual Financial Reports by establishing a longer LM form for the largest labor organizations (Form LM-2 Long Form), revising a slightly shorter form for most labor organizations at and above the \$350,000 threshold (Form LM-2), making a parallel revision to Form LM-3, and updating reporting thresholds for Forms LM-3 and LM-4 to promote financial integrity and transparency. The final rule applies prospectively under section 208 of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA).

DATES: *Effective Date:* This rule is effective July 1, 2026. *Applicability Date:* This rule will apply prospectively to labor organizations whose fiscal years begin on or after July 1, 2026.

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I. Statutory Authority

The Department's statutory authority to issue this final rule is set forth in sections 201 and 208 of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA or Act), 29 U.S.C. 431, 438. Section 208 of the LMRDA provides that the Secretary of Labor (Secretary) shall have authority to issue, amend, and rescind rules and regulations prescribing the form and publication of reports required to be filed under Title II of the Act and such other reasonable rules and regulations as she may find necessary to prevent the circumvention or evasion of the reporting requirements. 29 U.S.C. 438. This rule implements section 201 of the LMRDA, which requires covered labor organizations to file annual, public reports with the Department, identifying the labor organization's assets and liabilities, receipts, salaries and other direct or indirect disbursements to each officer and all employees receiving \$10,000 or more in aggregate from the labor organization, direct or indirect loans (in excess of \$250 aggregate) to any officer, employee, or member, loans (of any amount) to any business enterprise, and other disbursements during the reporting period. 29 U.S.C. 431(b). The statute further requires that such information shall be filed "in such detail as may be necessary accurately to disclose [a labor organization's] financial condition and operations[.]" *Id.*

The Secretary has delegated the authority under the LMRDA to the Director of the Office of Labor-Management Standards and permitted redelegation of such authority. *See* Secretary's Order 03-2012 (Oct. 19, 2012), published at 77 FR 69376 (Nov. 16, 2012).

II. Background*a. Introduction*

On October 13, 2020, the Department proposed to introduce a new form titled, Form LM-2 Long Form, and update and revise the prior version of the Form LM-2 labor organization annual financial disclosure report (prior Form LM-2), which had not had major revisions since 2003. The Department has made some changes to its 2020 proposal to reduce burden. Overall, today's final rule will provide additional valuable information about the nation's largest labor organizations to union members, the Department, and the public. *See* 85 FR 64726 (Oct. 13, 2020) (2020 NPRM). As noted in the 2020 NPRM, the Form LM-2 Long Form and the revisions to the prior Form LM-2 are part of the Department's continuing efforts to better effectuate the reporting requirements of the LMRDA.

The Department provided for a 60-day comment period that closed on December 14, 2020. The Department received 99 comments, of which 97 were unique and posted. The Department received comments from labor organizations, public interest groups, employer associations, certified public accountants, as well as current and former labor organization members and other individuals.

On July 1, 2025, the Department issued a notice of proposed rulemaking (NPRM) to update the filing thresholds in 29 CFR 403.4(a) for Forms LM-2, LM-3, and LM-4 Labor Organization Annual Reports. 90 FR 28251 (July 1, 2025) (2025 NPRM). The comment period was open through July 31, 2025. The Department received a total of 299 comment submissions. Eleven were unique, substantive comments filed by labor organizations, employer associations, policy institutes, other stakeholder groups, and private individuals; the remainder were form letters.

The Department views the 2020 and 2025 NPRMs as distinct regulatory proposals that operate in the same reporting framework. The Department's introduction of the new LM-2 Long Form as well as its proposed revisions to the Form LM-2, as set forth in the 2020 NPRM, 85 FR 64726 (Oct. 13, 2020), and the Department's interest in

moderating the burden on reporting labor organizations, as set forth in the 2025 NPRM, 90 FR 28251 (July 1, 2025), are distinct but related policy choices. The Department concludes that these proposals will function in coordination once effective. Accordingly, for efficiency, this rulemaking finalizes the proposals in both the 2020 NPRM regarding the Form LM-2 Long Form and revised Form LM-2 and the 2025 NPRM regarding the filing thresholds for Forms LM-2, LM-3 and LM-4.

After careful consideration of the comments to the 2020 and 2025 NPRMs, and as explained in this rulemaking, the Department has modified elements of the new Form LM-2 Long Form and the revised Form LM-2 from the formats initially proposed. We further note that the LM-2 reporting updates now include a revision that, for consistency with accounting practices, results in a parallel change to Form LM-3. In response to the comments on the 2020 and 2025 NPRMs, the Department has also updated the thresholds for Forms LM-2, LM-3, and LM-4 to account for inflation.

This combined final rule supports the LMRDA's various reporting provisions which are designed to empower labor organization members by providing them with the means and information to maintain democratic control over their labor organizations and ensure proper accounting of labor organization funds. Labor organization members are better able to monitor their labor organization's financial affairs and to make informed choices about the leadership of their labor organization and its direction when labor organizations disclose financial information required by the LMRDA in an easily accessible way. By reviewing the LM annual financial reports, a member may ascertain the labor organization's priorities and whether they are in accord with the union's constitution, the organization's purpose, the member's own priorities, and those of fellow members. At the same time, this transparency promotes the labor organization's own interests as a democratic institution as well as the interests of the public and the government. Furthermore, the LMRDA's reporting and disclosure provisions, together with the fiduciary duty provision, 29 U.S.C. 501, which directly regulates the primary conduct of labor organization officials, operate to safeguard a labor organization's funds from depletion by improper or illegal means. Timely and complete reporting also helps deter labor organization officers or employees from embezzling

or otherwise making improper use of such funds.

The Department issues this final rule to bring the reporting requirements for labor organizations in line with contemporary expectations for the disclosure of financial information. The next section discusses the statutory and regulatory background for this rule. Subsequent sections discuss the new Form LM-2 Long Form, specific changes to the revised Form LM-2, and a parallel change to Form LM-3, as well as the regulatory analysis, the filing threshold changes, and the revised regulatory text.

b. Statutory Background

In enacting the LMRDA in 1959, a bipartisan Congress found that "there have been a number of instances of breach of trust, corruption, disregard of the rights of individual employees, and other failures to observe high standards of responsibility and ethical conduct which require further and supplementary legislation that will afford necessary protection of the rights and interests of employees and the public generally as they relate to the activities of labor organizations, employers, labor relations consultants, and their officers and representatives." 29 U.S.C. 401(b).

The LMRDA was designed to remedy these various ills through a set of integrated provisions aimed largely at labor organization governance and management. These include a "bill of rights" for labor organization members, which provides for equal voting rights, freedom of speech and assembly, and other basic safeguards for labor organization democracy, *see* 29 U.S.C. 411-415; financial reporting and disclosure requirements for labor organizations, their officers and employees, employers, labor relations consultants, and surety companies, *see* 29 U.S.C. 431-436, 441; detailed procedural, substantive, and reporting requirements relating to labor organization trusteeships, *see* 29 U.S.C. 461-466; detailed procedural requirements for the conduct of elections of labor organization officers, *see* 29 U.S.C. 481-483; safeguards for labor organizations, including bonding requirements, the establishment of fiduciary responsibilities for labor organization officials and other representatives, criminal penalties for embezzlement from a labor organization, a prohibition on certain loans by a labor organization to officers or employees, prohibitions on individuals convicted of certain crimes from holding union office or employment or serving in other

prohibited capacities, and prohibitions on payments for prohibited purposes by an employer or labor relations consultant to employees, labor organizations, and labor organization officers and employees, *see* 29 U.S.C. 501-505; and prohibitions against extortionate picketing, retaliation for exercising protected rights, and deprivation of LMRDA rights by violence, *see* 29 U.S.C. 522, 529, 530.

The LMRDA was the direct outgrowth of a congressional investigation conducted by the Select Committee on Improper Activities in the Labor or Management Field, commonly known as the McClellan Committee, chaired by Senator John McClellan of Arkansas. In 1957, the committee began a highly publicized investigation of labor organization racketeering and corruption. Its findings of financial abuse, mismanagement of labor organization funds, and unethical conduct provided much of the impetus for the bipartisan enactment of the LMRDA's remedial provisions. *See generally* Benjamin Aaron, *The Labor-Management Reporting and Disclosure Act of 1959*, 73 Harv. L. Rev. 851, 851-55 (1960). During the investigation, the committee uncovered a host of improper financial arrangements between officials of several international and local labor organizations and employers whose employees were represented or may have been organized by the labor organizations in question. The committee found similar arrangements between labor organization officials and the companies that handled matters relating to the administration of labor organization benefit funds. *See generally* Interim Report of the Select Committee on Improper Activities in the Labor or Management Field, S. Report No. 85-1417 (1957); *see also* William J. Isaacson, *Employee Welfare and Benefit Plans: Regulation and Protection of Employee Rights*, 59 Colum. L. Rev. 96 (1959).

Financial reporting and disclosure were conceived as a partial remedy for these improper practices. As noted in a key Senate Report on the legislation, disclosure would discourage questionable practices ("The searchlight of publicity is a strong deterrent."); aid labor organization governance (Labor organizations will be able "to better regulate their own affairs. The members may vote out of office any individual whose personal financial interests conflict with his duties to the members."); facilitate legal action by members against "officers who violate their duty of loyalty to the members;" and create a record (The reports will furnish a "sound factual basis for

further action in the event that other legislation is required.”). S. Rep. No. 187, at 412 (1959), reprinted in 1 NLRB Legislative History of the Labor-Management Reporting and Disclosure Act of 1959.

As the House Report disclosed, “It is the purpose of this bill to insure that full information concerning the financial and internal administrative practices and procedures of labor organizations shall be, in the first instance available to the members of such organizations. In addition, this information is to be made available to the Government, and through the Secretary of Labor, is to be open to inspection by the general public. By such disclosure, and by relying on voluntary action by members of labor organizations, it is hoped that a deterrent to abuses will be established.” House Report No. 741, at 766 (86th Cong., 1st Sess., 2 U.S. Code Cong. & Admin. News, 1959, p. 2424).

c. Regulatory Background

Section 201 of the Act requires labor organizations to file annual public reports with the Department, detailing the labor organization’s financial conditions and operations. 29 U.S.C. 431(b). After Congress enacted the LMRDA, the Department developed forms for implementing the LMRDA’s financial reporting requirements. Those annual report forms (Form LM–2, Form LM–3, and Form LM–4) required information about a labor organization’s assets, liabilities, receipts, disbursements, loans to officers and employees and business enterprises, payments to each officer, and payments to each employee of the labor organization paid more than \$10,000 during the fiscal year. The Department required reporting details about labor organizations that varied depending on the amount of the labor organization’s annual receipts. 29 CFR 403.4.

Before today’s final rule, labor organizations with annual receipts of \$250,000 or more, and all labor organizations in trusteeship (regardless of the amount of their annual receipts), were required to file Form LM–2—and there was only one version of that form. 29 CFR 403.2–403.4 (2025). The form could also be filed voluntarily by any labor organization with less than \$250,000 in annual receipts. Form LM–2 required certain receipts and disbursements to be reported by functional categories, such as representational activities; political activities and lobbying; contributions, gifts, and grants; union administration; and benefits. Further, the form required labor organizations to allocate the time

their officers and employees spent according to functional categories, as well as the payments that each of these officers and employees received, and it compelled the itemization of certain transactions totaling \$5,000 or more.

Using filing data for federal fiscal year ending September 30, 2025, Form LM–2 was filed by 23.6 percent of the reporting labor organizations. If a labor organization had less than \$250,000 in total annual receipts, it could file either a Form LM–3 or Form LM–4, both of which required significantly less detail than Form LM–2. Form LM–3 was filed by 44.5 percent of the reporting labor organizations (*i.e.*, those with less than \$250,000 in total annual receipts but \$10,000 or more). Labor organizations with receipts of less than \$10,000 were permitted to file Form LM–4. They constituted 27.8 percent of the filers. The remaining 4.1 percent were allowed to file a simplified report, which was available to labor organizations with no assets, liabilities, receipts, or disbursements.

As remains the case under this final rule, the LM Labor Organization Annual Report forms must be signed and filed electronically with the Department within 90 days of the end of the labor organization’s fiscal year. The labor organization’s president and treasurer (or its corresponding officers) are personally responsible for filing the reports and for any statement in the reports known by them to be false. 29 CFR 403.6. These officers are also responsible for maintaining records in sufficient detail to verify, explain, or clarify the accuracy and completeness of the reports for not less than five years after the filing of the forms. 29 CFR 403.7. A labor organization “shall make available to all its members the information required to be contained in such reports” and “shall . . . permit such member[s] for just cause to examine any books, records, and accounts necessary to verify such report[s].” 29 CFR 403.8(a). The reports are public information. 29 U.S.C. 435(a). The Secretary is charged with providing for the inspection and examination of the financial reports, 29 U.S.C. 435(b). For this purpose, OLMS maintains an Online Public Disclosure Room (*see* <https://olmsapps.dol.gov/olpdr/>) on its public-facing website, www.dol.gov/agencies/olms, where reports filed since the year 2000 are available for the public’s review and download.

The format of Form LM–2 remained essentially unchanged from the early 1960s until October 2003, when revisions created the prior version of Form LM–2 through the rulemaking chronology detailed below.

On December 27, 2002, the Department issued an NPRM proposing revisions of Form LM–2 (and other proposals for reforms of reports), expanding LMRDA coverage, and a newly created form. 67 FR 79280 (Dec. 27, 2002).

On October 9, 2003, the Department issued a final rule with an effective date of January 4, 2004. 68 FR 58373 (Oct. 9, 2003) (2003 final rule). The rule put into effect the NPRM-proposed changes to Form LM–2 with modifications. The key changes made by that final rule were as follows:

1. *\$5,000 Itemization Threshold*: Form LM–2 filers itemized certain categories of receipts and disbursements of \$5,000 or more, as well as receipts and disbursements to a single entity that totaled \$5,000 or more in the reporting year.

2. *Confidentiality Exemption*: Labor organizations (hereinafter also referred to as “labor unions” or “unions”) could take advantage of special procedures for reporting confidential information, such as information that would expose the reporting union’s prospective organizing strategy and information that would provide a tactical advantage to parties with whom the union engages in contract negotiations. Such information was not specifically reported or publicly disclosed.

3. *Functional Reporting*: Disbursements were reported in five specified categories (Representational Activities; Political Activities and Lobbying; Contributions, Gifts and Grants; General Overhead; and Union Administration).

4. *Functional Reporting of Work Time*: Form LM–2 required unions to estimate the time spent by each union officer and union employee (collectively, “union officials”) on different duties, based on the categories of activities represented by Form LM–2 schedules and represented as a percentage of work time totaling 100 percent. Unions then reported the portion of gross salaries for each schedule based on the percentage of time estimates.

5. *Accounts Payable/Receivable*: Form LM–2 included schedules designed for reporting delinquent accounts payable and receivable (with the typical Form LM–2 itemization threshold of \$5,000).

6. *Reporting of Investments*: Form LM–2 required unions to report all investments that both had a book value greater than \$5,000 and represented five percent or more of the union’s investments.

7. *Membership Categories*: Form LM–2 required unions to report their number of members by category. The union was permitted to determine the categories.

Common categories included active members, retirees, full retirees, apprentices, etc.

Approximately four and a half years later, the Department issued a notice of proposed rulemaking, 73 FR 27346 (May 12, 2008), to further revise Form LM-2 in several ways. The Department proposed a major modification that would require an expanded number of schedules to further itemize receipts. The Department subsequently issued a final rule, 74 FR 3678 (Jan. 21, 2009) (2009 final rule), with an effective date of February 20, 2009, and an applicability date of July 1, 2009. The rule was ultimately rescinded before any reports were filed. The three key changes in the 2009 rule were:

1. *Additional information on Schedules 3 and 4:* Had it become applicable, the rule would have required additional information on the Form LM-2 Schedule 3—Sales of Investments and Fixed Assets, and Schedule 4—Purchase of Investments and Fixed Assets, disclosing the party buying or selling union assets.

2. *Additional information on Schedules 11 and 12:* The rule would have required additional information on the Form LM-2 Schedule 11—All Officers and Disbursements to Officers, and Schedule 12—Disbursements to Employees, disclosing the total value of the benefits received by union officers and union employees (*i.e.*, it would have required unions to include the value of union officer and employee benefits in Schedules 11 and 12, respectively, rather than aggregated in a lump sum figure in Schedule 20).

3. *Itemization of Receipts:* The rule would have added itemization schedules corresponding to additional categories of receipts.

On April 21, 2009, the Department issued a notice of proposed rulemaking to rescind the Form LM-2 changes made by the January 2009 final rule. 74 FR 18172 (Apr. 21, 2009). The NPRM expressed concern that the January 2009 final rule failed to consider the value of increased reporting and its attendant burdens, which may have resulted in a reporting regime that lacked what the NPRM stated was a required balance between the need for transparency in union financial reporting and the need to protect unions from excessive burdens attendant to such reporting. *Id.* at 18175.

On October 13, 2009, the Department issued a final rule, which rescinded the Form LM-2 changes made by the January 2009 final rule. 74 FR 52401

(Oct. 13, 2009).¹ As to the perceived failure to adequately balance burden with benefit, the Department concluded that the annual reports need not disclose “every bit of probative financial information.” *Id.* at 52406 (internal quotation marks omitted).

Another basis for the Department’s rescission of the January 2009 rule was the view that it had promulgated the rule “too soon after the 2003 changes” and “without an adequate review of the benefits and costs of the changes.” *Id.* The Department stated that “a more comprehensive review” was needed to measure the benefits of the 2003 revisions against their costs; the Department suggested as two potential options “a survey of all Department investigators or a documented review of the thousands of filings received by the Department under the 2003 rule.” *Id.* at 52408.

i. 2020 NPRM

On October 13, 2020, the Department issued a notice of proposed rulemaking to revise and update the Form LM-2 (revised Form LM-2) and establish a new Form LM-2 Long Form in the interest of labor organization financial integrity and transparency. 85 FR 64726 (Oct. 13, 2020). The 2020 NPRM incorporated findings the Department collected by canvassing OLMS field investigators on their experiences and insights on the 2003 changes to Form LM-2, as well as their views on what further improvements, if any, could be made.

The Department proposed a series of amendments to reporting requirements addressing multiple subject areas relevant to labor organization financial disclosure and transparency. The 2020 NPRM was intended to reassess existing reporting thresholds, clarify reporting obligations, and enhance the utility of disclosed information for members, the public, and the Department. To provide a clear understanding of the scope of that rulemaking, the Department summarizes here the principal subject areas addressed in the 2020 NPRM, which together define the range of issues on which the Department sought comment and from which any final regulatory provisions must logically derive.

The 2020 NPRM included proposals concerning reporting thresholds applicable to the prior Form LM-2 and

its accompanying itemization schedules filed by labor organizations.

Specifically, the Department proposed revisions to the \$250,000 filing threshold for prior Form LM-2, which was required of labor organizations with higher annual receipts. The NPRM sought comment on whether that threshold continued to strike an appropriate balance between ensuring transparency and minimizing unnecessary reporting burdens, and whether adjustments to that threshold would improve the effectiveness of the reporting regime. The Department also proposed raising the \$5,000 itemization threshold to \$7,500 for various schedules filed with prior Form LM-2.

For the largest labor organizations, the Department proposed to create a new financial disclosure form, the Form LM-2 Long Form. The agency sought comment on an \$8,000,000 filing threshold for that form.

In addition to threshold-related proposals, the 2020 NPRM addressed several specific categories of financial reporting. The Department proposed revisions concerning the reporting of strike funds, including whether such funds should be more clearly identified or separately disclosed in annual reports to improve transparency regarding their use and administration. The NPRM also included proposals related to foreign transactions, with a focus on enhancing disclosure of financial interactions involving foreign entities, accounts, or interests. These proposals were intended to ensure that members and the public have a clearer understanding of the scope and nature of labor organization financial activities that extend beyond domestic operations.

The 2020 NPRM further considered the scope and application of confidentiality provisions within the reporting framework. The Department requested comment on modifications to existing confidentiality exemptions that permit labor organizations to withhold certain sensitive information, and it sought comment on whether such exemptions should be modified, narrowed, or eliminated to better balance transparency with legitimate privacy and security concerns. The 2020 NPRM also addressed whistleblower protections, proposing measures intended to strengthen protections against retaliation and to encourage individuals to report potential violations of the LMRDA. These provisions reflected the Department’s interest in ensuring that reporting and compliance mechanisms are supported by adequate safeguards for individuals who come forward with information.

¹ On February 20, 2009, OLMS extended the effective date of the January 2009 final rule to April 21, 2009. 74 FR 7814 (Feb. 20, 2009). The April 2009 final rule delayed the effective date of the January 2009 final rule until October 19, 2009, and the applicability date until January 1, 2010. 74 FR 18132 (Apr. 21, 2009).

Finally, the 2020 NPRM proposed requirements for additional identifying information to be included in labor organization reports. These proposals were intended to improve the ability of the Department, union members, and the public to identify reporting entities and related individuals or organizations, thereby enhancing the overall transparency and usability of the reported data. The Department solicited public comment on its proposals, their economic justification, their anticipated effects on reporting burden and transparency, and any alternatives that would better achieve the stated objectives.

The Department received comments on the 2020 NPRM. As of March 17, 2021, the Department withdrew the 2020 NPRM as listed on the regulatory agenda and classified the state of rulemaking as completed.² The Department retained the comments and preserved the record related to the 2020 NPRM. In formulating this final rule in 2026, the Department reviewed, considered, and addressed all substantive comments received on the 2020 NPRM. Those comments are not stale, and the Department found them informative when making its determinations discussed below. While the rulemaking was listed as “withdrawn” and “completed” on the regulatory agenda, the Department has satisfied its obligation to provide notice and comment on the proposals in the 2020 NPRM before issuing this final rule. As discussed below, the Department determined that it need not seek further public comments on its proposals, although it chose to do so solely regarding the proposal to adjust the prior Form LM–2 filing threshold for inflation.

ii. 2025 NPRM

On July 1, 2025, the Department issued a notice of proposed rulemaking to update the filing thresholds in 29 CFR 403.4(a) for Forms LM–2, LM–3, and LM–4 Labor Organization Annual Reports. 90 FR 28251 (July 1, 2025) (2025 NPRM). The comment period was open through July 31, 2025.

In the 2025 NPRM, the Department proposed targeted amendments to the reporting requirements, with a primary focus on revising the filing thresholds applicable to labor organization annual financial reports. The 2025 NPRM was designed to reassess longstanding filing thresholds in light of significant

inflation since their last revision and to reduce unnecessary reporting burdens on labor organizations whose receipts no longer justify more detailed reporting. As with prior rulemakings, the Department summarizes here the principal subject areas addressed in the 2025 NPRM in order to clarify the scope of the proposals and identify the issues on which the Department solicited public comment.

The central focus of the 2025 NPRM was the revision of filing thresholds for Forms LM–2, LM–3, and LM–4. The Department proposed to increase the threshold for filing Form LM–2 from \$250,000 to \$450,000 in total annual receipts, reflecting the erosion of the threshold’s real value due to inflation since its last adjustment in 2003. The 2025 NPRM explained that, over that period, overall price levels increased substantially, such that the \$250,000 threshold captured labor organizations with comparatively modest receipts that would not have been subject to the most detailed reporting requirements under earlier economic conditions. By proposing a rise in the Form LM–2 threshold, the Department sought to better align reporting obligations with economic realities while preserving detailed disclosure for the largest labor organizations.

Consistent with this proposal, the Department also proposed corresponding revisions to the Form LM–3 and Form LM–4 thresholds. Specifically, the NPRM proposed increasing the upper threshold for Form LM–3 eligibility from \$250,000 to \$450,000 and raising the Form LM–4 threshold from \$10,000 to \$25,000. These proposed changes were intended to maintain the structure of the tiered reporting system while ensuring that each reporting category reflected inflation-adjusted distinctions among labor organizations. The Department emphasized that these adjustments would not eliminate reporting obligations but would instead allow certain labor organizations to file forms appropriate to their size and financial activity.

The 2025 NPRM also addressed conforming changes to regulatory text, forms, and instructions associated with these thresholds. The Department proposed revisions to 29 CFR 403.4(a) and to Forms LM–2, LM–3, and LM–4 and their instructions to reflect the updated thresholds and ensure internal consistency across reporting materials. These conforming amendments were intended to provide clarity to filers regarding which form must be used based on total annual receipts.

In addition, the NPRM discussed the anticipated effects of the proposed threshold changes, including reductions in reporting burden and associated compliance costs. The Department estimated that a substantial number of labor organizations would become eligible to file less detailed forms, resulting in significant reductions in reporting hours and costs while maintaining transparency for larger labor organizations that would continue to file Form LM–2. The NPRM emphasized that the proposal was deregulatory in nature, as it did not propose new reporting requirements but instead sought to reduce existing burdens by adjusting thresholds to reflect economic conditions.

The 2025 NPRM did not propose revisions to other aspects of the reporting regime addressed in prior rulemakings, such as strike funds, foreign transactions, confidentiality exemptions, whistleblower protections, or additional identifying information. Rather, the scope of the 2025 NPRM was limited to filing thresholds for annual reports that existed when the 2025 NPRM was issued and related conforming changes. Accordingly, the Department solicited public comment on the proposed threshold adjustments, their economic justification, their anticipated effects on reporting burden and transparency, and any alternatives that would better achieve the stated objectives.

Taken together, the proposals in the 2025 NPRM were confined to the adjustment of filing thresholds for prior Forms LM–2, LM–3, and LM–4, along with associated conforming amendments and analysis of their economic impact.

The Department received comments on the 2025 NPRM. In formulating this final rule in 2026, the Department reviewed, considered, and addressed all substantive comments received on the 2025 NPRM.

d. The Agency Has Satisfied the Administrative Procedure Act’s Notice and Comment Requirements

Section 553 of the Administrative Procedure Act (APA) establishes the notice and comment requirements that apply to rules such as this one. *Perez v. Mortgage Bankers Ass’n*, 575 U.S. 92, 96 (2015). First, the agency must provide notice of the proposed rulemaking by publishing, in the **Federal Register**, a notice that includes “either the terms or substance of the proposed rule or a description of the subjects and issues involved.” 5 U.S.C. 553(b)(3). Second, the agency must give the public an opportunity to comment on the

² *Reginfo.gov*, Spring 2021, RIN 1245-AA10, <https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202104&RIN=1245-AA10>.

proposed rule “through submission of written data, views, or arguments,” and the agency must consider “the relevant matter presented” in the public comments. *Id.* 553(c). To comply with the APA’s notice and comment requirements, the agency’s NPRM must provide “fair notice” of the final rule that is ultimately adopted. *Long Island Care at Home, Ltd. v. Coke*, 551 U.S. 158, 174 (2007). The Department has complied with these requirements regarding the agency’s 2020 proposals because OLMS has already provided a full opportunity for public comment through the 2020 NPRM, 85 FR 64726 (Oct. 13, 2020), and the core circumstances underlying that proposal have not materially changed.³

i. Procedural History and Preservation of the Administrative Record

On October 13, 2020, the Department published the 2020 NPRM. The comment period closed on December 14, 2020, and the agency received approximately 100 public comments. Docket No. LMSO–2020–0002. The Fall 2020 Unified Agenda projected a final rule date of January 2021. However, the Spring 2021 Unified Agenda classified the NPRM as “withdrawn” as of March 17, 2021, and designated the rulemaking as a “Completed Action.” No final rule was published.⁴

OLMS retained the complete administrative record from the 2020 NPRM, including the notice of proposed rulemaking; the canvassing of OLMS field investigators conducted in two phases in July and September 2019, including the questionnaire and responses thereto (*see* 85 FR 64734 (Oct. 13, 2020)); the economic analysis and regulatory impact assessment; the approximately 100 public comments, and all supporting materials. In promulgating this final rule, OLMS has reviewed this record in its entirety and finds no new evidence that would warrant altering the proposed rule.

³ Alternatively, the Department invokes the Good Cause exception to forego notice and comment. The Department has already provided a full opportunity for notice and comment through the 2020 NPRM, 85 FR 64726, and the 60-day comment period that closed on December 14, 2020. Providing a further period would be unnecessary as the core circumstances, including factual predicates, legal authority, regulatory environment, and evidentiary basis, have not materially changed since the close of the comment period, and the original record remains fresh. OLMS has affirmatively determined, through contemporaneous review supported in the administrative record, that the record continues to serve the APA’s purposes.

⁴ Characterizing a rule as “withdrawn” in the Unified Agenda does not nullify the NPRM such that the agency must start over with a new NPRM before finalizing. *See Sanofi Aventis U.S. LLC v. United States Dep’t of Health & Hum. Servs.*, 58 F.4th 696, 706–07 (3d Cir. 2023).

ii. Legal Framework

The APA does not establish a “useful life” for a notice-and-comment record, and there is no set time limit between closure of a comment period and publication of a final rule. *Action on Smoking & Health v. Civil Aeronautics Bd.*, 713 F.2d 795, 800 (D.C. Cir. 1983); *see also Sanofi Aventis*, 58 F.4th at 707 (upholding rule notwithstanding “long delay between the notice of proposed rulemaking and finalizing the rule”); *Am. Mining Cong. v. EPA*, 907 F.2d 1179, 1191–92 (D.C. Cir. 1990) (finding no need for new notice and comment prior to promulgating a 1988 rule that relied on data acquired in a 1980 notice-and-comment process). However, “the life of such a record is not infinite.” *Action on Smoking*, 713 F.2d at 800. Courts have recognized that additional notice and comment may be required when “circumstances have changed so much” since the original proceedings that the agency “would wish to write a different rule.” *Am. Optometric Ass’n v. FTC*, 626 F.2d 896, 907 (D.C. Cir. 1980). This “new evidence” must amount to “a change in ‘core’ circumstances, the kind of change that goes to the very heart of the case.” *Id.* (quoting *Greater Boston Television Corp. v. FCC*, 463 F.2d 268, 283 (D.C. Cir. 1971)).

iii. Core Circumstances Have Not Materially Changed

If the information the Department relied on for its proposal has not changed to such a significant degree that it would lead to a change in the rule, the notice and opportunity for comment that the Department originally provided will likely satisfy the APA’s requirements. *See Am. Optometric Ass’n*, 626 F.2d at 907. The Department has reviewed the entire administrative record and finds that the core circumstances have not materially changed.

The largest labor organizations continue to present heightened transparency and enforcement concerns. Findings from the canvassing study regarding indirect disbursements for travel-related expenses for officers and employees, opacity of certain foreign transactions, and limited enforcement utility of functional time-allocation reporting remain valid and uncontradicted by any subsequent study, audit finding, or enforcement trend.

The LMRDA, 29 U.S.C. 401–531, and the Secretary’s rulemaking authority under sections 431 and 438 remain unchanged. No intervening judicial decisions have altered the statutory basis for this rulemaking. The Supreme

Court’s decision in *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024), overturning *Chevron* deference, does not affect the Secretary’s express statutory authority to prescribe the form and content of financial reports under 29 U.S.C. 431. Unlike the intervening Supreme Court decision in *American Optometric*, which altered the state-law landscape underlying the FTC’s rule and prompted remand, *Loper Bright* does not bear on the substance of the reporting requirements at issue here.

Moreover, prior Forms LM–2, LM–3, and LM–4 remained structurally unchanged since the 2003 rulemaking. No other agency regulations conflicted with or superseded the proposals in the 2020 NPRM. The results of the canvassing study, economic analysis, and approximately 100 public comments continue to provide a sufficient evidentiary basis for this final rule. The record fully tests the regulation through diverse public input, provides fairness to affected parties, and supports judicial review. *See Small Refiner Lead Phase-Down Task Force v. EPA*, 705 F.2d 506, 519 (D.C. Cir. 1983) (identifying these three purposes of notice-and-comment).

iv. 2025 NPRM on Filing Thresholds Does Not Alter Core Circumstances

The 2025 NPRM proposed only inflation adjustments to the Forms LM–2, LM–3, and LM–4 thresholds, without altering form content or creating new reporting tiers. The 2025 and 2020 NPRMs address distinct regulatory questions: the former concerns dollar values at which organizations transition between existing tiers; the latter concerns enhanced reporting requirements for the largest organizations through a new tier with additional schedules (Form LM–2 Long Form) and revisions to expand reporting on Form LM–2. The one exception is that both NPRMs proposed changing prior Form LM–2’s \$250,000 threshold. To the extent core circumstances regarding inflation had changed from 2020 regarding that threshold, the Department provided new notice and an opportunity for public comment on that issue in the 2025 NPRM.

The Department reviewed the 2025 NPRM record, including 299 comments, and finds nothing that materially alters the core circumstances of the 2020 NPRM. One non-profit expressly urged the Department to consider the 2020 NPRM’s approach of pairing a threshold adjustment to prior Form LM–2 with enhanced reporting for the largest filers. A labor relations consultant noted that hundreds of organizations representing over one million union members would

lose detailed itemized reporting under the 2025 NPRM, identifying representational spending as the category of greatest interest to dues-paying members. These comments do not identify changed conditions, rather, they speak directly to the transparency deficiencies the 2020 NPRM was designed to address and reaffirm the continuing need for enhanced reporting. Far from evidencing a change in core circumstances, the comment record from the 2025 NPRM reinforces the factual predicates underlying this final rule.

v. Exclusion of Form LM–2 Long Form Threshold From 2025 NPRM

The 2025 NPRM did not seek comment on the proposed \$8,000,000 Form LM–2 Long Form threshold because it is a new threshold proposed in 2020 that has never been in effect. The 2025 NPRM adjusted previous thresholds for inflation: the Form LM–2 threshold of \$250,000, in effect since 2003, and the Form LM–3 threshold of \$10,000, in effect since 1992.⁵ Because the Form LM–2 Long Form threshold has never been adopted, there was no threshold to recalibrate. Including it in the 2025 NPRM would have been inconsistent with that rulemaking's limited purpose. This omission does not reflect a change in agency position or core circumstances.

vi. The Original Administrative Record Remains Fresh

OLMS has determined that the original record remains sufficiently fresh to support the final rule. *Mobil Oil Corp.*, 35 F.3d at 584 (“If the original record is still fresh, a new round of notice and comment might be unnecessary. Such a finding . . . must be made by the agency and supported in the record; it is not self-evident.”).

Over five years have elapsed since publication of the 2020 NPRM. The passage of time alone, however, does not render a record stale; the APA establishes no fixed deadline. *Action on Smoking*, 713 F.2d at 800. The relevant inquiry is whether the original record continues to serve the APA's purposes of ensuring that the regulation has been tested by diverse public comment, that affected parties have been afforded fairness, and that the record supports judicial review. *Small Refiner*, 705 F.2d at 519.

OLMS finds each purpose satisfied. The 2020 NPRM generated approximately 100 substantive

comments addressing the full range of issues presented, including creation of the new Form LM–2 Long Form, the proposed \$8,000,000 threshold for the Form LM–2 Long Form, the 12 additional schedules for the Form LM–2 Long Form, revisions to the Form LM–2, and estimated compliance burden. The 60-day comment period was not truncated, and no commenter has suggested it was procedurally deficient.

The subject matter of this rulemaking further supports a finding of continued freshness. The regulatory framework governing labor organization reporting has remained largely unchanged for decades. The basic LMRDA reporting framework has been in place since 1959. The most recent significant revision to LM form content occurred in 2003, and the reporting structure remained unchanged for seventeen years before the 2020 NPRM. The institutional structures of labor organizations, the nature of the financial transactions the proposed schedules are designed to capture, and the enforcement challenges identified in the canvassing study are not circumstances that fluctuate materially over several years. This rulemaking does not involve the type of rapidly evolving scientific data, volatile market conditions, or shifting state-law landscape that prompted remand in *American Optometric Association*, 626 F.2d at 907.

OLMS has conducted a thorough contemporaneous review of the record against current conditions. To the extent any external changes have occurred since 2020, such as general inflation, changes in the number of filers, or developments in electronic filing technology, these do not constitute changes in core circumstances “that go[] to the very heart of the case.” *Am. Optometric Ass'n*, 626 F.2d at 907. The core rationale for the Form LM–2 Long Form—that the largest labor organizations require more detailed financial reporting to serve the interests of union members and the public and to support effective enforcement—remains unchanged. Nothing in the administrative record or in the intervening years suggests otherwise.

OLMS satisfied the APA's notice and comment requirements by issuing the 2020 NPRM, providing the public an opportunity to comment on the NPRM, and considering the relevant matters presented in the public comments. As the core circumstances for promulgating the proposals from the 2020 NPRM have not changed, the Department now finalizes those proposals after considering the comments received.

III. Adopted Proposals

a. Introduction

On October 13, 2020, the Department proposed changes to enhance Form LM–2 reporting by requiring labor organizations to disclose additional information about their financial activities to their members, this Department, and the public. With this final rulemaking, the Department now introduces a new Form LM–2 Long Form and a revised Form LM–2. Most of the changes proposed in the 2020 NPRM, including new schedules, have been adopted in the final rule and will be identified and discussed below. In response to public comments received, the Department modified the initial proposal and decided not to incorporate several items on which it sought comments. With this final rule, the Department presents its rationale for adopting specific changes to Form LM–2 reporting, including creating the new Form LM–2 Long Form for the largest and most complex labor organizations. Additionally, the Department shares its reasoning for modifying or not implementing changes initially proposed. It is worth noting that the revisions to the Form LM–2 necessitate a parallel change to the Form LM–3, specifically the revision eliminating the reporting distinction between certain indirect and direct disbursements to officers and employees. Concurrently, and to moderate the burden on smaller labor organizations to comply with their annual financial reporting obligation under the LMRDA, this rule also finalizes the 2025 NPRM by updating the filing thresholds (annual receipts) for Forms LM–2, LM–3 and LM–4.

The primary purpose of this rule is in furtherance of labor organization transparency. Today's national and international labor organizations operate more like sophisticated modern corporations in their structure, scope, and complexity than the labor organizations in existence when the LMRDA became law more than 65 years ago. As evidence of this, Fiscal Year 2025 filing data, the most recent year of complete filing data at the time of this rule, shows that three labor organizations reported holding over \$1 billion in assets. As benefits have become a larger component of compensation, information about benefits paid to union officers and employees has become more important to union members. The proportion of wages and salaries paid to workers compared to their “other compensation” has changed significantly in this time span. In 1966, more than 80 percent of total compensation consisted of wages

⁵ The Form LM–4 was introduced in the 1992 final rule that established the Form LM–3 threshold of \$10,000. 57 FR 49356 (Oct. 30, 1992).

and salaries, with less than 20 percent representing benefits. U.S. Department of Labor, “Report on the American Workforce” 76, 87 (2001). By 2025, private sector worker wages and salaries dropped to 70.3 percent of total compensation and benefits grew to 29.7 percent of the compensation package. Bureau of Labor Statistics, U.S. Department of Labor, “The Economics Daily”, Compensation costs for private industry in March 2025.

Moreover, labor organization members, like consumers, citizens, or creditors, expect access to relevant and useful information to make basic investment, career, retirement decisions, and exercise legally guaranteed rights.

In 2003, the Department revised Form LM–2, and those changes helped further the LMRDA’s reporting mandate. However, based on the Department’s experience since 2003, along with valuable input from OLMS field personnel whose day-to-day work responsibilities center around LMRDA enforcement, the Department determined that additional enhancements to Form LM–2 reporting are necessary.

When the Department proposed revising Form LM–2 in 2020, it had just expended considerable resources on investigating widespread corruption involving high-level officials in the automotive industry. The corruption schemes involved the United Auto Workers International Union (UAW) in Detroit, Michigan, and a Detroit automaker. Those investigations produced multiple criminal convictions in the U.S. District Court for the Eastern District of Michigan.

The joint investigations conducted by OLMS, the Department’s Office of Inspector General, the Federal Bureau of Investigation (FBI), and the Internal Revenue Service centered around a conspiracy involving Fiat Chrysler executives bribing labor officials to influence labor negotiations. Violations included conspiracy to violate the Labor Management Relations Act by paying and delivering more than \$1.5 million in prohibited payments and things of value to UAW officials, receiving prohibited payments and things of value from others acting in the interest of Fiat Chrysler, failing to report income on individual tax returns, conspiring to defraud the United States by preparing and filing false tax returns for the UAW-Chrysler National Training Center that concealed millions of dollars in prohibited payments directed to UAW officials, and deliberately providing misleading and incomplete testimony in the federal grand jury.

When individuals trusted to safeguard labor union funds abuse that trust by defrauding or embezzling from union members, the union is damaged as an institution. On January 29, 2021, the United States and the UAW entered a consent decree subjecting the union to federal oversight for six years. Under the consent decree, an independent monitor was tasked with overseeing the UAW’s operations to address fraud, corruption, and misconduct within the UAW.⁶

The aforementioned OLMS cases illustrate that reporting and disclosure helps uncover criminal conduct. A rigorous and strictly enforced reporting regime deters and reveals legal violations and aids OLMS in the enforcement of the LMRDA’s civil and criminal penalties. When proposing revisions to Form LM–2 reporting, the Department cited multiple examples of large-scale labor organization fraud and embezzlement cases that OLMS had investigated. OLMS continues to uncover misconduct and criminal activity involving labor organization funds based on information reported on union LM forms. For example, OLMS conducts audits through its Compliance Audit Program and other investigations to ensure that unions comply with the LMRDA. When selecting a union for an audit or investigation, OLMS considers a risk-based analysis of Form LM–2 filing data.

In the period since the 2020 NPRM was published, OLMS investigators have uncovered evidence of numerous embezzlement schemes, based at least in part on LM reports, that led to criminal convictions. In one example, International Alliance of Theatrical Stage Employees (IATSE) Local 306, a former officer was sentenced to three years of probation and was ordered to pay restitution in the amount of \$65,843.⁷ In another example, a former President of United Steelworkers (USW) Local 513 was sentenced to six months of imprisonment, followed by two years of probation, and was also ordered to pay restitution in the amount of \$56,014.⁸ Moreover, from the period spanning October 1, 2020, through September 30, 2025, OLMS used information from LM reporting and other sources to obtain convictions of 255 individuals responsible for fraud,

embezzlement, or other criminal activity involving labor union funds. See OLMS Criminal Enforcement Actions, www.dol.gov/agencies/olms/criminal-enforcement.

The Form LM–2 reporting enhancements made in this rulemaking will help OLMS more effectively enforce the LMRDA and, in doing so, better safeguard union funds and assets, which helps strengthen the labor movement and protect American workers. Moreover, these enhancements will help ensure that information is reported consistent with LMRDA objectives by providing labor organization members with useful data that will enable them to be responsible and effective participants in the democratic governance of their labor organizations. The changes are designed to provide members of labor organizations with additional and more detailed information about the financial activities of their labor organization than is available through current reporting. The Department believes its concurrent adjustments to the receipt filing thresholds for Forms LM–2, LM–3 and LM–4 in this rule, by finalizing its 2025 NPRM, 90 FR 28251 (July 1, 2025), are appropriate to moderate the burden on labor organizations that comes with more robust reporting and disclosure requirements.

As noted in the 2025 NPRM, the Department requires labor organizations to file their annual financial disclosure reports through the OLMS Electronic Forms System (EFS). The EFS, first introduced for Form LM–2 filers in 2005, has made it easier than ever for the regulated community to file LM reports. The EFS is an internet-based system that enables labor organizations, their officials, employers, and labor relations consultants to complete and electronically submit LM reports to OLMS. When previous updates to Form LM–2 were made in the 2003 rulemaking, the EFS was not available to LM filers. Today the EFS must be used by the labor organization filers of LM reports. The filer accesses EFS to register for an EFS User ID and password to obtain a User PIN, as well as edit account information or retrieve existing passwords or User IDs. By accessing the EFS, the filer can also obtain, work on, or sign and submit an LM form. EFS allows anyone with an internet-connected computer to complete, sign, and electronically file an LM form without purchasing a digital signature or downloading special software. EFS performs all calculations for the LM reports and completes a form error validation check prior to submission. EFS also allows labor

⁶ *United States v. Int’l Union, United Auto., Aerospace & Agric. Implement Workers of Am.*, Consent Decree, No. 2:20-cv-13293 (E.D. Mich. Jan. 29, 2021).

⁷ See <https://www.dol.gov/agencies/olms/criminal-enforcement/2025#:~:text=On%20March%202025,New%20York%20District%20Office>.

⁸ See <https://www.justice.gov/usao-edmi/pr/former-president-ypsilanti-steelworkers-union-sentenced-stealing-58000-union-funds>.

organizations that maintain electronic accounting records to import financial data from their accounting programs directly into the Form LM-2 or LM-3 they are completing. The EFS's import functionality will be available to labor organizations required to file the new Form LM-2 Long Form.

The enhancements adopted in this final rule, as more fully described below, will ensure that information is reported in such a way as to meet the objectives of the LMRDA. This rule builds on the LM reporting changes made over 20 years ago with the Department's 2002 NPRM and 2003 Final Rule, as well as the 2008 NPRM and 2009 Final Rule, which ultimately did not go into effect but put forward similar revisions.

The core circumstances supporting the need for this rule today do not differ from those in 2020, when the Department issued the 2020 NPRM proposing the Form LM-2 Long Form as well as changes to the Form LM-2, and received comments on those proposals. As of the promulgation of this final rule, the LM reporting forms, the types of information submitted, the gaps in reported information, and the types and scope of identified labor organization corruption all continued to resemble the environment in 2020. Further, while there have been technological changes in the ensuing years, those are not substantial changes in circumstances such that the Department would wish to issue a different rule. OLMS maintains the same electronic reporting system, and labor organizations file via similar software. Moreover, as explained below, the needs identified by OLMS field investigators remain today.

Today, the Department finalizes both the 2020 NPRM and the 2025 NPRM in one combined final rule. The Department views the 2020 and 2025 NPRMs as distinct but related regulatory proposals that will function in coordination once effective. For efficiency, the Department issues a joint final rule that revises the Department's LM Labor Organization Annual Financial Reports in one document after addressing significant comments on both proposals.

b. Canvassing OLMS Field Investigators

In July and September 2019, the Department canvassed OLMS field investigators about the benefits and drawbacks of key changes made to Form LM-2 by the 2003 rulemaking. It also asked field investigators for specific changes that could be made to Form LM-2 to increase transparency and aid in investigations. The Department undertook this canvassing in response

to the 2009 proposed rule's suggestion for additional study of the 2003 changes, such as reviewing them with OLMS field investigators and district directors who regularly work with Form LM-2 data and interact with stakeholders within the regulated community. The insights obtained through canvassing OLMS field staff helped confirm how disclosure requirements play an invaluable role in ensuring union democracy and transparency under the LMRDA. Drawing from their firsthand investigative experiences, field staff commented that many of the reforms accomplished in 2003 had been helpful in uncovering financial wrongdoing in the labor organizations subject to LMRDA reporting requirements. Field staff also provided candid feedback on changes regarded as less helpful. Staff also offered suggestions and comments on additional reforms that, if implemented, could further protect union members' rights and enhance LMRDA compliance.

The Department presented this information in the 2020 NPRM. It was not included in the 2025 NPRM which addressed only Form LM-2, LM-3, and LM-4 filing thresholds. The Department determined that no further canvassing of OLMS field staff was necessary between 2019 and 2026 because Form LM-2 reporting requirements had not changed, nor had there been substantive changes in OLMS investigation practices or in the types of illegal conduct that LM reporting was designed to deter. OLMS leadership is in regular contact with the agency's field personnel, holding weekly meetings with field leadership and regularly scheduled calls with district offices. There have been no significant changes in investigative practices, nor in the types of illegal conduct investigated. The collective comments provided by OLMS field personnel, as well as public comments thereon, informed the Department's decisions on the specific revisions included in this final rule to the Form LM-2 Long Form and Form LM-2.

The purpose of this final rule is to implement the Department's interpretations of sections 201 and 208 of the LMRDA regarding labor organization reports, 29 U.S.C. 431, 438, to reflect the best reading of the statute as requiring the largest covered labor organizations to file more detailed annual public reports with the Department and to prevent the circumvention or evasion of the reporting requirements. The Department's October 2009 rule stated that the Department should consider the

utility of increased reporting against the burdens it imposes, citing legislative history about the need for government to not impede union self-governance. The LMRDA weighs that balance heavily in favor of "necessary protection of the rights and interests of employees and the public generally as they relate to the activities of labor organizations, employers, labor relations consultants, and their officers and representatives." 29 U.S.C. 401(b). The LMRDA "is necessary to eliminate or prevent improper practices on the part of labor organizations" and others. 29 U.S.C. 401(c). While this rule changes reporting requirements for certain labor organizations, the Department views those changes as necessary and appropriate to ensure transparency and deter malfeasance, in an effort to prevent misconduct before it happens. The Department views this as especially important given that labor union criminal misconduct persists, as noted in the section II.(a) *Introduction*, despite the Department's vigorous enforcement of the LMRDA. While this final rule requires additional union disclosures that may help deter misuse of union funds, we note that the rule also appropriately reduces reporting obligations in areas that have proved unhelpful in effectuating the LMRDA's purposes.

The Department also believes these changes will further union self-governance. When implemented, this final rule will give union members more granular information about how their elected leaders use their funds, allowing members to better hold union officials accountable and help ensure that the LMRDA is followed. Robust reporting regimes are the norm under laws that apply to securities, lobbying, contributions to political candidates, and in many other areas where voters select officials who are charged with their trust. Greater disclosure enhances transparency and fosters accountability. Over 100 years ago, the late U.S. Supreme Court Justice Louis D. Brandeis observed regarding transparency, "Sunlight is said to be the best of disinfectants." Louis D. Brandeis, *Other People's Money* 92 (1914). Those words are as relevant today as a century ago. The Department intends that the heightened transparency that results from the implementation of these LM Labor Organization Annual Report revisions will deter misconduct to better safeguard union treasuries, helping to achieve the objectives of the LMRDA.

i. Field Investigators Responses on Benefits and Drawbacks of Form LM–2

In pursuing this rulemaking, and in recognition that OLMS field staff possess valuable knowledge of labor union financial recordkeeping and reporting, the agency developed a framework for the purpose of collecting field staff insights to help inform revisions to Form LM–2. The canvassing questionnaire framework and the responses to it have been made part of the administrative record.⁹ The canvassing framework summarized the key changes to Form LM–2 made in 2003, and asked field staff “whether the changes . . . have aided or hindered OLMS in its enforcement activities.” See 85 FR 64731 (Oct. 13, 2020). OLMS leadership also provided context for undertaking the canvassing by informing field personnel that “[w]e are looking to determine whether the changes OLMS made to the Form LM–2 in 2003 have proven beneficial. The document LM Form Benefits of 2003 Changes contains a description of the changes made in 2003. Please ask your district directors to meet with their staff. I envision each office holding a 30 minute brainstorming session. The idea is to determine whether the new parts of the Form LM–2, like itemization or functional categories, have helped with investigations.” See *id.*

The 2019 canvassing questions included seven reporting elements on the version of the Form LM–2 that the Department used from 2003 until today without significant revisions. The questions addressed changes that were implemented with the 2003 rulemaking. OLMS asked its field investigators and managers to consider and comment on the value of these key changes:

1. \$5,000 Itemization threshold. Form LM–2 filers itemize certain categories of receipts and disbursements of \$5,000 or more, as well as receipts and disbursements to a single entity that total \$5,000 or more in the reporting year.

2. Confidentiality Exemption. Provides labor organizations with a procedure to avoid itemizing disbursements that may disclose the following types of sensitive information that would:

- Identify individuals paid by the union to work in non-union bargaining units to assist the union in organizing employees;
- Expose the reporting union’s prospective organizing strategies;

- Provide tactical advantages in negotiations;
- Reveal information pursuant to a confidentiality agreement, or that the union is otherwise prohibited by law from disclosing; and
- Endanger the health or safety of an individual.

3. Disbursement Categories. Disbursements are reported in five specific categories:

- Representational Activities;
- Political Activities and Lobbying;
- Contributions, Gifts, and Grants;
- General Overhead; and
- Union Administration.

4. Functional Reporting Work Time. Form LM–2 requires unions to estimate the time spent by each union officer and employee on different duties, based on the categories of activities represented by the Form LM–2 schedules and represented as a percentage of work time totaling 100%. Unions then report the portion of gross salaries for each schedule based on the percentage of time estimates.

5. Accounts Payable/Receivable. Form LM–2 includes schedules for reporting accounts payable and receivable, adhering to the \$5,000 itemization threshold.

6. Reporting of Investments. Unions must report all investments with a book value greater than \$5,000 and that represent 5% or more of their total investments.

7. Membership Categories. Unions are required to report the number of members by aggregated categories, which unions can define for reporting.

See *id.*

The 2020 NPRM included a summary of field personnel responses and comments on the benefits and hindrances of the seven key changes made to LM reporting with the 2003 rule. Neither the objectives of the LMRDA nor the work of an OLMS field investigator (including auditing and investigating union finances) have changed significantly since 2020. For those reasons, the Department believes the insights OLMS field personnel provided when canvassed in 2019 for the NPRM remain fresh and relevant today. See *Mobil Oil Corp.*, 35 F.3d at 584 (“If the original record is still fresh, a new round of notice and comment might be unnecessary.”). As such, the Department considered the results of the canvassing, as well as the public comments received, when developing this final rule. The Department summarizes the collective views and insights that the canvassing revealed on each of the seven key changes.

First, concerning the \$5,000 itemization threshold, the field

investigators viewed this change as extremely beneficial. They explained that itemization not only aided embezzlement investigations but served as a case targeting tool to help determine whether Form LM–30 and Form LM–10 cases should be opened. One field office stated that, “[o]f the seven changes to the Form LM–2 in 2003, the consensus is that the \$5,000 itemization threshold was the best of the seven as it provides more transparency to the membership and can be utilized for targeting special report investigations.” 85 FR 64731 (Oct. 13, 2020). One investigator noted itemization can reveal conflicts of interest that are reportable on other LMRDA forms.¹⁰ Notably, no field personnel viewed the itemization requirement as hindering OLMS investigations.

Second, the canvassing revealed mixed views regarding the confidentiality exemption. One investigator wrote that it “has been a hindrance in case targeting because it allows unions to hide transactions under the guise that it will hurt their organizational strategy.” See *id.* Others stated that while the confidentiality exemption likely primarily benefited only unions, they understood how some reporting might be harmful to the unions.

The third change involved disbursement categories, that is, the reporting of disbursements in five specified functional categories: Representational Activities, Political Activities and Lobbying; Contributions, Gifts and Grants; General Overhead; and Union Administration. The canvassing revealed that field staff saw benefits of this change but also commented on its limitations. Investigators offered examples of being able to target audits “based on unusual categorization patterns.” See *id.* The categories allowed them to trace “categorized transfers between affiliates that indicated reporting or other potential

¹⁰ Pursuant to the instructions for the Form LM–10 Employer Report, employers must file annual reports to disclose certain specified financial dealings with their employees, unions, union agents, and labor relations consultants. Pursuant to the instructions for the Form LM–30 Union Officer and Employee Report, labor organization officers or employees (other than exclusively clerical or custodial employees) who have directly or indirectly held any legal or equitable interest in, received any payments from, or engaged in any transactions or arrangements with certain employers or businesses must file a report with OLMS. This report is submitted on Form LM–30 and is required to make public any actual or likely conflict between the personal financial interests of union officers or employees and their obligations to the union and its members. OLMS refers to Form LM–10 and LM–30 cases, along with several other case types, as “special reports” cases.

⁹ See DOL Canvas of Investigators, *Regulations.gov* (Oct. 14, 2020), <https://www.regulations.gov/document/LMSO-2020-0002-0004>.

LMRDA violations.” *See id.* On the other hand, investigators noted that the \$5,000 itemization occurs only within each category so that disbursements of more than \$5,000 might not be itemized if the disbursement fell under more than one category. In general, field staff credited the functional reporting for aiding understanding of the purposes behind labor union spending but recognized that it can hinder investigations by concealing individual transactions because of the \$5,000 itemization threshold.

Fourth, regarding union officers and employees allocating their time by functional categories, OLMS field personnel stated that this change added little to no value to their investigations. They explained that the reporting of staff time in functional categories could not be audited, could not be enforced, and did not lead to other enforcement activity. One field office stated, “It provides unverifiable disclosure information to the public.” *See id.* Another stated that “this information offers no valuable insight for case targeting” and “provided no benefit in criminal investigations or compliance audits.” *See id.* Another wrote, “It is and will always be a ballpark guess and the categories are confusing to the union and to OLMS field staff.” *See id.* at 64731–32.

Fifth, regarding accounts payable/receivable aging schedules, the canvassing revealed that investigators viewed this change favorably as aiding their investigations. One field office wrote that the information is “necessary to determine how much the union is owed/owes” while another believed it was “useful to encounter embezzlements.” *See id.* at 64732.

Sixth, regarding reporting of investments, one office found it necessary for tracking purposes on investments from year to year. Another stated that it “can be useful to the field and to members.” *See id.* Another said, “[t]his is useful to the extent the unions are able to figure out how to report it. We have found corroborating information reported here that has been useful in a criminal investigation as well as a union officer reports case.” *See id.* Another office concluded that the information was “good for union members.” *See id.*

The seventh change included in the canvassing was about membership categories. Investigators found categories helpful when filers included agency fee payers and stated categorization assists in determining the number of active dues paying members, as it corresponds to dues receipts. An investigator noted this is particularly

helpful in trade unions where there are different levels of membership, *e.g.*, apprentices and journeymen, that pay different dues amounts. Another investigator felt that membership categories were helpful to estimate dues receipts and very useful in supervised election cases.

These field personnel insights helped the Department formulate this final rule. Information collected about the Form LM–2 revealed that OLMS field investigators favored itemization, agreeing that it both provides transparency and aids investigations. Investigators expressed some concern that the existing confidentiality exemption detracted from transparency. Yet they recognized that labor unions do have valid business needs for some confidentiality. As for the functional reporting categories, the field investigators believed that it helped in selecting unions for audit but reduced transparency by limiting the number of itemized transactions. The field discerned no value in union officers and union employees allocating their time by functional categories. The investigators believed the accounts payable/receivable aging schedules, as well as reporting of investments, aided in the enforcement of the LMRDA. As for the membership categories, the investigators found it helpful when targeting audits, estimating dues receipts, and in overseeing supervised elections of union officers.

ii. Field Investigators’ Responses on Items That Could Be Added to the Reporting Forms

The investigators were also asked to identify any information that was not available on Form LM–2 but would be useful to OLMS in its mission or to union members. They were also asked to identify any unnecessary information required on the LM–2 or on other annual disclosure forms. The regional directors were directed to “canvas your district directors to identify any changes that could be made to the Form LM–2/3/4 annual financial disclosure form. The idea is to consider what additional information would be useful to OLMS in its mission or to union members interested in their union’s financial conditions, operations, and activities. Conversely, if you believe that certain information now reported on the annual disclosure forms is unnecessary, please let us know.” *See id.*

Two responses advocated removing three of the special procedures for reporting confidential information. Under these procedures, the following information was subject to special reporting privileges under the

confidentiality exception: (1) Information that would identify individuals paid by the union to work in a non-union facility in order to assist the union in organizing employees, provided that such individuals are not employees of the union who receive more than \$10,000 in the aggregate from the union in the reporting year; (2) information that would expose the reporting union’s prospective organizing strategy; (3) information that would provide a tactical advantage to parties with whom the reporting union or an affiliated union is engaged or would be engaged in contract negotiations; (4) information pursuant to a settlement that is subject to a confidentiality agreement, or that the union is otherwise prohibited by law from disclosing; and (5) information in those situations where disclosure would endanger the health or safety of an individual. The investigator would eliminate the first three of these exceptions.

A district director recommended that the forms identify whether the labor organization that is the subject of the report is under trusteeship. The district director concluded this would allow easy and immediate recognition of organizations in trusteeship.

A district director suggested adding a question that would identify officers and employees who were paid \$10,000 or more by the filing labor organization and other labor organizations. Similarly, an investigator suggested that OLMS add the following question to Form LM–2: “Has any officer who received \$10,000 or more by your organization also received \$10,000 or more as an officer or employee of another labor organization or of an employee benefit plan?” If the answer is “yes,” the union would be required to complete a table listing the name of the officer, the amount paid, and the file number of any filing affiliate.

A regional director asked for a change in wording on a question on Form LM–2. Instead of asking whether the labor organization had “discovered” a shortage of funds, the labor organization would be asked whether the labor organization has “experienced” a shortage of funds. Specifically, Form LM–2, Item 13 asked, “During the reporting period did the labor organization discover any loss or shortage of funds or other assets?” The regional director recommended changing this sentence to read, “[d]uring the reporting period did the labor organization experience any loss or shortage of funds or other assets?” The regional director reasoned, “Since the person embezzling funds is often the

same person that completes the LM report, to ensure [false reporting] can be used as an alternative violation/charge, these questions should ask if the union experienced and/or discovered a loss.” See *id.* at 64733.

An investigator recommended revising Form LM-3 to add a schedule requiring the labor union to identify disbursements to employees. Similarly, the investigator recommended that Form LM-4 require the labor union to complete a schedule of all officers and disbursements to officers. An investigator stated that OLMS should add a column to the schedule of compensation to officers and employees. On the then-Form LM-2, this would affect Schedule 11—All Officers and Disbursements to Officers and Schedule 12—Disbursements to Employees. The column would identify disbursements for benefits paid to the officers. The investigator recommended that, considering these changes, then-Form LM-2, Schedule 20—Benefits, could be eliminated.

One investigator offered that labor organizations that file Form LM-4 should disclose the date of their next scheduled election of officers. At the time of the canvassing, Form LM-2 and Form LM-3 filers already reported election dates.

For then-Form LM-2, Schedule 4—Purchase of Investments and Fixed Assets, an investigator proposed adding a column to show credit received on purchases, such as a trade-in of an automobile.

Regarding then-Form LM-2, Item 46—On Behalf of Affiliates for Transmittal to Them and its counterpart Item 63—To Affiliates of Funds Collected on Their Behalf, one investigator proposed to require a description of the types of funds being withheld and transmitted. That investigator had the same suggestion with regard to Item 47—From Members for Disbursements on Their Behalf and Item 64—On Behalf of Individual Members.

A regional director recommended a number of changes, including (a) reporting the principal employers of the union members, along with each employer’s city and state, (b) adjusting EFS so that the fiscal year appears on the top of each page of all annual reports, (c) reporting distributions to PAC funds and PAC fund payees, and (d) disclosing whether a union officer or employee received compensation from another labor union.

An investigator recommended that OLMS require reporting of transactions on the labor organization annual report if an officer or employee, or a spouse or minor child of the officer or employee,

either directly or indirectly held any legal or equitable interest, received any payments, or engaged in transactions or arrangements (including loans) of the types described in the Form LM-30 instructions.

An investigator endorsed using the IRS Principal Business or Professional Activities Codes to answer the “Type or Classification (B)” column on Schedules 14 through 19 on then-Form LM-2. As background, the instructions for then-Form LM-2 required labor organizations to “[e]nter in Column (B) the type of business or job classification of the entity or individual.” The instructions for the Annual Report Form 5500 included a chart of the codes which are available online. General Instructions to Form 5500—SF, p. 23. The investigator stated that these codes would help get more uniform answers and prevent some of the vague and deficient answers.

An investigator recommended that union vendors should be listed with their Employer Identification Number (EIN), a nine-digit number that the IRS assigns to identify the tax accounts of employers and certain others who have no employees. EINs are used by employers, sole proprietors, corporations, partnerships, non-profit associations, trusts, estates of decedents, government agencies, and other business entities. The investigator explained that sham businesses often do not have an EIN. However, multiple investigators have indicated that they consider such sham business schemes exceedingly rare and had yet to encounter such ploys (rather than traditional schemes involving failures to report transactions or creating false records).

For Form LM-4, a supervisory investigator recommended requiring labor unions to list the names of officers, as well as identifying whether the officer is continuing in office, is a past officer, or is a new officer. The supervisory investigator stated this would allow OLMS to better be able to locate and contact officers of a union other than the signers of its previous LM-4, should both of those signers leave office. That supervisory investigator also recommended adding the date of the next election of officers to Form LM-4, allowing OLMS to determine any turnover in officers in a union and to aid in locating/contacting officers of a union. The supervisory investigator stated it would also enable OLMS to avoid scheduling an audit at a time close to a labor union officer election.

A district director recommended eliminating a reporting exception

applicable to Item 24 of Form LM-3. The reporting exception was also applicable to then-Form LM-2, Schedule 11—All Officers and Disbursements to Officers and Schedule 12—Disbursements to Employees of Form LM-2. This exception covered “indirect disbursements for temporary lodging (room rent charges only) or transportation by public carrier necessary for conducting official business while the officer is in travel status away from his or her home and principal place of employment with [the labor] organization if payment is made by [the] organization directly to the provider or through a credit arrangement.” See 85 FR 64733–34 (Oct. 13, 2020). The district director explained that the exception is cumbersome to follow (and even for OLMS representatives to explain to the regulated community), unnecessary for accurate disclosure, and contrary to the procedures applied to disclosure for the remainder of transactions reportable in Item 24 and Schedules 11 and 12 on then-Form LM-2. By disclosing those transactions as payments to officers or employees (rather than in more general categories elsewhere on the reports), the public would know who really benefited from them, the district director concluded.

Regarding then-Form LM-2, Schedule 3—Sale of Investments and Fixed Assets and Schedule 4—Purchase of Investments and Fixed Assets, a regional director proposed separation into two different schedules. The regional director stated this would more easily allow for a reconciliation of investments and fixed assets by using beginning of year figures plus sales, minus receipts, and comparing them to end of year figures. This could not be done using electronic data from Form LM-2s because investments and fixed assets were combined. Two different schedules may provide better transparency for evaluation of the performance of investments.

An investigator suggested that automobiles purchased and sold should be specifically identified either with a VIN or by detailed description, similar to the requirement for land and buildings. This would provide better transparency for vehicles as the 2003 forms require labor organizations to report only the cost, book value, sales price, and amount received. The investigator stated that any extraordinary handling of a vehicle such as, for example, a sale well below book value would be obvious.

A district director proposed removing Line (I) (estimated percentage of time spent by the officer/employee on

activities that fall within Schedules 15 through 19) from then-Form LM-2, Schedule 11—All Officers and Disbursements to Officers and Schedule 12—Disbursements to Employees. In lieu of these time estimates, the district director recommended the addition of a more detailed breakdown of disbursements reported to officers and employees in (1) the salaries reported in Column D; (2) the allowances reported in Column E; (3) the reimbursed expenses reported in Column F; and (4) other disbursements reported in Column G.

For example, the district director continued, the report of salaries paid to an officer/employee could be broken down and reported in the following categories: (1) Salary, (2) lost wages, and (3) bonuses. In another example, the reporting of reimbursed expenses paid to an officer/employee could be reported in the following categories: (1) Disbursements for meal expenses/entertainment, (2) disbursements for mileage, (3) disbursements for travel expenses, and (4) disbursements for union vehicle expenses. This additional information on salary, allowances, reimbursed expenses, and other disbursements would provide better transparency to union members and the public on how union funds are being spent. Further, it was asserted this would provide OLMS additional data for targeting potential compliance audits and/or criminal cases.

Other suggestions included a requirement that the union report contact phone numbers and/or email addresses for all executive officers, require Form LM-3 filers to list all employees, and require LM-4 filers to list all officers. An investigator recommended that a union should provide the date of the most recent constitution and bylaws.

Taking the OLMS field operation's observations under consideration, along with OLMS' experiences in the administration of the 2003 reporting requirements, the Department's 2020 NPRM proposed to establish a Form LM-2 Long Form and a revised Form LM-2.

c. Summary of Proposals

i. 2020 NPRM

Form LM-2 Long Form: New Form Proposed in 2020 NPRM

In the 2020 NPRM, the Department proposed a new Form LM-2 Long Form to be filed by the largest labor organizations. The proposed Long Form would track the items and schedules already established in the prior Form LM-2 with the following changes. In

new Item 3(d), the union would report whether it was in trusteeship. New Item 10(b) would require the labor organization to report whether certain officers or employees received payment from another labor organization. New Item 11(c) would ask whether the union has a separate strike fund and, if so, provide information on the fund. A modified Item 13 would clarify that a yes response is also required if the filer is aware the labor organization has experienced a shortage of funds. New Item 18(b) would require reporting of the date of the labor organization's current constitution and bylaws.

Under the proposal, labor organizations would not be required to allocate disbursements to officers and employees under specific functional categories. Instead, disbursements to officers and employees would be reported in the aggregate on new line items in Statement B, Cash Disbursements. With this change, Statement B would include a new Item 70—Officers and a new Item 71—Employees. These new items would tie to Schedules 13 and 14, which are the renumbered Schedule 11—All Officers and Disbursements to Officers and Schedule 12—Disbursements to Employees.

For Schedule 1—Accounts Receivable and Schedule 10—Accounts Payable, the Department proposed to reduce the burden by raising the threshold to \$7,500. Accounts below this threshold need not be individually reported.

Under the proposal, four schedules would be divided in two and become eight schedules. Specifically, the Department proposed to divide Schedule 3—Sale of Investments and Fixed Assets into two schedules. The first would be a new Schedule 3—Sale of Investments. The second would be new Schedule 4—Sale of Fixed Assets.

In the new Schedule 3—Sale of Investments, the Department proposed adding two new columns. The first new column, entitled "Name and Address of Purchaser or Financial Management Firm (A)," would disclose the purchasers of investments from the labor organization. A second column "Date of Sale (C)" would disclose the date of the sale. The other columns (Description (if land or buildings, give location); Cost; Book Value; Gross Sales Price; and Amount Received) would remain the same but would be designated with different letters, to accommodate the two new columns.

The second part of the divided schedule would be the new Schedule 4—Sale of Fixed Assets. As in the case of new Schedule 3, the Department proposed to add two new columns to

the new Schedule 4—Sale of Fixed Assets. The first new column entitled "Name and Address of Purchaser" would disclose the purchasers of fixed assets from the labor organization. A second column "Date of Sale (C)" would disclose the date of the sale. In addition, the Department proposed that the union would be required to identify automobiles individually by make, model, year, and Vehicle Identification Number (VIN). This information would be listed under the newly renamed Column B (Description).

Schedule 4 would also be divided. Schedule 4—Purchase of Investments and Fixed Assets, required a labor organization to report details of the purchases by the labor organization of U.S. Treasury securities, marketable securities, other investments, and fixed assets, including those fixed assets that were expensed. As with sale of investments and fixed assets, the Department proposed to break this schedule into two: New Schedule 5—Purchase of Investments and new Schedule 6—Purchase of Fixed Assets.

In the new Schedule 5—Purchase of Investments, the Department proposed adding two new columns. The first new column entitled "Name and Address of Seller or Financial Management Firm (A)" would disclose the identity of the seller of investments to the labor organization. A second new column "Date of Purchase (C)" would disclose the date of the purchase.

Likewise, to new Schedule 6—Purchase of Fixed Assets, the Department proposed adding two new columns. The first new column entitled "Name and Address of Seller (A)" would disclose the identity of the seller of fixed assets to the labor organization. A second new column "Date of Purchase (C)" would disclose the date of the purchase. In addition, the Department proposed that the union would be required to identify automobiles individually by make, model, year, and VIN. This information would be listed under the newly renamed Column B (Description).

The Department proposed to divide Schedule 15—Representational Activities into two and renumber them Schedule 24 and Schedule 25. The first would be designated new Schedule 24—Contract Negotiation and Administration. The second would be new Schedule 25—Organizing.

In addition, Schedule 16—Political Activities and Lobbying would be renumbered and divided into two schedules. On new Schedule 26—Political Activities, labor organizations would report disbursements for political activities. On new Schedule 27—

Lobbying, the labor organization would report lobbying disbursements.

The Department proposed two revisions to Schedule 13 & 14. First, the Department proposed to eliminate functional reporting of union-employee time. This would increase the readability of the form and reduce burden on the regulated community. Second, the Department proposed to eliminate a currently available reporting exception. This exception is for indirect disbursements for temporary lodging or public transportation necessary for conducting official business while the employee is in travel status when payment is made by the labor organization directly to the provider or through a credit arrangement. This would provide a more accurate picture of total compensation received by labor organization employees.

As part of the new Schedule 31—Benefits, the Department additionally proposed that benefits information for union officers and employees would appear next to their names on the new Schedules 13 & 14 and would no longer appear in the benefits schedule.

For the new Schedule 15—Membership Status, the Department proposed to require reporting of retired members, as retired members do not necessarily share the same interests nor have the same voting rights as working members.

The Department proposed adding new schedules that coincided with the items of cash receipts listed on Statement B. Stated otherwise, on the prior Form LM-2, seven categories of receipts were reported as seven aggregate, lump sums. On the proposed Form LM-2 Long Form, reporting of those receipts would be supported by schedules. Those schedules would represent new requirements that labor organizations itemize the individual categories of receipts aggregated to \$5,000 or more from any one source. The labor organization would be required to complete a separate itemization schedule for each individual or entity from which the labor organization has received \$5,000 or more. Each transaction from that individual or entity would be accompanied by information about the individual, the purpose of the payment, the date of the payment, and the amount of the payment. The total amount received from the individual or entity, both itemized and non-itemized, would be included at the bottom of the itemized schedule. The totals from each itemized schedule would then be added together and that number would be entered in the appropriate item on Statement B.

Those additional schedules would correspond to the following categories of receipts:

- Dues and Agency Fees;
- Per Capita Tax;
- Fees, Fines, Assessments, Work Permits;
- Sales of Supplies;
- Rents;
- On Behalf of Affiliates for Transmittal to Them; and
- From Members for Disbursement on Their Behalf.

The Department sought comment on whether to require a Schedule 32—Foreign Transactions on Form LM-2 Long Form. It would require reporting if the labor union engaged in a transaction with a foreign entity or a foreign individual. The labor organization would report any individual transaction, receipt or disbursement, of \$5,000 or more, or total receipts and/or disbursements from any single entity or individual that aggregated to \$5,000 or more during the reporting period derived from a foreign entity or individual.

The Department proposed to retain its current itemization transaction threshold. Specifically, Schedules 14 through 19 on the prior Form LM-2 were subject to itemization. These schedules reflected various services provided to union members by the union. All “major” disbursements during the reporting period in the various schedules were separately itemized. A major disbursement included (1) any individual disbursement of \$5,000 or more; or (2) total disbursements to any single entity or individual that aggregated to \$5,000 or more during the reporting period. All other disbursements in these schedules were aggregated.

The Department proposed renumbering Schedules 14 through 19 as Schedules 23 through 30. (The two extra schedules were the result of dividing into two the schedules for Representational Activities and Political Activities and Lobbying.) As in the prior version of Form LM-2, under these newly renumbered schedules, all “major” disbursements during the reporting period in the various categories would be separately identified. As proposed, a major disbursement would include (1) any individual disbursement of \$5,000 or more or (2) total disbursements to any single entity or individual that aggregated to \$5,000 or more during the reporting period. All other disbursements in these schedules would continue to be aggregated.

The Department sought comment on whether to narrow, modify or eliminate

a confidentiality exemption for reporting certain information. The Department also sought comment on whether to require the disclosure of EIN for vendors with payments that trigger itemized disclosure, and whether the Form LM-2 Long Form should include an item asking, “Does the Organization have a written whistleblower policy?”

Revised Form LM-2: Changes Proposed in 2020 NPRM

The Department also proposed to revise the prior Form LM-2. The revised Form LM-2 would mirror the prior Form LM-2 except as follows. In new Item 3(d), the union would report whether it was in trusteeship. In new Item 10(b), the union would provide whether it has a trust and, if so, provide information on the trust. New Item 10(c) would require the labor organization to report whether certain officers or employees received payment from another labor organization. New 18(b) would require reporting of the date of the labor organization’s constitution and bylaws. A modified Item 13 would clarify that a “yes” response is also required if the filer is aware the labor organization has experienced a shortage of funds.

Under the proposal, labor organizations would not be required to allocate disbursements to officers and employees under specific functional categories. Instead, disbursements to officers and employees would be reported in the aggregate on new line items in Statement B, Cash Disbursements. With this change, Statement B would include a new Item 70—Officers and a new Item 71—Employees. These new items would tie to Schedules 13 and 14, which are the renumbered Schedule 11—All Officers and Disbursements to Officers and Schedule 12—Disbursements to Employees.

For Schedule 1—Accounts Receivable and Schedule 10—Accounts Payable, the Department proposed as part of the revised Form LM-2 instructions to reduce the burden by raising the threshold to \$7,500. Accounts below this threshold need not be individually reported.

Under this proposal, four schedules would be divided in two and become eight schedules. The Department proposed to divide Schedule 3—Sale of Investments and Fixed Assets into two schedules: New Schedule 3—Sale of Investments and new Schedule 4—Sale of Fixed Assets.

In the new Schedule 3—Sale of Investments, the Department proposed adding two new columns. The first new column, entitled “Name and Address of

Purchaser or Financial Management Firm (A),” would disclose the purchasers of investments from the labor organization. A second column “Date of Sale (C)” would disclose the date of the sale. The other columns (Description (if land or buildings, give location); Cost; Book Value; Gross Sales Price; and Amount Received) would remain the same but would be designated with different letters, to accommodate the two new columns. The other columns (Description (if land or buildings, give location) (A); Cost (B); Book Value (C); Gross Sales Price (D); and Amount Received (E)) would remain the same but would be designated with different letters, to accommodate the two new columns.

The second of the two divided schedules would be the new Schedule 4—Sale of Fixed Assets. As in the case of new Schedule 3, the Department proposed to add two new columns to the new Schedule 4—Sale of Fixed Assets. The first new column entitled “Name and Address of Purchaser (A)” would disclose the purchasers of fixed assets from the labor organization. A second column “Date of Sale (C)” would disclose the date of the sale. In addition, the Department proposed that the union would be required to identify automobiles individually by make, model, year, and VIN. This information would be listed under the newly renamed Column B (Description).

Schedule 4 would also be divided. As with sale of investments and fixed assets, the Department proposed to divide Schedule 4—Purchase of Investments and Fixed Assets into two schedules: New Schedule 5—Purchase of Investments and new Schedule 6—Purchase of Fixed Assets. Schedule 4—Purchase of Investments and Fixed Assets, required a labor organization to report details of the purchases of U.S. Treasury securities, marketable securities, other investments, and fixed assets, including those fixed assets that were expensed.

In the new Schedule 5—Purchase of Investments, the Department proposed adding two new columns. The first new column entitled “Name and Address of Seller or Financial Management Firm (A)” would disclose the identity of the seller of investments to the labor organization. A second new column “Date of Purchase (C)” would disclose the date of the purchase.

Likewise, to new Schedule 6—Purchase of Fixed Assets, the Department proposed adding two new columns. The first new column entitled “Name and Address of Seller (A)” would disclose the identity of the seller of fixed assets to the labor organization.

A second new column “Date of Purchase (C)” would disclose the date of the purchase. In addition, the Department proposed that the union would be required to identify automobiles individually by make, model, year, and VIN. This information would be listed under the newly renamed Column B (Description).

The Department proposed to divide Schedule 15—Representational Activities into two schedules and renumber them Schedule 24 and Schedule 25. The first would be designated new Schedule 24—Contract Negotiation and Administration. The second would be new Schedule 25—Organizing.

In addition, Schedule 16—Political Activities and Lobbying would be renumbered and divided into two schedules. On new Schedule 26, labor organizations would report disbursements for political activities. On new Schedule 27, the labor organization would report lobbying disbursements.

For Schedules 13 & 14, the Department, as part of the revised Form LM-2 instructions, proposed to eliminate a currently available reporting exception. This exception is for indirect disbursements for temporary lodging or public transportation necessary for conducting official business while the employee is in travel status when payment is made by the labor organization directly to the provider or through a credit arrangement.

For the new Schedule 15—Membership Status, the Department proposed to require reporting of retired members, as retired members do not necessarily share the same interests nor have the same voting rights as working members.

Finally, the Department sought comment on whether to raise the threshold for filing the revised Form LM-2 from \$250,000 to \$300,000.

ii. 2025 NPRM

In the 2025 NPRM, the Department proposed a change in the filing thresholds for the Forms LM-2, LM-3, and LM-4, which would be reflected in 29 CFR 403.4(a) and on each of the Forms and their instructions. The Department proposed that labor organizations with \$450,000 or more in annual receipts would need to file the Form LM-2, an increase from the previous \$250,000 threshold, and labor organizations with less than \$25,000 may choose to file the Form LM-4, an increase from the previous \$10,000.

d. Comments Received

i. Comments Overview

As part of both the 2020 NPRM and the 2025 NPRM, the Department solicited and received numerous public comments on the proposals. The Department provided for a 60-day comment period which began upon the publishing of the 2020 NPRM. 85 FR 64726 (Oct. 13, 2020). The Department received 99 comments on that proposed rule. Of these 99 comments, 97 were unique and posted by the Department. Comments were received from numerous groups representing labor organizations, labor federations, public interest groups, employer associations, and state policy institutes, as well as from individuals with experience as former or current labor organization members, certified public accountants, and other concerned citizens.

Of the 97 unique comments received, the Department considers 48 of those comments as substantive. Thirty-three of these substantive comments expressed general support for the 2020 NPRM, while 15 of these substantive comments were generally opposed.

Substantive comments in support of the 2020 NPRM came from employer associations and other groups focused on labor organization accountability, as well as individuals who were members and officers of labor organizations and those without labor organization affiliations. Primarily, these comments supported the creation of the new Form LM-2 Long Form and the changes proposed to the Form LM-2 as ways to increase labor organization financial accountability and transparency towards its members. These comments generally viewed the proposed rule in line with the purposes of the LMRDA, and the new sections on the Form LM-2 Long Form and the adjusted sections on the revised Form LM-2 as necessary updates since the 2003 changes to the labor organization annual financial reports.

Substantive comments opposed to the 2020 NPRM came from labor organizations and labor-aligned institutions, as well as accounting firms and individual certified public accountants (CPA) concerned with the methodology of the LM Forms proposed in the rule. These comments stated the Form LM-2 was already burdensome, and that in their view the 2020 NPRM proposed unnecessary additions. These comments also expressed concern at the potential removal of protections for labor organizations and individuals in the new forms.

The Department also provided for a 30-day comment period upon the

publishing of the 2025 NPRM, ending July 31, 2025. The Department received a total of 299 comment submissions. Eleven were unique, substantive comments filed by labor organizations, employer associations, policy institutes, other stakeholder groups, and private individuals; the remainder were form-letters.

Support for adjusting the thresholds was expressed by labor organizations and associated entities. Opposition was voiced largely by employer associations and organizations focused on union accountability, as well as many individual commenters. Comments offering support for raising the filing thresholds for Forms LM-2, LM-3, and LM-4 argue that increasing the thresholds is a necessary adjustment to reflect economic realities and inflation since the last increase in 2003. Commenters stated that many unions, particularly smaller ones with limited resources and membership, find the current reporting requirements burdensome and complex, often requiring significant time and financial investment in compliance. Proponents believe that raising the thresholds would benefit labor organizations by allowing them to allocate more resources towards representation and collective bargaining, while still satisfying the need for transparency, as they stated that unions are committed to sharing financial information with their members. In addition, advocates propose automatically indexing the thresholds to inflation to prevent future discrepancies and reduce the likelihood of additional burdens being placed on unions whose receipts do not keep up with inflation.

Comments opposed to raising the thresholds assert that doing so would significantly undermine financial transparency and accountability within labor organizations. Commenters state that easing reporting requirements would diminish union members' ability to monitor how their dues are spent, potentially enabling mismanagement and corruption to flourish unchecked. These critics state that raising the thresholds would exempt numerous unions from detailed financial reports, thus obstructing OLMS' ability to identify financial misconduct, which could harm the interests of union members lacking access to essential financial disclosures. Opponents state that the current reporting regime is necessary for maintaining oversight and protecting the statutory rights of union members and view the proposal as a regression that could promote secrecy among union leaders rather than accountability.

ii. Policy Justification

In the 2020 NPRM, the Department sought specific comment on a number of topics. These included the threshold for the Form LM-2, strike funds, confidentiality exemptions, whistleblower protections, and other forms of identifying information. The 2020 NPRM also received numerous comments on the new Items, Schedules, and Instructions in Form LM-2 Long Form and revised Form LM-2, as well as other potential inclusions on both forms.

In the 2025 NPRM, the Department's proposal addressed only the filing thresholds for Forms LM-2, LM-3, and LM-4. The Department received numerous comments on these specific issues, as well as a few others on other changes commenters sought as part of the 2025 NPRM.

The Department considered all of the significant comments it received and is making targeted modifications to the final Form LM-2 Long Form and revised Form LM-2, changes to the thresholds for all Forms, as well as minor additional changes to Forms LM-3 and LM-4.

Form LM-2 Long Form Filing Threshold

In the 2020 NPRM, the Department proposed an \$8 million filing threshold for the Form LM-2 Long Form. This threshold was based on the Small Business Administration's (SBA) definition of a small labor organization entity, as identified by North American Industry Classification System (NAICS) codes. 13 CFR 121.201. In determining the appropriate size standard for an industry, SBA considers economic characteristics, market shares, technological changes, and historical activity. 13 CFR 121.102. The SBA's definition of a small entity serves as an upper bound of a small entity's annual receipts. 13 CFR 121.201. In the 2020 NPRM, the Department proposed that filers reporting annual receipts in excess of the SBA definition would be required to file a Form LM-2 Long Form.

The monetary threshold in the SBA definition of a small labor organization entity has increased since the Department promulgated the 2020 NPRM. As of the most recent data, SBA identifies \$16.5 million as the appropriate size standard for a "small" labor union or similar labor organization. 13 CFR 121.201. As discussed below, the Department does not view this as a change in core circumstances because the Department decided it was more appropriate to rely upon a study of itemized annual receipts in lieu of the SBA definition.

During the public comment period, the Department received two comments supporting a higher Form LM-2 Long Form filing threshold, eight comments supporting a lower Form LM-2 Long Form filing threshold, and two comments supporting using the SBA definition as the threshold.

Two commenters, both labor organizations, expressed support for increasing the Form LM-2 Long Form threshold. One commenter noted that the "extensive reporting requirements for organizations below [this] limit would consume a good portion of available resources and would not be a valuable use of resources or provide a useful source of information" for union members. The commenter suggested increasing the \$8 million threshold to "at least \$20,000,000 and then index[ing] for inflation." Another labor organization supporting a higher Form LM-2 Long Form threshold reasoned that the SBA definition of a "small" labor organization serving as the Form LM-2 Long Form filing threshold does not match with the Department's goal of bringing transparency to the largest and most prominent labor organizations. The commenter reasoned that using the SBA definition of a "small" labor organization as the Form LM-2 Long Form threshold would capture several mid-sized labor organizations rather than the largest and most prominent. The commenter suggested that the Form LM-2 Long Form threshold should be "magnitudes of order higher than \$8M so as to truly capture only the largest organizations" and suggested indexing the threshold to inflation.

The Department agrees with the comments in favor of a higher filing threshold. In creating a disclosure form for the largest and most prominent labor organizations, the Department does not intend to overburden mid-sized labor organizations with reporting requirements that would require them to divert resources from core functions. However, the Department determined that the additional transparency brought by the Form LM-2 Long Form should be of interest and value to members of the largest labor organizations. The Department believes that the SBA provides an appropriate definition of a "small" labor organization, but recognizes, as one commenter notes, that using the definition of a "small" labor organization as the threshold for Form LM-2 Long Form filers would capture several medium sized labor organizations. In other words, the fact that a labor organization is not "small" does not mean that the labor organization is "large." In the 2020 NPRM, the Department explicitly sought

to capture the “largest and most prominent” labor organizations. 85 FR 64734 (Oct. 13, 2020). For this reason, the Department determined that the Form LM–2 Long Form filing threshold, designed to capture the largest organizations, must be higher than the SBA definition.

The Department does not believe that indexing the Form LM–2 Long Form filing threshold for purely inflation is appropriate. Attaching filing thresholds to constantly changing measures like inflation will only create additional regulatory burden on labor organizations, as it increases the chances that filing requirements will change from year-to-year. This means labor organizations may have to change their reporting and recordkeeping practices from year-to-year. Setting a fixed threshold provides clarity and predictability for regulated labor organizations.¹¹

The eight commenters supporting a lower Form LM–2 Long Form filing threshold generally stated that members of small to mid-sized labor organizations deserve the same level of transparency that members of larger unions would have with the Form LM–2 Long Form. For this reason, five of these commenters suggested the Department should integrate the Form LM–2 Long Form into the revised Form LM–2.

The Department disagrees with these comments. In creating the Form LM–2 Long Form, the Department seeks to bring additional transparency to America’s largest labor organizations. While the Department recognizes the significant benefits of transparency for members of any sized labor organization, it also recognizes the burden imposed on labor organizations that would be required to file a more comprehensive form. Congress recognized the importance of balancing burden and reporting detail when it granted the Secretary the authority to prescribe simplified reports for labor organizations whose size would make more detailed reporting requirements unduly burdensome. 29 U.S.C. 438. The Department believes that replacing the revised Form LM–2 with the Form LM–2 Long Form is not aligned with the stated goal of the 2020 NPRM or the LMRDA and would create undue burden on small to medium sized labor organizations.

A different commenter suggested that the Department should replace all labor

organization annual financial reports with the LM–2 Long Form, reasoning that requiring different disclosure forms is burdensome on labor organizations and those investigating union finances.

The Department also disagrees with this comment. As the commenter recognized, “the LM–4 form for labor organizations with less than \$10,000 in total annual receipts generally uses the same reporting categories as the LM–2 form” but features less detailed information. As such, the Department disagrees that an individual investigating union finances is under any sort of burden from differences in disclosure forms. For a labor organization, completing a Form LM–2 Long Form, which requires much more detailed information than the revised Form LM–2, Form LM–3, or Form LM–4, is per se more burdensome. The additional information reported on the Form LM–2 Long Form requires additional time for recordkeeping and reporting as compared to the revised Form LM–2, Form LM–3, and Form LM–4. As such, and in line with the Department’s statutory authority under the LMRDA, the Department determined it is important to balance a labor organization’s burden with its reporting requirements. The Department believes that requiring small labor organizations with limited resources to comply with additional reporting requirements would be unduly burdensome.

Two other commenters suggested the Department should use a lower threshold. One of these commenters suggested that half of Form LM–2 filers should file Form LM–2 Long Form, reasoning that small to mid-sized unions may be more vulnerable to fraud and thus could benefit from more transparency. The other commenter favored replacing revised Form LM–2 with Form LM–2 Long Form for reporting simplicity but suggested lowering the threshold to \$1 million if the Department wanted to keep a separate Form LM–2 Long Form. This commenter reasoned that Form LM–2 already captures the largest labor organizations in the country and that Form LM–2 filers have the resources and ability to comply with the Form LM–2 Long Form reporting requirements.

The Department disagrees with these comments as well. The Department recognizes that smaller labor organizations with limited resources may be more impacted by fraud or abuse. However, the Department believes that requiring smaller labor organizations to divert resources from core functions to accommodate more complex reporting requirements is both

harmful to labor organizations and out of line with the Department’s clearly stated objective to bring additional transparency to the largest and most prominent labor organizations. Likewise, the Department disagrees with the notion that all Form LM–2 filers are the largest labor organizations and have the resources necessary to comply with the Form LM–2 Long Form’s reporting requirements. Absent any data or analysis indicating otherwise, which the commenter did not provide, the Department believes that the SBA appropriately defines a “small” labor organization.

Two commenters expressed support for keeping the Form LM–2 Long Form filing threshold in line with the SBA definition. They stated that the threshold is consistent with the Department’s goal to bring transparency to the largest and most prominent labor organizations without overburdening smaller labor organizations. Both commenters also noted the value of keeping consistent definitions across different government agencies.

While the Department recognizes the value of keeping consistent definitions across different government agencies, after considering the comments, the Department determined that the SBA definition is not the appropriate threshold for the Form LM–2 Long Form. While the Department believes that SBA accurately captures the definition of a “small” labor organization, relying on the SBA definition would require mid-sized labor organizations to file the Form LM–2 Long Form.¹² Doing so is out of line with the 2020 NPRM’s stated goal.

With the understanding that Form LM–2 Long Form was designed to capture more detailed reporting from the largest labor organizations, the Department examined the differences in reportable information between Form LM–2 Long Form and Form LM–2 to identify the new schedules, items, and other categories of information that only the largest labor organizations will have to report. From this, the Department determined that the key distinctions between the two forms are the new itemization requirements. There are categories of information that may be reported in the aggregate on the revised Form LM–2 but must now be itemized by the largest unions on the Form LM–2 Long Form. Thus, it makes sense to

¹¹ The Department, in setting a fixed threshold for the Form LM–2 Long Form, maintains the ability to revise this threshold in the future based on updated circumstances.

¹² The Department relies upon its reasoning in the 2003 Final Rule in which the Department separated Form LM–2 filers into three categories based upon annual receipts. Tier 2 filers, or those who have annual receipts between \$500,000 to \$39,999,999, represent a large portion of the “mid-size” labor organizations referred to here.

measure the effects of that itemization on both transparency and reporting burdens when determining which organizations should be included as the largest organizations required to use the Form LM–2 Long Form.

The Department reasons that a labor organization gathering significant sums of receipts through rents, the sale of supplies, and per capita tax is likely to have a significant amount of investments, unallocated resources or affiliated unions that would allow it to generate significant receipts from these categories. The itemization of those types of receipts on the Form LM–2 Long Form is new and represents the largest change in both burden and transparency when comparing Form LM–2 Long Form and revised Form LM–2.¹³ Since newly itemized receipts are an appropriate proxy for both size and burden, the Department believes it is the proper metric to inform its decision in determining the appropriate Form LM–2 Long Form threshold.

To better understand the additional burden on labor organizations who would have to itemize these receipt

¹³ For reference, the following receipt categories are not itemized on the prior Form LM–2 or the revised Form LM–2 but would be itemized on the Form LM–2 Long Form: Dues and Agency Fees; Per Capita Tax; Fees, Fines, Assessments, Work Permits; Sale of Supplies; Rents; On Behalf of Affiliates for Transmittal to Them; and From Members for Disbursement on Their Behalf. Transactions in these categories will be subject to itemization if the receipts from one source total \$5,000 or more.

categories and the transparency benefit of itemizing these receipts, the Department calculated the total receipts each filer would have to itemize on the Form LM–2 Long Form. The Department excluded dues and agency fees from this analysis, as it is unlikely for most labor organizations to receive over \$5,000 in dues or agency fees from a single source. The Department then identified the median amount of receipts that would be itemized on the Form LM–2 Long Form for filers at different filing thresholds to measure both the burden on the labor organization and the potential transparency benefit. Additionally, the Department calculated the median amount of receipts that would not have to be itemized if a filer were excluded from mandatory Form LM–2 Long Form filers as filing thresholds increased. The Department used this metric to measure “lost” transparency as the threshold increased.¹⁴

The Department conducted its analysis with publicly available Fiscal Year (FY) 2024 filing data, the most recent year of complete filing data at the time of its analysis.¹⁵ This filing data is

¹⁴ The Department references the median because annual receipts data is extremely positively skewed by labor organizations with high annual receipts. In 2024, annual receipts data had a skewness value of +23. Using median values rather than average values more accurately reflects the typical value in a heavily skewed dataset.

¹⁵ Labor organizations must file their annual reports within ninety days after the end of each of

available at <https://www.dol.gov/agencies/olms/data>.

At the SBA “small” union threshold of \$16.5 million, the median Form LM–2 Long Form filer would have to itemize an additional \$4,650,241 in receipts, roughly 15.5 percent of median total receipts for filers reporting more than \$16.5 million in annual receipts. The Department believes this demonstrates the median labor organization captured by a \$16.5 million threshold is not generating a significant share of its receipts from the newly itemized receipt categories. From this, the Department reasons that a \$16.5 million threshold would not appropriately capture the largest and most prominent filers. While this definition serves as an appropriate upper limit for a “small” labor organization, the Department determined that a \$16.5 million threshold does not appropriately capture “large” labor organizations.

The Department examined these metrics at other thresholds, beginning with \$20 million in annual receipts and then increasing by \$10 million, up to \$80 million in annual receipts. The Department’s calculations are included in the table (Table 1) below.

its fiscal years. 29 U.S.C. 437. In 2024, 3,192 of 4,583 Form LM–2 filers reported a fiscal year ending in December, meaning their fiscal year 2025 reports would not be available until March 31, 2026.

TABLE 1 — FILING THRESHOLD ANALYSIS USING FORM LM-2 DATA, FY2024

Threshold	Median Total Receipts	Median Receipts for Itemization	Itemized as a % of Total	Median Receipts for Itemization for Excluded Filers
\$16.5 million	\$30,088,038	\$4,650,241	15.46%	N/A
\$20 million	\$38,819,514	\$5,366,740	13.82%	\$1,502,485
\$30 million	\$64,579,974	\$13,939,096	21.58%	\$2,166,165
\$40 million	\$79,979,130	\$24,266,493	30.34%	\$2,498,004
\$50 million	\$109,182,477	\$25,732,942	23.57%	\$5,328,898
\$60 million	\$136,060,560	\$27,549,253	20.25%	\$9,730,616
\$70 million	\$150,756,860	\$31,635,449	20.98%	\$14,008,794
\$80 million	\$180,208,751	\$67,597,025	37.51%	\$9,698,963

Using these metrics, the Department determined that \$40 million in annual receipts is the appropriate filing threshold for the Form LM-2 Long Form. In its analysis of annual receipt data, the Department found that labor organizations with above \$40 million in annual receipts report a much more significant sum of receipts from these newly itemized categories than at any lower threshold. At a \$40 million threshold, the median filer reports \$79,979,130 in total annual receipts and \$24,266,493 (roughly 30 percent of median total receipts) in previously non-itemized receipts that would be itemized on the Form LM-2 Long Form.

This \$24.2 million figure represents a significant increase from the \$13.9

million in newly itemized receipts for the median filer at \$30 million. If the \$40 million threshold were applied to 2024 filers, 99 labor organizations would have filed the Form LM-2 Long Form, approximately the top 2% of Form LM-2 filers. The Department determined that these metrics indicate that \$40 million is the appropriate threshold to capture the “largest and most prominent” labor organizations, ensuring filing requirements are proportionate to available resources.

The table above demonstrates that there are relatively small transparency losses as the threshold increases from \$16.5 million to \$40 million. The median filer reporting between \$16.5 million and \$20 million in annual

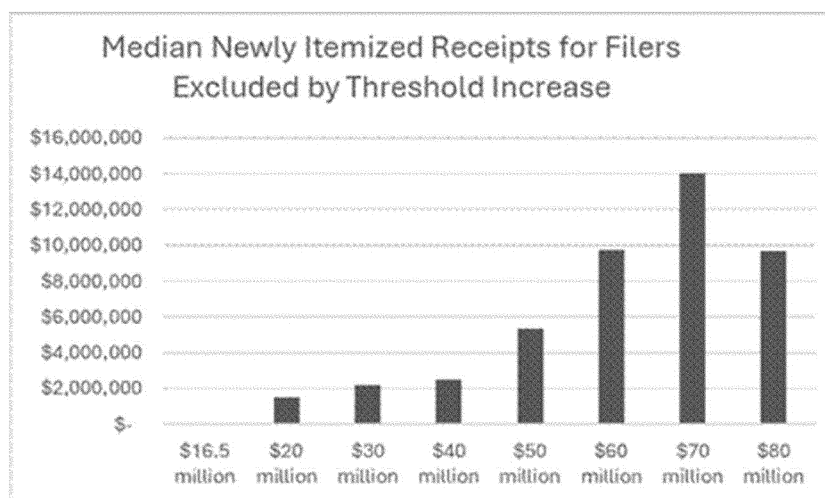
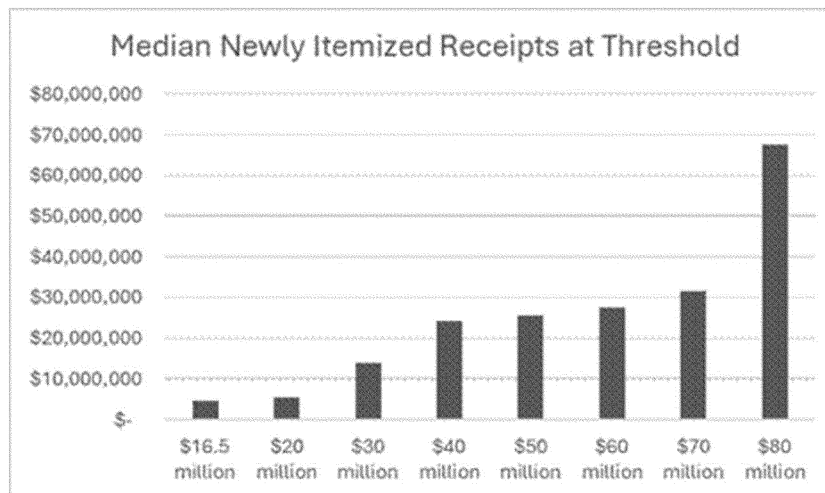
receipts would have had to itemize roughly \$1.5 million in previously un-itemized receipts. This figure increases to roughly \$2.2 million for filers between \$20 and \$30 million in annual receipts, and roughly \$2.5 million for filers between \$30 and \$40 million in annual receipts.

The Department notes that there is a significant increase when the threshold is moved to \$50 million. The median filer reporting between \$40 and \$50 million in annual receipts would have to itemize an additional \$5.3 million in previously non-itemized receipts, more than double when compared to the jump between \$30 and \$40 million in annual receipts. This indicates that filers reporting above \$40 million in

annual receipts are able to derive a significant amount of annual receipts from the receipt categories itemized on the Form LM-2 Long Form. This,

combined with the significant increase in the median newly itemized receipts at \$40 million, led the Department to determine that \$40 million is the

appropriate threshold for the Form LM-2 Long Form.



Form LM-2 Threshold

As part of the 2020 NPRM, the Department sought comment on whether to raise the threshold for filing the Form LM-2 from the 2003 \$250,000 level to \$300,000. 85 FR 64747 (Oct. 13, 2020). This is a continuation of the practice of periodically assessing the appropriateness of the filing threshold to ensure that it is relevant in terms of the current economy and universe of labor organizations. In addition, the Department also sought public comment in a separate 2025 NPRM for a proposal to raise the Form LM-2 threshold to \$450,000. 90 FR 28251 (July 1, 2025). Given that both NPRMs address raising the threshold, the Department will address the public comments of both NPRMs here as part of the final rule.

The Department's 2003 rulemaking, which last adjusted the Form LM-2 threshold, explained that the increase to a threshold of \$250,000 was intended to approximate inflation in the decade since the previous \$200,000 level. Two decades have passed since that adjustment. Over longer horizons, inflation has substantially eroded the real value of earlier thresholds. For example, the first increase in 1963 raised the Form LM-2 threshold from \$20,000 to \$30,000. 28 FR 14383 (Dec. 27, 1963). Using the Bureau of Labor Statistic's Consumer Price Index (CPI) Calculator, \$30,000 in 1963 equates to \$320,972.37 in 2026 dollars.¹⁶ That

amount reflects a cumulative price increase of about 969.9 percent and an average inflation rate of 3.83 percent per year. Similarly, the \$10,000 threshold established for Forms LM-3 and LM-4 in 1992 would be \$23,551.92 today. These figures demonstrate that the 2003 thresholds of \$250,000 and \$10,000 required many unions with relatively modest buying power to complete the most detailed reporting form in recent years.

The purpose of the LMRDA's reporting requirements is to provide union members with sufficient information to hold their leaders accountable. Detailed financial disclosures deter misuse of union funds. It also enables union members to enforce the LMRDA's fiduciary provisions and OLMS to enforce the

¹⁶ U.S. Bureau of Labor Statistics, "CPI Inflation Calculator," available at https://www.bls.gov/data/inflation_calculator.htm.

criminal provisions applicable to misuse of such funds. However, the Department also recognizes that recordkeeping and reporting impose costs on labor organizations. Therefore, it authorizes simplified reports for those with comparatively small funds. As unions with smaller receipts typically have less complex finances, it is appropriate to relieve them of certain reporting obligations without sacrificing transparency.

The Department received numerous comments in support of increasing the Form LM-2 threshold. These comments from both the 2020 and 2025 NPRMs came primarily from labor organizations and accounting firms and stated that an increase would reduce the burden on smaller filers by responding to inflation. Opponents contended that any increase would reduce transparency and cited, *inter alia*, cases of fraud in smaller unions. On the 2020 NPRM, a few labor organizations and an accounting firm recommended that the Department increase the threshold to \$500,000 with one labor organization recommending the threshold be tied to inflation. In response to the 2025 NPRM, a policy institute urged the Department to anchor any increase to historical inflation and to adopt a more moderate threshold (\$350,000) than the \$450,000 proposed. OLMS has carefully weighed these competing concerns as described by the commenters.

The 2020 NPRM sought comment on increasing the Form LM-2 threshold to \$300,000. The Department estimated that such an increase would shift approximately 273 unions to Form LM-3 filer status at that time. The 2025 NPRM proposed a \$450,000 threshold and estimated such an increase would shift approximately 868 unions to Form LM-3 filer status at that time. After reviewing the record, including the comments on both the 2020 and 2025 NPRMs, OLMS concludes that neither \$300,000 nor \$450,000 would meet the inflation-adjusted value of the 1963 threshold. Instead, the Department adopts a \$350,000 threshold for the Form LM-2. In summary, the \$350,000 figure is derived by adjusting the \$30,000 threshold in 1963 to present-day dollars and rounding up to provide a modest buffer for future inflation. As noted above, \$30,000 in 1963 equates to approximately \$320,972.37 today. Rounding to \$350,000 ensures that labor organizations remain on consistent footing with those that filed the first adjusted Form LM-2 in 1963 and avoids the need for immediate further adjustments.

Specifically, in determining how to modernize the thresholds, the

Department selected the Form LM-2's 1963 threshold adjustment as a historical baseline. Congress' 1959 enactment of the LMRDA, and its subsequent implementing regulations of part 403 in 1960, set an initial \$20,000 receipts threshold and authorized the Secretary in section 208 to prescribe simplified reporting for smaller labor organizations. 25 FR 433 (Jan. 20, 1960). The Department exercised this delegated authority in 1963, raising the Form LM-2 threshold to \$30,000. 28 FR 14383 (Dec. 27, 1963). This was the first calibration since the LMRDA enactment that had been made with the benefit of implementation experience and that has reflected the Department's contemporaneous judgment about how best to balance transparency with administrative burden. By using the 1963 revision as the baseline, the Department preserves the equilibrium between disclosure and burden that Congress intended and avoids embedding later, policy-specific choices into the inflation calculation.

This approach also satisfies the administrative requirement that agencies provide a reasoned explanation when choosing among reasonable alternatives. *See Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983) (requiring "reasoned decision-making"); *see also FCC v. Fox Television Stations, Inc.*, 556 U.S. 502, 514 (2009) (upholding agency changes where the agency supplies a rational explanation). The Department's decision to use the 1963 Form LM-2 threshold as a baseline reflects a rational connection between the problem, erosion of earlier thresholds due to inflation, and the solution, an adjustment tied to the earliest exercise of delegated authority.

Inflation evidence confirms the appropriateness of this choice. According to the CPI, \$30,000 in 1963 equals \$320,972.37 in 2026 dollars.¹⁷ To minimize the need for further near-term adjustments, the Department adopts a \$350,000 Form LM-2 threshold rather than the lower \$300,000 threshold, a modest rounding upward that maintains continuity with the scope of disclosure that Congress originally contemplated while ensuring that unions with substantial receipts continue to file the most detailed report. This level also responds to commenters who urged the Department to anchor increases to historical inflation while avoiding the broader reduction in transparency that would result from a \$450,000 threshold.

The Department examined recent filing data and found that raising the

Form LM-2 threshold to \$350,000 will adjust coverage in a manner comparable to the 2003 revision. In 2003, raising the Form LM-2 threshold from \$200,000 to \$250,000 reduced recordkeeping and reporting burdens for roughly 500 labor organizations and left about 21 percent of unions filing the Form LM-2. 68 FR at 58433 (Oct. 9, 2003). Using FY 2024 filings, OLMS estimates that increasing the threshold to \$350,000 will have a similar effect: approximately 511 labor organizations reported receipts between \$250,000 and \$350,000 and shifting these unions to Form LM-3 would reduce the total percentage of Form LM-2 Long Form and revised Form LM-2 filers from 23 percent to about 20 percent, closely paralleling the 2003 adjustment.

Comments From 2020 NPRM

Labor organizations and associated entities made comments in support of adjusting the Form LM-2 threshold in response to the 2020 NPRM. Opposition was voiced largely by employer associations and organizations focused on union accountability, as well as individual commenters.

Comments offering support for raising the filing threshold for the Form LM-2 argued that increasing the thresholds is a necessary adjustment to reflect economic realities and inflation since the last increase in 2003. Commenters contended that many unions, particularly smaller ones with limited resources and membership, have found reporting requirements burdensome and complex, often requiring significant time and financial investment in compliance. Proponents believed that raising the threshold would benefit labor organizations by allowing them to allocate more resources towards representation and collective bargaining, while still satisfying the need for transparency, as they stated that unions are committed to sharing financial information with their members. In addition, advocates of increasing the threshold proposed automatically indexing the thresholds to inflation to prevent future discrepancies and reduce the likelihood of additional burdens being placed on unions whose receipts do not keep up with inflation.

Opponents to the 2020 NPRM's proposal to increase the Form LM-2 threshold contended that any increase would reduce transparency for labor organization members who would see less detailed versions of their union's financial transactions and records. A few of these comments recommended the Department lower the \$250,000 threshold, and one policy institute specifically pointed to the numerous

¹⁷ *Id.*

enforcement actions taken by the Department as evidence of the need for increased reporting. A major advocacy group stated that with 78.5 percent of labor organizations not meeting the LM-2 threshold set in 2003, it is unnecessary to raise the LM-2 threshold to exempt more labor organizations. One public policy committee recommended that the Department eliminate the Form LM-2 threshold and require all labor organizations to file Form LM-2 and included an example form showing how a labor organization filing Form LM-4 could easily transfer that information to Form LM-2.

The Department has carefully considered these comments in response to the 2020 NPRM and acknowledges that increased transparency, resulting from detailed reporting, deters and helps detect wrongdoing. However, the purpose of the LMRDA's reporting requirements is to provide transparency commensurate with filers' size and financial complexity. All LMRDA filers must preserve underlying records sufficient to verify their reports and must permit members, for just cause, to examine records necessary to verify those reports. *See* 29 U.S.C. 431(b). These statutory and regulatory protections apply whether a union files a Form LM-2 Long Form, a revised Form LM-2, a Form LM-3, or a Form LM-4.

Administrative cost estimates submitted as part of this final rule indicated that preparing a full prior Form LM-2 required an estimated 344.20 hours of reporting and underlying recordkeeping. While some commenters claim that electronic systems reduce these hours, the burden remains for organizations with limited resources. The Department concludes that the increase in burden on those smallest filers outweighs the utility of those filers providing extra information to the Department. Eliminating thresholds would contravene Congress's intent to balance transparency with administrative feasibility, as demonstrated by the powers granted to the Secretary in section 208 to create simplified reports to reduce undue burden.¹⁸ The Department thus concludes that a moderate threshold increase to \$350,000 is warranted for the revised Form LM-2 to prevent smaller unions from diverting disproportionate resources toward reporting compliance.

Comments From 2025 NPRM

Numerous large labor organizations stated that the Form LM-2 threshold has not been adjusted since 2003 and thus

fails to accurately reflect inflation. These commenters stated that smaller unions often have limited staff and resources and that preparing a Form LM-2 requires more time and accounting expertise than preparing Forms LM-3 or LM-4. Supporters also note that unions with receipts just above the then-current thresholds often spend a substantial share of their budgets on compliance rather than member services. Some commenters stated that many unions already provide detailed financial information to their members through internal newsletters, IRS Form 990 filings, or audited financial statements, so a modest increase in the Form LM-2 threshold would not materially reduce transparency.

The LMRDA authorizes the Secretary to require "[e]very labor organization" to file reports but also grants discretion to "prescribe such simplified and different reports" for organizations who by "virtue of their size" a "detailed report would be unduly burdensome." 29 U.S.C. 438. The size of a union for whom a simplified report is appropriate may be identified by a comparatively small number of members or comparatively small amount of funds. The previous three-tier reporting system (Forms LM-2, LM-3, and LM-4) reflected that discretion; it permitted detailed Form LM-2 filings for larger unions and simplified forms for smaller ones. Supporters of the proposed rule correctly observed that the Form LM-2 threshold of \$250,000 in receipts was last revised in 2003. Consumer price index data show that \$250,000 in 2003 dollars is roughly equivalent to about \$449,621 in 2026 dollars. Inflation therefore supports an increase.

Nonetheless, one of the LMRDA's primary purposes is to "eliminate or prevent improper practices" by ensuring financial transparency. An overly large increase in threshold would ill serve this purpose. It might excuse the reporting of transactions that indicate improper practices. On the other hand, the statute contains an express provision that enables the Secretary to avoid imposing undue burden on unions of small size. By imposing a threshold that imposes undue burden, the Secretary would ill serve this second purpose. In selecting a \$350,000 threshold rather than the proposed \$450,000 threshold for the revised Form LM-2, the Department balances these two prongs of the statute's objectives.¹⁹

¹⁹ *See generally* 29 U.S.C. 438 ("The Secretary shall have authority to issue, amend, and rescind rules and regulations prescribing the form and publication of reports required to be filed under this title . . . as he may find necessary to prevent the circumvention or evasion of such reporting

An analysis of FY 2024 OLMS filing data indicates that a \$350,000 threshold reduces the number of Form LM-2 filers by approximately 511 labor organizations (instead of about 868 at \$450,000) and increases the number of Form LM-3 filers by the same amount. Even with 511 fewer labor organizations filing the Form LM-2 at the \$350,000 threshold, approximately 90 percent of all annual receipts reported to OLMS would still be reported on the more detailed revised Form LM-2. The Department also notes that some unions, approximately 161 filers,²⁰ file Form LM-2 voluntarily, despite not reaching that form's thresholds, either because it is required by their constitutions and bylaws or otherwise preferable for informing their members. Similarly, unions under trusteeship are required to file Form LM-2, no matter whether their receipts meet the threshold. 29 CFR 403.5(c). Further, the Department presumes that many unions on the cusp of the threshold will choose, for planning purposes throughout the year, to maintain recordkeeping and reporting systems so that they are able to complete the more complex form. This would prevent an unexpected increase in receipts, which would elevate the union above the revised Form LM-2 threshold, from requiring the union to recover or reconstruct records that could have been maintained in the first instance. And unions are permitted by law to file more detailed reports than the threshold levels dictate. Unions still subject to revised Form LM-2 reporting will continue to itemize receipts and disbursements, ensuring the availability of detailed financial information, and unions with fewer receipts have fewer transactions to report, thus reducing the need for added reporting detail.

Two large labor organizations urged the Department to raise the Form LM-2 threshold above \$450,000 or to index the threshold automatically to account for inflation. Commenters argue that without automatic indexing, the threshold will again erode over time and require repeated rulemaking. One of the commenters suggests a Form LM-2 threshold of \$600,000 to reflect the roughly 75 percent increase in price levels since 2003. Another commenter supports indexing but did not specify a higher amount. In contrast, several

requirements . . . [T]he Secretary shall prescribe by general rule simplified reports for labor organizations or employers for whom he finds that by virtue of their size a detailed report would be unduly burdensome").

²⁰ This estimate is based on fiscal year 2025 data from Form LM-2s received from labor organizations with less than \$249,999 but more than \$0 in receipts.

¹⁸ *See* 29 U.S.C. 438.

opponents contend that automatic indexing would lead to unmanageable increases and erode transparency.

The Department declines to adopt automatic indexing, as it does not reflect a careful balancing between the twin goals of union transparency and prevention of undue burden on unions. As to the level of the threshold, the Department agrees that inflation warrants an increase but remains mindful of the transparency concerns expressed by other commenters. A \$600,000 threshold would exempt an additional 377 unions beyond those 868 captured by a \$450,000 threshold (totaling 1,245 labor organizations) from filing the revised Form LM–2, which would constitute a quarter of all LM–2 filers, based on FY 2024 data. A \$350,000 threshold better balances the reduction in burden with the need for public oversight.

In opposition to raising this threshold, numerous public policy organizations, state policy institutes, business-side labor entities, and individual commenters argued that raising the threshold will reduce oversight and risk more fraud. Commenters point to the LMRDA's history as a response to corruption uncovered by the McClellan Committee and cited recent criminal cases where union officers embezzled funds. One national institute stated that raising the Form LM–2 threshold to \$450,000 could impact over 1.25 million union members. Two commenters argued that electronic filing and accounting software have reduced burdens, making a higher threshold unnecessary. Some commenters suggest that raising the threshold would shield misappropriation of union assets; others claim it would contravene congressional intent.

The Department has carefully considered commenters' transparency concerns. The Department acknowledges that, as a general matter, increased transparency, resulting from detailed reporting, deters and helps detect wrongdoing. It has thus taken the comments into account by selecting a lower threshold than proposed, ensuring that a majority of unions cited in these examples remain subject to Form LM–2 reporting. However, additional reporting detail provides little benefit to smaller unions that have few, if any, transactions.

Additionally, the LMRDA grants the Secretary authorization to provide labor organization transparency commensurate with the organization's size and financial complexity. Administrative cost estimates submitted as part of the rulemaking, including those cited in the 2024 information

collection request (ICR) supporting statement, indicate that preparing a full prior Form LM–2 required an estimated 530 hours of reporting hours of reporting and underlying recordkeeping. While some commenters claim that electronic systems reduce these hours, the burden remains significant for organizations with limited staff. The Department thus concludes that a moderate increase in the Form LM–2 reporting threshold is warranted to prevent small unions from diverting disproportionate resources toward reporting compliance.

A few of these national policy institutes and legal defense foundations advocated for eliminating thresholds entirely, contending that every union should file a Form LM–2 report because small unions can also experience fraud. Commenters argue that electronic filing has reduced burdens to the point where the distinction between LM forms is unnecessary. Several commenters asked the Department to adopt a zero threshold or uniform reporting.

The LMRDA authorizes the Secretary to prescribe simplified reports for smaller unions. Eliminating thresholds would contravene Congress's intent to balance transparency with administrative feasibility, as demonstrated by the powers granted to the Secretary in section 208 to create simplified reports to reduce undue burden.²¹ Evidence in the comment record indicates that even with electronic filing, preparing a Form LM–2 report can impose burdens that may be disproportionate for small unions. Although small unions would have very little information to report in the revised Form LM–2, and would necessarily leave many entries and schedules blank, the burden of reviewing the instructions and completing the report would remain. It would also fall on the officers of the union to do this work, as they would not have the resources to hire outside attorneys and accountants. *See* Labor Organization Annual Financial Reports: LM Form Revisions, 85 FR 64726, 64748 fn. 25 (Nov. 13, 2020) (discussing use of accountants and attorneys in completing the Form LM–2). The final \$350,000 threshold ensures that unions with substantial receipts, those most susceptible to mismanagement of member funds and in which the more detailed reporting can better provide transparency, remain subject to detailed reporting, while smaller unions can use simplified forms. The Department therefore

declines to adopt a uniform or zero threshold reporting requirement.

Form LM–3 Threshold

The 2025 NPRM also sought comment on raising the Form LM–3 threshold from \$10,000 to \$25,000. 90 FR 28251 (July 1, 2025). Several unions supported an increase, noting that the \$10,000 level has remained unchanged since 1992 and that inflation would justify a far higher amount. Conversely, opponents cautioned that raising the threshold could permit more substantial unions to file the Form LM–4, limiting the amount of information available to the public. The Department adopts the proposed \$25,000 threshold for two reasons.

First, the Department must balance paperwork and recordkeeping burden with transparency in union operations. The simpler the form, the less information is available. The more information that is made available, the more paperwork and recordkeeping unions must manage. In balancing these two interests, the Department concludes that increasing the Form LM–3 threshold to the full inflation-adjusted value from 1992 would not unduly reduce transparency. While exempting more small unions that maintain marginal financial operations, a threshold increase to \$25,000 alleviates burden on the smallest unions, while also ensuring organizations with more than \$25,000 in receipts continue to file at least Form LM–3.

Second, the comment record reflects that submissions focused overwhelmingly on the Form LM–2 threshold; comparatively few commenters addressed the Form LM–3 threshold, and those that opposed any increase generally did so on broad transparency grounds rather than identifying defects specific to Form LM–3. The \$10,000 Form LM–3 threshold has remained unchanged since Form LM–4 was established in 1992.²² Adjusting that figure for inflation yields a present-day value of approximately \$22,500. Setting the threshold at \$25,000 therefore represents a modest rounding that relieves reporting burdens on the smallest labor organizations which may file the Form LM–4 while ensuring that entities with more than modest receipts continue to file Form LM–3. Adopting this threshold aligns with the Department's rationale to modernize thresholds in proportion to inflation, reducing burden without materially affecting public disclosure.

²¹ *See* 29 U.S.C. 438.

²² *See supra* note 3.

Form LM-4 Threshold

The 2025 NPRM also sought comment on raising the Form LM-4 threshold from receipts less than \$10,000 to less than \$25,000. 90 FR 28251 (July 1, 2025). The Department did not receive any substantive comments related to raising the Form LM-4 filing threshold.

Strike Funds

In the 2020 NPRM, the Department proposed that the Form LM-2 Long Form would include a new and distinct question about strike funds in Item 11. The Department proposed Item 11(c), which would ask, "During the reporting period did the labor organization have a separate strike fund?" Filers would need to answer either "Yes" or "No", and those labor organizations that answered "Yes" would be required to provide, in Item 75—Additional Information, the amount of funds in the strike fund as of the close of the reporting period.

Many commenters expressed support for requiring disclosure of a strike fund's existence and balance. One commenter emphasized that "fundamentally something that goes to the very heart of the collective" should be disclosed to members. A policy organization explained that "employees should not be used simply as unwitting pawns in negotiations; they deserve to be able to make informed decisions when voting on a strike." Another public policy organization noted that without this disclosure, "union members could vote to strike, only to discover that their union lacks the funding to financially support them." Several commenters cited a UAW strike against General Motors, where workers received only \$250 per week in strike pay (equivalent to \$6.25 per hour), despite the union holding a strike fund exceeding \$760 million. Other commenters recommended this disclosure should apply to all Form LM-2 filers, not just those filing the Form LM-2 Long Form, as workers in smaller unions have equal need for this information.

Several commenters opposed the inclusion of this question in the Form LM-2 Long Form. Several labor organizations and accounting firms, as well as a labor-aligned public policy group, offered arguments against Item 11(c) and the requirements around reporting a separate strike fund. These commenters emphasized that the disclosure of a strike fund would benefit employers who would have information on the labor organization during bargaining negotiations or any other disagreement with a labor organization.

Commenters stated that this could lead to employers simply waiting out a strike if they knew the strike fund would not last or using the knowledge of the strike fund to force a collective bargaining agreement that was more advantageous to the employer. Some further argued that this would disincentivize labor organizations and their members from voting to strike, and overall hurt members who may work under a worse negotiated contract.

Two accounting firms additionally noted that strike funds, whether a part of the general treasury or maintained separately, are already accounted for in Form LM-2 as part of a larger pool of funds. The firms stated the requirement to disclose a separate account would lead to inconsistent application based on the location of the strike fund, as those kept in the general treasury would not require disclosure. Overall, commenters in opposition felt that the Department lacked justification for breaking out the strike fund since the funds would already be considered in an OLMS investigation. The commenters stated the Department could not explain when this would be helpful. Some commenters disagreed with the Department's conclusion that this would help with investigations, while others stated that any help it would provide to OLMS investigators was outweighed by the cost it bore on labor organizations.

After a review of the comments from the 2020 NPRM, the Department has decided to eliminate proposed Item 11(c) from the Form LM-2 Long Form and will not require the disclosure of the amount in the strike fund in the additional information section. The Department concludes that Item 11(c) would not properly balance the need for transparency with a labor organization's interests during collective bargaining.

In the 2020 NPRM, the Department noted two instances in which labor organization officers embezzled money from the union's strike fund. Commenters in support of Item 11(c) provided additional examples in which union strike funds were misappropriated and stated that strike funds can be a source of, and may obscure, potential fraud or embezzlement. While the Department agrees this is a concern, the Department concludes that requiring disclosure of the total funds in a separate strike fund would not meaningfully address this issue.

Numerous commenters stated that the disclosure of a strike fund is a benefit to the labor organization members, as they would understand the potential implications of a strike on their pay and

benefits, as well as being able to know if the union has a large strike fund that is not going to members. The Department recognizes the importance of transparency for members of labor organizations, but it also notes that the potential benefits to a member are outweighed by the harm a publicly disclosed strike fund would cause. As previously noted, an employer's knowledge of a strike fund could easily influence negotiation strategy with a labor organization, and the knowledge of a poorly funded strike fund could lead to more aggressive tactics that result in a less-beneficial contract for union members. In this instance, the Department concludes the harm to members at the bargaining table outweighs the additional transparency benefit.

Another common comment requested that Item 11(c) on strike funds also be extended to revised Form LM-2. One commenter raised the proposition of more detailed questions to Item 11(c), including the number of strikers compensated, the length of the strike, and the use of the strike fund in compensation. The Department did not propose this change to Form LM-2. Further, since the Department is already removing Item 11(c) from Form LM-2 Long Form for the reasons stated above, there is no reason for it to be included on revised Form LM-2 or to expand the number of disclosure requirements for a strike fund.

Foreign Transactions

As part of the 2020 NPRM, the Department sought comment on establishing a Schedule 32—Foreign Transactions on Form LM-2 Long Form if the labor organization engaged in a transaction with a foreign entity or a foreign individual. The labor organization would be required to report any individual transaction of \$5,000 or more from a foreign entity or foreign individual, and total receipts and/or total disbursements from any single foreign entity or foreign individual that aggregates to \$5,000 or more during the reporting period.

The Department received numerous comments supporting the inclusion of a foreign transactions schedule into Form LM-2 Long Form. Most of these comments emphasized the importance of this schedule for transparency and greater understanding of where the funds a labor organization may have or spend originate from. One supportive comment also agreed with the Department's reasoning that this information would help highlight potential outsourcing. Outsourcing remains a vital concern for American

workers, and labor organization members deserve full knowledge of any transactions that may put their jobs at risk.

Given these supportive comments, and the continued need to allow members of labor organizations to monitor their union's transactions with foreign entities and individuals, the Department will include Schedule 32—Foreign Transactions in the newly created Form LM-2 Long Form. It was very difficult to find itemized transactions with foreign entities or individuals on the prior Form LM-2. The largest labor organizations that are most likely to engage in foreign transactions traditionally filed prior Form LM-2, which contained, at times, thousands of transactions with different businesses, labor organizations, entities, and individuals. When a large labor organization filed its prior Form LM-2 in EFS, there was a requirement to provide the name and address of any entity or individual with whom the labor organization had a single transaction of \$5,000 or more, or transactions that aggregated \$5,000 or more. However, if that entity or individual was in a foreign country, the labor organization only needed to report the street address and city for that entity or individual. Because of the differences in format between addresses in the United States and addresses in foreign nations, the prior Form LM-2 did not ask for the actual country in which the address was located. This made it difficult for the average member to find a transaction with a foreign entity or individual without combing through thousands of transactions or knowing the exact city in which the entity or individual was located.

Though the Department proposed this itemization requirement for receipts of \$5,000 or more or receipts that aggregated to \$5,000 or more, the Department is requiring a labor organization to report itemized transactions for both disbursements and receipts. The 2020 NPRM asked for comments on overall transactions and referenced the importance of both, as it noted these transactions would appear in the functional disbursement Schedules 24–30, and shared examples of large labor organizations sending funds to outside unions, law firms, and consultants at foreign addresses. The Department believes both disbursements and receipts of the labor organization are important for a member's understanding and thus requires a labor organization to track both in Schedule 32.

The Department received comments from labor organizations and accounting

firms that stated Schedule 32—Foreign Transactions is unnecessary because it reports transactions already covered by the Form LM-2 Long Form in the functional categories. The Department disagrees. While Schedule 32 would cover transactions already reported, this schedule is meant to highlight those transactions rather than introduce entirely new categories. This schedule is necessary to ensure that union members can clearly and easily find these foreign transactions and overall increases the transparency of the labor organization. The labor organization that is transacting with a foreign entity or individual is much more capable of separating these transactions in the new Form LM-2 Long Form, and ensuring its members have a full view of the relationship between their collective bargaining representative and any foreign entities or individuals.

A few international labor organizations commented that a foreign transactions schedule would be burdensome because they are a parent international union to Canadian locals. They also noted specific difficulty in recording these transactions as they may be conducted with a foreign currency. The Department disagrees that this would be burdensome, given that this schedule does not cover any transactions a labor organization would not already record. International labor organizations with Canadian locals or other locals based in a foreign nation would not need to conduct any excess bookkeeping to track these transactions besides separating them from transactions with domestic vendors, as these transactions are already necessary for a complete and accurate Form LM-2 Long Form.

The interest in these foreign transactions to labor organization members also outweighs any potential burden. For instance, a large international labor organization reported receipts of over \$240,000 to an affiliated Canadian labor organization for organizing efforts on its most recent Form LM-2, which proved difficult for a member to track amongst the numerous other transactions. Union members deserve to know the amount sent to a foreign labor organization and should not need to dig through hundreds of pages to see where those funds originated or gain more context on those transactions. Here, members' interest in union transparency outweighs any minimal increase in burden on labor organizations.

Some commenters also proposed lowering the threshold of \$5,000 for receipts from a foreign entity or foreign individual, and one commenter

suggested that this foreign transaction schedule apply to the revised Form LM-2 as well. While the Department understands that this could increase transparency for members of labor organizations, it would be too burdensome to include these transactions in lower amounts or force smaller labor organizations to separate out these foreign transactions. These smaller labor organizations are also far less likely to deal with foreign entities or individuals and may have less capacity to ensure that relevant transactions are included in a foreign transactions schedule.

Confidentiality Exemption

Another major consideration of the 2020 NPRM was whether to modify, narrow, or eliminate the confidentiality exemptions for the Form LM-2 Long Form and revised Form LM-2. Specifically, the Department sought comment on this for all five confidentiality exemptions: (1) information that would identify individuals paid by the union to work in a non-union facility in order to assist the union in organizing employees, provided that such individuals are not employees of the union who receive more than \$10,000 in the aggregate from the union in the reporting year; (2) information that would expose the reporting union's prospective organizing strategy; (3) information that would provide a tactical advantage to parties with whom the reporting union or an affiliated union is engaged or would be engaged in contract negotiations; (4) information pursuant to a settlement that is subject to a confidentiality agreement, or that the union is otherwise prohibited by law from disclosing; and (5) information in those situations where disclosure would endanger the health or safety of an individual. These provisions allow for a labor organization to not provide any itemization for a receipt or disbursement but rather count the transactions only in the aggregate for its respective schedule.

Several commenters recommended eliminating or narrowing confidentiality exemptions. One public policy organization stated, “[w]e recommend the Department require labor organizations to itemize all expenditures above the \$5000 reporting threshold” and noted that Department investigators found the confidentiality exemption “has been a hindrance in case targeting because it allows unions to hide transactions under the guise that it will hurt their organizational strategy.” Another policy foundation recommended retaining only

exemptions for information prohibited by law or a settlement agreement or that would endanger individual safety. A separate commenter noted at least two labor organizations operating a political fund failed to disclose them on their prior Form LM-2s.

Several commenters objected specifically to exemptions for confidential settlements, arguing that members have a right to know when their dues are used to settle claims of sexual harassment, discrimination, employment law violations, or unfair labor practice charges. One public policy organization recommended requiring unions to disclose the nature and amount of such settlements, noting that unions can protect individual identities while still disclosing relevant financial information. Multiple commenters recommended requiring disclosure of settlement amounts, even if party names remain confidential, particularly for settlements involving allegations against the union as an employer. Another commenter recommended requiring “an itemized summary like a credit card’s end of year summary” showing all purchases by category to provide maximum transparency regarding union credit card use.

These confidentiality exceptions were originally included in the Department’s October 3, 2003, final rule in response to comments from labor organizations on the Department’s 2002 proposal. These exceptions were created in 2003 in recognition that some privacy concerns outweighed the benefit of additional transparency for itemized disbursements. The comments on the 2020 NPRM from both large and small labor organizations made clear that these exemptions are important to labor organizations. These commenters expressed concern about losing any of the five confidentiality exemptions, stating their removal would harm a labor organization’s operations.

A few comments from labor organizations stated the Department lacked evidence to demonstrate the need to eliminate confidentiality exemptions. A large labor organization specifically stated that there was no specific evidence provided by the Department on widespread abuse. However, the Department included the opinions from a few investigators as reasoning for eliminating the exemptions, as well as instances in which a labor organization reported high disbursement totals while claiming confidentiality in the additional information section. Similarly, a comment from a public policy group in opposition to the confidentiality

exemption noted cases against Boilermakers Local 154 and SEIU Local 434B in which each labor organization did not itemize large transactions. This commenter argued that this was proof that union officials have hidden questionable spending. However, as noted in comments from two labor organizations, the Department can investigate these specific expenditures claimed under confidentiality exemptions while protecting the interests that unions have in maintaining the transaction’s confidentiality.

Numerous comments provided varying opinions on the Department’s exemption for information that would identify individuals working for labor organizations in a non-union facility for organizing efforts, often known as “salts.” Many labor organizations emphasized the importance of this confidentiality, as it relates to their ability to organize workplaces. Two labor organizations went further in the defense of this exemption by stating that disclosing salts could lead to physical danger for salts that deal with businesses tied to criminal efforts or labor trafficking. Comments from several policy organizations differed in opinion and determined that labor organization members had a right to understand how much was spent on salts. Specifically, many of these comments found this confidentiality exemption creates transparency issues for the labor organization, both in the potential for labor organizations to misapply this rule to hide otherwise reportable transactions, and in preventing membership from understanding how much the labor organization spends on organizing efforts.

The Department has decided to maintain the confidentiality exemption for salts. The Department believes that its investigators have sufficient tools to investigate misuse of this exemption as demonstrated by the Boilermakers Local 154 and SEIU Local 434B cases identified above. The Department concludes that it is able to effectively enforce its statutory duties related to the use of this exemption without itemization. Further, the Department concludes that removing this confidentiality exemption could have a negative impact on a labor organization’s business practices and organizing strategy. At this time, the Department has decided to maintain its conclusion in the 2003 Final Rule that labor organizations have a legitimate interest in keeping transactions related to organizing strategy, including salting, confidential. However, the Department

notes the Secretary’s authority under section 208 of the LMRDA to modify reporting requirements to strike the appropriate balance between transparency and confidentiality as it relates to this exemption and reserves its right to reevaluate this balance in the future.

Many comments also focused on the Department’s exemptions for information that would expose organizing strategy and for information that would provide a tactical advantage in negotiations. Comments from labor organizations were protective of this exemption, noting how vital the ability to protect organizing strategy and other potential bargaining advantages are to labor organizations. One international labor organization stated the elimination of protections for organizing strategies is detrimental to a labor organization’s lawful and protected organizing efforts. Comments from those opposed to this exemption are focused on the need for transparency for members and concerns that labor organizations may use this to exempt non-organizing strategy transactions.

While recognizing the potential transparency benefit, the Department determined that its reasoning in the 2003 Final Rule is sound that organizing strategies deserve some level of protection. Maintaining this confidentiality exemption ensures that an employer is likely to be able to identify any potential organizing strategies. In addition, the protection of information related to bargaining strategies helps provide fairer contracts between an employer and labor organization to the benefit of that labor organization’s members.

On the fourth confidentiality exemption, many policy organizations stated that confidential settlement agreements should not be subject to a privacy exemption. One specific public policy organization argued that members deserve transparency on the terms and nature of all confidential settlement agreements, and that labor organizations should be required to disclose the nature of the charge and terms of settlement in the additional information section as well as the legal costs of fighting charges against the labor organization.

The Department has decided to maintain the confidentiality exemption for confidential settlement agreements. The Department notes that confidentiality clauses are legally binding, and the disclosure of the terms of settlements would likely force labor organizations out of compliance with a confidentiality clause. The Department recognizes that labor organizations have

legitimate uses for confidentiality settlements and does not seek to require them to violate these settlements.

Finally, the Department is reaffirming the confidentiality exemption for information relevant to health and safety. Although some policy organizations opposed all confidentiality exemptions, including this exemption, a few public policy organizations which opposed other confidentiality exemptions supported this exemption as necessary to protect health and safety. The Department has determined that any interest in transparency regarding membership does not outweigh the need to protect individuals in dangerous situations.

Given the clear importance of these privacy concerns and because there is no meaningful change to a labor organization's need to protect certain transactions, the Department has determined that all five confidentiality exemptions will remain without modification. The need for labor organizations to avoid specifically itemizing these transactions outweighs any benefits to labor organization members, the public and the Department. Additionally, members of a labor organization already have a method through which they can examine underlying union records to evaluate if labor organizations are appropriately using these exemptions. Section 201(c) of the LMRDA provides that every labor organization who submits an annual financial report is required to "make available the information required to be contained in such report to all its members" so long as the member has just cause. 29 U.S.C. 431(c). While the Department acknowledges the concern that members may have difficulty in finding potential issues without isolating themselves from their labor organization, this is still a right guaranteed to all members to exercise when they can prove just cause to examine union records.

One public policy organization suggested that the Department require an addendum listing all spending considered confidential due to its potential for exposing organizing strategy or providing a tactical advantage to an employer and add a new line item to the Form LM-2 Long Form and revised Form LM-2 labeled "Confidential Spending." Similarly, a large business advocacy organization suggested that labor organizations claiming confidentiality should provide the Department with a detailed written justification. The Department has determined that both these proposals would violate Section 205(a) of the LMRDA, which requires that the

contents of the reports and documents filed with the Department be public information. 29 U.S.C. 435(a). The Department cannot receive a report, addendum, or justification as part of its annual financial report without making it available to the public. This would defeat the purpose of the confidentiality exemptions, and these proposals are not feasible alternatives.

Whistleblower Protections

The Department sought comment in the 2020 NPRM on the inclusion of whistleblower provisions on Form LM-2 Long Form. 85 FR 6445 (Oct. 13, 2020). Specifically, the Department proposed an item on the Form LM-2 Long Form asking, "Does the Organization have a written whistleblower policy?" *Id.* In seeking comment on this, the Department asked whether good governance questions like this should be asked on Form LM-2 Long Form.

As part of this proposal, the Department noted a few challenges with this question that were also raised by comments on the 2020 NPRM from a labor organization and an accounting firm. Specifically, these groups stated that the question was redundant given the ample number of laws that protect whistleblowers from retaliation, as well as the required disclosure of whistleblower policies on the IRS Form 990. Under Federal law, it is illegal for non-profit organizations to retaliate against employees who expose wrongdoing regarding their employer's financial management and accounting practices. *See* 18 U.S.C. 1513(e). These comments also note that many states have passed laws protecting whistleblowers from retaliation, providing a double layer of protection for many labor organization whistleblowers. Both the 2020 NPRM and the comments thereon noted that in Form 990, the IRS asks if the organization has written policies on the handling of whistleblowers. *See* Return of Organization Exempt From Income Tax—Governance, Management, and Disclosure (Form 990, Part VI, Question 13). Though this question does not appear on Form 990-N or Form 990-EZ, Form 990 is required for all tax-exempt organizations with gross receipts greater than or equal to \$200,000. *See* Instructions for Form 990 Return of Organization Exempt From Income Tax—General Instructions. Since all labor organizations with gross receipts above \$40,000,000 are required to file the Form LM-2 Long Form, every labor organization who would answer this question would also have to do so on Form 990.

Several commenters supported requiring unions to disclose whether they maintain written whistleblower policies. One regional industry organization noted that "union employees who belong to a separate union for union staff may be covered by a collective bargaining agreement. However, union management is not covered. A union president can legally fire these individuals for any reason—including reporting misconduct."

Multiple commenters opposed the proposed whistleblower policy disclosure requirement. Two large unions expressed support for whistleblower protections in principle but stated that the Department should avoid duplicating information already disclosed on IRS Form 990 and stated that the proposed requirement should be withdrawn. Additionally, an accounting firm contended that existing federal and state whistleblower protections already prohibit retaliation and that incorporating such a requirement into the Department's reporting framework would constitute government overreach into internal union governance. Taken together, these commenters' objections centered on two primary themes: first, that the proposal is duplicative of reporting already mandated elsewhere, and second, that it would extend the Department's authority into areas traditionally left to unions' internal management.

In view of these comments, the Department has decided not to include a whistleblower policy question as part of Form LM-2 Long Form. While the Department certainly encourages every labor organization with employees to retain a clearly defined whistleblower protection policy, the Department does not see any major benefit to requiring the question on the Form LM-2 Long Form.

The Department also agrees with the comments noting the redundancy of this question and how it does not relate to the statutory authority the Department enforces through OLMS. The laws protecting whistleblowers from retaliation are not within the scope of the LMRDA, and any potential actions taken by a labor organization against an employee for reporting financial malfeasance would not be reviewed by OLMS. Numerous commenters supported the inclusion of a new question of a written whistleblower provision because they believe this policy would serve to protect whistleblowers and increase transparency. However, since there is already established law protecting whistleblowers and this question would not serve to add any additional

protection, it provides no additional legal value to potential whistleblowers.

While the Department encourages all labor organizations to have a whistleblower protection policy, asking for labor organizations to report whether it exists is redundant and can serve to confuse members and employees of a labor organization on whether they are protected if engaging in such activity. While many commenters hoped that an affirmative “yes” to the question of a written-out whistleblower policy would support increased reporting by employees, the Department is concerned that a “no” answer would have the opposite effect. A labor organization that answers “no” to the question of whether they have a written whistleblower policy is not exempt from any federal or state law protecting whistleblowers from retaliation, but an employee of a labor organization may read the “no” as the absence of any protection and may be more unwilling to report financial malfeasance on the part of the labor organization.

A few commenters supportive of this provision also argue that the inclusion of this question would have relatively little burden on Form LM-2 Long Form filers. Even if true, the fact that it has a small burden impact does not mean it is a necessary part of the form. The inclusion of this question may imply that OLMS has some sort of enforcement mechanism. The most that OLMS could investigate is whether an individual knowingly answered falsely the question of “Does the Organization have a written whistleblower policy?”, and this investigation would have nothing to do with actual whistleblower retaliation. See 29 U.S.C. 439(b).

Following public comment, the Department has determined not to include a whistleblower policy disclosure question on Form LM-2 Long Form as the question could create unintended consequences without providing significant benefit.

Additional Identifying Information

The Department received additional comments on two proposals in the 2020 NPRM related to the collection of identifying information.

First, the Department proposed that as part of the new Schedule 4—Sale of Fixed Assets and the new Schedule 6—Purchase of Fixed Assets for both Form LM-2 Long Form and revised Form LM-2, a union would be required to identify automobiles individually by make, model, year, and vehicle identification number (VIN). The Department proposed this to allow union members to know, when considered with other available information, if the sale or

purchase of the vehicle was consistent with fair market value.

The Department received a few comments from policy organizations in support of the inclusion of VINs. However, most of these comments supported the entirety of the new vehicle disclosure requirements for both the Form LM-2 Long Form and revised Form LM-2, arguing that it provides greater transparency to both members and investigators. The Department believes that even without the inclusion of VINs, members can still determine whether the labor organization sold or purchased a vehicle at a fair market value. Investigators who may require a vehicle’s VIN as part of an investigation can receive that information directly. The Department has determined not to require the reporting of VINs on Form LM-2 Long Form and revised Form LM-2.

The Department also received comments from an accounting firm and labor organization which stated that the inclusion of an individual’s name and address as part of an automobile purchase or sale could create privacy concerns. The Department disagrees, as it was already a requirement for labor organizations in prior Form LM-2 Schedules 14–19 to include the name and address of any individual for whom the labor organization made a disbursement or received a receipt subject to itemization requirements. Privacy interests for individuals are a serious concern, but the inclusion of these details is important for labor organization members to see any potential conflict of interest in the sales or purchases of these vehicles at an unfair value.

The Department also invited comments on whether to require the disclosure of the EIN for vendors that received payments of \$5,000 or more on the new Schedules 24–30 of Form LM-2 Long Form. An EIN is a nine-digit number distributed by the IRS to any legal entity and is generally required for any business or organization that hires employees, operates as a partnership or corporation, or administers certain trusts. Several policy organizations supported the proposal. One explained this would prevent obfuscation through “variations or abbreviations of the organization or vendor’s name that change from year-to-year, making it difficult to track such expenditures over time.” A Department investigator quoted in the proposed rule noted that “sham businesses often do not have an EIN.” 85 FR 64733 (Oct. 13, 2020).

The inclusion of EINs for every vendor on Schedule 24–30 of the Form LM-2 Long Form would be overly

burdensome, and as such, the Department has decided not to include it in the final rule. An accounting firm commented on this proposal by noting the large amount of administrative burden this would create on labor organizations. Another accounting firm supported this notion and added that there is concern with the potential mismatch of EINs since there is no guarantee that a business transacting with the labor organization will provide a correct EIN. This comment, along with one from a labor organization, also raised concerns that the Department would require even more information than the IRS, which requires EINs from only select vendors on their relevant forms.

Several commenters in support of including EINs for vendors that meet the \$5,000 transaction threshold emphasized that it would provide transparency to union membership on the transactions made by their labor organization. Several public policy organizations argued that EINs prevented confusion for members trying to track transactions year by year by creating a consistent vendor identifier rather than relying on a potentially changing name and address. Other comments went even further, stating that EINs could help labor organization members by allowing them to find potential conflicts of interest in transactions and discourage labor organizations from conducting them.

A few other organizations in support of requiring disclosures of EINs expressed belief that the use of these identifiers would prevent unions from reporting transactions with sham businesses. The Department is always concerned about potentially fraudulent activity but does not believe the inclusion of EINs for vendors would deter fraudulent activity. As noted in the discussion with field officers, the use of a sham business for a fraudulent transaction is very rare, and the inclusion of EINs for vendors may not stop a labor organization from trying to fraudulently report a transaction, especially given the number of entities that the labor organization may report. The Department concludes that the burden of reporting vendor EINs for potentially thousands of transactions outweighs any potential benefit.

Some comments also focused on extending out the use of EINs for vendors to all labor organizations, dropping the threshold for these transactions, or extending the requirement to all donations or charitable contributions. The Department concludes these ideas fall

outside the parameters of the 2020 NPRM.

A few comments from labor organizations and an accounting firm stated that the inclusion of EINs created privacy concerns. The Department disagrees with this assessment, as EINs are not considered personally identifiable information (PII) and are often public information. Even when businesses do not publish their EIN, there is still little risk involved in its disclosure. EINs are tied to organizations rather than individuals, which generally eliminates the risk of privacy violations. Additionally, EINs are already requested on labor management forms. Annual financial reports filed by unions are already required to include the EIN of any trust in which the labor organization is interested, and Forms LM-10, LM-20, and LM-21 require filers to provide their own EINs as well as the EINs of employers and consultants with which they enter into reportable persuader agreements. The Department requires EINs in those situations because they aid the government and public in ensuring companion reports are filed and to locate related reports, such as Form 5500 reports that labor organization trusts may also file. Those goals do not apply to the Form LM-2 Long Form disbursement schedules, where most vendors, service providers, and other payees would not have companion or related public submission forms. The burden of disclosure would outweigh any marginal benefit obtained from the disclosure. To be clear, the Department does not believe there are any privacy concerns with requiring disclosures of EINs; however, the Department is not requiring EINs for vendors in Schedule 24-30 of the Form LM-2 Long Form because it would be overly burdensome.

iii. Comments Based on Disclosure

The Department also received numerous comments on other 2020 NPRM proposals to change Form LM-2 and create Form LM-2 Long Form. The Department also received a few comments on similar topics as part of the 2025 NPRM. The Department will respond to these comments by topic.

Necessity of Rule—The Department received numerous comments supporting the 2020 NPRM from an array of organizations and individuals with expertise in labor policy, worker rights, and union operations. These commenters endorsed the Department's efforts to modernize union financial reporting requirements, noting that it had been over 15 years since the last substantive update to these forms. They

emphasized that the LMRDA was enacted specifically to address “breach of trust, corruption, disregard of the rights of individual employees, and other failures to observe high standards of responsibility and ethical conduct,” and that enhanced transparency remains essential to achieving these statutory objectives. The Chamber of Commerce, quoting the court in *Alabama Education Ass’n v. Chao*, noted that it is “difficult to argue against the proposition, which is the thrust and congressional purpose behind the LMRDA, that if detailed financial reports will keep leaders honest and help those they lead to choose their leaders, the more the merrier.”²³

Numerous commenters cited high-profile corruption cases demonstrating the continued need for robust financial disclosure requirements. One policy organization provided extensive detail regarding the UAW corruption investigation, in which twelve former UAW officials were convicted in 2020 of embezzling hundreds of thousands of dollars in member dues for personal luxuries, including golf outings, expensive cigars, luxury villas, and cosmetic surgery for relatives. The organization noted that “much of the illegal conduct at issue in the UAW scandal was facilitated by or concealed through false and inadequate financial reporting by union officials.” One commenter noted that between 2015 and 2020, there were 471 indictments resulting in 435 convictions for union corruption. A public interest group focused on labor organizations observed that according to a Wall Street Journal editorial, “in 2016 nearly one in five Department audits of unions led to a criminal case.”

One public policy organization cited enforcement data showing that 86 of the enforcement actions pursued by the Department of Labor in 2020 alone resulted in jail time, home confinement, probation, fines, assessments and restitution payments. One commenter, who was a union member, described discovering financial irregularities in his own union that went unreported despite third-party audits, including questionable travel expenses for union officials and their companions.

Several commenters representing public sector workers noted unique transparency interests. One advocacy organization observed that “the public sector union membership rate is 33.6 percent, which is five times higher than private sector workers” and that public sector unions have grown substantially since the LMRDA's enactment. A state-

based public policy organization noted that in Pennsylvania, approximately 20 lawsuits have been filed against unions over dues deduction issues, including cases where union leaders lied to workers about their rights. Another noted that some large state-level public sector unions act as “bookkeeping” intermediaries for local unions, combining receipts and disbursements in ways that make it “difficult if not impossible for members to understand the relationship between their local union and its parents.”

Many comments demonstrated support for the Department's proposed reforms from organizations representing diverse perspectives, including worker advocacy groups, policy research institutions, business organizations, and individual union members. Commenters consistently stated that enhanced financial transparency serves the core purposes of the LMRDA: empowering union members through access to information, deterring corruption, and promoting democratic accountability within labor organizations.

Many labor organizations, related policy groups, and accounting firms stated that the 2020 NPRM proposed additional burdens, and that no changes were needed for the Department to sufficiently address labor organization reporting. For example, one large international labor organization stated the high level of disclosure required by the Department was greater than filings labor organizations submitted to other federal agencies such as the Securities and Exchange Commission (SEC). Many labor organizations stated the proposed changes to reporting requirements would unnecessarily complicate their administration.

While understanding the concerns of labor organizations, the Department determined that the creation of Form LM-2 Long Form and the changes to Form LM-2 are necessary to protect the overall interests of labor organizations and their members. Labor organization members are better able to monitor their labor organization's financial affairs and to make informed choices about the leadership of their labor organization and its direction when labor organizations provide financial information required by the LMRDA in an easily accessible way. As noted throughout the 2020 NPRM and this final rule, it has been shown through cases, investigations, and the experience of OLMS, that union and management corruption remain a problem plaguing some labor organizations. The creation of the Form LM-2 Long Form, and the changes to the Form LM-2, are vital to update large labor organization annual

²³ See 539 F. Supp. 2d 378, 384 (D.D.C. 2008).

financial reports that have lacked revitalization for over two decades.

Item 10(B)—As part of the 2020 NPRM, the Department proposed the addition of a new Item 10(b) in both the Form LM–2 Long Form and revised Form LM–2, asking whether an officer or employee who was paid \$10,000 or more by the reporting organization also received \$10,000 or more as an officer or employee of another labor organization in gross salaries, allowances, and other direct and indirect disbursements during the reporting period. If the answer is “Yes,” the labor organization would provide in Item 75—Additional Information the name of the officer or employee, the amount paid, the other labor organization which made the payment, and the file number of the other labor organization.

The Department received many supportive comments on this proposal. A public advocacy organization supported the proposal to disclose when officers receive \$10,000 or more from multiple labor organizations, explaining this “would allow members to determine for themselves whether the time and effort of union leadership is split between different organizations.” One state-based public policy organization noted that without this disclosure, members must review multiple Form LM–2 reports to determine total compensation, citing the example of a union official who received \$190,121 from one affiliate but an additional \$18,900 from the international union.

An international labor organization in its comment offered a slight alternative to the disclosure of the amount paid in Item 75 as proposed. Because a labor organization may not have access to the actual amount paid to an officer or employee by another labor organization, the commenter recommended that the Department drop the requirement to list the amount paid to the officer or employee. The labor organization reasoned that this does not require a labor organization to rely on an outside party for financial disclosures, while still allowing an interested member to find the disbursement to the officer or employee on the other labor organization’s annual financial report. The Department agrees with the alternative provided by this commenter and will not require a labor organization to report the amount paid to an officer or employee by another labor organization. Additionally, this approach would more closely align with Item 16 on Form LM–3 and would help ensure that a labor organization does not

report financial information that is not recorded in its books or records.

Item 13—The proposed alteration to the question in Item 13 for Form LM–2 Long Form and revised Form LM–2 to read, “During the reporting period did the labor organization experience and/or discover any loss or shortage of funds or other assets?” brought comments from labor organizations and accounting firms. These commenters stated that answering “No” to this question when the signing officers and the labor organization do in fact have no knowledge of any loss or shortage of funds or other assets could technically be untrue if an unknown loss or shortage did occur. A labor organization stated that this situation could be used against the labor organization.

The purpose of this question is to ensure that all losses or shortages are reportable, even if the labor organization has yet to discover them. This puts labor organizations on inquiry notice to find and report losses and shortages and is closer to other financial certifications which require disclosure upon any knowledge. In response to these concerns, the Department assures all filing labor organizations that officers signing an annual financial report are not liable for answering “No” if they themselves did not have knowledge that any loss or shortage had occurred. This is consistent with the declaration before the signature line that provides in part, “all of the information submitted in this report . . . is to the best of the undersigned’s knowledge and belief, true, correct, and complete.” The only consequence if OLMS determines that the signing officers had no knowledge of a shortage or loss would be that OLMS may pursue an amended report for the reporting period in which a loss or shortage occurred. The Department determined this question is appropriate as it ensures a labor organization’s signing officer must report a loss or shortage if they themselves had knowledge of it.

Schedules 3–6: In the 2020 NPRM, the Department proposed that both the Form LM–2 Long Form and revised Form LM–2 would split the two schedules on the prior Form LM–2 for the purchase and sale of investments and fixed assets into four separate schedules. The Department proposed that the Form LM–2 Long Form and revised Form LM–2 would both include a new Schedule 3—Sale of Investments, new Schedule 4—Sale of Fixed Assets, new Schedule 5—Purchase of Investments, and new Schedule 6—Purchase of Fixed Assets. In addition, the Department proposed that each of these new schedules include two new

columns: one for the name and address of the purchaser/seller, and one for the date of the purchase/sale. Though not specifically defined in the 2020 NPRM, the inclusion of these two columns creates a clear requirement for itemization of the sale and purchase of investments and fixed assets. As a result, the Department slightly alters the Form LM–2 Long Form and Form LM–2, as well as their corresponding instructions, to allow for these Schedules to properly account for and total these transactions.

Many labor organizations and accounting firms were concerned about the length and detail required by the itemization of each of these schedules. Some commenters raised concerns that all transactions under these schedules would require itemization, no matter the size, which would create long tables that members would have difficulty understanding. The Department understands this concern and has an interest in creating schedules easily understood by union members. Thus, the Department institutes a \$5,000 threshold for the new Schedule 3—Sale of Investments, new Schedule 4—Sale of Fixed Assets, new Schedule 5—Purchase of Investments, and new Schedule 6—Purchase of Fixed Assets. For each of these schedules, a labor organization need only report the sale or purchase of an investment or fixed assets with a price of \$5,000 or above, or if the total aggregate of sales or purchases to a single party is \$5,000 or above. The total cost of all other transactions should be reported as part of the “Total from all other” sales or purchases on each Schedule in order to account for all non-itemized transactions. By doing this, the Department closely matches the thresholds for other schedules that require itemization in the Form LM–2 Long Form and revised Form LM–2 and ensures members can find large and potentially questionable transactions without reviewing hundreds of pages of small entries.

For the new Schedule 3—Sale of Investments and new Schedule 5—Purchase of Investments, a few labor organizations raised concerns on their ability to gather information on the purchase and sale of investments. These commenters suggested that the Department create an exception for the purchase and sale of publicly traded assets on a registered market exchange, since these types of transactions are not susceptible to conflicts of interest or nefarious dealing given the regulated nature of the markets. Further, these transactions or trades in the market would likely not have easily accessed

information on buyers and sellers beyond the name of a broker who conducted the transaction.

The Department agrees with the commenters, and notes that the 2020 NPRM proposed an exception for investments sold over a registered exchange. The 2020 NPRM stated that no purchaser identity be required for bona fide market transactions over a registered securities exchange. For this final rule, labor organizations will not be required to itemize the purchase or sale of marketable securities when the end seller or purchaser, (*i.e.*, the party transacting with the labor organization) is not known, such as sales of stock over a registered exchange. Instead, a labor organization need only aggregate the total of all sales or purchases of each type of investment conducted through a financial management firm, and list those with the name and address of that financial management firm and the date range in which those purchases or sales took place. OLMS Form LM–30, which covers the reporting of actual or potential conflicts of interests held by labor organization officers and employees, already provides an exception on disclosure for transactions involving securities on registered public exchanges. By changing this requirement, the Department maintains consistent practice in the types of transactions required for itemization while still ensuring members understand the total amount of investments purchased and sold each reporting period. One commenter suggested going beyond this and requiring only certain types of securities at unadjusted quote prices, but the Department determined the new exception better ensures investment purchases or sales potentially subject to conflict-of-interest concerns are addressed.

These changes, based on the comments received on itemization, also necessitate changes to Schedule 4—Sale of Fixed Assets and Schedule 6—Purchase of Fixed Assets. For transactions of less than \$5,000 to a single source that aggregate to over \$5,000 and do not involve the sale of land, buildings, or vehicles, a labor organization may aggregate the total and provide a range of dates over which those transactions took place. The sale or purchase of land, buildings, or vehicles for a cost under \$5,000, but are part of transactions with a single source that aggregates to over \$5,000, must be itemized individually in order to gather necessary information on the land, building, or vehicle in the description. These changes help provide the clarity many commenters sought for members

to better understand who the labor organization is selling to or purchasing from, while also addressing the concerns of other commenters that found the reporting of all these transactions individually would be overly burdensome.

An international labor organization and an accounting firm also suggested the Department alter its accounting practices to more closely conform with Generally Accepted Accounting Principles (GAAP) and to align better with other filings such as IRS Form 990. These two entities argued that, without this change, labor organizations could not properly report on investments and fixed assets each year. The Department does not operate its annual financial reporting program for labor organizations based strictly upon GAAP. The Department uses a modified cash basis method when drafting, revising, and reviewing LM reporting forms, with a cash basis used for statements of receipts and disbursements and accrual basis used for statements of assets and liabilities, given the varying size of entities, complexity of operations, and the longstanding methods labor organizations use in reporting their annual financial reports. The Department believes that this modified cash method best suits the Department's statutory mandate under 29 U.S.C. 431(b). These OLMS accounting standards do not prevent labor organizations from reporting investments or fixed assets.

A few commenters were also concerned about the proposed requirement to gather information from the third party or custodian of their investments to report each year. Large labor organizations were particularly concerned about developing new methods to gather these transactions and the burden in converting them over to become accessible on the Form LM–2 Long Form and revised Form LM–2. The Department determined that the transparency that itemization provides is worth the development of new accounting requirements between labor organizations and the custodians/third parties through whom its investments and fixed assets are purchased or sold.

The changes to Schedule 6 would provide information that, coupled with publicly available information, can be used to determine that all such purchases were transacted at fair market value and at arm's length, thereby helping to prevent parties from unjustly enriching themselves by selling investments to a labor organization at above-market price. The Department's review of data filed on previous Form LM–2 forms demonstrated that the prior

form did not provide labor organization members, the Department, or the public with a clear understanding of the entities that are receiving, in some cases, hundreds of thousands of dollars of the labor organization members' money. For instance, one labor organization listed on one line of its report disbursements of \$259,173,494, another labor organization reported disbursements of \$94,353,190, and another labor organization reported disbursements of \$90,037,862. These reports provided only a description of the asset or investment, its cost, book value, and cash paid. None of the reports, however, disclosed the identity of the parties that sold these assets to these labor organizations. As a result, the members of these labor organizations are unable to know whether these sums of money were well spent. The changes implemented today will help ensure the disclosure of any potential conflicts of interest between the seller and the labor organization.

The new schedules will total all individually itemized transactions, will provide the sum of the purchases from itemized individual sellers and the sum of all other purchases of investments and fixed assets as well as the total of all purchases. This will allow the public, union members, and the Department to know if purchase of these assets is consistent with fair market value.

Schedules 13–14: The 2020 NPRM proposed three changes in Form LM–2 Long Form to the previously numbered Schedules 11 and 12 in prior Form LM–2, now numbered and titled Schedule 13—All Officers and Disbursements to Officers and Schedule 14—Disbursements to Employees. The first two of these changes also apply to revised Form LM–2, as discussed below. The first of these changes was the elimination of functional reporting of work time for both officers and employees under this schedule, which applies to both Form LM–2 Long Form and revised Form LM–2. Many comments from labor organizations opposed the elimination of this functional time reporting despite the reduced burden it would place on labor organizations. A labor advocacy organization stated this section provides important context and transparency to members on how officers and employees spend their time. One labor organization commented that transparency would be harmed by the proposal, since members would no longer understand how the money spent on officers and employees was split. Three international labor organizations stated that it would shroud the amount

spent on representation for employees by not allocating the disbursements to the proper schedule. These commenters indicated that many organizations invested significant resources to implement time-tracking systems and that members find this information valuable. However, OLMS field investigators consistently reported that time allocations cannot be meaningfully audited or verified, characterizing them as “ballpark guesses” that provide “no valuable insight for case targeting” and “no benefit in criminal investigations or compliance audits.”

After consideration, the Department adopts its proposal to eliminate functional time reporting. The Department determined that time estimates are difficult to ascertain and verify: the estimates cannot be audited easily, if at all, against documentary evidence and therefore fail to serve the LMRDA’s core purpose of ensuring reliable financial accountability. If a labor organization publishes information the Department cannot verify, then a member does not necessarily receive more transparency in how the labor organization operates. However, the Department agrees that members need clear information about how unions spend money on representational and other activities. The final rule addresses this by finalizing the substantial improvements proposed in the 2020 NPRM to verifiable financial disclosure in both Form LM–2 Long Form and revised Form LM–2: (1) new line items (Items 70–71) that for the first time show total officer and employee costs as distinct entries on Statement B, rather than scattering these costs across five functional categories; (2) retained individual compensation schedules (Schedules 13–14) showing what each officer and employee received; (3) expanded itemization of actual expenditures; and (4) more granular functional categories that separate organizing from contract administration and political from lobbying activities. These changes provide members with concrete, auditable evidence of organizational spending priorities rather than unverifiable estimates. When a union spends millions on outside organizers, negotiators, or representatives, members will see these actual expenditures itemized in the appropriate functional schedules—providing more reliable evidence of priorities than time estimates. Members seeking additional details about how specific individuals spend their time may examine union records under Section 201(c) of the LMRDA with a

showing of just cause. For these reasons, the final rule’s elimination of unverifiable time estimates, paired with substantial enhancements to verifiable financial transparency, better serves the LMRDA’s goals of accountability and informed union democracy.

The second change proposed in the 2020 NPRM regarding Schedules 13 and 14 was the elimination of the exception for indirect disbursements for travel related expenses for officers and employees when payment is made by the labor organization directly to the provider or through a credit arrangement. The 2020 NPRM proposal eliminating this exception would require a union to include these transactions as part of the disbursements for a labor organization officer and employee. The 2020 NPRM preamble proposed this change for the Form LM–2 Long Form but inadvertently omitted this change for Form LM–2. Nevertheless, the appendix to the 2020 NPRM included a proposed Form LM–2 which removed this exception. As such, the Department provided adequate notice that the removal of this exception for indirect disbursements for travel-related expenses applied to both the Form LM–2 Long Form and to the revised Form LM–2.

Most labor organizations were generally opposed to the removal of this exception on Form LM–2 Long Form and revised Form LM–2. Two large labor organizations raised potential confusion for members to understand the actual disbursements granted to labor organization officers and employees, rather than reimbursements to these individuals. These organizations, as well as an accounting firm, claimed that the disbursements are almost always accounted for and itemized elsewhere on the form, and this elimination would significantly increase expenses for officers and employees over whom they have no control.

The Department also received numerous comments from policy organizations that almost universally supported requiring disclosure of indirect travel disbursements made directly by unions or through credit cards. One commenter explained that in the UAW scandal, “travel expenses, including airline flights, hotel stays, and resort amenities, were some of the most egregious of the union’s line items.” Another noted that “in the same way that our organization must be accountable to our board for actual spending on travel . . . unions should be expected to report indirect disbursements in a meaningful way.”

One policy organization recommended that unions should also be required to report travel expenses for guests of union officials to prevent loopholes. In addition, a large labor organization and accounting firm which generally disagreed with the new disclosure requirements supported this proposal to help avoid future confusion.

As a result, the Department determined to eliminate the exception for indirect disbursements for travel-related expenses for officers and employees made by credit as part of Form LM–2 Long Form and as part of revised Form LM–2. A member deserves to know the exact travel benefits an officer and employee received given the wide variation in travel costs, as well as the ability to review what may appear as exorbitant costs. The payment for an official’s travel and lodging expenses made by credit card does not reduce the significance of the expense to a member, and the confusing nature of this exception to labor organization filings makes it necessary to remove this exception.

One large labor organization provided a comment requesting that this change also apply to Form LM–3. Otherwise, the commenter claimed this would “create enormous hardship and lead to guaranteed confusion and inconsistency in filing.” The Department agrees with this assessment for the same reasons listed above, as the rationale for removing this exception applies equally to smaller labor organizations. The Department will remove the exception for indirect disbursements for travel-related expenses for officers and employees in the Form LM–2 Long Form and the revised Form LM–2, as well as for Form LM–3 Item 24—All Officers and Disbursements to Officers.

The final change proposed to Schedules 13 and 14 in the 2020 NPRM for Form LM–2 Long Form is the requirement to include disbursements for benefits paid to labor organization officers and employees next to their name. The new column would appear as Column F on both Schedule 13 and Schedule 14, under the title “Benefits.” This change was not directly proposed as part of Schedule 13 and Schedule 14. However, the 2020 NPRM did directly state that Schedule 20—Benefits would no longer contain benefits information for union officers and employees, as that information would now be captured in the two disbursement schedules.

Thus, the Department provided proper notice of this provision in the preamble, as the multiple comments received by the Department on this topic demonstrate.

Several labor organizations and an accounting firm opposed the new requirement to include the benefits disbursed on behalf of labor organization officers and employees. A labor organization and accounting firm asked for clarification on this requirement from the Department, while also arguing that assigning the disbursements for benefits to employees and officers of a labor organization would be complicated without providing additional value or transparency. One large union stated that “identifying costs based on various benefit levels offered (*i.e.*, family vs single health coverage) where rates are negotiated as a comprehensive group plan would be a misleading assignment of indirect disbursement to an employee.” Additionally, some commenters raised privacy concerns related to the potential for identifying officers or employees with medical conditions.

The Department now includes the new Column F for benefits as part of the changes for Schedules 13 and 14 in the Form LM–2 Long Form and its corresponding instructions. The reporting changes adopted by this rule apply only to disbursements on behalf of labor organizations’ officers and employees, and do not apply to any persons who are not required to be listed on Schedules 13 and 14 of the Form LM–2 Long Form. Benefits received by officers and employees for life insurance, health insurance, and pensions make up an important part of the total compensation package offered by a labor organization. As noted in section II(a) *Introduction*, BLS data shows that benefits encapsulate 29.7 percent of a private sector employee’s total compensation package. The aggregated total compensation in the prior Form LM–2 Schedule 20—Benefits does not sufficiently provide this information to members. The transparency created by listing the disbursements for benefits will ensure members and even officers and employees know if benefits were evenly distributed and were fair compensation. The Department has also determined there is little concern regarding the privacy of these healthcare costs, because they are a part of the normal disbursements the labor organization would give to a provider as part of an insurance plan or through other healthcare coverage. Even if the implementation of this requirement may be burdensome, labor organizations can begin tracking and individualizing the exact disbursements made on behalf of each officer and labor organization

during their next reporting period and are free to contact OLMS if any future questions arise.

Schedule 15: The Department received comments on the proposal to require the reporting of retired members in the newly renumbered Schedule 15—Membership Status Information on the Form LM–2 Long Form and revised Form LM–2. A labor organization stated that retired members often do not pay dues or vote, and that labor organizations may not even track these members, while an accounting firm determined this information is already found publicly in the Department’s Employee Benefits Security Administration (EBSA) filings for union pension and annuity plans. However, the Department agrees with the comments that expressed support for requiring unions to separately report retired members. A state-based policy organization and others noted that retired members “do not share the same interests as other members” and typically pay reduced dues, yet some unions inflate membership numbers by including retirees without separate disclosure. A policy center explained that union members “deserve to see how many workers are receiving representation from the union” beyond just dues-paying members. A state policy institute noted this is particularly important in right-to-work states and the public sector post-*Janus*,²⁴ where workers can decline membership while still being represented. The Department agrees with these comments and finds that there is an important purpose for transparency concerning the number of retiree members in the labor organization.

Multiple commenters recommended adding a “represented” line to the newly renumbered Schedule 15—Membership Status. Additionally, one public policy organization recommended distinguishing between public and private sector members, noting that these groups may have fundamentally different interests, particularly regarding tax policy and government regulation. The Department does not incorporate these recommendations. Requiring a “represented” line could confuse the complex requirements unions have with represented workers on voting, dues, and other rights, and that the

membership of a labor organization likely already understands the rules around representation. The commenter’s proposal on distinguishing between public and private sector employees falls outside the scope of the 2020 NPRM.

Split of Receipt and Disbursement Schedules: Labor organizations, accounting firms, and policy organizations stated that splitting the prior Form LM–2 Schedule 15—Representational Activities into a Schedule on Contract Negotiation and Administration and a Schedule on Organizing is not necessary, and that it was not necessary to split the prior Form LM–2 Schedule 16—Political Activities and Lobbying into a Schedule on Political Activities and a Schedule on Lobbying. These new schedules for the Form LM–2 Long Form are Schedule 24—Contract Negotiation and Administration, Schedule 25—Organizing, Schedule 26—Political Activities, and Schedule 27—Lobbying. For the revised Form LM–2, these new schedules are Schedule 17—Contract Negotiation and Administration, Schedule 18—Organizing, Schedule 19—Political Activities, and Schedule 20—Lobbying. The proposed splits applied to both the Form LM–2 Long Form and the revised Form LM–2. Many of the comments stated that the rationale for the Department’s 2003 Final Rule, 68 FR 58374 (Oct. 9, 2003), which had combined organizing activities and contract negotiation and administration into a single category, had not changed, and that the Department had not provided any reasonable rationale for splitting these schedules.

For the split of the prior Schedule 15—Representational Activities into two separate schedules on Contract Negotiation and Organizing, many commenters stated it is difficult to distinguish between the two. Two labor organizations argued that delineating transactions between the two categories is often unclear and will lead to confusing or wrongful filings. Another commenter noted an issue raised by a large trade department in the Department’s 2003 Final Rule that it is not possible to separate out disbursements between organizing and contract negotiations and administration in the construction industry. Specifically, this commenter refers to section 8(f) of the NLRA, wherein a construction industry employer can enter into a pre-hire collective bargaining agreement with a labor organization whose majority status has not previously been established, and which agreement requires membership

²⁴ In *Janus*, the U.S. Supreme Court held that requiring nonconsenting public-sector employees to pay union agency (“fair-share”) fees violates the First Amendment, overruling *Abood v. Detroit Board of Education*, and requiring clear and affirmative consent before any such fees may be deducted. See *Janus v. Am. Fed’n of State, Cnty., & Mun. Emps., Council 31*, 585 U.S. 878 (2018).

in the union as a condition of employment.

Many commenters disagreed with the Department's assertion that these categories be separated because of the different interests each creates. A labor-side public policy organization stated that both activities represent a common goal for labor organizations. One accounting firm stated that organizing benefits currently organized members, as larger organized units would have greater negotiating power. A labor federation and labor organization stated that the long history of the labor movement has shown how closely organizing efforts and collective bargaining work is entwined in advancing the interests of all members of labor organizations.

The Department disagrees with the view that splitting Schedule 15—Representational Activities into two separate schedules is unnecessary or overly difficult. Splitting this schedule will allow members to view those separate expenditures for their specific interest. Contract negotiations are beneficial to those members at an organized worksite. While a larger union may have more influence on the public or at the negotiation table, a member of a labor organization is likely interested in how their labor organization balances the recruiting of new members against advancing current members' interests through collective bargaining.

Strong support was also expressed for splitting this schedule. One public policy organization noted that "members have different interests in organizing events to gain new members versus the actual collective bargaining services provided in their workplace." Another commenter conducted a detailed analysis of six large union locals and found that organizing expenses often included items of questionable representational value, such as advertising, novelties, social events, and consultants. They also noted that one local spent \$2.5 million on office overhead categorized as "representational," while another spent money on items such as "storytelling consultants" and inspirational speakers, all classified under representation.

The Department concludes that separating transactions between contract negotiation and administration along with organizing should not be an overly difficult task for labor organizations. Transactions reportable under contract negotiation and administration are those directly related to preparing and negotiating CBAs and to administering and enforcing those agreements. Transactions reportable under

organizing, by contrast, relate to efforts to become or remain the exclusive bargaining representative for a unit and to recruit new members. These describe different efforts by a labor organization. In the rare circumstances they do not, specifically the one raised for the construction industry, the Department adopts its proposal in the 2020 NPRM that unions list transactions related to negotiating section 8(f) pre-hire agreements as collective bargaining activity since they are agreed upon by unions and employers via the collective bargaining process. As such, expenditures associated with these agreements will be listed under the schedule for contract negotiation and administration.

Similarly, labor organizations and accounting firms opposed the split of Schedule 16—Political Activities and Lobbying, into two separate schedules—one for political activities and one for lobbying—on the Form LM-2 Long Form and revised Form LM-2. These comments stated that the change was unnecessary and stated there is a close relationship between these two activities, which, in the commenters' view, would make separation difficult. Similar to the split of Schedule 15, two labor organizations argued that delineating transactions between the two categories is often unclear and will lead to confusing or wrongful filings. These commenters pointed to the rationale laid out in the Department's 2003 final rule, which combined the two categories of transactions into a single schedule. A labor federation and labor-side public policy organization stated that labor organizations advance their interests and the interests of their members through lobbying and thus, that lobbying and political activities remain categorically similar.

A few commenters stated that specific disclosure on lobbying was unnecessary given existing requirements for labor organizations to file with separate federal agencies on these topics. Numerous labor organizations cited the requirement for labor organizations to file reports on a quarterly basis under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601, *et seq.*). One of these labor organizations also noted the requirement to file reports concerning certain political activity by a labor organization's political action committee (PAC) under Federal Election Commission (FEC) requirements.

The Department, in proposing to divide the prior Form LM-2 Schedule 16 into two distinct schedules, found that political activities differ considerably from lobbying in terms of their purpose and their significance to

union members. The Department maintains this view and finds that splitting this schedule supports greater transparency for union members.

The amount spent on political activities and lobbying is substantial, and for major labor organizations may amount to millions or tens of millions of dollars, with little ability for members to discern between lobbying and other political activity. A member deserves to understand whether the labor organization's funds are used to support better working conditions through lobbying or used in connection with a political contribution with which the member may disagree. Neither members nor the public can make this distinction by reviewing reported disclosures on the prior version of the Form LM-2, making this change necessary.

Comments from other policy organizations supported this conclusion. A state-based policy organization reiterated the 2020 NPRM's reasoning that "political activities differ considerably from lobbying in terms of their purpose and their significance to union members." Another commenter noted that this separation serves constitutional interests recognized in *Janus*, where the Supreme Court held that the government cannot compel workers to fund political speech with which they disagree.

In addition, the fact that some of this information is already captured by other federal agencies does not preclude the Department from requiring it. The LMRDA requires that a labor organization file information "in such detail as may be necessary accurately to disclose its financial condition and operations," 29 U.S.C. 431(b), which should certainly include funds used for lobbying efforts, as well as all other disbursement types. The issue at hand concerns how to disclose on Form LM-2, not whether the disbursement is subject to disclosure. A member should easily be able to access all relevant information, and the fact that the Lobbying Disclosure Act requires a separate filing does not preclude the Department from including this information in an annual report.

One business-side research center recommended that the rule should further distinguish between spending from general treasury funds and spending from separate segregated funds, noting that, while federal law bars direct contributions from union treasuries to candidates, *Citizens United v. FEC* permits unions to use general treasury funds for certain electoral purposes. A state-based policy organization similarly recommended that the rule require unions to note

whether political expenditures are reflected on their IRS Form 990 filings, as it found significant discrepancies between unions' Form LM-2 and Form 990 political spending reports. The Department does not agree that either of these recommendations would increase transparency for members or provide OLMS with any greater ability to pursue a labor organization for wrongful spending. Accordingly, the Department declines to adopt these recommendations.

An international labor organization also noted in its comment that by splitting the schedule into two schedules, a labor organization that had previously itemized transactions with a vendor may no longer have to do so if the transactions are split between two separate categories. This is true of any separate schedules on the Form LM-2 Long Form and revised Form LM-2, but this does not change the Department's conclusion that splitting these schedules increases transparency by allowing members to better understand the category of transaction they are viewing. An itemized transaction is not helpful if a member cannot discern its purpose.

Privacy Concerns: The Department received comments on privacy concerns on both the 2020 NPRM and the 2025 NPRM. In the 2020 NPRM, some commenters raised potential privacy concerns for individuals who conduct investment or fixed asset transactions with the labor organization, or for members of the labor organization named in Schedules 16-23 of the Form LM-2 Long Form, particularly on Schedule 16—Dues and Agency Fees. The Department's proposal to require itemization for the sale and purchase of investments and fixed assets for both the Form LM-2 Long Form and revised Form LM-2, as well as the itemization of Schedules 16-23 on the Form LM-2 Long Form, would require that individuals provide their name and address for the labor organization to record the transaction. Commenters expressed concern that this disclosure was inappropriate for non-vendor individuals, and that in the case of the purchase of fixed assets or investments an individual may be less likely to deal with the labor organization due to privacy concerns. Two labor organizations expressed specific concern with Schedule 16—Dues and Agency Fees, stating that a labor organization with a member who pays over \$5,000 in dues in a year would be required to publicly list the member's name and address on the Form LM-2 Long Form.

While one of the labor organizations recommends that these additional itemizations be eliminated, the Department instead is providing an exception for cases involving privacy concerns. On the prior version of Form LM-2, OLMS allowed a labor organization to omit the full street address of individuals with whom the union itemized transactions on Schedule 14-19. The Department extends this exception to Schedules 16-23 on the Form LM-2 Long Form and to the new Schedules 3-6 on both the Form LM-2 Long Form and revised Form LM-2, under which a labor organization need only provide the city and state of the individual in an itemized transaction. This will prevent the disclosure of PII, while still allowing members to see potential conflicts of interest and allowing investigators to identify potential financial misconduct. The Department will still require the itemization of members who pay more than \$5,000 in dues annually directly to the labor organization. This will not affect most labor organizations given the level of dues required to meet the itemization threshold, but in the rare circumstances in which it applies, the membership and the dues-paying member have an interest in seeing the transaction reported and that the details of that transaction match exactly, which would require the disclosure of the member's name, city, and state. This ensures honesty by the reporting officers and the labor organization and helps avoid fraudulent conduct such as the conduct described in the 2020 NPRM involving a union treasurer converting union dues checks worth \$18,720 to personal use. 85 FR 64726, 64774 (Oct. 13, 2020).

Further, requiring this limited disclosure on the labor organization report, rather than relying on the Department's subpoena authority to obtain it after the fact, is essential to the LMRDA's statutory design of union self-governance through an informed membership and to the Department's corresponding enforcement responsibilities. Publicly available itemization of members paying more than \$5,000 in dues annually enables members to identify potential conflicts of interest and to surface irregularities that might otherwise never come to the Department's attention. Reliance on post hoc subpoenas presupposes that the Department already knows where to look for potential conflicts or embezzlement, but the itemized disclosures often provide the initial basis for suspicion that would justify a subpoena in the first place. Subpoena

authority is therefore a complement to, not a substitute for, public disclosure.

In response to the 2025 NPRM, one labor organization asserted that publicly disclosing vendor names on Form LM-2 schedules can expose union vendors or employees to identity theft and phishing attacks. To address this, the labor organization suggests redacting individual names or increasing itemization thresholds. No other commenter raised substantial cybersecurity concerns.

The Department recognizes the increasing prevalence of cybercrime. However, the LMRDA and implementing regulations require that Form LM-2 filers disclose disbursements by the labor organization, including the purposes thereof, and sensitive PII such as Social Security numbers or bank account numbers are not required to be reported. Thus, the disclosure itself does not present any cybersecurity issues. Further, OLMS also has established a secure electronic filing system that prevents hacking, and the reporting requirements include confidentiality exemptions. The Department will continue to evaluate whether any additional protections are appropriate but declines to remove payee names at this time because doing so would severely limit the utility of the reports without any demonstrated cybersecurity issues. The Department encourages unions to implement cybersecurity best practices.

Itemization Threshold: The Department received numerous comments on both the 2020 NPRM and the 2025 NPRM regarding the \$5,000 itemization threshold. The prior Form LM-2 mandates a union provide additional details of certain receipts and disbursements when they reach a threshold of \$5,000 or more. First, any single receipt or disbursement of \$5,000 or greater must be itemized. Second, if a union pays or receives money from a single individual or entity multiple times during the reporting period, and the aggregate total of those transactions reaches or exceeds \$5,000, that individual or entity's activity must also be itemized. For every such itemized entity, the union is required to disclose the full name and business address of the payer or payee, along with their business type or job classification. The union must then provide a brief statement of the purpose, the date, and the amount for each individual transaction. If an entity meets the aggregate threshold but none of their individual transactions were \$5,000, those smaller transactions are simply summed up and reported as a total figure for that itemized entity.

In response to the 2020 NPRM, commenters recommended lowering the \$5,000 itemization threshold for receipts and disbursement schedules to \$1,000 or \$500. These commenters noted that modern accounting software makes detailed tracking feasible without significant effort. A public policy organization observed that “given the explosion of technological advancements since 2003, a lower threshold reporting requirement could yield even more helpful information without significant additional administrative burden.” Other comments from labor organizations proposed the opposite and recommended that the Department raise itemization thresholds and even tie them to inflation going forward.

In response to the 2025 NPRM, several large labor organizations proposed increasing the \$5,000 itemization threshold for Form LM–2 schedules, with one union recommending \$10,000 and indexing thereafter. These commenters asserted that the \$5,000 figure, established in 2003, has lost much of its real value. A large union further argued that higher itemization thresholds would reduce the exposure of personal information that could be exploited by cybercriminals. A labor organization advocacy group supported adjusting itemization thresholds proportionally to the increase in the filing threshold.

The Department acknowledges that the itemization threshold has remained unchanged since 2003 and appreciates the commenters’ concerns about administrative burden and cybersecurity. However, the itemization requirement serves a core transparency function by allowing members, OLMS investigators, and the public to examine significant transactions made by labor organizations. Raising the itemization threshold from \$5,000 to \$10,000 would eliminate the disclosure of many payments to vendors, consultants, and attorneys, which may be material to union members. Further, eliminating disclosure of these payments would hinder members’ ability to assess the propriety of expenditures. Because this rulemaking already increases the filing threshold, further limiting disclosure could unduly diminish transparency.

Further, the Department concludes, the analogy to filing thresholds offered by the commenters is inapt. A change in threshold is accompanied by a substantial increase in a union’s time and expense. A change in threshold—a union’s moving, for example, from the Form LM–4 which requires no reporting of unions officers and cursory financial and other informational items, to the

Form LM–3 requires a significant change to the union’s recordkeeping practices. This shift is even more considerable when a union moves from the Form LM–3 to the revised Form LM–2 or Form LM–2 Long Form, which requires, for example, detailed schedules that do not exist on the Form LM–3. As compared to this potentially heavy annual burden determined by the filing thresholds, itemization of receipts and disbursements is a continuous, transaction-level recordkeeping burden. No changes need to be made to the recordkeeping systems as inflation rises. OLMS investigators report that unions large enough to file Form LM–2 already have sophisticated accounting systems to track payee/purpose/amount for \$5,000 transactions. While inflation presumably requires their existing systems to record and report more transactions, the additional burden is minimal. The Department therefore declines to raise the itemization threshold at this time.

New Itemization Requirements: The Department also received comments regarding the new itemization requirements for Schedules 3–6 on both the Form LM–2 Long Form and revised Form LM–2, as well as the new Schedules 16–22 on the Form LM–2 Long Form. A labor organization and an accounting firm comment also raised concerns that itemization of certain transactions would lead to a competitive disadvantage for labor organizations. A large labor organization referenced this disadvantage for the purchase and sale of fixed assets in Schedules 4 and Schedule 6, while an accounting firm raised this issue for the new Schedule 20—Rents. These organizations were concerned that any future business, vendor, or individual that deals with the labor organization would have access to pricing data, which would become an issue if the labor organization attempted to sell a car or rent an apartment for an increased amount. The Department considered these comments and determined that itemization for these categories is vital to ensure that conflicts of interest can be identified and that the members of a labor organization have transparency into their union’s dealings. These benefits outweigh the unsubstantiated issues raised by commenters. The prior Form LM–2’s method of allowing the purchase and sale of investments and fixed assets, as well as receipts covered by the new Schedules 16–22, to be aggregated makes it extremely difficult for a member to see potential problems, and requiring a labor organization to itemize transactions over \$5,000 or

multiple transactions with the same vendor in total of over \$5,000 will promote accountability and transparency.

Other Disclosure Comments: A public policy organization recommended replacing the minimum/maximum dues table from the prior version of Form LM–2 with “a simple box where a labor organization must spell out how dues are calculated.” The organization noted that “presumably every labor organization has a clear formula for calculating dues” yet “the existing minimum/maximum table tells a prospective member nothing about how their dues will be determined.” Several public policy organizations recommended that state and national headquarters report average total dues for their affiliates (including local, state, and national portions) to help members understand their complete financial obligation.

While supporting the proposal to report the date of the union’s current constitution and bylaws, a commenter recommended requiring unions to “clearly highlight all changes made to the actual language” in filed copies to prevent members from having to compare documents “line-by-line.”

A public policy organization recommended that large unions should list all subordinate entities under trusteeship and provide a rationale for the trusteeship. In the commenter’s view, “when a trusteeship is imposed, members are effectively stripped of democratic control until the election of new local officials takes place.”

Other commenters supported requiring disclosure of when constitutions and bylaws were last amended to help members ensure they have current versions. Multiple commenters recommended requiring disclosure of how members can resign, including any restriction windows, to ensure workers can exercise their rights. Several commenters recommended that membership statistics be reported on a fiscal year basis for consistency and ease of comparison.

The Department declines to adopt these recommendations concerning disclosure of dues calculation methods, tracked constitution and bylaws changes, resignation procedures, and fiscal-year alignment of membership statistics. These proposals, while potentially of interest to some members, were not part of the proposed rule, and the Department has decided not to include them in the final rulemaking at this time. The Department may consider these suggestions in future rulemaking.

iv. Comments Opposing Based on General Burden

A number of commenters opposed the creation of a Form LM-2 Long Form on the grounds that it would impose administrative, financial, and operational burdens on reporting labor organizations, particularly large national and international unions. Several labor organizations and federations asserted that the prior Form LM-2 is already lengthy and complex, often extending to hundreds of pages, and that the proposed Form LM-2 Long Form would increase both the length of filings and the costs of compliance without providing commensurate benefits to union members.

After careful consideration of these comments, the Department has determined that the concerns raised do not outweigh the Department's, members', and the public's interest in promoting enhanced transparency, accountability, and effective enforcement of the LMRDA.

The Department recognizes that compliance with any version of Form LM-2 or Form LM-2 Long Form involves time and resources. However, Congress expressly authorized the Department under Sections 201 and 208 of the LMRDA to require reporting "in such detail as may be necessary accurately to disclose [a labor organization's] financial condition and operations." 29 U.S.C. 431(b); *see also* 29 U.S.C. 438 (authorizing the Secretary to prescribe form and publication of required LM reporting). The Department concludes that the additional disclosure required by Form LM-2 Long Form is necessary to fulfill that statutory mandate, particularly for the largest labor organizations with substantial annual receipts and complex financial structures.

The Department recognizes that per capita tax itemization will add substantial length to the filings of large international unions but finds this information essential for verifying proper remittance, detecting potential diversion, and providing transparency. International unions should already maintain detailed records of per capita tax receipts for internal management purposes. In response to comments about increased burden, the Department has increased the itemization threshold from \$5,000 to \$7,500 to reduce burden for Schedule 1 and Schedule 10 on the Form LM-2 Long Form. The Department also increases the itemization threshold from \$5,000 to \$7,500 for Schedule 1 and Schedule 10 on the Form LM-2, as it was a part of the proposed form on the 2020 NPRM. Though this increase was

not mentioned in the 2020 NPRM preamble, the Department considers its inclusion on the instructions for the proposed Form LM-2 instructions on the 2020 NPRM as giving proper notice to commenters and that it is finalized here. Though an international labor organization proposed increasing the threshold even further, to \$20,000 for revised Form LM-2 filers and \$50,000 for Form LM-2 Long Form filers, the Department determined that doing so would permit labor organizations to avoid itemizing transactions that could interest members.

Multiple commenters raised concerns about the proposal to split functional reporting categories, noting that it would increase burdens while potentially reducing transparency by creating separate itemization thresholds for each new category. One labor organization stated that this would require thousands of additional project codes in accounting systems.

The Department notes that the Form LM-2 Long Form applies only to labor organizations with annual receipts of \$40,000,000 or more—which are the largest and most financially complex organizations with the greatest resources to devote to compliance. The Department has carefully calibrated the reporting requirements to apply the most extensive obligations to those organizations with the appropriate resources to meet them. These organizations typically employ professional financial staff, utilize sophisticated accounting systems, and have the institutional capacity to implement necessary system modifications.

With respect to claims that the prior Form LM-2 was already lengthy and difficult for members to understand, the Department disagrees that length alone renders the information unusable or unnecessary. On the contrary, the Department finds that greater itemization and clearer categorization of receipts and disbursements will improve the ability of members, the Department, and the public to understand how union funds are received, managed, and spent. The Department determined that the benefit of enhanced union transparency outweighs any obstacles this additional filing may pose. Finally, the Department rejects the argument that increased reporting will divert resources away from representational activities. The Department finds that ensuring accountability in the handling of union funds is itself a fundamental representational interest. Members are entitled to understand how their dues and other funds are used, particularly in

large labor organizations where financial activity is extensive and complex. The LMRDA reflects Congress's determination that financial reporting and disclosure are sufficiently important to justify the compliance costs involved. Moreover, the resources devoted to Form LM-2 Long Form and revised Form LM-2 compliance should be viewed in proportion to organizations' overall budgets. For an organization with \$50 million in annual receipts, even hundreds of hours and tens of thousands of dollars in compliance costs represent a small fraction of total resources and thus constitute a reasonable investment in transparency and accountability.

For these reasons, the Department concludes that the benefits of the rule justify the associated compliance costs and that the burden objections do not warrant withdrawal or substantial narrowing of the rule. The Department has carefully considered specific burden concerns and made appropriate modifications in the final rule as described above to address the most significant concerns while preserving core transparency and accountability objectives.

The Department recognizes that the Form LM-2 Long Form will require additional effort and expense from the largest reporting labor organizations. However, the Department finds that these burdens are justified by the transparency, accountability, and member protection benefits the enhanced reporting will provide. The Department concludes that the labor organizations subject to the Form LM-2 Long Form have the institutional capacity to comply with the reporting requirements. The Department remains committed to working with labor organizations during the implementation period to facilitate compliance and address specific questions or concerns that may arise.

v. Other Comments

A number of commenters opposed various aspects of the 2020 NPRM on grounds other than administrative burden or concerns about specific disclosure requirements.

Several commenters objected to the process by which the rule was developed. A large labor federation and international labor organization criticized the Department for a perceived failure to engage meaningfully with regulated unions or their members before proposing the rule. They stated that the Department relied primarily on a limited internal canvas of OLMS field staff conducted in July and September 2019. The

commenters stated that this cursory canvas was insufficient to support the extensive changes proposed and that the Department should have solicited input from the regulated community and union members before developing the proposal.

The labor federation further noted that the Department stated it did not “view itself as restricted to these comments when deciding how to revise the LM forms,” suggesting that staff feedback was selectively applied. The commenters characterized this approach as incompatible with the requirements of the Administrative Procedure Act and contrary to principles of sound rulemaking.

The Department considered these comments and determined that the process by which the rule was developed is sound, appropriate, compatible with the Administrative Procedure Act, and consistent with its mandate under the LMRDA. The criticisms regarding the development process, including the reliance on the OLMS staff canvas and the asserted lack of external engagement, do not accurately reflect the comprehensive approach taken by the Department. The revisions proposed were not solely based on a single canvas, but also on the Department’s extensive experience and observations gained since the 2003 revisions to Form LM–2, including decades of reviewing LM reports, conducting audits, and investigating financial misconduct. The internal survey of OLMS field staff, conducted in July and September 2019, was simply a component of this broader review. These investigators provided crucial feedback, for example, that itemization provides transparency and aids investigations, while the functional reporting of officer and employee time offered little enforcement value. Their recommendations led to proposals such as identifying unions under trusteeship, disclosing payments from other labor organizations, and clarifying Item 13 of Form LM–2, which asked if, during the reporting period, the labor organization found any loss or shortage of funds or other assets. Several commenters specifically commended the Department for canvassing its field investigators, with one stating, “[w]e commend the Department for the time it took to solicit feedback from the field investigators charged with rooting out union corruption on behalf of union workers across the country.”

The Department’s statement that it did not consider itself “restricted to these comments” meant that while it valued and incorporated staff feedback, it also considered a broader spectrum of

factors and its overall experience in administering the LMRDA. The Department also afforded unions, union members, and the public a 60-day comment period to provide feedback on the proposals in its 2020 NPRM as well as a 30-day comment period to provide feedback on thresholds in the 2025 NPRM and has carefully considered those comments along with its own experience and expertise. This comprehensive perspective is essential to fulfilling the LMRDA’s purpose of ensuring financial integrity and transparency. The Department concludes that these rules are necessary to empower union members, prevent malfeasance, and ensure accountability, especially considering significant criminal misconduct OLMS continues to uncover.

Furthermore, the Department has considered commenters’ objections to its burden analysis and concludes that the need for enhanced transparency, accountability, and effective enforcement of the LMRDA outweighs the stated administrative burden concerns. Having considered all of these factors, the Department determined that its burden estimates are accurate. They are informed by its extensive experience and understanding that modern accounting software and electronic filing tools significantly reduce the burden of producing itemized reports for large organizations. This approach ensures that the rule, as adopted, appropriately balances transparency, confidentiality, and administrative burden after considering a variety of comments and perspectives on the original proposals. The Department therefore rejects claims that the rulemaking process warrants the rule’s withdrawal or substantial alteration.

One accounting firm stated that the Department should engage with industry representatives in revising the LM form instructions to ensure clarity and remove ambiguity. The firm noted that many labor organizations struggle with the then-current instructions and that a collaborative approach involving outreach to preparers, auditors, and filers would improve compliance and consistency.

A CPA submitted comments characterizing Form LM–2 reporting methodology as “archaic” and not reflective of generally accepted accounting principles. The CPA stated that “the accounting system is set up to account for cash. It does not reflect any reasonable method of double entry bookkeeping” and questioned “how many colleges and universities offer classes on teaching this method of accounting.” The CPA suggested that

the Department should consider a complete overhaul of Form LM–2 to bring it into alignment with modern accounting standards.

An accounting firm raised similar concerns about Form LM–2 accounting methodology, particularly the requirement to report investments at the lower of cost or market value rather than fair value. The firm noted that “[t]his method, called the lower of cost or market, was changed by the accounting community decades ago because it does not fairly present the fair value of investments” and that “the existing reporting rule no longer represents the way any organization in the United States reports their investments except those that keep their books on a cash basis.” The accounting firm stated that this creates confusion and inconsistencies between Form LM–2 Statement A and many labor organizations’ audited financial statements.

The firm recommended that if the Department wants to improve transparency regarding investment performance, it should “change the reporting of investments to represent fair value at the end of the reporting period. Only this information will allow members or anyone else to reach any reasonable conclusion about the performance of investments.”

Several commenters stated that the proposed changes would not achieve the Department’s stated goals. The same accounting firm stated that many of the proposed changes “are far away from th[e] ‘common sense’ philosophy” demonstrated by Department staff in prior interactions and that “some of the proposal provisions” did not reflect practical considerations about how unions operate.

Regarding accounting practices, the Department does not seek to require labor organizations to adopt a specific form of accounting. As explained in the 2003 final rule, the Department believes that its modified cash requirements best satisfy the LMRDA’s statutory requirements. 68 FR 58382; *see also* 29 U.S.C. 431(b). Additionally, a complete overhaul to a full GAAP-based reporting system is beyond the scope of the current rulemaking; the revisions adopted today represent a significant and necessary advancement in financial transparency and accountability for labor organizations within the existing statutory framework. The changes in this final rule are designed to address many of the concerns that commenters associate with the prior reporting framework, even if they do not constitute a full conversion to GAAP.

An international labor organization stated that corrupt actors would simply misrepresent their activities in more detail under the new requirements, stating, “The fact of the matter is that corrupt actors will simply misrepresent their activities in more detail, while the vast majority of honest, hard-working unions will be forced to expend significant additional resources and money to meet these new requirements.” The Department has considered this and implements revisions to the annual financial reports, including the introduction of the Form LM–2 Long Form, to enhance transparency and accountability, making it more difficult for corrupt actors to misrepresent their activities, not easier. A fundamental purpose of the LMRDA has always been to deter and ferret out corruption and misuse of funds entrusted to unions.

Multiple commenters on the 2020 NPRM advocated for requiring worker centers to file financial disclosure forms with the Department of Labor, arguing that these organizations often function as de facto labor organizations while avoiding transparency requirements. Commenters noted that worker centers are frequently funded by labor unions and engage in organizing activities, workplace advocacy, and political campaigns similar to traditional unions. They expressed concern that the lack of reporting requirements allows unions to channel funds through worker centers to obscure spending from union members and the public. These recommendations fall outside the scope of this rulemaking.

e. Finalized Form LM–2 Long Form

After careful consideration of the comments received in response to the 2020 NPRM, and consistent with the Department’s obligation under the LMRDA to promote transparency and prevent the circumvention or evasion of reporting requirements,²⁵ the Department adopts a new LM form, the Form LM–2 Long Form, that applies to the largest labor organizations. This form will be applicable to labor organizations with annual receipts of \$40,000,000 or more. The form tracks the prior version of Form LM–2 with the revisions set forth in this rule. The Department finalizes the principal structural enhancements proposed in

the 2020 NPRM except where specifically modified or withdrawn.

When practicable, the changes to the form are set out in this section in the order in which they would appear on the new form. When no change to an item from the prior version of Form LM–2 was made, that fact is also noted. New material added by this final rule is discussed in the order it appears on the Form LM–2 Long Form.

Item 1—File Number. The Department makes no change to this item as compared to the prior version of Form LM–2.

Item 2—Period Covered. The Department makes no change to this item.

Item 3—Amended, Hardship Exempted, Terminal, or Trusteeship Report. The Department adds “(d) TRUSTEESHIP” with a checkbox to Item 3. Marking the checkbox indicates that the report is being filed by a labor organization for a subordinate labor organization that it has placed in trusteeship. The Form LM–2 Long Form should only be used for a subordinate labor organization in trusteeship if that subordinate is a labor organization with \$40,000,000 or more in annual receipts. Annual reports for other unions in trusteeship should be reported on the revised Form LM–2.

Item 4—Affiliation or Organization Name. The Department makes no change to this item.

Item 5—Designation. The Department makes no change to this item.

Item 6—Designation Number. The Department makes no change to this item.

Item 7—Unit Name. The Department makes no change to this item.

Item 8—Mailing Address. The Department makes no change to this item.

Item 9—Records Kept. The Department makes no change to this item.

Item 10(a)—Trust or Other Fund. The Department makes no substantive change to prior Item 10 but renumbers it as Item 10(a).

Item 10(b)—Other Labor Organization Payments to Officers and Employees. The Department also adds a new Item 10(b) concerning payments from more than one union. To improve clarity, the Department lists Item 10(b) under the heading “Other Labor Organization Payments to Officers and Employees” in the accompanying form instructions. Item 10(b) asks whether, during the reporting period, an officer or employee of the labor organization who was paid \$10,000 or more by the reporting organization also received \$10,000 or more in gross salaries, allowances, and

other direct and indirect disbursements as an officer or employee of another labor organization. If the answer is “Yes,” the labor organization must provide additional information in Item 75—Additional Information. This additional information item requires the union to list the name of the officer, labor organization that made the payment, and file number of the labor organization.

Item 11—Political Action Committee (PAC) Funds, Subsidiary Organizations, and Strike Funds. The Department makes no changes to Items 11(a) (Political Action Committee funds) and 11(b) (Subsidiary organization) from the prior version of Form LM–2.

In the 2020 NPRM, the Department proposed a new Item 11(c), in which the union would be required to disclose if it has a separate strike fund. If the answer was “Yes,” the union must report, in Item 75—Additional Information, the amount of funds in the strike fund as of the close of the reporting period. After careful consideration of the public comments, the Department withdraws this proposal. While the Department continues to believe that strike fund disclosure could provide useful information to union members, commenters raised concerns that the Department finds persuasive.

Item 12—Audit or Review of Books and Records. The Department makes no change to this item.

Item 13—Loss or Shortages. The Department revises Item 13 to clarify that reporting is required if the filer is aware the labor organization has experienced a shortage of funds. Item 13 previously asked, “During the reporting period did the labor organization discover any loss or shortage of funds or other assets?” Yet, the person filling out the report may not report anything if he caused the loss through embezzlement, on the argument that he always knew of the loss. As revised, Item 13 states, “During the reporting period did the labor organization experience and/or discover any loss or shortage of funds or other assets?”

Previously, reporting was required only when the shortage was discovered. An individual responsible for filing the form may be responsible for, and therefore know of, an undiscovered embezzlement. The change in wording from “discover” to “experience and/or discover” clarifies that all shortages are reportable, even if the labor union itself has not discovered the loss, and that the union is on inquiry notice to take reasonable steps to uncover losses or shortages.

²⁵ See 29 U.S.C. 438 (“The Secretary shall have authority to issue, amend, and rescind rules and regulations prescribing the form and publication of reports required to be filed under this title and such other reasonable rules and regulations . . . as [she] may find necessary to prevent the circumvention or evasion of such reporting requirements.”).

Item 14—Fidelity Bond. The Department makes no change to this item.

Item 15—Acquisition or Disposition of Assets. The Department makes no change to this item.

Item 16—Pledged or Encumbered Assets. The Department makes no change to this item.

Item 17—Contingent Liabilities. The Department makes no change to this item.

Item 18(a)—Changes in Constitution and Bylaws. The Department makes no substantive change to this item. This item was renumbered from the prior version of Form LM-2, Item 18—Changes in Constitution and Bylaws.

Item 18(b)—Date of Current Constitution and Bylaws. This item is the newly created Item 18(b). This item requires labor organizations to provide the dates of their current constitution and bylaws. This information will aid the Department when conducting investigations of union officer elections and when supervising rerun elections of union officers to ensure that the most current and correct provisions are applied. It will also aid union members in their efforts to follow the most current and accurate union procedures.

Item 19—Next Regular Election. The Department makes no change to this item.

Item 20—Number of Members. The Department makes no change to this item. This item is supported by renumbered Schedule 15—Membership Status.

Item 21—Dues and Fees. The Department makes no change to this item.

Statement A—Assets and Liabilities

This statement contains two sections, “Assets” and “Liabilities.” Items are listed under each heading that describe categories of assets or liabilities that must be reported. There are no changes to the items listed under “Assets” and “Liabilities.” The Department revises two of the supporting schedules that support these items: Schedule 1—Accounts Receivable Aging Schedule and Schedule 8—Accounts Payable Aging Schedule. Specifically, the Department raises the \$5,000 reporting threshold to a \$7,500 threshold. This threshold reflects that inflation has occurred since 2003, when the \$5,000 threshold was promulgated. Further, with fewer transactions to itemize, the reporting burden is reduced.²⁶

²⁶ The Department’s threshold increase to \$7,500 will apply only to Schedule 1—Accounts Receivable Aging Schedule and Schedule 8 (renumbered as Schedule 10)—Accounts Payable

Item 22—Cash. The Department makes no change to this item.

Item 23—Accounts Receivable. The Department makes no change to this item. Item 23 remains supported by Schedule 1. On its supporting schedule (Schedule 1—Accounts Receivable Aging Schedule), the Department raises the \$5,000 reporting threshold to a \$7,500 threshold.

Item 24—Loans Receivable. The Department makes no change to this item. Item 24 remains supported by Schedule 2.

Item 25—U.S. Treasury Securities. The Department makes no change to this item.

Item 26—Investments. The Department makes no change to this item. This item is supported by renumbered Schedule 7—Investments, also without substantive change.

Item 27—Fixed Assets. The Department makes no change to this item. This item is supported by renumbered Schedule 8—Fixed Assets, also without substantive change.

Item 28—Other Assets. The Department makes no change to this item. This item is supported by renumbered Schedule 9—Other Assets, also without substantive change.

Item 29—Total Assets. The Department makes no change to this item.

Item 30—Accounts Payable. The Department makes no change to this item. This item is supported by renumbered Schedule 10—Accounts Payable Aging Schedule. The Department raises the \$5,000 reporting threshold for that schedule to a \$7,500 threshold. Accounts payable of less than \$7,500 need not be reported.

Item 31—Loans Payable. The Department makes no change to this item. This item is supported by renumbered Schedule 11—Loans Payable, also without substantive change.

Item 32—Mortgages Payable. The Department makes no change to this item.

Item 33—Other Liabilities. The Department makes no change to this item. This item is supported by the renumbered Schedule 12—Other Liabilities, also without substantive change.

Item 34—Total Liabilities. The Department makes no change to this item.

Item 35—Net Assets. The Department makes no change to this item.

Aging Schedule. The other schedule thresholds will remain at \$5,000.

Statement B—Receipts and Disbursements

This statement contains two sections, “Cash Receipts” and “Cash Disbursements.” Under each heading are items listed that describe categories of receipts or disbursements that must be reported. There is one change to the line items listed under “Cash Receipts.” Specifically, Item 43—Sale of Investments and Fixed Assets is now divided into two items, Item 43—Sale of Investments and Item 44—Sale of Fixed Assets. Subsequent items in the “Cash Receipts” section are renumbered sequentially.

The following are changes to the line items listed under “Cash Disbursements.” First, Item 50—Representational Activities on the prior version of Form LM-2 is divided into two items and renumbered as Item 51—Contract Negotiation and Administration, and Item 52—Organizing. Second, prior Item 51—Political Activities and Lobbying is divided into two items and renumbered as Item 53—Political Activities and Item 54—Lobbying. Third, the addition of these new items required Items 52 through 59 to be renumbered Items 55 through 62. Fourth, Item 60—Purchases of Investments and Fixed Assets is now divided into two items and renumbered as Item 63—Purchase of Investments and Item 64—Purchase of Fixed Assets. Fifth, the addition of these new items required Items 61 through 65 to be renumbered Items 65 through 69. Finally, the Department added new Item 70—Officers and new Item 71—Employees.

In addition to these new and renumbered line items, the Department creates new schedules to correspond to certain items listed under “Cash Receipts” that had no schedules in the prior version of Form LM-2. The Department also creates new schedules to correspond to items listed under “Cash Disbursements.”

Cash Receipts

Item 36—Dues and Agency Fees. The Department makes no change to this item. This item is supported by a new Schedule 16, discussed below.

Item 37—Per Capita Tax. The Department makes no change to this item. This item is supported by a new Schedule 17, discussed below.

Item 38—Fees, Fines, Assessments, Work Permits. The Department makes no change to this item. This item is supported by a new Schedule 18, discussed below.

Item 39—Sale of Supplies. The Department makes no change to this

item. This item is supported by a new Schedule 19, discussed below.

Item 40—Interest. The Department makes no change to this item.

Item 41—Dividends. The Department makes no change to this item.

Item 42—Rents. The Department makes no change to this item. This item is supported by a new Schedule 20, as discussed below.

Item 43—Sale of Investments. The Department divides the previous Item 43—Sale of Investments and Fixed Assets into two separate items: Item 43—Sale of Investments and Item 44—Sale of Fixed Assets. Item 43 is supported by a new Schedule 3—Sale of Investments, as discussed below.

Item 44—Sale of Fixed Assets. This new item is the remaining portion of prior Item 43—Sale of Investments and Fixed Assets. Item 44 is supported by a new Schedule 4—Sale of Fixed Assets, as discussed below.

Item 45—Loans Obtained. The Department makes no substantive change to this item. This item is renumbered from prior Item 44—Loans Obtained. It is supported by prior Schedule 9, which has been renumbered Schedule 11—Loans Payable, to which the Department made no substantive change.

Item 46—Repayments of Loans Made. The Department makes no substantive change to this item. This item is renumbered from prior Item 45—Repayments of Loans Made. The item remains supported by Schedule 2.

Item 47—On Behalf of Affiliates for Transmittal to Them. The Department makes no substantive change to this item. This item is renumbered from prior Item 46—On Behalf of Affiliates for Transmittal to Them. It is supported by a new Schedule 21—On Behalf of Affiliates for Transmittal to Them, as discussed below.

Item 48—From Members for Disbursement on Their Behalf. The Department makes no substantive change to this item. This item is renumbered from prior Item 47—From Members for Disbursement on Their Behalf. It is supported by a new Schedule 22—From Members for Disbursement on Their Behalf.

Item 49—Other Receipts. The Department makes no substantive change to this item. This item is renumbered from prior Item 48—Other Receipts. It is supported by Schedule 23—Other Receipts, which is the renumbered Schedule 14 from the prior version of Form LM-2.

Item 50—Total Receipts. The Department makes no substantive change to this item. This item is

renumbered from prior Item 49—Total Receipts.

Cash Disbursements

Item 51—Contract Negotiation and Administration. This item is the renumbered portion of the prior Item 50—Representational Activities, which is divided into two items. It is supported by a new Schedule 24—Contract Negotiation and Administration, discussed below.

Item 52—Organizing. This item is the remaining renumbered portion of prior Item 50—Representational Activities. It is supported by a new Schedule 25—Organizing, discussed below.

Item 53—Political Activities. This item is the renumbered portion of prior Item 51—Political Activities and Lobbying, which is divided into two items. Prior Schedule 16—Political Activities and Lobbying is split into two new schedules numbered Schedule 26—Political Activities and Schedule 27—Lobbying. Item 53 is supported by new Schedule 26—Political Activities, discussed below.

Item 54—Lobbying. This item is the remaining renumbered portion of prior Item 51—Political Activities and Lobbying. It is now supported by the new Schedule 27—Lobbying, discussed below.

Item 55—Contributions, Gifts, and Grants. The Department makes no substantive change to this item. This item is the renumbered prior Item 52—Contributions, Gifts, and Grants. This item is supported by a renumbered Schedule 28—Contributions, Gifts, and Grants, also without substantive change.

Item 56—General Overhead. The Department makes no substantive change to this item. This item is the renumbered prior Item 53—General Overhead. This item is supported by a renumbered Schedule 29—General Overhead, also without substantive change.

Item 57—Union Administration. The Department makes no substantive change to this item. This item is the renumbered prior Item 54—Union Administration. It is now supported by a renumbered Schedule 30—Union Administration, also without substantive change.

Item 58—Benefits. The Department makes no substantive change to this item. This item is the renumbered prior Item 55—Benefits. The item is now supported by a renumbered and revised Schedule 31—Benefits, also without substantive change.

Item 59—Per Capita Tax. The Department makes no substantive change to this item. This item is the

renumbered prior Item 56—Per Capita Tax.

Item 60—Strike Benefits. The Department makes no substantive change to this item. This item is the renumbered prior Item 57—Strike Benefits.

Item 61—Fees, Fines, Assessments, etc. The Department makes no substantive change to this item. This item is the renumbered prior Item 58—Fees, Fines, Assessments, etc.

Item 62—Supplies for Resale. The Department makes no substantive change to this item. This item is the renumbered prior Item 59—Supplies for Resale.

Item 63—Purchase of Investments. This item is a renumbered portion of prior Item 60—Purchase of Investments and Fixed Assets, which is divided into two items. Previously, under Item 60, a labor organization was required to report details of the purchases by the labor organization of U.S. Treasury securities, marketable securities, and other investments. Item 63 is now supported by new Schedule 5—Purchase of Investments, discussed below.

Item 64—Purchase of Fixed Assets. This item is the remaining renumbered portion of prior Item 60—Purchase of Investments and Fixed Assets. Previously, under Item 60, a labor organization was required to report details of the purchases of fixed assets, including fixed assets that were expensed. Item 64 is now supported by new Schedule 6—Purchase of Fixed Assets, discussed below.

Item 65—Loans Made. The Department makes no substantive change to this item. This item is the renumbered prior Item 61—Loans Made. It remains supported by Schedule 2—Loans Receivable.

Item 66—Repayment of Loans Obtained. The Department makes no substantive change to this item. This item is the renumbered prior Item 62—Repayment of Loans Obtained. This item was previously supported by Schedule 9—Loans Payable and is now supported by renumbered Schedule 11—Loans Payable, also without substantive change.

Item 67—To Affiliates of Funds Collected on Their Behalf. The Department makes no substantive change to this item. This item is the renumbered prior Item 63—To Affiliates of Funds Collected on Their Behalf.

Item 68—On Behalf of Individual Members. The Department makes no substantive change to this item. This item is the renumbered prior Item 64—On Behalf of Individual Members.

Item 69—Direct Taxes. The Department makes no substantive change to this item. This item is the renumbered prior Item 65—Direct Taxes.

Item 70—Officers. This is a new item. This item reports the total disbursed to officers. It is supported by the renumbered Schedule 13—All Officers and Disbursement to Officers.

Item 71—Employees. This is a new item. This item reports the total disbursed to employees. It is supported by the renumbered Schedule 14—Disbursements to Employees.

Item 72—Subtotal. The Department makes no substantive change to this item. This item is the renumbered prior Item 66—Subtotal.

Item 73—Withholding Taxes and Payroll Deductions. The Department makes no substantive change to this item. This item is the renumbered prior Item 67—Withholding Taxes and Payroll Deductions.

Item 73a—Total Withheld. The Department makes no substantive change to this item. This item is the renumbered prior Item 67a—Total Withheld.

Item 73b—Less Total Disbursed. The Department makes no substantive change to this item. This item is the renumbered prior Item 67b—Less Total Disbursed.

Item 73c—Total Withheld But Not Disbursed. The Department makes no substantive change to this item. This item is the renumbered prior Item 67c—Total Withheld But Not Disbursed.

Item 74—Total Disbursements. The Department makes no substantive change to this item. This item is the renumbered prior Item 68—Total Disbursements.

Item 75—Additional Information. The Department makes no substantive change to this item. This item is the renumbered prior Item 69—Additional Information.

Item 76—Signed. The Department makes no substantive change to this item, which requires the signature of the union president or equivalent officer. This item is the renumbered prior Item 70—Signed.

Item 77—Signed. The Department makes no substantive change to this item, which requires the signature of the union treasurer or equivalent officer. This item is the renumbered prior Item 71—Signed.

Schedule 1—Accounts Receivable Aging Schedule. The Department makes one substantive change to this schedule as compared to the prior version. Under the previous version of Schedule 1, a labor organization had to report: (1) all accounts with an entity or individual

that aggregated to a value of \$5,000 or more and that were 90 days or more past due at the end of the reporting period or were liquidated, reduced, or written off during the reporting period; and (2) the total aggregated value of all other accounts receivable. The Department is reducing the burden by raising the threshold to \$7,500. Accounts below this threshold need not be individually reported.

Schedule 2—Loans Receivable. The Department makes no substantive change to this schedule.

Schedules 3–6: Sale and Purchase of Investments and Fixed Assets. The final rule establishes an itemization minimum of \$5,000 for transactions reported on Schedules 3, 4, 5 and 6. Labor organizations are required to report sales or purchases of \$5,000 or more, or transactions with a single source which aggregates to \$5,000 or more. These schedules now separate the reporting of investments from fixed assets and require itemization of individual sales and purchases meeting the threshold. Separating investments from fixed assets enables electronic reconciliation of beginning-of-year balances, purchases, sales, and end-of-year balances, improving data quality and transparency. The \$5,000 threshold balances the need for transparency with reasonable reporting burdens.

To address concerns about reporting voluminous transactions, this final rule exempts individual itemization of bona fide market transactions conducted through recognized national securities exchanges from detailed itemization requirements when the purchaser or seller is unknown. These transactions may be reported in the aggregate under the name and address of the labor organization's financial management firm, as fair value and arm's-length nature are assured through the public exchange mechanism. Many large labor organizations maintain actively managed investment portfolios with thousands of transactions annually in publicly traded securities. By definition, transactions on registered public exchanges occur at fair market value and at arm's length, addressing the Department's primary concern about detecting improper transactions. This exemption reduces reporting burden while focusing disclosure on transactions where conflicts of interest or below-market pricing are more likely such as those conducted outside public markets.

When reporting automobile and other asset transactions, filers must provide the name of the purchaser or seller, but personal home addresses are not required for individual (non-business)

parties. This follows the reporting practice for the prior version of Form LM–2 for reporting payments to individuals and protects personal privacy while maintaining transparency. The Department recognizes privacy and security concerns associated with publishing personal residential addresses on publicly accessible forms. The name of the individual, combined with business address when applicable, provides sufficient transparency to identify potential conflicts of interest while protecting individuals from identity theft and related privacy crimes.

Schedule 3—Sale of Investments. This is a new schedule that supports new Item 43—Sale of Investments. The previous Form LM–2 included Schedule 3—Sale of Investments and Fixed Assets on which a labor organization would report details of the sale or redemption of U.S. Treasury securities, marketable securities, other investments, and fixed assets, including those fixed assets that were expensed. The total amount received from sales of assets and investments was entered in prior Item 43—Sale of Investments and Fixed Assets.

Under this rule, the prior Item 43 is split, and the Department establishes two renamed items, Item 43—Sale of Investments and Item 44—Sale of Fixed Assets.

The previous Schedule 3—Sale of Investments and Fixed Assets did not allow the user to easily distinguish between investments and fixed assets and did not allow the Department to electronically compare beginning-of-year investments, add purchases, and subtract sales, to determine end-of-year investments. The schedule did not include adequate information to determine whether a particular sale of an investment or asset was at fair market value and at arm's length.

To address this lack of transparency, the Department divides this schedule into new Schedule 3—Sale of Investments and new Schedule 4—Sale of Fixed Assets.

In the new Schedule 3—Sale of Investments, the Department adds two new columns. The first new column, entitled "Name and Address of Purchaser or Financial Management Firm (A)," discloses the purchasers of investments from the labor organization. A second new column "Date (C)" discloses the date of the sale. The column titled "Description (if land or buildings, give location)" is changed to "Description" and designated with a different letter. The other columns (Cost; Book Value; Gross Sales Price; and Amount Received) remain the same

but are designated with different letters, to accommodate the two new columns. The columns thus read: "Name and Address of Purchaser or Financial Management Firm (A); Description (B); Date of Sale (C); Cost (D); Book Value (E); Gross Sales Price (F); and Amount Received (G)." These additions enable members to determine, in conjunction with other publicly available information, that a sale was transacted at fair market value and at arm's length, thereby helping to prevent interested parties from unjustly enriching themselves by purchasing labor organization investments at below-market price.

The book value of an asset is the value at which the investment or fixed asset is shown on the labor organization's books. The value of certain investments such as stocks can vary greatly within the fiscal year. Because the date of sale was not listed on the prior version of Form LM-2, the Department and others could not determine whether the labor organization received fair market value on the sale transaction. The stock on the day of the sale may have been worth more than its book value. In this scenario, it was impossible to determine whether the stocks were sold by the labor organization at market value. The labor organization's disclosures on the prior Form LM-2 showed this transaction as a profit for the labor organization, but the transaction could have in fact been less favorable to the labor organization if the investment was sold at a price below market value. The changes incorporated into the new Schedule 3 also help ensure disclosure of any potential conflicts of interest between the purchaser and the labor organization. The new Schedule 3 totals all individually itemized transactions and provides the sum of the sales by itemized individual purchasers and the sum of all non-itemized sales of investments, as well as the total of all sales.

Schedule 4—Sale of Fixed Assets. This is the new Schedule 4—Sale of Fixed Assets. As in the case for new Schedule 3, the Department adds two new columns to Schedule 4—Sale of Fixed Assets. The first new column entitled "Name and Address of Purchaser (A)" discloses the purchasers of fixed assets from the labor organization. A second new column "Date (C)" discloses the date of the sale. The other columns (Description (if land or buildings, give location); Cost; Book Value; Gross Sales Price; and Amount Received) remain the same but are designated with different letters, to accommodate the two new columns. The columns thus read "Name and

Address of Purchaser (A); Description (if land or buildings, give location) (B); Date of Sale (C); Cost (D); Book Value (E); Gross Sales Price (F); and Amount Received (G)." These additions provide members with information necessary to determine that a sale was transacted at fair market value and at arm's length, thereby helping to prevent interested parties from unjustly enriching themselves by purchasing labor organization assets at below-market price. The new Schedule 4 totals all individually itemized transactions and provides the sum of the sales by itemized individual purchasers and the sum of all non-itemized sales of fixed assets, as well as the total of all sales.

Schedule 5—Purchase of Investments. This new schedule is a renumbered portion of prior Schedule 4—Purchase of Investments and Fixed Assets. Under this prior schedule, a labor organization had to report details of the purchases by the labor organization of U.S. Treasury securities, marketable securities, other investments, and fixed assets, including those fixed assets that were expensed.

The previous Schedule 4—Purchase of Investments and Fixed Assets did not allow the user to easily distinguish between investments and assets and did not allow the Department to determine end-of-year investments by electronically comparing beginning-of-year investments, adding purchases and subtracting sales. The schedule did not provide labor organization members with adequate information to enable them to determine whether a particular purchase of an investment or asset was transacted at fair market value and at arm's length. As with sales of investments and fixed assets, the Department divides prior Schedule 4 into two new schedules: Schedule 5—Purchase of Investments and Schedule 6—Purchase of Fixed Assets.

In the new Schedule 5—Purchase of Investments, the Department adds two new columns. The first new column entitled "Name and Address of Seller or Financial Management Firm (A)" discloses the identity of the seller of investments to the labor organization. A second new column discloses the date of the purchase. The column titled: (Description (if land or buildings, give location) is changed to "Description." The remaining columns (Cost; Book Value; and Cash Paid) remain the same as compared to the prior version but are designated with different letters, to accommodate the two new columns. The columns thus read "Name and Address of Seller or Financial Management Firm (A); Description (B);

Date of Purchase²⁷ (C); Cost (D); Book Value (E); Cash Paid (F)." The new Schedule 5 totals all individually itemized transactions and provides the sum of the purchases by itemized individual sellers and the sum of all non-itemized purchases of investments, as well as the total of all purchases.

Schedule 6—Purchase of Fixed Assets. This schedule is the remaining renumbered portion of prior Schedule 4—Purchase of Investments and Fixed Assets.

In the new Schedule 6—Purchase of Fixed Assets, the Department adds two new columns. The first new column entitled "Name and Address of Seller (A)" discloses the identity of the seller of assets to the labor organization. A second new column discloses the date of the purchase. The other columns (Description (if land or buildings, give location); Cost; Book Value; and Cash Paid) remain the same as compared to the prior version but will be designated with different letters, to accommodate the two new columns. The columns thus read "Name and Address of Seller (A); Description (if land or buildings, give location) (B); Date of Purchase (C); Cost (D); Book Value (E); Cash Paid (F)." The new Schedule 6 totals all individually itemized transactions and provides the sum of the purchases by itemized individual sellers and the sum of all non-itemized purchases of fixed assets, as well as the total of all purchases.

Schedule 7—Investments. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 5—Investments.

Schedule 8—Fixed Assets. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 6—Fixed Assets.

Schedule 9—Other Assets. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 7—Other Assets.

Schedule 10—Accounts Payable Aging Schedule. This schedule is the renumbered prior Schedule 8—Accounts Payable Aging Schedule. Under that prior version of this schedule, the labor organization had to report: (1) individual accounts that were valued at \$5,000 or more and that were 90 days or more past due or were liquidated, reduced, or written off during the reporting period; and (2) the

²⁷ While the 2020 NPRM labeled this new column "Date (C)" on Schedule 5 of the Form LM-2 Long Form prototype, this final rule labels it "Date of Purchase (C)" for consistency with Schedule 5 on the revised Form LM-2.

total aggregated value of all other accounts. The Department reduces the burden by raising the threshold to \$7,500. Accounts below this threshold need not be individually reported. This change decreases the burden on the filing labor organization.

Schedule 11—Loans Payable. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 9—Loans Payable.

Schedule 12—Other Liabilities. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 10—Other Liabilities.

Schedule 13—All Officers and Disbursements to Officers. This schedule is the renumbered prior Schedule 11—All Officers and Disbursements to Officers. Previously under this schedule, the labor organization had to list all the labor organization's officers and report all salaries and other direct and indirect disbursements to officers during the reporting period. The filer also reported the percentage of time spent by each officer in five functional categories provided, e.g., "representational activities," "union administration," etc.

The Department makes three revisions to this schedule. First, the Department eliminates functional reporting of union officer time. This increases the readability of the form and reduces the burden on the regulated community. The prior version of Form LM-2 required unions to report total disbursements in five functional categories and then itemize that disbursement if they reached a \$5,000 threshold. Unions estimated the time spent by each union officer and employee on different duties, based on the categories of activities represented by the prior Form LM-2 schedules and reported as a percentage of work time, totaling 100 percent. For example, a union officer may have reported that 60 percent of her time went to "Representational Activities," 30 percent went to "Union Administration," and 10 percent went to "Political Activities and Lobbying." With the Department's elimination of functional reporting, Schedule 13—All Officers and Disbursements to Officers does not include the functional disbursement categories that were Line (I) on prior Schedule 11. The \$5,000 threshold is unchanged.

By removing officer functional reporting, total disbursements to officers will not show on Statement B. To address this, the Department adds a new item in which this sum is reported. Item 70—Officers reports on one line the

total disbursed to officers. The software automatically enters the total from Schedule 13—All Officers and Disbursements to Officers into Item 70. Previously the total from this schedule was divided among the functional disbursements categories in proportion to the percentage of time reported to have been spent on those categories.

Second, the Department eliminates the reporting exception for indirect disbursements for travel-related expenses when payment is made by the labor organization directly to the provider or through a credit arrangement. For example, when a union, through its credit arrangements, is billed directly and pays the airline bills of an officer, the union previously did not have to include this amount as part of the disbursements made to the particular officer. See Form LM-2 Instructions revised 01/2022, at p.18.

On the prior version of Form LM-2, a labor organization did not need to report certain types of disbursement in prior Schedule 11—All Officers and Disbursements to Officers. Specifically, a labor organization did not need to report "[i]ndirect disbursements for temporary lodging (room rent charges only) or transportation by public carrier necessary for conducting official business while the officer is in travel status away from his or her home and principal place of employment with the labor organization if payment is made by the labor organization directly to the provider or through a credit arrangement." Form LM-2 Instructions revised 01/2022, at p.18. Eliminating this exception provides a more accurate picture of total disbursements received by labor organization officers and employees.

A "direct disbursement" to an officer is a payment made by the labor organization to the officer in the form of cash, property, goods, services, or other things of value. An "indirect disbursement" to an officer is a payment made by the labor organization to another party for cash, property, goods, services, or other things of value received by or on behalf of the officer. Such payments included those made through a credit arrangement under which charges were made to the account of the labor organization and were paid by the labor organization.

Third, the Department creates a new column for disbursements for benefits paid to labor organization officers. Columns "(A)" through "(E)" are unchanged from the prior version of the Form LM-2. Column "(F)" will be redesignated "Benefits." This is the only new column on the schedule requiring disclosure of additional information.

Column "(G)" is redesignated "Disbursements for Official Business." Column "(H)" is redesignated "Other Disbursements not reported in (D) through (G)." The new Column "(I)" is for "Total."

Schedule 14—Disbursements to Employees. This schedule is the renumbered prior Schedule 12—Disbursements to Employees. Previously under this schedule, a labor organization reported all direct and indirect disbursements to employees of the labor organization during the reporting period. The union also reported the percentage of time spent by each employee in provided functional categories. Disbursements to individuals other than officers who receive lost time payments were also included even if the labor organization did not otherwise consider them to be employees or did not make any other direct or indirect disbursements to them.

The substantive changes to this schedule are identical to two of the changes made in the renumbered Schedule 13—All Officers and Disbursements to Officers (prior Schedule 11), and the supporting reasons for the changes are the same as described above.

The Department makes three revisions to Schedule 14—Disbursements to Employees. First, the Department eliminates union employee functional time reporting. This increases the readability of the form and reduces the burden on the regulated community. As was the case with removing functional reporting for officers, removing functional reporting for employees results in total disbursements to employees not shown in Statement B. To address this, the Department adds a new Item 71—Employees, which reports on one line the total disbursed to employees. The software automatically enters into this item the total from Schedule 14—Disbursements to Employees. Second, the Department eliminates a reporting exception for indirect disbursements for temporary lodging or public transportation necessary for conducting official business while the employee is in travel status when payment is made by the labor organization directly to the provider or through a credit arrangement. See Form LM-2 Instructions revised 01/2022, at p.18. Eliminating this exception provides a more accurate picture of total compensation received by labor organization employees. Third, the Department adds a column for disbursements to employees for "Benefits," as described in the previous discussion of Schedule 13.

The Department has also updated the instructions to reflect these changes, and to provide guidance to labor organizations on the types of disbursements required to be filed in Schedules 13 and 14. The reporting changes adopted by this rule only apply to disbursements on behalf of labor organizations officers and employees, and do not apply to any persons not listed on Schedule 13 and 14. Those disbursements should be reported in Schedule 31—Benefits.

Schedule 15—Membership Status. Schedule 15 is the renumbered prior Schedule 13—Membership Status. Like the prior schedule, Schedule 15 requires unions to report in Column (A) the categories of membership tracked by the reporting labor organization. The union is permitted to define each category of membership in Item 75—Additional Information, which is the renumbered Item 69 on the prior Form LM-2. The union must also include a description of the members covered by the category and indicate whether the members pay full dues. In Column (B), the labor organization is required to enter the number of members for each of the membership categories listed in Column (A).

While the format of Schedule 15—Membership Status has not changed from the prior membership status schedule, the Department now requires labor organization to include “retired members” as a membership category in Column (A). This mandate will be included in the revised instructions for completing Schedule 15. Retired members do not necessarily share the same interests nor have the same voting rights as working members.

This revision provides greater transparency to members about the composition of their labor organization and will also assist the Department when supervising union officer elections.

Detailed Summary Page—Schedules 16–23: The detailed summary page from the prior version of Form LM-2 contained information from prior Schedule 14 through prior Schedule 19. The summary page provided members with a snapshot of the labor organization’s activities. Members could then use this snapshot to determine whether further analysis of the individual itemized schedules was required.

Form LM-2 Long Form contains two detailed summary pages. Both reflect the order and the contents of the new and revised schedules they summarize. The first detailed summary page reflects receipts and consists of summaries of eight schedules: Schedule 16—Dues and

Agency Fees (Item 36); Schedule 17—Per Capita Tax (Item 37); Schedule 18—Fees, Fines, Assessments, Work Permits (Item 38); Schedule 19—Sale of Supplies (Item 39); Schedule 20—Rents (Item 42); Schedule 21—On Behalf of Affiliates for Transmittal to Them (Item 47); Schedule 22—From Members for Disbursement on Their Behalf (Item 48); and Schedule 23—Other Receipts (Item 49).

The reporting requirements reflected in the new Schedules 16 through 22 are discussed more fully below. There is no burden associated with the summary page because the EFS software automatically enters the totals in the appropriate lines of the summary schedules as the labor organization fills out the individual itemization schedules.

Schedule 23—Other Receipts. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 14—Other Receipts.

Detailed Summary Page—Schedules 24 through 30. This is the second of two detailed summary pages and reflects disbursements. As noted earlier, the summary pages provide members with a snapshot of the labor organization’s activities. Members may use these snapshots to determine whether further analysis of the individual itemized schedules is required. The second detailed summary page consists of Schedule 24—Contract Administration and Negotiation (Item 51); Schedule 25—Organizing (Item 52); Schedule 26—Political Activities (Item 53); Schedule 27—Lobbying (Item 54); Schedule 28—Contributions, Gifts, and Grants (Item 55); Schedule 29—General Overhead (Item 56); and Schedule 30—Union Administration (Item 57).

Schedule 24—Contract Negotiation and Administration. As discussed above, this schedule is a renumbered portion of prior Schedule 15—Representational Activities, which is divided into two schedules. Under the prior Schedule 15—Representational Activities, a labor organization reported its direct and indirect disbursements to all entities and individuals during the reporting period associated with preparation for, and participation in, the negotiation of collective bargaining agreements and the administration and enforcement of the agreements made by the labor organization. The union also reported disbursements associated with efforts to become the exclusive bargaining representative for any unit of employees, or to keep from losing a unit in a decertification election or to another labor organization, or to recruit new members. Transactions reportable

under new Schedule 24—Contract Negotiation and Administration are those directly related to preparing and negotiating CBAs and to administering and enforcing those agreements.

For the purposes of reporting disbursements on the Form LM-2 Long Form, the Department decided that labor unions must consider the negotiation of pre-hire agreements under section 8(f) of the National Labor Relations Act as collective bargaining activity and should report expenses related to that activity on Schedule 24—Contract Negotiation and Administration.

Schedule 25—Organizing. This schedule is the remaining renumbered portion of prior Schedule 15—Representational Activities.

Transactions reportable under Schedule 25—Organizing are related to efforts to become or remain the exclusive bargaining representative for a unit and to recruit new members.

Schedule 26—Political Activities. This schedule is a renumbered portion of prior Schedule 16—Political Activities and Lobbying. As discussed above, the Department divided the previous Schedule 16 into two schedules.

Under the previous Schedule 16—Political Activities and Lobbying, the labor organization had to report its direct and indirect disbursements to all entities and individuals during the reporting period associated with political disbursements or monetary contributions. A political disbursement or contribution is one that is intended to influence the selection, nomination, election, or appointment of anyone to a federal, state, or local executive, legislative, or judicial public office, or office in a political organization, or the election of presidential or vice presidential electors, and support for or opposition to ballot referenda. It does not matter whether the attempt succeeds. The labor organization must include disbursements for communications with members (or agency fee paying nonmembers) and their families for registration, get-out-the-vote, and voter education campaigns; the expenses of establishing, administering, and soliciting contributions to union segregated political funds (or PACs); disbursements to political organizations as defined by the IRS in 26 U.S.C. 527(e)(1); and other political disbursements.

Labor organizations must now report the non-lobbying portion of these activities on newly renumbered Schedule 26—Political Activities.

Schedule 27—Lobbying. This schedule is a renumbered portion of prior Schedule 16—Political Activities

and Lobbying. Under this schedule, labor organizations must report direct and indirect disbursements to all entities and individuals during the reporting period associated with the executive and legislative branches of the federal, state, and local governments, and with independent agencies and staffs to advance the passage or defeat of existing or potential laws or the promulgation or any other action with respect to rules or regulations (including litigation expenses). It does not matter whether the lobbying attempt succeeds.

Schedule 28—Contributions, Gifts, and Grants. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 17—Contributions, Gifts, and Grants.

Schedule 29—General Overhead. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 18—General Overhead.

Schedule 30—Union Administration. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 19—Union Administration.

Schedule 31—Benefits. This schedule is the renumbered prior Schedule 20—Benefits. The schedule no longer contains benefits information for union officers and union employees, as this information will now appear next to their names, as discussed above, in renumbered Schedule 13—All Officers and Disbursements to Officers and renumbered Schedule 14—Disbursements to Employees.

New Schedules. The Department adds new schedules that coincide with the items of cash receipts listed on Statement B—Receipts and Disbursements. These schedules represent new requirements that labor organizations itemize the individual categories of receipts aggregated to \$5,000 from any one source. The labor organization must now complete a separate itemization schedule for each individual or entity from which the labor organization has received \$5,000 or more. Each transaction from that individual or entity is accompanied by information about the individual, the purpose of the payment, the date of the payment, and the amount of the payment. The total amount received from the individual or entity, both itemized and non-itemized, must be included at the bottom of the itemized schedule. The totals from each itemized schedule are then added together and that number is entered in the appropriate item on Statement B.

The additional schedules and the corresponding item category of receipts they support are:

Schedule 16—Dues and Agency Fees (supporting Item 36);

Schedule 17—Per Capita Tax (supporting Item 37);

Schedule 18—Fees, Fines, Assessments, and Work Permits (supporting Item 38);

Schedule 19—Sale of Supplies (supporting Item 39);

Schedule 20—Rents (supporting Item 42);

Schedule 21—Receipts on Behalf of Affiliates for Transmittal to Them (supporting Item 47); and

Schedule 22—Receipts from Members for Disbursement on Their Behalf (supporting Item 48).

These schedules provide additional information, by these receipt categories, of aggregated receipts of \$5,000 or more. This change is consistent with the information provided on disbursements.

Previously, Form LM-2 filers reported on Statement B only the total amount received from dues and agency fees; per capita taxes; fees, fines, assessments, work permits; sale of supplies; interest; dividends; rents; receipts on behalf of affiliates for transmittal to them; and receipts from members for disbursement on their behalf. In some instances, these line items exceeded \$30 million. For example, one labor organization stated that it received over \$298 million in per capita taxes and another received over \$33 million in rent. Little useful information can be discerned from these totals alone. The new Form LM-2 Long Form requires itemization of certain of these categories from the largest unions.

By providing itemization of receipts, labor organizations will better disclose to the Department, their members and the public a full accounting of all funds received and the identity of individuals and entities with whom the labor organization does business. The Department can use this information to determine the purpose of any receipt from one source in an amount of \$5,000 or more. Knowing the purpose of a receipt helps identify possible diversion. Labor organization members may ensure that money they paid to the organization for disbursements on their behalf is accounted for on the Form LM-2 Long Form. If there is no itemized receipt in new Schedule 22—From Members for Disbursement on their Behalf for payments of \$5,000 or more or the receipt is less than expected, then the member will know that the money was not properly reported and may pursue other avenues to determine what has happened to the funds.

Under the previous Form LM-2, receipts listed under the above-listed categories on Statement B were not itemized on a separate schedule for aggregate amounts that meet or exceed the threshold. The only itemized receipts were “Other Receipts.” “Other Receipts” that met or exceeded the threshold were itemized on the prior Schedule 14. Schedules 16 through 22 now include the same information that was previously required on prior Schedule 14 for “Other Receipts.”

Schedule 32—Foreign Transactions. With the final rule, the Department has established Schedule 32—Foreign Transactions on the Form LM-2 Long Form. This new schedule requires labor unions to report transactions with any foreign entity or individual.

Under this rule, a labor organization will report any individual transaction, whether receipt or disbursement of \$5,000 or more, and total receipts and/or total disbursements from a single entity or individual that aggregate to \$5,000 or more during the reporting period, that are derived from a foreign entity or individual. While these transactions will also be recorded in the receipts and disbursement functional categories of Schedules 3 through 6 and Schedules 16 through 30, Schedule 32 provides a consolidated location for union members to determine the extent to which the union is conducting transactions with foreign entities or individuals.

f. Finalized Revisions to Form LM-2

To increase transparency, the Department revises Form LM-2, which is now applicable to labor organizations with annual receipts of \$350,000 to \$39,999,999 based on the 2020 NPRM and 2025 NPRM. Many of the changes and rationale mirror those of the Form LM-2 Long Form, described above. For brevity, the Department refers to those changes and rationales, and adopts them by reference, rather than repeating them verbatim. The revised Form LM-2 includes the same Items 1–77 that are on the new Form LM-2 Long Form. In revising Form LM-2, the Department adds “(d) TRUSTEESHIP” with a checkbox to Item 3. The checkbox would indicate that the report is being filed by a labor organization for a subordinate labor organization that it has placed in trusteeship. With regard to Item 10—Trust or Other Fund, the Department redesignates Item 10 as Item 10(a).

The Department also adds a new Item 10(b), concerning payments from more than one union. *Item 10(b) will be listed under the heading “Other Labor Organization Payments to Officers and*

Employees” in the accompanying form instructions. Item 10(b) asks whether, during the reporting period, an officer or employee who was paid \$10,000 or more by the reporting organization also received \$10,000 or more as an officer or employee of another labor organization in gross salary, allowances, and other direct and indirect disbursements during the reporting period. If the answer is “Yes,” the labor organization will provide additional information in Item 75—Additional Information. This additional information will require the union to list the name of the officer, entity that made the payment, and file number of the entity.

The Department revises Item 13 (Losses or Shortages) to clarify that reporting is required if the filer is aware the labor organization has experienced and/or discovered a shortage of funds. Item 13 previously asked, “During the reporting period did the labor organization discover any loss or shortage of funds or other assets?” As revised, Item 13 states, “During the reporting period did the labor organization experience and/or discover any loss or shortage of funds or other assets?”

Regarding Item 18 (Changes in Constitution and Bylaws), the Department redesignates the previous Item 18 as Item 18(a). The Department creates a new Item 18(b). This item requires labor organizations to provide the dates of their constitution and bylaws.

Statement A—Assets and Liabilities

Items 22 through 35 listed under Statement A—Assets and Liabilities are the same and have the same supporting schedules as those items in Form LM–2 Long Form. Two of the schedules (Schedule 1—Accounts Receivable Aging Schedule and Schedule 8—Accounts Payable Aging Schedule) that support these items are revised. Specifically, the Department raises the \$5,000 reporting threshold to a \$7,500 threshold. This threshold reflects that inflation has occurred since 2003, when the \$5,000 threshold was promulgated. Further, with fewer transactions to itemize, the reporting burden is reduced.²⁸

Item 23—Accounts Receivable. The Department makes no change to this item. Item 23 remains supported by Schedule 1. On its supporting schedule (Schedule 1—Accounts Receivable Aging Schedule), the Department raises the \$5,000 reporting threshold to a

\$7,500 threshold. Accounts Receivable of less than \$7,500 need not be reported.

Item 30—Accounts Payable. The Department makes no change to this item. This item is supported by renumbered Schedule 10—Accounts Payable Aging Schedule. The Department raises the \$5,000 reporting threshold for that schedule to a \$7,500 threshold. Accounts payable of less than \$7,500 need not be reported.

Statement B—Receipts and Disbursements

Regarding Items 36 through 50 listed under “Cash Receipts,” the Department did not create additional schedules for those items that currently do not have schedules. This avoids imposing the burden of itemizing cash receipts on smaller unions, which have fewer resources to invest in tracking and reporting financial information. However, items with schedules will adopt the schedule numbers in the Form LM–2 Long Form, where appropriate.

Item 43—Sale of Investments. This new item is the first divided portion of the prior Item 43—Sale of Investments and Fixed Assets. Item 43 was previously supported by Schedule 3—Sale of Investments and Fixed Assets and is now supported by a new Schedule 3—Sale of Investments, discussed below.

Item 44—Sale of Fixed Assets. This item is the second divided portion of the prior Item 43—Sale of Investments and Fixed Assets. It is supported by a new Schedule 4—Sale of Fixed Assets, discussed below.

Items 51 through 72 listed under “Cash Disbursements” adopt the same supporting schedules as those items in the Form LM–2 Long Form, except where indicated below.

Item 51—Contract Negotiation and Administration. This item is the renumbered portion of the prior Item 50—Representational Activities, which is divided into two. The prior supporting schedule, previously numbered Schedule 15, is split in two and renumbered Schedule 17—Contract Negotiation and Administration and Schedule 18—Organizing. Item 51 is supported by Schedule 17.

Item 52—Organizing. This item is the remaining and renumbered portion of the prior Item 50—Representational Activities. This item is supported by renumbered Schedule 18—Organizing.

Item 53—Political Activities. This item is the renumbered portion of Item 51—Political Activities and Lobbying. The previous Schedule 16—Political Activities and Lobbying is divided and replaced by a new Schedule 19—Political Activities and a new Schedule

20—Lobbying. Item 53 is supported by a new Schedule 19, discussed below.

Item 54—Lobbying. This item is the remaining and renumbered portion of the previous Item 51—Political Activities and Lobbying. It is supported by a new Schedule 20—Lobbying, discussed below.

Item 55—Contributions, Gifts, and Grants. The Department makes no substantive change to this item. This item is the renumbered Item 52—Contributions, Gifts, and Grants. This item was previously supported by Schedule 17 and is now supported by renumbered Schedule 21—Contributions, Gifts, and Grants, without substantive change.

Item 56—General Overhead. The Department makes no substantive change to this item. This item is the renumbered Item 53—General Overhead. This item was previously supported by Schedule 18 and is now supported by renumbered Schedule 22—General Overhead, without substantive change.

Item 57—Union Administration. The Department makes no substantive change to this item. This item is the renumbered Item 54—Union Administration. This item was previously supported by Schedule 19 and is now supported by renumbered Schedule 23—Union Administration, without substantive change.

Item 58—Benefits. The Department makes no substantive change to this item. This item is the renumbered Item 55—Benefits. This item was previously supported by Schedule 20 and is now supported by renumbered Schedule 24—Benefits, without substantive change.

Item 63—Purchase of Investments. This item is the renumbered portion of previous Item 60—Purchase of Investments and Fixed Assets. Item 63 is supported by a new Schedule 5—Purchase of Investments, described below.

Item 64—Purchase of Fixed Assets. This item is the renumbered portion of previous Item 60—Purchase of Investments and Fixed Assets. Item 64 is supported by a new Schedule 6—Purchase of Fixed Assets, described below.

Item 65—Loans Made. The Department makes no substantive change to this item. This item is the renumbered prior Item 61—Loans Made. It remains supported by Schedule 2—Loans Receivable.

Item 66—Repayment of Loans Obtained. The Department makes no substantive change to this item. This item is the renumbered prior Item 62—Repayment of Loans Obtained. This

²⁸ *Id.*

item was previously supported by Schedule 9—Loans Payable and is now supported by renumbered Schedule 11—Loans Payable, also without substantive change.

Item 67—To Affiliates of Funds Collected on Their Behalf. The Department makes no substantive change to this item. This item is the renumbered prior Item 63—To Affiliates of Funds Collected on Their Behalf.

Item 68—On Behalf of Individual Members. The Department makes no substantive change to this item. This item is the renumbered prior Item 64—On Behalf of Individual Members.

Item 69—Direct Taxes. The Department makes no substantive change to this item. This item is the renumbered prior Item 65—Direct Taxes.

Item 70—Officers. This is a new item. This item reports the total disbursed to officers. It is supported by the renumbered Schedule 13—All Officers and Disbursement to Officers.

Item 71—Employees. This is a new item. This item reports the total disbursed to employees. It is supported by the renumbered Schedule 14—Disbursements to Employees.

Schedules. The prior Form LM-2 included 20 supporting schedules, and the revised Form LM-2 has 24 supporting schedules.

Schedules 1–15

The Department did not change the following six schedules from the prior Form LM-2 but, in some instances, renumbering was necessary, as noted below:

Schedule 2—Loans Receivable

Schedule 7—Investments Other Than U.S. Treasury Securities (renumbered from prior Schedule 5)

Schedule 8—Fixed Assets (renumbered from prior Schedule 6)

Schedule 9—Other Assets (renumbered from prior Schedule 7)

Schedule 11—Loans Payable (renumbered from prior Schedule 9), and

Schedule 12—Other Liabilities (renumbered from prior Schedule 10).

The Department increases the threshold for the following two schedules.

Schedule 1—Accounts Receivable Aging Schedule. The Department makes one substantive change to this schedule as compared to the prior version. The Department is reducing the burden by raising the threshold to \$7,500. Accounts below this threshold need not be individually reported.

Schedule 10—Accounts Payable Aging Schedule. This schedule is the

renumbered prior Schedule 8—Accounts Payable Aging Schedule. The Department reduces the burden by raising the threshold to \$7,500.

Accounts below this threshold need not be individually reported. This change decreases the burden on the filing labor organization.

The Department adds the following four new schedules to the revised Form LM-2.

Schedule 3—Sale of Investments. This new schedule supports Item 43, Sale of Investments. On Schedule 3—Sale of Investments, labor organizations will report receipts from the sale of investments. The Department adds two new columns. The first new column, entitled “Name and Address of Purchaser or Financial Management Firm (A),” discloses the purchasers of investments from the labor organization. A second column “Date of Sale (C)” discloses the date of the sale. The other prior columns remain the same but are designated with different letters. The columns thus read, in order, “Name and Address of Purchaser or Financial Management Firm (A); Description (B); Date of Sale (C); Cost (D); Book Value (E); Gross Sales Price (F); and Amount Received (G).”

Schedule 4—Sale of Fixed Assets. This new schedule supports Item 44—Sale of Fixed Assets. On Schedule 4—Sale of Fixed Assets, the labor organization reports receipts from the sale of fixed assets. The Department adds two new columns to new Schedule 4—Sale of Fixed Assets. The first new column entitled “Name and Address of Purchaser (A)” discloses the purchasers of fixed assets from the labor organization. A second column “Date of Sale (C)” discloses the date of the sale. The columns thus read “Name and Address of Purchaser (A); Description (if land or buildings, give location) (B); Date of Sale (C); Cost (D); Book Value (E); Gross Sales Price (F); and Amount Received (G).”

Schedule 5—Purchase of Investments. This new schedule supports new Item 63—Purchase of Investments. The Department divides the prior Form LM-2’s Schedule 4 (Purchase of Investments and Fixed Assets) into two new schedules. The first is Schedule 5—Purchase of Investments, which includes two new columns that were not in the prior Form LM-2’s Schedule 4. The first new column entitled “Name and Address of Seller or Financial Management Firm (A)” discloses the identity of the seller of investments to the labor organization. A second new column “Date of Purchase (C)” discloses the date of the purchase. The other columns (Description; Cost; Book Value;

and Cash Paid) remain the same but are designated with different letters, to accommodate the two new columns. The columns thus read “Name and Address of Seller or Financial Management Firm (A); Description (B); Date of Purchase (C); Cost (D); Book Value (E); Cash Paid (F).”

Schedule 6—Purchase of Fixed Assets. This new schedule supports new Item 64—Purchase of Fixed Assets. With the Department’s division of the prior Form LM-2’s Schedule 4 (Purchase of Investments and Fixed Assets) into two schedules, this is the second new schedule, Schedule 6—Purchase of Fixed Assets. The Department adds two columns to Schedule 6—Purchase of Fixed Assets that were not on the prior Form LM-2’s Schedule 4. The first new column entitled “Name and Address of Seller (A)” discloses the identity of the seller of fixed assets to the labor organization. A second column “Date of Purchase (C)” discloses the date of the purchase. The columns thus read “Name and Address of Seller (A); Description (if land or buildings, give location) (B); Date of Purchase (C); Cost (D); Book Value (E); and Cash Paid (F).”

The Department revises and renumbers the following three schedules for the revised Form LM-2:

Schedule 13—All Officers and Disbursements to Officers. This schedule is the renumbered Schedule 11—All Officers and Disbursements to Officers from the prior Form LM-2. In this schedule, the Department eliminates functional reporting of union officer time by removing Line (I) and removes the exception for “[i]ndirect disbursements for temporary lodging (room rent charges only) or transportation by public carrier necessary for conducting official business while the officer is in travel status away from his or her home and principal place of employment with the labor organization if payment is made by the labor organization directly to the provider or through a credit arrangement.”

Schedule 14—Disbursements to Employees. This schedule is the renumbered Schedule 12—Disbursements to Employees from the prior Form LM-2. The Department eliminates functional reporting of union employee time by removing Line(I) and removes the exception for “[i]ndirect disbursements for temporary lodging (room rent charges only) or transportation by public carrier necessary for conducting official business while the officer is in travel status away from his or her home and principal place of employment with the

labor organization if payment is made by the labor organization directly to the provider or through a credit arrangement.”

Schedule 15—Membership Status. This schedule is the renumbered Schedule 13—Membership Status. The Department now requires reporting of “retired members” as a membership category in Column (A).

Detailed Summary Page—Schedules 16–23

The Department revises the detailed summary page. The prior Form LM–2 included a detailed summary page showing snapshot summaries for prior Schedules 14 through 19. The detailed summary page for the revised Form LM–2 shows summaries for Schedule 16—Other Receipts, and the disbursement categories in Schedules 17 through 23. With the elimination of functional reporting, the summaries for Schedules 17 through 23 no longer include the prior lines “3. To Officers” or “4. To Employees”. With this change, the summaries for Schedules 17 through 23 now have line 3 renamed “All Other Disbursements” and Line 4 renamed “Total Disbursements (add Lines 1–3).”

Schedule 16—Other Receipts. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 14—Other Receipts.

The Department renumbers the following four schedules in the revised Form LM–2; these schedules are divided portions of schedules from the prior Form LM–2.

Schedule 17—Contract Negotiation and Administration. This schedule is a renumbered portion of prior Schedule 15—Representational Activities, which has been divided into two schedules.

Schedule 18—Organizing. This schedule is the remaining renumbered portion of prior Schedule 15—Representational Activities.

Schedule 19—Political Activities. This schedule is a renumbered portion of prior Schedule 16—Political Activities and Lobbying, which has been divided into two schedules.

Schedule 20—Lobbying. This schedule is the remaining renumbered portion of prior Schedule 16—Political Activities and Lobbying.

Schedule 21—Contributions, Gifts, and Grants. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 17—Contributions, Gifts, and Grants.

Schedule 22—General Overhead. The Department makes no substantive change to this schedule. This schedule

is the renumbered prior Schedule 18—General Overhead.

Schedule 23—Union Administration. The Department makes no substantive change to this schedule. This schedule is the renumbered prior Schedule 19—Union Administration.

Schedule 24—Benefits. This schedule is the renumbered prior Schedule 20—Benefits.

g. Finalized Revisions to Form LM–3

In prior sections of this final rule, the Department presented each item that is now included in the new Form LM–2 Long Form and the revised Form LM–2. This section addresses how a policy decision to eliminate a reporting exception for both types of Form LM–2 filers made through this final rule necessitates a parallel change to Form LM–3 and its instructions. The Department eliminated a reporting exception for indirect disbursements for business travel-related expenses when payment is made by the labor organization directly to the provider or through credit arrangement. This reporting exception provided that, when a union, through its credit arrangements, is billed directly and pays certain travel expenses (e.g., hotel, airline fare, train fare) of an officer, the union did not have to include this amount as part of the disbursements made to the particular officer, as reported in prior Schedule 11—All Officers and Disbursements to Officers. See Form LM–2 Instructions revised 01/2022, at p.17. As explained in detail earlier, the Department’s justification for eliminating this exception in response to comment is that it will provide a complete and more accurate picture of total disbursements paid to each of the labor organization’s officers.

During the comment period, one labor organization commenter stated that the same officer disbursement reporting exception that the Department proposed to eliminate in the 2020 NPRM was included in the prior Form LM–3 Instructions and applied to LM–3, Item 24—All Officers and Disbursements to Officers. See Form LM–3 Instructions revised 01/2022, at pp. 9–10. The prior Form LM–3 instructions state that labor organizations should not include in Item 24, Column (E), “[i]ndirect disbursements for temporary lodging (room rent charges only) or transportation by public carrier necessary for conducting official business while the officer is in travel status away from his or her home and principal place of employment with your organization if payment is made by your organization directly to the provider or through a credit

arrangement and these disbursements are reported in Item 48 (Office and Administrative Expense); however, charges other than room rent on hotel bills must be reported in Column (E).” *Id.* at p. 10.

With the elimination of this reporting exception for both types of Form LM–2 filers, and in response to comment on this issue, the Department has determined, for consistency, it must institute a similar revision for labor organizations filing Form LM–3. The same policy justification for eliminating the reporting exception for Form LM–2 filers justifies eliminating it for Form LM–3 labor organizations. First, payment for an official’s travel and lodging expenses made by credit card does not reduce the significance of the expense to a labor organization member, yet the prior Form LM–3, like the prior Form LM–2, treated the method of payment as significant. It was illogical that the method of payment should control whether a labor organization member knows the full extent of disbursements made for a particular official of the labor organization. Second, travel and lodging expenses for a particular officer may raise questions among the membership for various reasons. By eliminating this reporting exception, members will have a better understanding of the total amount of disbursements made to or on behalf of a particular official. Through this more complete reporting, members of the labor organization will be better able to determine whether such disbursements warrant further scrutiny, including review of the underlying documentation maintained by the labor organization.

For these reasons, the Form LM–3 instructions are revised accordingly to eliminate this reporting exception. Specifically, the instructions for completing Item 24—All Officers and Disbursements to Officers, on Form LM–3 are revised, and the revised language mirrors the instructions for completing the new Schedule 13—All Officers and Disbursements to Officers, on both Form LM–2 Long Form and the revised Form LM–2. Apart from this change, and the previously referenced change in Form LM–3 reporting threshold, Form LM–3 has no other substantive changes.

h. Finalized Revisions to Form LM–4

To increase transparency, the Department revises the threshold applicable to Form LM–4 based on the 2025 NPRM, and the comments thereon, and labor organizations with gross receipts less than \$25,000 are now eligible to fill out Form LM–4. The Department has not changed any other

part of Form LM-4 or its corresponding instructions.

In summary, the table below (Table 2) shows the prior filing thresholds and general formats of the different LM form

types alongside the new threshold and format changes that result from this rule.

TABLE 2 — SUMMARY OF CHANGES

Form Type	Prior Filing Threshold and Format <i>(threshold in annual receipts)</i>	New Filing Threshold and Format <i>(threshold in annual receipts)</i>
LM-2 LONG FORM	N/A	\$40,000,000 or more 40 pages (est.) 32 schedules
LM-2	\$250,000 or more 26 pages 20 schedules	\$350,000 or more 30 pages (est.) 24 schedules
LM-3	\$10,000 or more	\$25,000 or more Form eliminates a reporting exception
LM-4	Less than \$10,000	Less than \$25,000 No format changes
SIMPLIFIED ANNUAL REPORT FORMAT	Extremely small labor organizations with no assets, liabilities, receipts, or disbursements during the fiscal year.	No changes.

IV. Severability

The Department intends the provisions of this final rule to be severable from one another and independently operative to the maximum extent permitted by law. This rulemaking finalizes two distinct sets of proposals on related but independent grounds: the form revisions proposed in the 2020 NPRM, and the threshold revisions proposed in the 2025 NPRM. In developing this combined final rule, the Department considered each component, across both NPRMs and within each, both collectively and individually, and concludes that each is independently supported by the Department's statutory authority under sections 201 and 208 of the LMRDA, 29 U.S.C. 431 and 438; by the policy determinations and record evidence

discussed in the corresponding sections of this preamble; and by the comments received in response to the NPRM that proposed it. The Department would have adopted each such component independently of the others.

The APA permits a reviewing court to “sever a rule by setting aside only the offending parts of the rule.” *Carlson v. Postal Regulatory Comm’n*, 938 F.3d 337, 351 (D.C. Cir. 2019) (citing *K Mart Corp. v. Cartier, Inc.*, 486 U.S. 281, 294 (1988); *Virginia v. EPA*, 116 F.3d 499, 500–01 (D.C. Cir. 1997)). To do so, however, the court must find “the agency would have adopted the same disposition regarding the unchallenged portion of the [rule] if the challenged portion were subtracted.” *See id.* (citing *Sierra Club v. FERC*, 867 F.3d 1357, 1366 (D.C. Cir. 2017) (internal citations

and alterations omitted). The court must also find that the parts of the regulation that remain are able to “function sensibly without the stricken provision.” *See id.* (citing *Sorenson Commc’ns. Inc. v. FCC*, 755 F.3d 702, 710 (D.C. Cir. 2014) (quoting *MD/DC/DE Broads. Ass’n v. FCC*, 236 F.3d 13, 22 (D.C. Cir. 2001) (internal quotations omitted))).

The LM form revisions adopted from the 2020 NPRM and the threshold revisions adopted from the 2025 NPRM rest on separate rulemaking records, separate comment periods, and separate rationales. The Department would have adopted the 2020 NPRM’s form revisions, including the new Form LM-2 Long Form, the revised Form LM-2, and the parallel revisions to Form LM-3, independently of the 2025 NPRM’s

threshold revisions, and would have adopted the 2025 NPRM's threshold revisions independently of the 2020 NPRM's form revisions. If any aspect of the 2020 NPRM's finalization is stayed, vacated, enjoined, or held invalid or unenforceable, including on any procedural ground specific to the 2020 NPRM, the Department intends that the 2025 NPRM's threshold revisions remain in effect. Conversely, if any aspect of the 2025 NPRM's threshold revisions is stayed, vacated, enjoined, or held invalid or unenforceable, the Department intends that the 2020 NPRM's form revisions remain in effect.

The Department would have adopted each of the two principal form-revision components from the 2020 NPRM independently of the others: (i) the new Form LM-2 Long Form, applicable to labor organizations with annual receipts of \$40,000,000 or more; and (ii) the revised Form LM-2. The parallel revisions to Form LM-3 are intended to follow the corresponding Form LM-2 revisions they mirror and remain operative to the extent those revisions remain in effect. Within each LM form, the Department would also have adopted each individual revision independently of the others. These include, among others, the new question on payments to officers and employees from multiple labor organizations (Item 10(b)); the revised loss-or-shortage inquiry (Item 13); the new disclosure of the date of the labor organization's current constitution and bylaws (Item 18(b)); the trusteeship checkbox (Item 3(d)); the separate reporting of officer and employee disbursements (Items 70 and 71); the separate reporting of retired members (Schedule 15); the new Foreign Transactions schedule (Schedule 32) on the Form LM-2 Long Form; the division of the prior items addressing sale of investments and fixed assets, representational activities, political activities and lobbying, and purchase of investments and fixed assets, into the separate items and schedules described in this preamble; the new supporting schedules for the receipts and disbursements categories described above; and the increase of the itemization threshold for accounts receivable and accounts payable from \$5,000 to \$7,500. Each addresses a discrete reporting gap or transparency objective identified in the rulemaking record. Each can be implemented and enforced standing alone, and the Department's rationale for adopting each, as set forth in the corresponding section of this preamble, does not depend on the adoption of any other.

The Department would have adopted each independently of the others.

The Department would have adopted the increase of the Form LM-2 filing threshold from \$250,000 to \$350,000 independently of the increase of the Form LM-3 filing threshold from \$10,000 to \$25,000, and vice versa. As explained in this preamble, each threshold change is independently supported by inflation analysis and burden-reduction considerations specific to that form. The \$350,000 Form LM-2 threshold is calibrated to the 1963 baseline as adjusted by the CPI through 2026, while the \$25,000 Form LM-3 threshold is calibrated to the 1992 baseline established when Form LM-4 was introduced. The Department would have adopted either threshold change on its own grounds even if the other had not been finalized.

The revisions to 29 CFR parts 402, 403, and 408 that this rule makes, namely the revisions to sections 403.3 (establishing the Form LM-2 and Form LM-2 Long Form requirements) and 403.4(a) (establishing the Form LM-3 and Form LM-4 thresholds), and the related revisions to sections 402.5(a), 403.5(a) and (b), 403.8(b)(1), 408.5, and 408.7, are each independently supported by the LMRDA and by the rationales set forth in the corresponding sections of this preamble. The Department would have adopted each such regulatory revision independently of the others. Where the Department has made related cross-reference or renumbering changes that exist solely to implement a particular substantive provision of this rule, for example, the references to the Form LM-2 Long Form added to sections 402.5(a), 403.5(a), 403.5(b), 403.8(b)(1), 408.5, and 408.7, the Department intends those technical changes to follow the substantive provision they implement. The changes remain operative to the extent that provision remains in effect, and the Department does not intend that the invalidation of any such technical change disturb any substantive provision of this rule.

The Department further concludes that the remaining provisions would continue to function sensibly absent any individual provision that might be stayed, vacated, enjoined, or held invalid or unenforceable. The Forms LM-2 Long Form, LM-2 and LM-3 are designed to operate in parallel; each separately advances the LMRDA's transparency and disclosure objectives, and none is conditioned on the others. The revised filing thresholds for Forms LM-2 and LM-3 simply determine which form a given labor organization files and operate independently of the

content of any particular form. The individual items, schedules, and instructions within each form establish discrete reporting requirements that regulated entities can implement, and the Department can continue administering and enforcing, on a provision-by-provision basis, consistent with the LMRDA and the objectives described in this preamble. See *Belmont Mun. Light Dep't v. FERC*, 38 F.4th 173, 187–88 (D.C. Cir. 2022); see also *Davis Cnty. Solid Waste Mgmt. v. EPA*, 108 F.3d 1454, 1459 (D.C. Cir. 1997).

Accordingly, the Department intends that, if any provision of this final rule, including any item, schedule, instruction, threshold, definition, regulatory revision to 29 CFR parts 402, 403, or 408, or related cross-reference or renumbering change, or the application of any provision to any person or circumstance, is stayed, vacated, enjoined, or held invalid or unenforceable, the remaining provisions and their application to other persons or circumstances shall remain in effect to the maximum extent permitted by law.

V. Effective Date

This final rule will take effect July 1, 2026, and applicable prospectively to labor organizations whose fiscal years begin on or after July 1, 2026. Labor organizations required to file the Form LM-2 Long Form must do so for the first fiscal year in which they meet or exceed the \$40,000,000 threshold commencing on or after the effective date. Labor organizations subject to revised Forms LM-2, LM-3, and LM-4 thresholds must also comply beginning with the first fiscal year commencing on or after the effective date.

The prospective application means that organizations will not be required to retroactively refile prior year reports under the new requirements. For example, if the effective date is specified as applying to fiscal years beginning on or after January 1, 2027, an organization with a calendar year fiscal year would first file the Form LM-2 Long Form (if it meets the threshold) for its fiscal year ending December 31, 2027, due in 2028.

Multiple commenters urged the Department to finalize the rule quickly and make it effective immediately upon publication. One policy center stated, "We would encourage the department to accelerate the implementation of this rule by making it effective upon publication in the **Federal Register**."

Comments from labor organizations and accounting firms had opposite

opinions on the effective date for this rule and requested ample lead time before the Department implements the rule. Most labor organizations requested at least a year before implementation, with some labor organizations requesting at least two years to get accounting procedures and systems set up to comply with the new Form LM–2 Long Form and revised Form LM–2. Multiple commenters also recommended an 18-month implementation period given the extensive system changes required.

While the Department does not agree with commenters who recommended an immediate effective date, it has decided to adopt its proposal that labor organizations receive a 30-day implementation period and that the effective date will begin for the first fiscal year following. A labor organization subject to the new Form LM–2 Long Form or revised Form LM–2 will not actually file anything with the Department for at least one year at minimum, and most labor organizations would have at least a year and a half. The Department also notes that most large labor organizations already track many of the new transactions that require itemization, and it is only a matter of altering the amount reported. With the widespread use of adaptable technologies for labor organizations, a labor organization is much more adaptable to changes in its annual financial reporting than in the past. As such, the Department rejects the commenters requesting an extension of the effective date and adopts a 30-day implementation period and an effective date beginning with the first fiscal year afterwards.

The Department recognizes that labor organizations may require time to update accounting systems, internal controls, and reporting practices to comply with the revised forms and instructions. Organizations may need to:

- Modify charts of accounts to separately track organizing versus contract administration expenses.

- Update accounting software to capture political activities separately from lobbying.

- Implement systems to track purchaser/seller information and transaction dates for investments and fixed assets.

- Train staff on new schedules and requirements.

- Revise internal policies and procedures for financial reporting.

- Update controls for the updated \$7,500 aging schedule thresholds.

Accordingly, the effective date is structured to allow organizations to prepare prospectively rather than requiring retroactive reporting. The Department concludes that this implementation framework appropriately balances the need for timely transparency enhancements with the practical realities of compliance and administrative transition.

VI. Regulatory Procedures

a. Review Under Executive Order 12866, Regulatory Planning and Review, Executive Order 13563, Improving Regulation and Regulatory Review, and Executive Order 14192, Unleashing Prosperity Through Deregulation

Executive Order (E.O.) 12866, “Regulatory Planning and Review,” 58 FR 51735 (Oct. 4, 1993), requires agencies, to the extent permitted by law, to (1) propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits; (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and

assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public. OMB has determined that this rule is significant under section 3(f) of E.O. 12866.

Executive Order 13563 directs agencies to, among other things, propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs; that it is tailored to impose the least burden on society, consistent with obtaining the regulatory objectives; and that, in choosing among alternative regulatory approaches, the agency has selected those approaches that maximize net benefits, 76 FR 3821 (Jan. 21, 2011). Executive Order 13563 recognizes that some costs and benefits are difficult to quantify and provides that, when appropriate and permitted by law, agencies may consider and discuss qualitative values that are difficult or impossible to quantify, including equity, human dignity, fairness, and distributive impacts.

Executive Order 14192, titled “Unleashing Prosperity Through Deregulation,” was issued on January 31, 2025. This rule is expected to be an E.O. 14192 deregulatory action.

The Department initially estimates that based on OLMS FY 2024 filing data,²⁹ ninety-nine prior Form LM–2 filers will begin filing the Form LM–2 Long Form. Based on this same data, the Department expects that due to modifications to the filing thresholds, 511 prior Form LM–2 filers will begin filing Form LM–3; and 2,089 prior Form LM–3 filers will begin filing Form LM–4.³⁰ This leads to total estimates of 99 Form LM–2 Long Form filers; 4,310 revised Form LM–2 filers; 7,960 Form LM–3 filers; and 8,178 Form LM–4 filers.³¹

²⁹ See <https://www.dol.gov/agencies/olms/data>.

³⁰ *Id.*

³¹ *Id.*

Form Type	Number
Form LM-2 Long Form	99
Revised Form LM-2	4,310
Form LM-3 (Prior LM-2 Filers)	511
Form LM-3 (Maintained Filers)	7,449
Form LM-4 (Prior LM-3 Filers)	2,089

i. Costs

Consistent with its approach in other rulemakings, the Department has prepared an estimate of regulatory familiarization costs, all of which would occur within the first year of the rule's implementation. Adopting new regulations and revising existing labor organization annual financial disclosure reports and instructions would impose a one-time regulatory familiarization cost on affected labor organizations. To estimate these regulatory familiarization costs, the Department determined: (1) the number of potentially affected entities; (2) the average hourly compensation of the employees reviewing the regulation; and (3) the amount of time required to review the regulations.

Upon effective implementation of the Final Rule, labor organizations will be required to become acquainted with the new LM Form requirements. This necessity will incur a one-time cost in the inaugural year that the new forms are utilized. To project the first-year costs of rule familiarization, the Department used OLMS records to obtain the total number of current filers (22,483).³² This figure was multiplied by the estimated time required for rule review (15 min)³³ and then multiplied by the hourly compensation rate of a Union President (\$46.93 per hour).³⁴

³² Historical Filing Data | U.S. Department of Labor

³³ This estimate reflects the nature of the final rule. As a rulemaking to amend parts of an existing regulation, rather than to create a new rule, the 15-minute estimate assumes a high number of readers familiar with the existing regulation.

³⁴ Wage rates for union officials are derived from 2024 OLMS data; more specifically, the president

This calculation yields a one-time undiscounted cost of \$263,787 in the first year of the rule's enactment. The annualized cost over the ten-year span is projected at approximately \$27,170 and \$28,225, evaluated at discount rates of 3 percent and 7 percent, respectively.

In addition to the rule familiarization costs, the rule imposes certain one-time implementation costs on labor organizations that must file the new Form LM-2 Long Form or the revised Form LM-2. These costs are associated with modifying existing accounting systems and internal recordkeeping processes to capture the categories of information required by the new and revised schedules. The Department recognizes that these system modifications represent meaningful up-front costs, as well as recurring costs to maintain them; however, the Department cannot accurately estimate these costs due to data limitations.

The final rule is also expected to impose new burdens on the Department of Labor. To assist labor organizations in managing the transition to the new and revised forms, the Department will provide extensive technical assistance throughout the implementation period. This assistance will include publishing detailed instructions that accompany the new Form LM-2 Long Form and the revised Form LM-2, written to provide clear, practical guidance on completing each new and modified schedule. The Department will conduct educational webinars to walk filers through the new requirements, address common questions, and illustrate how the revised

and treasurer wage rates are determined from FY 24 Form LM-2/LM-3 report filings.

forms interact with labor organizations' existing recordkeeping systems.

ii. Cost-Savings

As explained in the Paperwork Reduction Act (PRA) section below, the Department has updated its estimate for the time required to fill out the annual forms, which has resulted in an overall reduction in burden hours for the regulated community, namely by omitting the burdensome functional reporting requirement. The following paragraphs discuss the amount of cost-savings by form. The Form LM-2 Long Form is estimated to take 680.76 hours during the first year and 495.80 hours per response for each year afterward. The prior Form LM-2 had a 530.20 hours per response burden estimate. For the 99 new Form LM-2 Long Form filers, as compared to the annual cumulative reporting burden of the prior Form LM-2, the update to this estimate results in a total increase of first-year burden of 14,905.44 total reporting hours, followed by 3,405.60 fewer reporting hours annually for each year afterwards. Multiplying this by the estimated hourly rate³⁵ it takes to file the Form LM-2 Long Form, \$63.92.³⁶

³⁵ The estimated average hourly rate is based on average hourly salaries of union officers from data collected by OLMS and non-labor organization salaries derived from the Bureau of Labor Statistic (BLS) Occupational Employment and Wages Surveys at: <https://www.bls.gov/news.release/pdf/ocwage.pdf>. To account for fringe benefits, these salaries are multiplied by 1.42 (rounded), which is derived from dividing the hourly benefit cost by the hourly wage and salary published by BLS at: <https://www.bls.gov/news.release/ecec.nr0.htm>.

³⁶ The weighted average calculates the wage rate per hour weighted according to the percentage of time that the Form LM-2 Long Form will take for each official/employee: 96% of the Form LM-2 Long Form burden hours are estimated to be

The estimated cost difference for new Form LM–2 Long Form filers is a total of \$952,756 in cost for the first year, and total savings of \$217,686 for each year afterwards.

The revised Form LM–2 is estimated to take 434.64 hours during the first year after this final rule and 343.10 hours per response for each year afterward. On a recurring basis, this leads to a decrease of 34.4 hours for new Form LM–2 Long Form filers and a decrease of 187.1 hours for revised Form LM–2 filers, as both categories previously filed the prior Form LM–2 that had a 530.20 hours per response burden estimate. The 4,310 previous Form LM–2 filers who are not affected by any threshold change still benefit from the reduced burden of filing revised Form LM–2 in the first year by a total of 411,863.6 fewer hours, and 806,401 fewer reporting hours annually thereafter. Based on the estimated hourly rate to file revised Form LM–2, \$63.12,³⁷ the

proposed total cost savings to these revised Form LM–2 filers due to decreased burden estimates is a total of \$25,996,830 saved in the first year and a total of \$50,900,031 saved for each year afterward.

Form LM–3 estimate is updated to 105.74 hours the first year and 103.24 hours for each year afterward, which is an increase of 0.5 hours from the current recurring estimate (102.74 hours), and Form LM–4 estimate remains the same at 9.18 hours per response. As part of the final rule, an estimated 511 previous Form LM–2 filers will now file Form LM–3. These filers should each expect an annual decreased burden cost of 424.46 hours during the first year and 426.96 hours each year afterwards, for a total reduction of 216,899.06 hours the first year and 218,176.56 hours each year after. However, this must also be considered with the 7,449 Form LM–3 filers unaffected by the threshold. Those filers should expect a 3-hour increase in

burden in the first year and a .5 hour increase annually for every year past the first. This leads to a total estimated increase of 22,497 hours the first year and 3,750 hours afterwards. In total, the new estimated group of Form LM–3 filers should expect a total decrease of 194,402 burden hours the first year of reporting after this final rule, and a decrease of 214,427 for each year after. Using the estimated hourly rate it takes to file Form LM–3, \$46.89,³⁸ this leads to estimated savings of \$9,115,513 in the first year and \$10,054,485 every year following.

An estimated 2,089 previous Form LM–3 filers will begin filing Form LM–4. These filers would have a decreased annual burden of 93.56 hours per form, for a total estimated reduction of 195,446.84 burden hours. At the anticipated hourly rate for Form LM–4, \$44.83³⁹ this leads to expected total savings of \$8,761,882.

Table 4: Estimated Cost Savings for Updated Filing Requirements

Year	Total Cost Savings
1	\$ 44,826,980.59
2	\$ 69,498,711.85
3	\$ 69,498,711.85
4	\$ 69,498,711.85
5	\$ 69,498,711.85
6	\$ 69,498,711.85
7	\$ 69,498,711.85
8	\$ 69,498,711.85
9	\$ 69,498,711.85
10	\$ 69,498,711.85
Annualized Cost Savings	
Undiscounted Annualized Cost Savings	\$67,031,538.72
Cost w/3% Discount	\$68,691,393.65
Cost w/7% Discount	\$70,850,922.19

completed by an accountant (SOC: 13–2011; \$45.56 base wage), 2% by a bookkeeper or clerk (SOC: 43–3031; \$25.75 base wage), 1% by the labor organization's president (\$47.27 base wage), and 1% by the labor organization's secretary/treasurer (\$38.23 base wage). [(((\$45.56 * 0.96) + (\$25.75 * 0.02) + (\$47.27 * 0.01) + (\$38.23 * 0.01) * 1.42)] = 63.92 in 2025 dollars. Wage estimates for LM–2 President and LM–2 Secretary/Treasurer, are based on OLMS 2013 Filing data. These wages were inflated to 2025 using a GDP deflator [Q4 2013 to Q4 2025] Gross Domestic Product: Implicit Price Deflator (GDPDEF) | FRED | St. Louis Fed.

³⁷ See *id.* For the Form LM–2, the Department estimates 90% of burden are hours will be completed by an accountant (SOC: 13–2011; \$45.56, 5% by a bookkeeper or clerk (SOC: 43–3031; \$25.75, 4% by the labor organization's secretary/treasurer (\$38.23 Base Wage), and 1% by the labor organization's president (47.27). [(((\$45.56 * 0.90) + (\$25.75 + 0.05) + (\$47.27 * 0.01) + (\$38.23 * 0.04) * 1.42)] = 63.12 in 2025 dollars.

³⁸ See *id.* For the Form LM–3, the Department estimates 22% of burden are hours will be completed by an accountant (SOC: 13–2011;

\$45.56), 28% by a bookkeeper or clerk (SOC: 43–3031; \$25.75), 48% by the labor organization's secretary/treasurer (\$31.57), and 2% by the labor organization's president (\$31.57). [(((\$45.56 * 0.22) + (\$25.75 + 0.28) + (\$31.57 * 0.48) + (\$31.57 * 0.02) * 1.42)] = 46.89 in 2025 dollars.

³⁹ See *id.* For the Form LM–4, the Department estimates 99% of burden are hours will be completed by the labor organization's secretary/treasurer (\$31.57), and 1% by the labor organization's president (\$31.57). \$31.57 * 1.42 = 44.83.

The Department is conducting its analysis with the best available information at the time of drafting. The Department's comprehensive burden analysis in the 2003 final rule that created the prior versions of Forms LM-2, LM-3, and LM-4 has served as the baseline for the Department's burden estimates for the past two decades. This baseline burden estimate represents what the Department believes is the accepted baseline burden associated with the new and newly revised forms, as evidenced by the Department's active information collections over the past two decades (OMB 1245-0003).

Separate to this rulemaking, given technological changes since 2003, the Department will be conducting scientific studies to assess burden estimates. In February and March 2026,

the Department began two related studies that will take approximately one and two years to complete, respectively, to build the knowledge base about the LM form filing process and assess the burden on labor organizations in filing annual reports, particularly in light of new software and other technology available to filers.⁴⁰ For the reasons cited in this rule, the Department has sufficient information on burden without the results of these studies to determine that the thresholds for prior Forms LM-2, LM-3, and LM-4 need to be changed to address inflation and the Form LM-2 Long Form should be established to promote further transparency and financial integrity. The Department has made cautious burden estimates that, by design, are more likely to overstate than understate

the reporting burden on labor organizations filing their annual reports. Even if the Department lowered its burden estimates by assuming more time savings to labor organizations from technology advances, the Department's estimates would be lower for all labor organizations in a proportional manner and the Department would adopt the same thresholds identified in this rule for the reasons described, including that the most detailed reporting should be for the largest labor organizations. The Department believes its estimates to be sound and derived from the best available information at this time.

iii. Summary of Costs and Cost Savings

The below table (Table 5) presents a summary of the costs and cost savings associated with this final rule.

Fiscal Year	Costs	Cost Savings	Net Cost Savings
2026	\$ 263,787	\$ 44,826,981	\$ 44,563,193
2027	\$ 0	\$ 69,498,712	\$ 69,498,712
2028	\$ 0	\$ 69,498,712	\$ 69,498,712
2029	\$ 0	\$ 69,498,712	\$ 69,498,712
2030	\$ 0	\$ 69,498,712	\$ 69,498,712
2031	\$ 0	\$ 69,498,712	\$ 69,498,712
2032	\$ 0	\$ 69,498,712	\$ 69,498,712
2033	\$ 0	\$ 69,498,712	\$ 69,498,712
2034	\$ 0	\$ 69,498,712	\$ 69,498,712
2035	\$ 0	\$ 69,498,712	\$ 69,498,712
Annualized, 3 percent discount rate	\$ 27,170	\$ 68,691,394	\$ 68,660,470
Annualized 7 percent discount rate	\$ 28,225	\$ 70,850,922	\$ 70,813,365
Total, 3 percent discount rate	\$ 271,701	\$ 585,951,521	\$ 585,687,733
Total, 7 percent discount rate	\$ 282,253	\$ 497,627,229	\$ 497,363,442

The Department thus projects that this rule will produce an annualized net cost savings of \$68,660,470 and \$70,813,365 at a 3 percent and 7 percent discount rate respectively. Using a perpetual time horizon for cost comparisons, the Department estimates that the annualized net cost savings amount to \$60,870,760 in 2024 dollars, using a 7 percent discount rate.

⁴⁰ These studies are in their early stages. The first study uses a small number of interviews and focus groups to understand the challenges unions experience when preparing and filing LM reports. The second study will build on that information to assess burden estimates in more detail and provide more insights into challenges in the LM form filing process. In March 2026, as part of the first study,

iv. Benefits

The final rule enhances transparency for labor organization members, the Department, and the public regarding the financial activities of labor organizations. Under the revised reporting framework, members are better positioned to monitor their union's financial affairs, make informed

choices about leadership, and exercise their legally guaranteed rights under the LMRDA. The new Form LM-2 Long Form in particular provides members of the largest labor organizations with more granular data on how their elected leaders receive and spend member funds, enabling more effective participation in the democratic governance of their organizations.

the Department contacted nine unions and nine subject matter experts from various entities, including those in private industry, academia, think tanks, professional associations, and accounting firms to arrange potential discussions. Also in March 2026, the Department met with four of the subject matter experts contacted, all of whom had expertise in technology. These four experts

provided the Department with information about their backgrounds and experiences, the challenges they observed with the LM form pre-filing and filing process, and how those challenges varied by form and by type of union completing the forms. The studies are currently paused. The Department expects they will resume later in the year.

The enhancements will help protect union assets from union and management corruption, and aid union members in the governance of their unions. The Department also expects this final rule to reduce compliance burdens, increasing benefits to the public and to American workers by enabling the regulated community to allocate more resources and time to core activities and services.

The final rule also produces significant deterrence and detection benefits with respect to corruption and financial misconduct. A rigorous and detailed reporting regime deters embezzlement and other improper practices before they occur by increasing the likelihood that misconduct will be identified. Where deterrence fails, improved itemization and categorization requirements make it harder for corrupt actors to conceal improper transactions and easier for OLMS investigators to detect them.

The rule also strengthens union democracy and self-governance by making financial information more accessible and intelligible to rank-and-file members. The separation of organizing expenditures from contract negotiation and administration, and the separation of political activities from lobbying, allows members to evaluate whether their union's spending priorities align with their own interests and needs.

The Department acknowledges that the transparency, democratic governance, and anti-corruption benefits of the final rule are not readily susceptible to monetization but finds that the LMRDA's statutory mandate and the Department's extensive enforcement experience provide a sufficient basis for concluding that those benefits are real and substantial, and that they exceed the compliance costs the rule imposes on labor organizations.

v. Regulatory Alternatives

The Department also considered several alternatives as part of this final rule, many of which are addressed more extensively in the preamble. One alternative, not to engage in this rulemaking, was rejected because the LMRDA's goals are not being fully met. As explained in the preamble, members of labor organizations could not accurately determine from the prior Form LM-2 the value of the benefits officials of labor organizations were receiving. Members are also generally unable to discern between spending on political efforts and lobbying or between organizing and contract negotiation expenses. Additionally, without this rule labor organizations would not

receive the cost-saving benefits from no longer needing to report the functional time of officers or take advantage of more equitable thresholds for the annual financial forms. Another alternative was to phase in the effective date for these changes and allow filers more time to adapt. The Department has concluded that the effective date for this final rule provides labor organizations with ample time to adjust to modified reporting requirements, and that the sooner this final rule can go into effect the sooner labor organizations and their members can benefit from decreased burden and increased transparency.

b. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of a final regulatory flexibility analysis (FRFA) for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. The Department conducted an initial regulatory flexibility analysis (IRFA) at the 2020 NPRM stage to aid stakeholders in understanding the small entity impacts of this rule and to obtain additional information on the small entity impacts. The Department invited comment from interested persons to offer commentary on the costs and alternatives to reduce the burden on small entities.

According to the SBA, labor organizations under NAICS 81393 are considered small entities if they have annual receipts of \$16.5 million or less. 13 CFR 121.201. For this analysis, based on previous standards utilized in other regulatory analyses, the threshold for significance is 3 percent of annual receipts, while a substantial number of small entities would be 20 percent.

The Department is publishing this FRFA in connection with its final rule to (1) revise Form LM-2, (2) revise Form LM-3, (3) implement the Form LM-2 Long Form, and (4) adjust the filing thresholds for labor organization financial reports required by section 201(b) of the LMRDA, 29 U.S.C. 431(b), and 29 CFR 403.4. This rule improves the prior Form LM-2, improves Form LM-3, provides additional transparency regarding the largest of filers through the Form LM-2 Long Form, and realigns the reporting thresholds of each of these forms according to the relative financial complexity of their given labor organizations' operations, respectively. The Department has considered alternatives and, while it has adopted some alternatives offered either directly or upon reflection from commenters (*see*

supra c. Comments Received), the Department continues to believe that the pursuit of these initiatives, and any burden incurred, are necessary regulatory changes.

In considering each of the prongs (1) through (4), neither (3), the Form LM-2 Long Form, nor (4), the threshold changes, is relevant to this FRFA.

The Form LM-2 Long Form results in an increase in burden for only a class of large filers that are per se not subject to consideration in FRFA. All 99 of the expected Form LM-2 Long Form filers have at least \$40 million in annual receipts, significantly in excess of the \$16.5 million SBA standard, rendering the additional burden of this new form entirely outside the scope of this FRFA.

The changes of the thresholds result only in a reduction of unnecessary regulatory burdens on smaller labor organizations. The Department estimates that the increase in reporting thresholds will affect approximately 868 labor organizations that filed prior Form LM-2, and 2,089 that filed prior Form LM-3. The Department believes that all 2,957 of the affected labor organizations may qualify as small entities under the Regulatory Flexibility Act. However, these labor organizations will instead be eligible to file the less burdensome Form LM-3 and Form LM-4, respectively. The Department estimates this will reduce reporting burden by over 567,000 hours annually, yielding estimated cost savings exceeding \$21.8 million. Thus, this prong of the final rule does not impose any new reporting, recordkeeping, or other compliance requirements. Rather, it relieves burden by increasing the receipts threshold that determines which financial report must be filed. It does not duplicate, overlap, or conflict with other federal rules.

Thus, out of the four prongs of this rulemaking that affect burden, it is (1) the increasing of the regulatory burden on the revised Form LM-2 filers due to adjustments, and (2) the increase of regulatory burden on the Form LM-3 filers due to revision that are the subject of this FRFA, some of those entities falling into the range of small businesses FRFA's concerned with.

Regarding the first prong, based on the 2024 filings, there will be approximately 4,155 revised Form LM-2 filers between the revised threshold of \$350,000 and the SBA size standard of \$16.5 million, representing approximately 96.4% of revised Form LM-2 filers. While there are additions being made to the revised Form LM-2 that would otherwise incur burden, these are completely offset by the savings created from the elimination of functional reporting, turning the Form

LM-2 changes into a cost saving, rather than burdensome, rulemaking. The revised Form LM-2 filers thus ultimately do not incur any net costs.

Lastly, regarding the second prong, Form LM-3 incurs one burden increasing cost, namely an additional 30 minutes (or .5 burden hours) of recurring reporting burden for the removal of the exception for indirect disbursements relating to travel expenses. While this cost affects the entirety of the 7,960 Form LM-3 filers after this rulemaking, the cost is well below the significance threshold of 3%. Even for the smallest of the Form LM-3 filers, an entity with receipts of exactly \$25,000, .5 hours represents a cost of only \$31.56 [.5 × fully loaded wage hour \$63.12]. That cost represents only an impact of 0.13% [(\$31.56/\$25,000) × 100], again far below the significance threshold, and all other entities affected would have an increasingly lower impact.

Therefore, this rulemaking has no significant impact on a substantial number of small entities.

c. Paperwork Reduction Act

This statement is prepared in accordance with the PRA, 44 U.S.C. 3501. Concurrent with the publication of this final rule, the Department is submitting an associated information collection request to the Office of Management and Budget (OMB) for approval.

i. Summary

The Department is updating and revising 29 CFR part 402, part 403, and part 408 in order to establish a Form LM-2 Long Form, to improve the revised Form LM-2 in the interest of labor organization financial integrity and transparency, and to reflect necessary economic changes for labor organizations by raising the thresholds for the revised Form LM-2 and Form LM-3.

Previously, unions had to file one of three types of annual financial reports based on the total annual receipts of the union. The annual financial reports varied in the level of detail that had to be reported. The prior Form LM-2 was the most detailed report. Unions with total annual receipts of \$250,000 or more and subordinate labor organizations held in trusteeship filed this report, which disclosed certain information items and financial activities in separate line items under assets, liabilities, receipts, and disbursements. Supporting schedules detailed loans, investments, payments to officers and employees, and other data. Disbursements were reported in

specified categories (Representational Activities; Political Activities and Lobbying; Contributions, Gifts and Grants; General Overhead; and Union Administration). Certain transactions that equaled or aggregated to \$5,000 were separately itemized.

Form LM-3, a less detailed report, was filed by unions with total annual receipts of less than \$250,000 (if not in trusteeship). It required the reporting of certain information items, had fewer financial items than Form LM-2, and had no supporting schedules or itemization.

Form LM-4, an abbreviated two-page report, could be filed by unions with annual financial receipts of less than \$10,000 (if not in trusteeship). It required the reporting of a limited number of information items and five financial details.

Simplified annual financial reports may be filed by parent unions on behalf of subordinate labor organizations with no assets, liabilities, receipts, or disbursements and that meet certain other conditions.

In promulgating this rule, the Department adds a fourth annual financial report in the Form LM-2 Long Form, which replaces prior Form LM-2 as the most detailed report. This rulemaking also amends the prior Form LM-2 and makes a minor alteration to Form LM-3. It also adjusts the thresholds for Forms LM-2, LM-3, and LM-4 which have not been adjusted for over twenty years. The objective of this final rule is to adapt and modernize the most detailed annual financial reports for labor organizations to maintain and expand upon necessary changes for transparency, while reducing the burden upon labor organizations through form changes and threshold increases.

The Secretary has authority to implement the reporting provisions by regulation. “The Secretary shall have authority to issue, amend, and rescind rules and regulations prescribing the form and publication of reports required to be filed under this title and such other reasonable rules and regulations (including rules prescribing reports concerning trusts in which a labor organization is interested) as he may find necessary to prevent the circumvention or evasion of such reporting requirements.” *See* 29 U.S.C. 438.

ii. Form LM-2 Long Form

As part of this final rule, the Department introduces Form LM-2 Long Form. The changes mentioned here affect the burden associated with the new form, and a more complete

discussion of various aspects of the revisions are found in the preamble. The Form LM-2 Long Form is required for unions with over \$40 million in total annual receipts and is the most detailed annual financial report a labor organization could file. The Form LM-2 Long Form is based upon the prior Form LM-2 with the changes noted below.

In new Item 3(d), the union reports whether it was in trusteeship. New Item 10(b) requires the labor organization to report whether certain officers or employees received payment from another labor organization. New Item 18(b) requires reporting of the date of the labor organization’s current constitution and bylaws.

The Department is increasing the itemization threshold for Schedule 1—Accounts Receivable Aging Schedule and Schedule 10—Accounts Payable Aging Schedule (prior Schedule 8). This is to reflect inflation since this itemization was introduced in 2003, and because the Form LM-2 Long Form is specific to larger labor organizations with numerous transactions.

The Department divides the previous Schedule 3—Sale of Investments and Fixed Assets into two schedules. The first is a new Schedule 3—Sale of Investments. The second is the new Schedule 4—Sale of Fixed Assets. Each of these schedules now require itemization for purchasers who paid the labor organization over \$5,000. In the new Schedule 3—Sale of Investments, the Department adds two new columns. The first new column, entitled “Name and Address of Purchaser or Financial Management Firm (A),” discloses the purchasers of investments from the labor organization. A second new column “Date of Sale (C)” discloses the date of the sale. The other columns (Description; Cost; Book Value; Gross Sales Price; and Amount Received) remain the same but are designated with different letters, to accommodate the two new columns.

The second part of the divided schedule is the new Schedule 4—Sale of Fixed Assets. As in the case of new Schedule 3, the Department adds two new columns to Schedule 4—Sale of Fixed Assets. The first new column entitled “Name and Address of Purchaser (A)” discloses the purchasers of fixed assets from the labor organization. A second new column “Date of Sale (C)” discloses the date of the sale. In addition, the Department requires labor organizations to identify automobiles individually by make, model, and year. This information is listed under prior Column A (Description), now redesignated in

Column B (Description). This change also results in splitting the prior Form LM-2 Item 43—Sale of Investments and Fixed Assets into Item 43—Sale of Investments and Item 44—Sale of Fixed Assets.

The previous Schedule 4 is also divided. The Department breaks this schedule into two: New Schedule 5—Purchase of Investments and new Schedule 6—Purchase of Fixed Assets. Each of these schedules now requires itemization for sellers to whom the labor organization paid over \$5,000. In the new Schedule 5—Purchase of Investments, the Department adds two new columns. The first new column entitled “Name and Address of Seller or Financial Management Firm (A)” discloses the identity of the seller of investments to the labor organization. A second new column “Date of Purchase (C)” discloses the date of the purchase.

Likewise, the Department adds two new columns to new Schedule 6—Purchase of Fixed Assets. The first new column entitled “Name and Address of Seller (A)” discloses the identity of the seller of fixed assets to the labor organization. A second new column “Date of Purchase (C)” discloses the date of the purchase. In addition, the Department requires that the union identify automobiles individually by make, model, and year. This information is listed under prior Column A (Description), now redesignated in Column B (Description). This split also results in splitting of prior Form LM-2 Item 60—Purchase of Investments and Fixed Assets into the new Item 63—Purchase of Investments and Item 64—Purchase of Fixed Assets.

On the newly numbered Schedule 13—All Officers and Disbursements to Officers and Schedule 14—Disbursements to Employees, the Department eliminates the use of functional time reporting and removes the exception for indirect disbursements for travel-related expenses. The Department also adds a new column titled “Benefits” which covers disbursements to officers and employees related to benefits.

For Schedule 15—Membership Status, the Department now requires a labor organization to include the reporting of retiree members.

The Department additionally divides the previous Form LM-2 Schedule 15—Representational Activities into two and rennumbers them Schedule 24 and Schedule 25. The first is designated Schedule 24—Contract Negotiation and Administration. The second is Schedule 25—Organizing. On new Schedule 24, the labor organization reports disbursements associated with the

negotiation of collective bargaining agreements and the administration and enforcement of collective bargaining agreements. On new Schedule 25, the labor organization reports disbursements associated with efforts to become the exclusive bargaining representative for any unit of employees, to keep from losing a unit of employees in a decertification election or to another labor organization, or to recruit new members. The previous Form LM-2 Schedule 16—Political Activities and Lobbying is also renumbered and divided into two schedules. On new Schedule 26—Political Activities, labor organizations report disbursements for political activities. On new Schedule 27—Lobbying, the labor organization reports lobbying disbursements. These changes also result in the splits of Items, with the prior Item 50—Representational Activities becoming the new Item 51—Contract Negotiation and Administration and Item 52—Organizing, and the prior Item 51—Political Activities and Lobbying becoming the new Item 53—Political Activities and Item 54—Lobbying.

The Department also adds new schedules that coincide with the items of cash receipts listed on Statement B. Stated otherwise, seven categories of receipts were reported as seven aggregate, lump sums. Under this final rule, they are supported by schedules. These schedules represent new requirements that labor organizations itemize the individual categories of receipts aggregated to \$5,000 or more from any one source. The labor organization is required to complete a separate itemization schedule for each individual or entity from which the labor organization has received \$5,000 or more. Each transaction from that individual or entity is accompanied by information about the individual, the purpose of the payment, the date of the payment, and the amount of the payment. The total amount received from the individual or entity, both itemized and non-itemized, is included at the bottom of the itemized schedule. The totals from each itemized schedule are then added together and that number is entered in the appropriate item on Statement B.

These additional schedules correspond to the following categories of receipts:

- Dues and Agency Fees;
- Per Capita Tax;
- Fees, Fines, Assessments, Work Permits;
- Sale of Supplies;
- Rents;

- On Behalf of Affiliates for Transmittal to Them; and
- From Members for Disbursement on Their Behalf.

The Department also adds a new Schedule 32—Foreign Transactions to Form LM-2 Long Form. This schedule requires reporting if the labor union engages in a transaction with a foreign entity or a foreign individual. The labor organization reports any individual transaction, receipt or disbursement, of \$5,000 or more, and any total receipts and/or total disbursements that aggregate to \$5,000 or more during the reporting period derived from a foreign entity or individual.

The Department rennumbers Schedules 14 through 19 as Schedules 23 through 30 on Form LM-2 Long Form. (The two extra schedules are the result of dividing into two the schedules for Representational Activities and Political Activities and Lobbying.) As in the previous Form LM-2, under these newly renumbered schedules, all “major” disbursements during the reporting period in the various categories would be separately identified. A major disbursement includes (1) any individual disbursement of \$5,000 or more, or (2) total disbursements to any single entity or individual that aggregates to \$5,000 or more during the reporting period. All other disbursements in these schedules would continue to be aggregated.

The current information collection (OMB Control Number 1245-0003) estimates the burden of the prior Form LM-2 at 530.20 hours per response (140.20 reporting + 390.00 recordkeeping), with 4,811 estimated annual respondents, a baseline total of 2,550,792.20 burden hours per year. The 99 organizations that will file the new Form LM-2 Long Form are currently included in that Form LM-2 baseline, contributing 52,489.80 hours of baseline burden (530.20 × 99). Under this final rule, those 99 organizations will instead file the Form LM-2 Long Form at a recurring per-response burden of 495.80 hours and a first-year per-response burden of 680.76 hours, which includes 184.96 hours of one-time nonrecurring burden for rule familiarization, accounting-system modifications, and personnel training. The Form LM-2 Long Form line of the collection will therefore generate 49,084.20 recurring burden hours per year (495.80 × 99) and 67,395.24 hours in the first year (680.76 × 99). Compared to the baseline, this represents a recurring decrease of 3,405.60 hours per year and a first-year increase of 14,905.44 hours, with the first-year figure attributable entirely to one-time transition costs. The per-

response burden buildup is set out in section vi. below.

iii. Revised Form LM-2

The Department is also revising Form LM-2 as part of this final rule. The changes mentioned here affect the burden associated with the new Form, and a more complete discussion of various aspects of the proposed revisions are found in the preamble. It mirrors the prior Form LM-2, except for the following changes. Revised Form LM-2 has an amended threshold based on the 2020 NPRM and the 2025 NPRM, increasing by \$100,000 in order to require any labor organization with annual receipts of \$350,000 up to \$40 million to file this Form.

In new Item 3(d), the union reports whether it was in trusteeship. New Item 10(b) requires the labor organization to report whether certain officers or employees received payment from another labor organization. New Item 18(b) requires reporting of the date of the labor organization's current constitution and bylaws.

The Department is increasing the itemization threshold for Schedule 1—Accounts Receivable Aging Schedule and Schedule 10—Accounts Payable Aging Schedule (prior Schedule 8). This is to reflect inflation since this itemization was introduced in 2003.

The Department divides the previous Schedule 3—Sale of Investments and Fixed Assets into two schedules. The first is the new Schedule 3—Sale of Investments. The second is the new Schedule 4—Sale of Fixed Assets. Each of these schedules now requires itemization for purchasers who paid the labor organization \$5,000 or more. In the new Schedule 3—Sale of Investments, the Department adds two new columns. The first new column, entitled “Name and Address of Purchaser or Financial Management Firm (A),” discloses the purchasers of investments from the labor organization. A second new column “Date of Sale (C)” discloses the date of the sale. The other columns (Description; Cost; Book Value; Gross Sales Price; and Amount Received) remain the same but are designated with different letters, to accommodate the two new columns.

The second part of the divided schedule is the new Schedule 4—Sale of Fixed Assets. As in the case of new Schedule 3, the Department adds two new columns to Schedule 4—Sale of Fixed Assets. The first new column entitled “Name and Address of Purchaser (A)” discloses the purchasers of fixed assets from the labor organization. A second new column “Date of Sale (C)” discloses the date of

the sale. In addition, the Department requires labor organizations to identify automobiles individually by make, model, and year. This information is listed under prior Column A (Description), now redesignated as Column B (Description). This change also results in splitting the previous Form LM-2 Item 43—Sale of Investments and Fixed Assets into Item 43—Sale of Investments and Item 44—Sale of Fixed Assets.

The previous Schedule 4 is also divided. The Department breaks this schedule into two: New Schedule 5—Purchase of Investments and new Schedule 6—Purchase of Fixed Assets. Each of these schedules now requires itemization for sellers to whom the labor organization paid over \$5,000. In the new Schedule 5—Purchase of Investments, the Department adds two new columns. The first new column entitled “Name and Address of Seller or Financial Management Firm (A)” discloses the identity of the seller of investments to the labor organization. A second new column “Date of Purchase (C)” discloses the date of the purchase.

Likewise, to new Schedule 6—Purchase of Fixed Assets, the Department adds two new columns. The first new column entitled “Name and Address of Seller (A)” discloses the identity of the seller of fixed assets to the labor organization. A second new column “Date of Purchase (C)” discloses the date of the purchase. In addition, the Department requires that the union identify automobiles individually by make, model, and year. This information is listed under prior Column A (Description), now redesignated as Column B (Description). This change also results in splitting the prior Form LM-2 Item 60—Purchase of Investments and Fixed Assets into the new Item 63—Purchase of Investments and Item 64—Purchase of Fixed Assets.

On the new Schedule 13—All Officers and Disbursements to Officers and Schedule 14—Disbursements to Employees, the Department eliminates the use of functional time reporting and removes the exception for indirect disbursements for travel-related expenses. For Schedule 15—Membership Status, the Department now requires a labor organization to include the reporting of retired members.

The Department additionally divides the previous Form LM-2 Schedule 15—Representational Activities into two and rennumbers them Schedule 17 and Schedule 18. The first is designated Schedule 17—Contract Negotiation and Administration. The second is Schedule 18—Organizing. On new Schedule 17,

the labor organization reports disbursements associated with the negotiation of collective bargaining agreements and the administration and enforcement of collective bargaining agreements. On new Schedule 18, the labor organization reports disbursements associated with efforts to become the exclusive bargaining representative for any unit of employees, to keep from losing a unit of employees in a decertification election or to another labor organization, or to recruit new members. The previous Form LM-2 Schedule 16—Political Activities and Lobbying is also renumbered and divided into two schedules. On new Schedule 19, labor organizations report disbursements for political activities. On new Schedule 20, the labor organization reports lobbying disbursements. These changes also result in the splitting of items, with the prior Item 50—Representational Activities becoming the new Item 51—Contract Negotiation and Administration and Item 52—Organizing, and the prior Item 51—Political Activities and Lobbying become the new Item 53—Political Activities and Item 54—Lobbying.

Against the current ICR baseline of 530.20 hours per response \times 4,811 filers (2,550,792.20 hours per year), the revised Form LM-2 will apply to 4,310 filers, reflecting the shifting of 99 large filers to the Form LM-2 Long Form and 511 smaller filers to Form LM-3, partially offset by adjustments in the updated FY 2024 filing universe. The recurring per-response burden of the revised Form LM-2 is 343.10 hours, a per-response decrease of 187.10 hours relative to the prior Form LM-2. The first-year per-response burden is 434.64 hours, which includes 91.54 hours of one-time nonrecurring burden for familiarization, accounting-system modifications, and personnel training. The revised Form LM-2 will therefore generate 1,478,761.00 recurring burden hours per year ($343.10 \times 4,310$) and 1,873,298.40 hours in the first year ($434.64 \times 4,310$). Compared to the baseline, this represents a recurring decrease of 1,072,031.20 hours per year and a first-year decrease of 677,493.80 hours. The per-response burden buildup is set out in section vi. below.

iv. Form LM-3

For Item 24—All Officers and Disbursements to Officers on Form LM-3, the Department removes the exception for indirect disbursements for travel-related expenses.

The current ICR baseline (OMB Control Number 1245-0003) estimates the burden of Form LM-3 at 102.74

hours per response (38.74 reporting + 64.00 recordkeeping), with 10,837 estimated annual respondents — a baseline total of 1,113,393.38 burden hours per year. Under this final rule, Form LM–3 will apply to 7,960 filers, reflecting the migration of 2,089 of the smallest Form LM–3 filers to Form LM–4 under the new \$25,000 threshold and the addition of 511 former Form LM–2 filers under the new \$350,000 Form LM–2 threshold, together with adjustments in the updated FY 2024 filing universe. The recurring per-response burden of Form LM–3 is 103.24 hours (a 0.5-hour per-response increase reflecting the new requirement to track and report indirect disbursements for travel-related expenses), and the first-year per-response burden is 105.74 hours, which includes 2.5 hours of one-time nonrecurring burden for familiarization with the revised instructions and adjustment of accounting practice. The Form LM–3 line of the collection will therefore generate 821,790.40 recurring burden hours per year ($103.24 \times 7,960$) and 841,690.40 hours in the first year ($105.74 \times 7,960$). Compared to the baseline, this represents a recurring decrease of 291,602.98 hours per year and a first-year decrease of 271,702.98 hours. The net decrease is driven primarily by the 2,089 former Form LM–3 filers moving to the substantially less burdensome Form LM–4. The per-response burden buildup is set out in section vi below.

v. Form LM–4

While the Department is not changing Form LM–4, the Department is increasing the threshold for Form LM–3. Form LM–3 is now required for labor organizations with \$25,000 or more in gross receipts, an increase from the \$10,000 threshold set in 1992.

The current ICR baseline (OMB Control Number 1245–0003) estimates the burden of Form LM–4 at 9.18 hours per response (7.18 reporting + 2.00 recordkeeping), with 6,835 estimated annual respondents — a baseline total of 62,745.30 burden hours per year. This final rule makes no changes to the content of Form LM–4 itself, so the per-response burden remains 9.18 hours and filers incur no first-year nonrecurring burden. Under the new \$25,000 Form LM–3 threshold, however, Form LM–4 will apply to 8,178 filers, an increase of 1,343 over baseline that reflects the migration of 2,089 former Form LM–3 filers to Form LM–4 partially offset by smaller adjustments in the updated filing universe. The Form LM–4 line of the collection will therefore generate 75,074.04 burden hours per year ($9.18 \times$

8,178), a recurring increase of 12,328.74 hours per year relative to the baseline. This increase is more than offset by the corresponding decrease on the Form LM–3 line attributable to the same 2,089 filers, who move from a 102.74-hour-per-response form to a 9.18-hour-per-response form. On net, the Form LM–3/LM–4 threshold revision reduces collection burden by 195,446.84 hours per year on the 2,089 affected filers ($2,089 \times (102.74 - 9.18)$).

vi. Comments on Burden

The Department received numerous comments on the burden associated with additions to the new Form LM–2 Long Form as compared to the prior Form LM–2 and on the revised Form LM–2, as well as a few comments addressing burden hour estimates on the Department's initial PRA analysis.

Several commenters challenged OLMS's burden estimates under the PRA, arguing that the Department's assumption that each new schedule would require only five additional hours of reporting time was unrealistic given the volume of transactions involved. A major labor federation noted that the burden analysis in the 2009 Final Rule spanned six pages and considered each proposed schedule, while the 2020 NPRM contained only four paragraphs. The labor federation characterized the 2020 analysis as "patently absurd," stating that different schedules call for different items at various levels of detail, making uniform time estimates contrary to common sense. The federation additionally stated that OLMS failed to adequately consider regulated entities' experience with the prior Form LM–2 and relied on an internal staff canvas rather than engagement with regulated unions or their members. They further stated that the Department underestimated the compliance burden under the PRA, stating that the Department was repeating flaws that led to the withdrawal of the 2009 LM–2 rulemaking.

Large international unions provided examples of the rule's burden impact. One large international labor organization stated that it already files Form LM–2 reports approaching 1,000 pages and that the addition of 12 new schedules, particularly those requiring itemization of per capita tax receipts, would "add thousands of pages," overwhelm members attempting to understand the reports, and require extensive reprogramming of accounting systems and the hiring of additional staff.

The same international labor organization noted that with over 3,000

affiliated local unions and councils, the proposed per capita tax itemization schedule would be too burdensome. The organization noted that in 2019, its per capita tax receipts totaled more than \$180,000,000—almost 18 times the amount reported in its "Other Receipts" schedule, which resulted in 96 pages of itemization. The labor organization stated the proposed itemization would likely double or even triple the size of the international labor organization's filing. Another labor organization similarly stated the itemization of then-Schedule 19—Sale of Supplies would create a burden on the labor organization that was not properly accounted for by the Department's burden estimate.

Another large labor organization similarly asserted that OLMS grossly underestimated the hours required to comply with new receipt-side itemization and investment reporting requirements. The labor organization stated that OLMS's estimate of five hours per new schedule was "irreconcilable" and that implementing entirely new categories imposes a significantly greater burden than simply adding new line items.

Two accounting firms stated that the proposed itemization of receipts and investment transactions would be burdensome, time-consuming, and of limited value to members. One firm stated that for building trades unions with hundreds of contractors, recordkeeping and reporting of itemized dues would be substantial and time-consuming. The firm stated that for international unions with hundreds of affiliated locals, itemization of per capita taxes could require thousands of additional transaction lines. One accounting firm stated that "we do not embrace the theory that an increase in the volume of information automatically improves its understandability or usefulness to a reader."

The Department disagrees that its burden estimates are flawed or unsupported. In developing the rule, the Department relied on its extensive experience administering and enforcing the LMRDA, including decades of reviewing LM reports, conducting audits, and investigating financial misconduct. The Department has also carefully reviewed the comments submitted and further considered feedback from OLMS field staff, whose enforcement experience indicated that additional itemization and clearer reporting structures materially assist in detecting embezzlement, conflicts of interest, and reporting violations. In light of those considerations, the Department determined that the

estimates made in the 2003 Final Rule were accurate and a fair standard for use in calculating this PRA burden. The Department's estimate of five hours of additional burden per new schedule for the revised Form LM-2 is based on the key assumption that labor organizations maintain adequate books and records in the ordinary course of business, as required by Section 206 of the LMRDA. Organizations that comply with their prior recordkeeping obligations should possess the underlying data necessary to complete the Form LM-2 Long Form without extensive additional data collection. The Department has decided to keep its estimate of 5 burden hours for each of the new schedules introduced to the revised Form LM-2.

However, the Department understands the concerns about the proposed burden hour estimates on the new and prior schedules requiring itemization of transactions. In the 2020 NPRM, the Department estimated that each of the new schedules in the Form LM-2 Long Form would account for 5 recurring burden hours for all new schedules (4.4 hours of recordkeeping burden and 0.6 hours of reporting burden). This was based upon the Department's 2003 Final Rule amending Form LM-2, in which new disbursement schedules and itemization requirements were introduced. *See* 68 FR 58439 (Oct. 9, 2003), Table 4 (Summary of Average Additional First Year Burden for the Revised Form LM-2). The burden estimates from the Department's 2003 Final Rule were made by considering Form LM-2 filers in three tiers, based on annual receipts: those with annual receipts between \$250,000-\$499,999, those with receipts between \$499,000-\$49,999,999, and those with receipts of \$50,000,000 or above. As the Form LM-2 Long Form deals mostly with those in that third tier, it is unfair to make a burden calculation based on all three tiers. Based on these comments, and reflection on the time labor organizations may take to record this data and report to OLMS, the Department increases its estimates for the 12 new schedules on Form LM-2 Long Form to 10 burden hours each.

A large labor organization stated that new revenue-side itemization would require reprogramming the labor organization's accounting system, a process that would be extremely burdensome. As noted above, the labor organization emphasized that its CPA described the 2003 transition as a "nightmare." At the same time, system modifications undertaken for Form LM-2 Long Form compliance may also strengthen organizations' internal

financial controls and provide better information for management decision-making.

Multiple commenters raised concerns about the proposal to split functional reporting categories, stating that it would significantly increase burdens while potentially reducing transparency by creating separate itemization thresholds for each new category. The same large labor organization stated that this would require thousands of additional project codes in accounting systems.

The Department distinguishes between one-time implementation costs and ongoing annual compliance burden. While some organizations may need to modify accounting systems, these are primarily one-time costs. Once systems are appropriately configured, the ongoing annual burden should be modest for organizations with proper internal controls. Although some commenters stated that compliance will require system modifications, the Department notes that modern accounting software and electronic filing tools substantially reduce the burden of producing itemized reports, particularly for large labor organizations with significant financial resources. Contemporary accounting systems routinely generate detailed transaction reports, and electronic filing systems allow for bulk uploads of transaction data.

The Department also recognizes that some organizations may need to modify systems and processes. However, several important considerations apply. System modifications are primarily one-time costs that will facilitate ongoing compliance. During implementation, the Department will provide extensive technical assistance including detailed instructions, educational webinars, individualized consultation, engagement with accounting software vendors, and partial review of draft forms. Still, the Department acknowledges the comments describing the burden associated with making these changes in the first year and thus increases the nonrecurring recordkeeping burden and nonrecurring report burden hours associated with this final rule. For the Form LM-2 Long Form, the Department increases the nonrecurring recordkeeping burden by 63.14 hours and the nonrecurring reporting burden hours by 45.02 hours, for a total increase of 108.16 nonrecurring burden hours. For the revised Form LM-2, the Department increases the nonrecurring recordkeeping burden by 12.36 hours and the nonrecurring reporting burden hours by 0.38 hours, for a total increase

of 12.74 nonrecurring burden hours. More details on the exact breakdown of these non-recurring burden hours can be found in the next section.

Multiple commenters identified investment transaction reporting as particularly burdensome. An international labor union commenter noted that large portfolios are often actively traded and that the volume of information would be overwhelming rather than helpful to readers. One accounting firm observed that "many large unions have tens of millions of dollars in aggregate investment transactions that are not processed in detail within the labor organization's own accounting system. A bridge will be required to allow for significant numbers of transactions to be submitted to the Department. This will require significant time and money to implement. . . ." One union stated that the investment reporting changes alone would likely account for the entire nonrecurring costs OLMS estimated, and that documentation and cataloging of transactions would cost dozens of hours per year and add hundreds of pages to filings.

The Department has carefully reviewed these specific concerns and adjusted the final rule, as previously noted in the preamble, that labor organizations do not need to report transactions on a registered securities exchange when the purchaser/seller is unknown. The Department acknowledges that reporting individual transactions for large portfolios could involve substantial numbers of line items. However, labor organizations have fiduciary obligations to monitor investments and should already be receiving detailed transaction reports from custodians. The Department does increase its burden hour estimate by 10 hours for the Form LM-2 Long Form and by 5 hours for the revised Form LM-2 based on this requirement for itemization to account for the changes in recordkeeping and reporting that labor organizations will need to implement.

vii. Hours To Complete and File the Form LM-2 Long Form, Revised Form LM-2, & Form LM-3

With this rule, the Department eliminates functional reporting from LM-2 reporting. That singular change significantly reduces recordkeeping burden hours for labor organization filers of the new Form LM-2 Long Form and revised Form LM-2. By creating the Form LM-2 Long Form, this rule removes 34.4 burden hours on 99 filers for a total reduction of 3,405.60 hours; by revising the Form LM-2, it removes

187.1 burden hours on the newly estimated 4,310 filers for a total reduction of 806,401 hours. In sum, the

creation of the Form LM–2 Long Form and the substantive changes to the

revised Form LM–2 result in a reduction of 809,806.6 burden hours for filers.

TABLE 6 —COMPARISON OF BASELINE BURDEN HOURS WITH NEW RECURRING BURDEN HOURS BY FORM TYPE

Form Type	Baseline burden hours	Post-rulemaking recurring burden hours	Change in recurring burden hours
LM-2 LONG FORM	N/A*	495.80	-34.4
LM-2	530.2	343.10	-187.1
LM-3	102.74	103.24	+5
LM-4	9.18	9.18	0

These estimates are different from the 2020 NPRM due to new additions made to each form, the rejection of some proposals regarding the Form LM–2 Long Form and revised Form LM–2, updated Department estimates on the burden required to make certain disclosures, and from comments received on the 2020 NPRM for how the Department calculated burden. The Department also includes in this final rule calculations on the nonrecurring burden hours for each addition to the Form LM–2 Long Form as compared to the prior Form LM–2, the revised Form LM–2, and Form LM–3 to determine the burden hours for the first year of filings for these new and revised Forms. These non-recurring burden hours include familiarization time for each filer to review the new Form and Instructions for changes and new requirements.

1. Form LM–2 Long Form

The Form LM–2 Long Form includes 12 additional schedules not on the prior Form LM–2, four of which result from the split of a prior Form LM–2 schedule and seven which are brand new. As previously noted, the Department received numerous comments that this burden estimate was far too low for

large labor organizations who often deal with hundreds to thousands of potentially itemized transactions. As a result, the Department estimates that each new schedule will result in a total of 10 burden hours, 8.8 recordkeeping and 1.2 reporting. Applied to each of the new schedules, this results in a total increase of 120 recurring burden hours.

Based on the 2003 Final Rule, the 12 new schedules also each incur 10.3 nonrecurring burden hours (5.4 hours of recordkeeping burden and 4.9 hours of reporting burden) to change accounting structures, to develop, test, review, and document accounting software, and to train personnel on the new requirements. Following its review of the comments, the Department extends 5 additional burden hours to the six unchanged or renumbered itemized schedules as well, given the volume of itemized receipts a labor organization with over \$40 million in total annual receipts must cover. This results in an additional 30 recurring burden hours.

This increase based on the larger labor organization filings also applies to Schedule 1—Accounts Receivable and Schedule 10—Accounts Payable. Based on the estimates in the Department’s 2003 Final Rule, both of these schedules

will receive an additional 0.8 recordkeeping hours and 1.4 reporting hours in total. However, the increase in the itemization threshold for these schedules results in a decrease of 0.4 record keeping hours and 0.7 reporting hours for both schedules, which subtracted from the increase leads to a total of 1.1 burden hours for both. The Department also estimates an additional 2 hours of nonrecurring recordkeeping burden in order to adjust accounting systems to this new change.

For Schedules 3–6, the additional requirement for itemization and the requirement to include names and dates in two new columns results in an additional 10 burden hours. This is an increase from the 2020 NPRM and covers the new requirements for the labor organization to collect the names and addresses of all individuals or entities the labor organization conducts transactions with, and the new requirement for specific itemization, including date, for these transactions over \$5,000. The adjustment to these new itemization requirements will also result in an additional 5.42 hours of nonrecurring recordkeeping burden and 4.96 hours of nonrecurring reporting

burden for each schedule, for a total of 41.52 nonrecurring burden hours.

The Department also includes a new estimate not included in the 2020 NPRM that, on average, labor organizations will take an additional recurring 10.5 hours on recordkeeping burden and 1.5 hours on reporting burden to enter the amount officers and employees receive in benefits on Schedule 13 and Schedule 14, along with an additional hour in reporting burden to track indirect disbursements for temporary lodging or transportation. The Department affirmed the addition of this requirement to include benefits in the preamble, and this burden estimate fairly covers the requirement for labor organizations to report this information on its officers and employees. These additions also add 5.92 hours of nonrecurring recordkeeping burden and 6.96 hours of nonrecurring reporting burden in order for labor organizations to adapt to these changes in their system. This additional time is based on the assumption that Form LM-2 Long Form filers will have more officers and employees, for whom the labor organization will need to separate out benefits for each individual.

However, the Department's removal of functional time reporting in Schedules 13 and 14 significantly lowers the burden for these schedules. The 2020 NPRM estimated the removal of functional time reporting would result in a decrease of 10 burden hours, but a review of underlying data revealed this was underestimated. In the Department's 2003 Final Rule, the requirement for functional time reporting was estimated to require each officer and employee of the union to use 30-60 minutes each month and an additional hour each year to estimate the amount of time spent on each of the functional categories for each month and to then sum them for the entire year. This resulted in an estimated 203.2 recurring recordkeeping burden hours and 12.8 recurring reporting burden hours.⁴¹ The removal of the requirement to report functional time for the Form LM-2 Long Form results in a decrease of 216 burden hours. In total, the Department estimates a reduction of 203 total burden hours for Schedules 13 and 14.

New Item 10(b), which requires the labor organization to report whether certain officers or employees received

payment from another labor organization, will create one hour of nonrecurring recordkeeping burden and one hour of nonrecurring reporting burden to reflect the need for labor organizations to train officers and employees of this new requirement, create a process for tracking, and report this new information. New Item 18(b) will require reporting of the dates of the labor organization's most recent constitution and bylaws. Each one of these items will add .25 hours to the recurring burden, resulting in an additional .5 hours of burden.

In total, the Department estimates 495.80 recurring burden hours for the new Form LM-2 Long Form (the 530.20 hours associated with the prior Form LM-2 and the 34.4 reduction in hours associated with the adjusted reporting requirements). The Department also estimates an additional 184.96 non-recurring burden hours for the first year.

2. Revised Form LM-2

For the revised Form LM-2, the Department added four new schedules, at an estimated five burden hours per schedule or 20 total hours based on the 2003 Final Rule. Each of these also incurs 10.3 non-recurring burden hours (5.4 hours of recordkeeping burden and 4.9 hours of reporting burden) to change accounting structures; to develop, test, review, and document accounting software; and to train personnel on the new requirements. This results in a total of 41.52 non-recurring burden hours.

The increase in the itemization threshold for Schedule 1 and Schedule 10 results in a decrease of 0.4 record keeping hours and 0.7 reporting hours for both schedules. The Department also estimates an additional 2 hours of nonrecurring recordkeeping burden in order to adjust accounting systems to this new change.

For Schedules 3-6, the additional requirement for itemization and requirement to include names and dates in two new columns results in an additional 5 burden hours. This estimate is an increase from the 2020 NPRM and covers the new requirements for the labor organization to collect the names and addresses of all individuals or entities the labor organization conducts transactions with, and the new requirement for specific itemization including date for these transactions over \$5,000. The adjustment to this new itemization requirement will also result in an additional 5.42 hours of nonrecurring recordkeeping burden and 4.96 hours of nonrecurring reporting burden for each schedule, for a total of 41.52 nonrecurring burden hours.

For Schedules 13 and 14, the Department estimates an additional half hour in reporting burden to track indirect disbursements for temporary lodging or transportation, and 2.5 hours of nonrecurring recordkeeping and reporting burden. However, the Department's removal of functional time reporting in Schedule 13 and 14 significantly lowers the burden for these schedules. The 2020 NPRM estimated the removal of functional time reporting would result in a decrease of 10 burden hours, but a review of underlying data revealed this was underestimated. In the Department's 2003 Final Rule, the requirement for functional time reporting was estimated to require each officer and employee of the union to use 30-60 minutes each month along with an hour each year to estimate the amount of time spent on each of the functional categories for each month and to then sum them for the entire year. This resulted in an estimated 203.2 recurring recordkeeping burden hours and 12.8 recurring reporting burden hours.⁴² The removal of the requirement to report functional time for revised Form LM-2 results in a decrease of 216 burden hours. In total, the Department estimates a reduction of 203 total burden hours for Schedules 13 and 14.

New Item 10(b), which requires the labor organization to report whether certain officers or employees received payment from another labor organization, will create one hour of nonrecurring recordkeeping burden and one hour of nonrecurring reporting burden to reflect the need for labor organizations to train officers and employees of this new requirement, create a process for tracking, and report this information. New Item 18(b) will require reporting of the dates of the labor organization's current constitution and bylaws. Each one of these items will add .25 hours to the recurring burden, resulting in an additional .5 hours of burden.

In total, the Department estimates 343.10 recurring burden hours for the revised Form LM-2 (the 530.20 hours associated with the prior Form LM-2 and the 187.1-hour reduction associated with the adjusted reporting requirements). The Department also estimates an additional 91.54 non-recurring burden hours for the first year.

⁴¹ 68 FR 58374, 58437-58441 (Oct. 9, 2003), Table 4 (Summary of Average Additional First Year Burden for the Revised Form LM-2). This table attributes 26.4 hours of reporting burden to prior Schedule 11 and Schedule 12, now renumbered Schedules 13 and 14, but the Department is estimating it covers 12.8 hours of reporting burden.

⁴² 68 FR 58374, 58437-58441 (Oct. 9, 2003), Table 4 (Summary of Average Additional First Year Burden for the Revised Form LM-2). This table attributes 26.4 hours of reporting burden to Schedule 11 and Schedule 12, but the Department is estimating it covers 12.8 hours of reporting burden.

3. Form LM-3

Though the Department did not include a burden increase in the proposed rule for Form LM-3, due to the change to Item 24—All Officers and Disbursements to Officers, the Department estimates an additional half hour in reporting burden to track indirect disbursements for temporary lodging or transportation, and 2.5 hours of nonrecurring recordkeeping and reporting burden.

vii. Estimated Number of Form LM-2 Long Form, Revised Form LM-2, Form LM-3, and Form LM-4 Reports

Previously, the Department estimated that it receives annually 4,811 Form LM-2s; 10,837 Form LM-3s; and 6,835 Form LM-4s for a total of 22,483 annual

financial reports.⁴³ As part of this final rule, the Department is updating this data based on FY 2024 Filing Data and estimates that it received 4,920 Form LM-2s; 9,538 Form LM-3s; and 6,089 Form LM-4s for a total of 20,547 annual financial reports.⁴⁴ The addition of the Form LM-2 Long Form, as well as the change in thresholds for both revised Form LM-2 and Form LM-3 alter this data further. The Department estimates that 99 prior Form LM-2 filers exceed \$40 million in total annual receipts and will begin filing the Form LM-2 Long Form. As a result of the changes to Form LM-2 and Form LM-3 thresholds, the Department estimates that a total of 511 prior Form LM-2 filers will begin filing Form LM-3, and that a total of 2,089 prior Form LM-3 filers will begin filing Form LM-4. In sum, the Department

now expects annual totals of 99 Form LM-2 Long Forms; 4,310 revised Form LM-2s; 7,960 Form LM-3s; and 8,178 Form LM-4s.

viii. Total Burden Hours—Summary and Baseline Comparison

The table below (Table 7) summarizes the recurring annual burden under the final rule for each LM annual financial report and compares it to the current ICR baseline (OMB Control Number 1245-0003). Table 8 presents the corresponding first-year totals, which reflect both recurring annual burden and one-time nonrecurring transition burden (familiarization, accounting-system modifications, and personnel training). Numbers may not sum exactly because of rounding.

Table 7 —Recurring annual burden — current ICR baseline versus post-rule

Form	Filers (current ICR)	Filers (post-rule)	Hrs/response (current ICR)	Hrs/response (post-rule recurring)	Total burden hrs (current ICR)	Total burden hrs (post-rule recurring)	Recurring change vs. current ICR
Form LM-2 Long Form	0	99	—	495.80	0	49,084.20	+49,084.20
Form LM-2 (revised)	4,811	4,310	530.20	343.10	2,550,792.20	1,478,761.00	-1,072,031.20
Form LM-3	10,837	7,960	102.74	103.24	1,113,393.38	821,790.40	-291,602.98
Form LM-4	6,835	8,178	9.18	9.18	62,745.30	75,074.04	+12,328.74
Total	22,483	20,547	—	—	3,726,930.88	2,424,709.64	-1,302,221.24

⁴³ See OMB Control Number 1245-0003 at: https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202407-1245-001.

⁴⁴ See OLMS Historical Filing Data at: <https://www.dol.gov/agencies/olms/data>.

Table 8 —First-year burden under the final rule, including one-time nonrecurring transition burden.

Form	First-year hrs/response (recurring + nonrecurring)	Total first-year burden hrs	First-year change vs. current ICR
Form LM-2 Long Form	680.76 (495.80 + 184.96)	67,395.24	+67,395.24
Form LM-2 (revised)	434.64 (343.10 + 91.54)	1,873,298.40	-677,493.80
Form LM-3	105.74 (103.24 + 2.50)	841,690.40	-271,702.98
Form LM-4	9.18 (no nonrecurring)	75,074.04	+12,328.74
-Total	—	2,857,458.08	-869,472.80

On a per-response basis, the elimination of functional time reporting on Schedules 13 and 14 (-216 recurring hours, based on the 2003 final rule's estimate) outweighs the additions made by the new schedules, itemization requirements, and items added in this rulemaking (approximately +181.6 recurring hours). The Form LM-2 Long Form is longer in scope of disclosure but shorter in burden hours per response. The Department's canvassing of OLMS field investigators found that functional time estimates could not be meaningfully audited and provided "no valuable insight" for enforcement, supporting the elimination of that requirement.

The first-year aggregate burden is higher than the recurring annual burden for the Form LM-2 Long Form and Form LM-3. For Form LM-2, the first-year aggregate burden is lower than the current ICR baseline; it is, however, higher than the steady-state recurring burden because filers incur one-time nonrecurring costs in the first year. These nonrecurring costs (*e.g.*, familiarization, accounting-system modifications, training) do not recur in subsequent years. The recurring annual burden in the second and subsequent years is therefore the lower steady-state figure (2,424,709.64 hours), not the higher first-year figure (2,857,458.08 hours).

Additionally, the Form LM-2 Long Form shows a first-year aggregate burden increase relative to the baseline despite its per-response burden is lower.

The 99 affected organizations are currently included in Form LM-2 line of the baseline (at 530.20 hours each). They move to a new form line with a recurring per-response burden (495.80 hours) below the baseline, but in the first year they additionally incur 184.96 hours of nonrecurring transition burden, which pushes the first-year per-response burden (680.76 hours) above the baseline. This effect is a one-time transition cost; in subsequent years the Form LM-2 Long Form line shows a recurring reduction relative to the baseline (-3,405.60 hours per year).

In summary, the final rule reduces the total recurring burden of this portion of the collection from 3,726,930.88 hours per year (current ICR baseline) to 2,424,709.64 hours per year, a recurring reduction of 1,302,221.24 hours per year, or approximately 35 percent. In the first year of implementation, the total burden is 2,857,458.08 hours, a first-year reduction of 869,472.80 hours relative to the current ICR baseline. The difference between the first-year and steady-state figures (432,748.44 hours) represents one-time nonrecurring transition burden that filers will incur once and will not recur.

ix. Conclusion

As this final rule requires a revision to an existing information collection, the Department is submitting, contemporaneously with the publication of this document, an information collection request (ICR) to revise the PRA clearance to address the

clearance term. A copy of this ICR, with applicable supporting documentation, including among other items a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov website at <https://www.reginfo.gov/public/do/PRAOMBHistory?ombControlNumber=1245-0003> (this link will be updated following publication of this rule) or from the Department by contacting Andrew C. Hasty by telephone at 202-693-0123 (this is not a toll-free number), 711(TTY/TDD), or by email at OLMS-Public@dol.gov.

d. Executive Order 13132

E.O. 13132, "Federalism," 64 FR 43255 (Aug. 10, 1999), imposes certain requirements on federal agencies formulating and implementing policies or regulations that preempt state law or that have federalism implications. The Executive Order requires agencies to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. The E.O. also requires agencies to have an accountable process to ensure meaningful and timely input by state and local officials in the development of regulatory policies that have federalism implications.

The Department has examined this final rule and determined that it would not have a substantial direct effect on the States, on the relationship between

the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

e. Executive Order 12988

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of E.O. 12988, "Civil Justice Reform," imposes on Federal agencies the general duty to adhere to the following requirements: (1) eliminate drafting errors and ambiguity, (2) write regulations to minimize litigation, (3) provide a clear legal standard for affected conduct rather than a general standard, and (4) promote simplification and burden reduction. 61 FR 4729 (Feb. 7, 1996). Regarding the review required by section 3(a), section 3(b) of E.O. 12988 specifically requires that Executive agencies make every reasonable effort to ensure that the regulation: (1) clearly specifies the preemptive effect, if any, (2) clearly specifies any effect on existing federal law or regulation, (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction, (4) specifies the retroactive effect, if any, (5) adequately defines key terms, and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General.

Section 3(c) of E.O. 12988 requires executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. The Department has completed the required review and determined that, to the extent permitted by law, this final rule meets the relevant standards of E.O. 12988.

f. Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) requires each Federal agency to assess the effects of Federal regulatory actions on State, local, and Tribal governments and the private sector. Public Law 104-4, sec. 201 (codified at 2 U.S.C. 1531). For a regulatory action likely to result in a rule that may cause the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector of \$100 million or more in any one year (adjusted annually for inflation), section 202 of UMRA requires a Federal agency to publish a written statement that estimates the resulting costs, benefits, and other effects on the national economy. 2 U.S.C. 1532(a), (b). The UMRA also requires a federal agency to develop an effective process to permit

timely input by elected officers of state, local, and tribal governments on a "significant Federal intergovernmental mandate," and requires an agency plan for giving notice and opportunity for timely input to potentially affected small governments before establishing any requirements that might significantly or uniquely affect them. 2 U.S.C. 1534(a).

The Department examined this final rule according to UMRA and its statement of policy and determined that this final rule does not contain a Federal intergovernmental mandate, nor requires expenditures of \$100 million or more in any one year by state, local, and Tribal governments, in the aggregate, or by the private sector. As a result, the analytical requirements of UMRA do not apply.

g. Treasury and General Government Appropriations Act, 1999

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105-277) requires federal agencies to issue a Family Policymaking Assessment for any rule that may affect family well-being. This final rule would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, the Department has concluded that it is not necessary to prepare a Family Policymaking Assessment.

h. Executive Order 12630

Pursuant to E.O. 12630, "Governmental Actions and Interference with Constitutionally Protected Property Rights," 53 FR 8859 (Mar. 18, 1988), the Department has determined that this final rule would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

i. Treasury and General Government Appropriations Act, 2001

Section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516, note) provides for federal agencies to review most disseminations of information to the public under information quality guidelines established by each agency pursuant to general guidelines issued by OMB. OMB's guidelines were published at 67 FR 8452 (Feb. 22, 2002). The Department has reviewed this final rule under the OMB guidance and has concluded that it is consistent with applicable policies in those guidelines.

j. Congressional Review Act, 1996

Pursuant to Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (also known as the

Congressional Review Act, 5 U.S.C. 801 *et seq.*), OMB's Office of Information and Regulatory Affairs has determined that this final rule does not meet the criteria set forth in 5 U.S.C. 804(2).

Agency: Department of Labor, Office of Labor-Management Standards.

Type of Review: Revision of a currently approved collection.

Title of Collection: Labor Organization and Auxiliary Reports.

OMB Control Number: 1245-0003.

Forms: LM-1—Labor Organization Information Report, LM-2 Long Form, LM-2, LM-3, LM-4—Labor Organization Annual Report, Simplified Annual Report, LM-10, Employer Report, LM-15—Trusteeship Report, LM-15A—Report on Selection of Delegates and Officers, LM-16—Terminal Trusteeship Report, LM-20—Agreement and Activities Report, LM-21—Receipts and Disbursements Report, LM-30—Labor Organization Officer and Employee Report, S-1—Surety Company Annual Report.

Affected Public: Private Sector—Business or other for-profits and not-for-profit institutions.

Total Estimated Number of Annual Respondents: 30,855.

Total Estimated Number of Responses: 33,131.

Frequency: Varies.

Total Estimated Annual Time Burden: 3,342,519.88 hours.

Total Estimated Annual Other Costs Burden: \$0.

List of Subjects in 29 CFR Parts 402, 403, and 408

Labor organizations, reporting and recordkeeping requirements, trusts.

For the reasons set forth in the preamble, the Department amends parts 402, 403, and 408 of chapter IV of title 29 of the Code of Federal Regulations, as set forth below:

PART 402—LABOR ORGANIZATION INFORMATION REPORTS

■ 1. The authority citation for part 402 continues to read as follows:

Authority: Secs. 201, 207, 208, 73 Stat. 524, 529 (29 U.S.C. 431, 437, 438); Secretary's Order No. 03-2012, 77 FR 69376, November 16, 2012.

■ 2. Amend § 402.5 by revising paragraph (a) to read as follows:

§ 402.5 Terminal reports.

(a) Any labor organization required to file reports under the provisions of this part, which ceases to exist by virtue of dissolution or any other form of termination of its existence as a labor organization, or which loses its identity as a reporting labor organization

through merger, consolidation or otherwise, shall file a report containing a detailed statement of the circumstances and effective date of such termination or loss of reporting identity, and if the latter, such report shall also state the name and mailing address of the labor organization into which it has been consolidated, merged, or otherwise absorbed. Such report shall be submitted on Form LM-2 or Form LM-2 Long Form in connection with the terminal financial report required by § 403.5 of this chapter and shall be signed by the president and treasurer, or corresponding principal officers, of the labor organization at the time of its termination or loss of reporting identity and, together with a copy thereof, shall be filed with the Office of Labor-Management Standards within 30 days of the effective date of such termination or loss of reporting identity, as the case may be.

* * * * *

PART 403—LABOR ORGANIZATION ANNUAL FINANCIAL REPORTS

■ 3. The authority citation for part 403 continues to read as follows:

Authority: Secs. 201, 207, 208, 301, 73 Stat. 524, 529, 530 (29 U.S.C. 431, 437, 438, 461); Secretary’s Order No. 03–2012, 77 FR 69376, November 16, 2012.

■ 4. Revise § 403.3 to read as follows:

§ 403.3 Form of annual financial report—detailed report.

(a) Every labor organization shall, except as expressly provided otherwise in this part, file an annual financial report as required by § 403.2, prepared on United States Department of Labor Form LM-2, “Labor Organization Annual Report,” in the detail required by the instructions accompanying the form and constituting a part thereof.

(b) If a labor organization has gross annual receipts totaling \$40,000,000 or more for its fiscal year it shall file the annual financial report called for in section 201(b) of the Act on United States Department of Labor Form LM-2 Long Form entitled “Labor Organization Annual Report Long Form,” in accordance with the instructions accompanying such form and constituting a part thereof.

■ 5. Amend § 403.4 by revising paragraph (a) to read as follows:

§ 403.4 Simplified annual reports for smaller labor organizations.

(a)(1) If a labor organization, not in trusteeship, has gross annual receipts totaling less than \$350,000 for its fiscal year, it may elect, subject to revocation of the privileges as provided in section

208 of the Act, to file the annual financial report called for in section 201(b) of the Act and § 403.3 of this part on United States Department of Labor Form LM-3 entitled “Labor Organization Annual Report,” in accordance with the instructions accompanying such form and constituting a part thereof.

(2) If a labor organization, not in trusteeship, has gross annual receipts totaling less than \$25,000 for its fiscal year, it may elect, subject to revocation of the privileges as provided in section 208 of the Act, to file the annual financial report called for in section 201(b) of the Act and § 403.3 on United States Department of Labor Form LM-4 entitled “Labor Organization Annual Report” in accordance with the instructions accompanying such form and constituting a part thereof.

* * * * *

■ 6. Amend § 403.5 by revising paragraphs (a) and (b) to read as follows:

§ 403.5 Terminal financial report.

(a) Any labor organization required to file a report under the provisions of this part, which during its fiscal year loses its identity as a reporting labor organization through merger, consolidation, or otherwise, shall, within 30 days after such loss, file a terminal financial report with the Office of Labor-Management Standards, on Form LM-2 Long Form, Form LM-2, Form LM-3, or Form LM-4, as may be appropriate, signed by the president and treasurer or corresponding principal officers of the labor organization immediately prior to the time of its loss of reporting identity.

(b) Every labor organization which has assumed trusteeship over a subordinate labor organization shall file within 90 days after the termination of such trusteeship on behalf of the subordinate labor organization a terminal financial report with the Office of Labor-Management Standards, on Form LM-2 Long Form or Form LM-2 and in conformance with the requirements of this part.

* * * * *

■ 7. Amend § 403.8 by revising paragraph (b)(1) to read as follows:

§ 403.8 Dissemination and verification of reports.

* * * * *

(b)(1) If a labor organization is required to file a report under this part using the Form LM-2 Long Form or Form LM-2 and indicates that it has failed or refused to disclose information required by the Form concerning any disbursement, or receipt not otherwise reported on Statement B, to an

individual or entity in the amount of \$5,000 or more, or any two or more disbursements, or receipts not otherwise reported on Statement B, to an individual or entity that, in the aggregate, amount to \$5,000 or more, because disclosure of such information may be adverse to the organization’s legitimate interests, then the failure or refusal to disclose the information shall be deemed “just cause” for purposes of paragraph (a) of this section.

* * * * *

PART 408—LABOR ORGANIZATION TRUSTEESHIP REPORTS

■ 8. The authority to part 408 continues to read as follows:

Authority: Secs. 202, 207, 208, 73 Stat. 525, 529 (29 U.S.C. 432, 437, 438); Secretary’s Order No. 03–2012, 77 FR 69376, November 16, 2012.

■ 9. Revise § 408.5 to read as follows:

§ 408.5 Annual financial report.

During the continuance of a trusteeship, the labor organization which has assumed trusteeship over a subordinate labor organization, shall file with the Office of Labor-Management Standards on behalf of the subordinate labor organization the annual financial report required by part 403 of this chapter, signed by the president and treasurer or corresponding principal officers of the labor organization which has assumed such trusteeship, and the trustees of the subordinate labor organization on Form LM-2 Long Form or Form LM-2.

■ 10. Revise § 408.7 to read as follows:

§ 408.7 Terminal trusteeship financial report.

Each labor organization which has assumed trusteeship over a subordinate labor organization shall file within 90 days after the termination of such trusteeship on behalf of the subordinate labor organization a terminal financial report, and one copy, with the Office of Labor-Management Standards, on Form LM-2 Long Form or Form LM-2 and in conformance with the requirements of part 403 of this chapter.

Signature

Signed in Washington, DC.
Elisabeth Messenger,
Director, OLMS.

Note: The following appendix will not appear in the Code of Federal Regulations.

Appendix 1—Forms and Instructions

BILLING CODE 4510-FN-P

TABLE 1 — FILING THRESHOLD ANALYSIS USING FORM LM-2 DATA, FY2024

Threshold	Median Total Receipts	Median Receipts for Itemization	Itemized as a % of Total	Median Receipts for Itemization for Excluded Filers
\$16.5 million	\$30,088,038	\$4,650,241	15.46%	N/A
\$20 million	\$38,819,514	\$5,366,740	13.82%	\$1,502,485
\$30 million	\$64,579,974	\$13,939,096	21.58%	\$2,166,165
\$40 million	\$79,979,130	\$24,266,493	30.34%	\$2,498,004
\$50 million	\$109,182,477	\$25,732,942	23.57%	\$5,328,898
\$60 million	\$136,060,560	\$27,549,253	20.25%	\$9,730,616
\$70 million	\$150,756,860	\$31,635,449	20.98%	\$14,008,794
\$80 million	\$180,208,751	\$67,597,025	37.51%	\$9,698,963

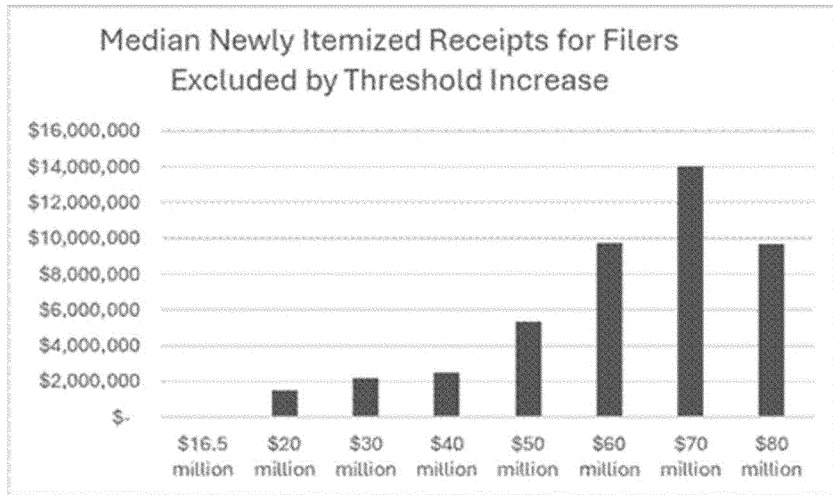
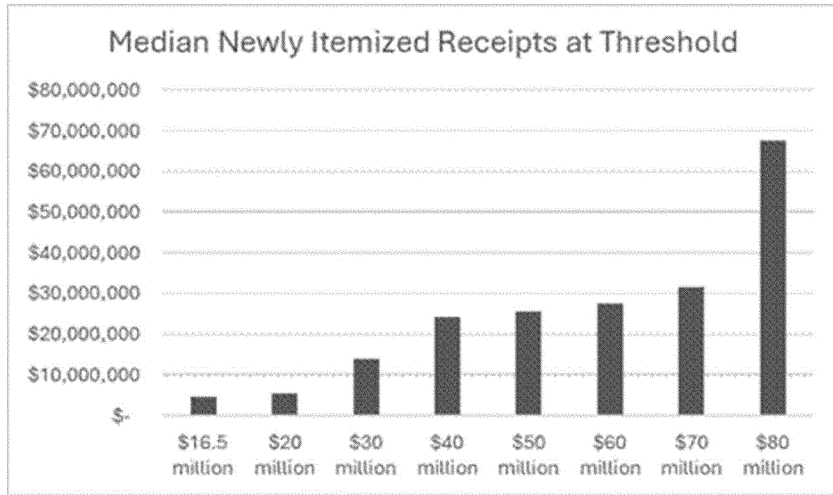


TABLE 2 — SUMMARY OF CHANGES

Form Type	Prior Filing Threshold and Format <i>(threshold in annual receipts)</i>	New Filing Threshold and Format <i>(threshold in annual receipts)</i>
LM-2 LONG FORM	N/A	\$40,000,000 or more 40 pages (est.) 32 schedules
LM-2	\$250,000 or more 26 pages 20 schedules	\$350,000 or more 30 pages (est.) 24 schedules
LM-3	\$10,000 or more	\$25,000 or more Form eliminates a reporting exception
LM-4	Less than \$10,000	Less than \$25,000 No format changes
SIMPLIFIED ANNUAL REPORT FORMAT	Extremely small labor organizations with no assets, liabilities, receipts, or disbursements during the fiscal year.	No changes.

TABLE 3—Estimated Number of Annual Filings
by Form Type

Form Type	Number
Form LM-2 Long Form	99
Revised Form LM-2	4,310
Form LM-3 (Prior LM-2 Filers)	511
Form LM-3 (Maintained Filers)	7,449
Form LM-4 (Prior LM-3 Filers)	2,089

FILE NUMBER:

COMPLETE ITEMS 10 THROUGH 21

18 (a) During the reporting period did the labor organization have any changes in its constitution and bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions? Yes No

18 (b) Enter the date of the labor organization's current Constitution and Bylaws.

19 What is the date of the labor organization's next regular election of officers?

20 How many members did the labor organization have at the end of the reporting period? (Total from the Members Line of Schedule 15)

21. What are the labor organization's rates of dues and fees? (Enter a minimum and maximum if more than one rate applies for any line.)

Rates of Dues and Fees					
Dues/Fees	Amount	Unit		Minimum	Maximum
(a) Regular Dues/Fees		per			
(b) Working Dues/Fees		per			
(c) Initiation Fees		per			
(d) Transfer Fees		per			
(e) Work Permits		per			

10 (a) During the reporting period did the labor organization create or participate in the administration of a trust or other fund or organization, as defined in the instructions, which provides benefits for members or their beneficiaries? Yes No

10 (b) During the reporting period did an officer or employee paid \$10,000 or more by the labor organization also receive \$10,000 or more as an officer or employee of another labor organization in gross salaries, allowances, and other direct and indirect disbursements? Yes No

11(a) During the reporting period did the labor organization have a political action committee (PAC) fund? Yes No

11(b) During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these Instructions? Yes No

12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? Yes No

13. During the reporting period did the labor organization experience and/or discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) Yes No

14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds?

15. During the reporting period did the labor organization acquire or dispose of any assets in any manner other than by purchase or sale? Yes No

16. Were any of the labor organization's assets pledged as security or encumbered in any other way at the end of the reporting period? Yes No

17. Did the labor organization have any contingent liabilities at the end of the reporting period? Yes No

If the answer to any of the above questions is "Yes," provide details in Item 75 (Additional Information) as explained in the instructions for each item.

STATEMENT A – ASSETS AND LIABILITIES

Complete Schedules 1 Through 32 Before Completing Statement A

FILE NUMBER:

ASSETS	Schedule Number	Start of Reporting Period (A)	End of Reporting Period (B)
22. Cash			
23. Accounts Receivable	1		
24. Loans Receivable	2		
25. U.S. Treasury Securities			
26. Investments	7		
27. Fixed Assets	8		
28. Other Assets	9		
29. TOTAL ASSETS			

LIABILITIES	Schedule Number	Start of Reporting Period (C)	End of Reporting Period (D)
30. Accounts Payable	10		
31. Loans Payable	11		
32. Mortgages Payable			
33. Other Liabilities	12		
34. TOTAL LIABILITIES			

35. NET ASSETS (Item 29 Less Item 34)			
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STATEMENT B – RECEIPTS AND DISBURSEMENTS
 Complete Schedules 1 Through 32 Before Completing Statement B

FILE NUMBER:

Item	CASH RECEIPTS	SCH #	AMOUNT
36.	Dues and Agency Fees	16	
37.	Per Capita Tax	17	
38.	Fees, Fines, Assessments, Work Permits	18	
39.	Sale of Supplies	19	
40.	Interest		
41.	Dividends		
42.	Rents	20	
43.	Sale of Investments	3	
44.	Sale of Fixed Assets	4	
45.	Loans Obtained	11	
46.	Repayments of Loans Made	2	
47.	On Behalf of Affiliates for Transmittal to Them	21	
48.	From Members for Disbursement on Their Behalf	22	
49.	Other Receipts	23	
50.	TOTAL RECEIPTS		

Item	CASH DISBURSEMENTS	SCH #	AMOUNT
51.	Contract Negotiation and Administration	24	
52.	Organizing	25	
53.	Political Activities	26	
54.	Lobbying	27	
55.	Contributions, Gifts, and Grants	28	
56.	General Overhead	29	
57.	Union Administration	30	
58.	Benefits	31	
59.	Per Capita Tax		
60.	Strike Benefits		
61.	Fees, Fines, Assessments, etc.		
62.	Supplies for Resale		
63.	Purchase of Investments	5	
64.	Purchase of Fixed Assets	6	
65.	Loans Made	2	
66.	Repayment of Loans Obtained	11	
67.	To Affiliates of Funds Collected on Their Behalf		
68.	On Behalf of Individual Members		
69.	Direct Taxes		
70.	Officers	13	
71.	Employees	14	
72.	Subtotal		
73.	Withholding Tax and Payroll Deductions		
73a.	Total Withheld		
73b.	Less Total Disbursed		
73c.	Total Withheld But Not Disbursed		
74.	TOTAL DISBURSEMENTS (Line 72 – 73c)		

SCHEDULE 1 – ACCOUNTS RECEIVABLE AGING SCHEDULE

FILE NUMBER:

	Entity or Individual Name (A)	Total Account Receivable (B)	90 - 180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Receivable (E)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
	Total of all itemized accounts receivable				
	Totals from all other accounts receivable				
	Totals (Total of Column (B) will be automatically entered in Item 23, Column (B))				

FILE NUMBER:

SCHEDULE 2 — LOANS RECEIVABLE

List below loans to officers, employees, or members which at any time during the reporting period exceeded \$250 and list all loans to business enterprises regardless of amount.

	Loans Outstanding at Start of Period (B)	Loans Made During Period (C)	Repayments Received During Period		Loans Outstanding at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
2. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
3. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
4. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
Total of loans not listed above					
Totals of all lines above					
Totals will be automatically entered in	.....Item 24..... Column (A)	.....Item 65.....	.....Item 46.....	.....Item 75..... with Explanation	.....Item 24..... Column (B)

SCHEDULE 3 – SALE OF INVESTMENTS

FILE NUMBER:

Name and Address of Purchaser or Financial Management Firm (A)	Description (B)	Date of Sale (C)	Cost (D)	Book Value (E)	Gross Sales Price (F)	Amount Received (G)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
Total from all itemized sales of investments (lines (D)-(G) above)						
Total from all other sales of investments						
Total of all sales of investments						
			Less Reinvestments			
			Net Sales			

(The total from Net Sales Line will be automatically entered in item 43.)

SCHEDULE 4 – SALE OF FIXED ASSETS

FILE NUMBER:

	Name and Address of Purchaser (A)	Description (B)	Date of Sale (C)	Cost (D)	Book Value (E)	Gross Sales Price (F)	Amount Received (G)
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
	Total of all lines above						
	Total of all other sales of fixed assets						
	Total of all sales of fixed assets						
				Net Sales			

(The total from Amount Received (G) Line will be automatically entered in Item 44.)

SCHEDULE 5 – PURCHASE OF INVESTMENTS

FILE NUMBER:

Name and Address of Seller or Financial Management Firm (A)	Description (B)	Date of Purchase (C)	Cost (D)	Book Value (E)	Cash Paid (F)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Total of all lines above					
Total of all other purchases of investments					
Total of all purchases of investments					
			Less Reinvestments		
			Net Purchases		
(The total from Net Purchases Line will be automatically entered in Item 63.)					

SCHEDULE 6 – PURCHASE OF FIXED ASSETS

FILE NUMBER:

Name and Address of Seller (A)	Description (B)	Date of Purchase (C)	Cost (D)	Book Value (E)	Cash Paid (F)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Total of lines (D)-(F) above					
Total of all other purchases of fixed assets					
Total of all purchases of fixed assets					
					Net Purchases

(The total from Cash Paid Column (F) Line will be automatically entered in Item 64.)

SCHEDULE 7 – INVESTMENTS

FILE NUMBER:

	Description (A)	Amount (B)
	Marketable Securities	
A. Total Cost		
B. Total Book Value		
C. List each marketable security which has a book value over \$5,000 and exceeds 5% of Line B.		
(1)		
(2)		
(3)		
(4)		
	Other Investments	
D. Total Cost		
E. Total Book Value		
F. List each other investment which has a book value over \$5,000 and exceeds 5% of Line E. Also, list each subsidiary for which separate reports are attached.		
(1)		
(2)		
(3)		
(4)		
(5)		
G. Total of Lines B and E (Total from Line G will be automatically entered in Item 26, Column (B))		

SCHEDULE 8 – FIXED ASSETS

FILE NUMBER:

Description (A)	Cost or Other Basis (B)	Total Depreciation or Amount Expensed (C)	Book Value (D)	Value (E)
A. Land (give location)				
1.				
2.				
3.				
B. Buildings (give location)				
1.				
2.				
3.				
C. Automobiles and Other Vehicles				
D. Office Furniture and Equipment				
E. Other Fixed Assets				
F. Totals of Lines A through E (Column (D) Total will be automatically entered in Item 27, Column (B))				

FILE NUMBER:

SCHEDULE 9 – OTHER ASSETS

	Description (A)	Book Value (B)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
Total (Total will be automatically entered in Item 28, Column (B))		

SCHEDULE 10 – ACCOUNTS PAYABLE AGING SCHEDULE

FILE NUMBER:

	Entity or Individual Name (A)	Total Account Payable (B)	90 - 180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Payable (E)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
Total of all Itemized Accounts Payable					
Total from all other accounts payable					
Totals (Total for Column (B) will be automatically entered in Item 30, Column (D))					

FILE NUMBER:

SCHEDULE 11 – LOANS PAYABLE

Source of Loans Payable at Any Time During the Reporting Period (A)	Loans Owed at Start of Period (B)	Loans Obtained During Period (C)	Repayment Made During Period		Loans Owed at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
Total Loans Payable					
Totals will be automatically entered in					
	..... Item 31..... Item 31 Column (C)	..... Item 45..... Item 45	..... Item 66..... Item 66	..... Item 75..... Item 75 with Explanation	..... Item 31 Column (D)

FILE NUMBER:

SCHEDULE 12 – OTHER LIABILITIES

	Description (A)	Amount at End of Period (B)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
Total Other Liabilities (Total will be automatically entered in Item 33, Column (D))		

FILE NUMBER:

SCHEDULE 15 – MEMBERSHIP STATUS

Category of Membership (A)	Number (B)	Voter Eligibility (C)
1. Retiree Members		Yes
2.		Yes
3.		Yes
4.		Yes
5.		Yes
6.		Yes
7.		Yes
Members (Total of all lines above)		
Agency Fee Payers*		
Total Members/Fee Payers (Total of Members and Fee Payers Lines)		
*Agency Fee Payers are not considered members of the labor organization		

FILE NUMBER:

DETAILED SUMMARY PAGE – SCHEDULES 16 THROUGH 23

Complete Itemization Pages BEFORE the Detailed Summary Page

SCHEDULE 16 DUES AND AGENCY FEES	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 36
SCHEDULE 17 PER CAPITA TAX	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 37

SCHEDULE 18 FEES, FINES, ASSESSMENTS, WORK PERMITS	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 38

SCHEDULE 19 SALE OF SUPPLIES	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 39

SCHEDULE 20 RENTS	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 42

SCHEDULE 21 ON BEHALF OF AFFILIATES FOR TRANSMITTAL TO THEM	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 47

SCHEDULE 22 FROM MEMBERS FOR DISBURSEMENTS ON THEIR BEHALF	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 48

SCHEDULE 23 OTHER RECEIPTS	1. Named Payer Itemized Receipts	
	2. Named Payer Non-Itemized Receipts	
	3. All Other Receipts	
	4. Total Receipts (add Lines 1 through 3)	Item 49

FILE NUMBER:

SCHEDULE 18 – FEES, FINES, ASSESSMENTS, WORK PERMITS

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Type or Classification (B)			
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			

FILE NUMBER:

SCHEDULE 20 – RENTS

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Type or Classification (B)			
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			

DETAILED SUMMARY PAGE – SCHEDULES 24 THROUGH 30

FILE NUMBER:

Complete Itemization Pages BEFORE the Detailed Summary Page

SCHEDULE 24 CONTRACT NEGOTIATION AND ADMINISTRATION	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 51
SCHEDULE 25 ORGANIZING	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4 Total Disbursements (add Lines 1 through 3)	Item 52
SCHEDULE 26 POLITICAL ACTIVITIES	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 53
SCHEDULE 27 LOBBYING	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 54
SCHEDULE 28 CONTRIBUTIONS, GIFTS, AND GRANTS	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 55

SCHEDULE 29 GENERAL OVERHEAD	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 56
SCHEDULE 30 UNION ADMINISTRATION	1. Named Payee Itemized Disbursements	
	2. Named Payee Non-Itemized Disbursements	
	3. All Other Disbursements	
	4. Total Disbursements (add Lines 1 through 3)	Item 57

FILE NUMBER:

SCHEDULE 24 – CONTRACT NEGOTIATION AND ADMINISTRATION
Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)			
Type or Classification (B)						
				Total Itemized Transactions with this Payee/Payer		
				Total Non-Itemized Transactions with this Payee/Payer		
				Total of All Transactions with this Payee/Payer for This Schedule		

SCHEDULE 31—BENEFITS

FILE NUMBER:

Description (A)	To Whom Paid (B)	Amount (C)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
22.		
Total of all lines above (Total will be automatically entered in Item 58.)		

FILE NUMBER:

SCHEDULE 32 – FOREIGN TRANSACTIONS

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
Type or Classification (B)	Total Itemized Transactions with this Payee/Payer		
	Total Non-Itemized Transactions with this Payee/Payer		
	Total of All Transactions with this Payee/Payer for This Schedule		

FILE NUMBER:

75. ADDITIONAL INFORMATION

Public reporting burden for this collection of information is estimated to average 495.8 hours per response. For filers who have subsidiary organizations, as defined in Section X of these instructions, an additional public reporting burden is estimated to average 88 hours per response. These estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. Reporting of this information is mandatory and is required by the Labor-Management Reporting and Disclosure Act of 1959, as amended, for the purpose of public disclosure. As this is public information, there are no assurances of confidentiality. If you have any comments regarding this estimate or any other aspect of this information collection, including suggestions for reducing this burden, please send them to the U.S. Department of Labor, Office of Labor-Management Standards, Room N-5609, 200 Constitution Avenue, NW, Washington, DC 20210.

INSTRUCTIONS FOR FORM LM-2 LONG FORM LABOR ORGANIZATION ANNUAL REPORT

GENERAL INSTRUCTIONS

I. WHO MUST FILE

Every labor organization subject to the Labor-Management Reporting and Disclosure Act, as amended (LMRDA), the Civil Service Reform Act (CSRA), or the Foreign Service Act (FSA) must file a financial report, Form LM-2 Long Form, Form LM-2, Form LM-3, or Form LM-4, each year with the Office of Labor-Management Standards (OLMS) of the U.S. Department of Labor. These laws cover labor organizations that represent employees who work in private industry, employees of the U.S. Postal Service, and most Federal government employees. Labor organizations that include or represent only state, county, or municipal government employees are not covered by these laws and, therefore, are not required to file. If you have a question about whether the labor organization is required to file, contact the nearest OLMS field office listed at the end of these instructions.

II. WHAT FORM TO FILE

Every labor organization subject to the LMRDA, CSRA, or FSA with total annual receipts of \$40,000,000 or more must file the Form LM-2 Long Form.

Labor organizations with total annual receipts less than \$40,000,000 may file Form LM-2.

Labor organizations with total annual receipts of less than \$350,000 may file the simplified Form LM-3, if not in trusteeship as defined in Section IX (Labor Organization In Trusteeship) of these

instructions. Labor organizations with total annual receipts of less than \$25,000 may file the abbreviated annual report Form LM-4, if not in trusteeship.

The term "total annual receipts" means all financial receipts of the labor organization during its fiscal year, regardless of the source, including receipts of any special funds as described in Section VIII (Funds To Be Reported) or as described in Section X (Labor Organizations With Subsidiary Organizations). Receipts of an LMRDA section 3(l) trust in which the labor organization is interested (as described in Information Item 10(a)) should not be included in the total annual receipts of the labor organization when determining which form to file, unless the 3(l) trust is a subsidiary organization of the union.

III. WHEN TO FILE

Form LM-2 Long Form must be filed within 90 days after the end of the labor organization's fiscal year (12-month reporting period). The law does not authorize the Department to grant an extension of time for filing reports. The penalties for delinquency are described in Section VI (Officer Responsibilities and Penalties) of these instructions.

If the labor organization went out of existence during its fiscal year, a terminal financial report must be filed within 30 days after the date it ceased to exist. See Section XII (Labor Organizations That Have Ceased to Exist) of these instructions for information on filing a terminal financial report.

IV. HOW TO FILE

Form LM-2 Long Form must be submitted electronically to the Department via the OLMS [Electronic Forms System](#) (EFS) linked from the OLMS website (www.dol.gov/olms). Form LM-2 Long Form filers will be able to file reports in paper format only if they assert a temporary hardship exemption.

NOTE: Upon registering with OLMS, the signatories and preparers must enter the email addresses they use to conduct union business, in order to file the form via the OLMS Electronic Forms System. While the email addresses will not appear on the report, OLMS may use the email address of the signatories and any preparers to contact the union concerning LMRDA compliance.

If you have difficulty navigating the system, or have questions about its functions and features, call the OLMS Help Desk at: (866) 401-1109. For questions concerning the reporting requirements, please send an email to OLMS-Public@dol.gov or call (202) 693-0123.

TEMPORARY HARDSHIP EXEMPTION:

If a labor organization experiences unanticipated technical difficulties that prevent the timely preparation and submission of an electronic filing, the organization may assert a temporary hardship exemption to prepare and submit Form LM-2 Long Form in paper format by the required due date. An electronic format copy of the filed paper format document shall be submitted to the Department within ten business days after the required due date. Indicate in Item 3 (Amended, Hardship, Terminal or Trusteeship Report) that the labor organization is filing under the hardship exemption procedures.

Unanticipated technical difficulties that may result in additional delays should be brought to the attention of OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

NOTE: If either the paper filing or the electronic filing is not received in the timeframe specified above, the report will be considered delinquent.

V. PUBLIC DISCLOSURE

The LMRDA requires that the Department make labor organization financial reports available for inspection by the public. Reports may be viewed and downloaded from the OLMS Web site at www.unionreports.gov. For assistance, please email OLMS-Public@dol.gov or call (202) 693-0123.

VI. OFFICER RESPONSIBILITIES AND PENALTIES

The president and treasurer or the corresponding principal officers of the labor organization required to sign Form LM-2 Long Form are personally responsible for its filing and accuracy. Under the LMRDA, officers are subject to criminal penalties for willful failure to file a required report and for false reporting. False reporting includes making any false statement or misrepresentation of a material fact while knowing it to be false, or for knowingly failing to disclose a material fact in a required report or in the information required to be contained in it or in any information required to be submitted with it.

The reporting labor organization and the officers required to sign Form LM-2 Long Form are also subject to civil prosecution for violations of the filing requirements. Section 210 of the LMRDA (29 U.S.C. 440) provides that "whenever it shall appear that any person has violated or is about to violate any of the provisions of this title, the Secretary may bring a civil action for such relief (including injunctions) as may be appropriate."

Under the CSRA and FSA and implementing regulations, false reporting and failure to report may result in administrative enforcement action and litigation. The officers responsible for signing Form LM-2 Long Form are also subject to criminal penalties for false reporting and perjury under Sections 1001 of Title 18 and 1746 of Title 28 of the United States Code.

VII. RECORDKEEPING

The officers required to file Form LM-2 Long Form are responsible for maintaining records that will provide in sufficient detail the information and data necessary to verify the accuracy and completeness of the report. The records must be kept for at least 5 years after the date the report is filed. Any record necessary to verify, explain or clarify the report must be retained, including, but not limited to, vouchers, worksheets, receipts, applicable resolutions, and any electronic documents, including recordkeeping software, used to complete, read, and file thereport.

VIII. FUNDS TO BE REPORTED

The labor organization must report financial information on Form LM-2 Long Form for all funds of the labor organization. Include any special purpose funds or accounts, such as strike funds, vacation funds, and scholarship funds even if they are not part of the labor organization's general treasury.

All labor organization political action committee (PAC) funds are considered to be labor organization funds. However, to avoid duplicate reporting, PAC funds that are kept separate from your labor organization's treasury are not required to be included in your organization's Form LM-2 Long Form if publicly available reports on the PAC funds are filed with a Federal or state agency.

Your organization is required to report financial information about any "subsidiary organizations." Financial information about your organization and its subsidiary organizations may be combined on a single Form LM-2 Long Form or you may attach to your Form LM-2 Long Form report the regular annual report of the financial condition and operations of the subsidiary organization with a signed certification by an independent public accountant, as described in Section X (Labor Organizations With Subsidiary Organizations).

If combining the information concerning subsidiary organizations, be sure to include the requested information and amounts for the subsidiary organizations as well as for all other assets of your union in all items.

SPECIAL INSTRUCTIONS FOR CERTAIN ORGANIZATIONS

IX. LABOR ORGANIZATIONS IN TRUSTEESHIP

Any labor organization that has placed a subordinate labor organization in trusteeship is responsible for filing the subordinate's annual financial report. A trusteeship is defined in section 3(h) of the LMRDA (29 U.S.C. 402) as "any receivership, trusteeship, or other method of supervision or control whereby a labor organization suspends the autonomy otherwise available to a subordinate body under its constitution or bylaws."

Annual financial reports filed for any labor organization with \$40,000,000 or more in annual receipts in trusteeship must be filed on Form LM-2 Long Form. The report must be signed by the president and treasurer or corresponding principal officers of the labor organization that imposed the trusteeship. The trustees of the subordinate labor organization must also sign and date Form LM-2 Long Form. To add signature blocks, click on the "Add Signature Block" button on the bottom of page 1.

X. LABOR ORGANIZATIONS WITH SUBSIDIARY ORGANIZATIONS

The labor organization must disclose assets, liabilities, receipts, and disbursements of a subsidiary organization.

Within the meaning of these instructions, a subsidiary organization is defined as any separate organization of which the ownership is wholly vested in the reporting labor organization or its officers or its membership, which is governed or controlled by the officers, employees, or members of the reporting labor organization, and which is wholly financed by the reporting labor organization. A subsidiary organization is considered to be wholly financed if the initial financing was provided by the reporting labor organization even if the subsidiary organization is currently wholly or partially self-sustaining. An example of a subsidiary organization is a building corporation which holds title to a building; the labor organization owns the building corporation, selects the officers, and finances the operation of the building corporation.

A labor organization is required to report financial information for each of its subsidiary organizations using one of the following methods:

Method (1) — Consolidate the financial information for the subsidiary organization and the labor organization on a single Form LM-2 Long Form.

Method (2) — File, with the labor organization's Form LM-2 Long Form, the regular annual report of the financial condition and operations of the subsidiary organization, accompanied by a statement signed by an independent public accountant certifying that the financial report presents fairly the financial condition and operations of the subsidiary organization and was prepared in accordance with generally accepted accounting principles.

Financial information reported separately for subsidiary organizations under method (2) must include the name of the subsidiary organization and the name and file number of the labor organization as shown on its Form LM-2 Long Form. The financial report of the subsidiary organization must cover the same reporting period as that used by the reporting labor organization.

When method (2) is used and the subsidiary organization is an investment, the financial interest of the reporting labor organization in the subsidiary organization must be

reported in Item 26 (Investments) and in Schedule 7 (Investments) of the labor organization's Form LM-2 Long Form. When method (2) is used and the subsidiary organization is of a non-investment nature, the financial interest of the reporting labor organization in the subsidiary organization must be reported in Item 28 (Other Assets) and in Schedule 9 (Other Assets) of the labor organization's Form LM-2 Long Form.

The same type of information required on Form LM-2 Long Form regarding disbursements to officers and employees and loans made by labor organizations must also be reported with respect to the subsidiary organization. In method (1) the information relating to the subsidiary organization must be combined with that of the labor organization and reported on the labor organization's Form LM-2 Long Form on Schedule 13 (All Officers and Disbursements to Officers) and Schedule 14 (Disbursements to Employees) and Statement A, Item 24 (Loans Receivable) and Schedule 2 (Loans Receivable) in the detail required by the instructions. If method (2) is used, an attachment must be submitted containing the information required by the instructions for Schedules 2, 13, and 14.

The information regarding loans made by the subsidiary organization must include in Schedule 2 (Loans Receivable) a listing of the names of each officer, employee, or member of the labor organization and each officer or employee of the subsidiary organization whose total loan indebtedness to the subsidiary organization, to the labor organization, or to both at any time during the reporting period exceeded \$250. However, if method (2) is used, the amount reported by the subsidiary organization should be only the amount owed to the subsidiary organization.

The annual financial report must also include on Schedule 13 (All Officers and Disbursements to Officers) all disbursements made by the subsidiary organization to or on behalf of its officers and officers of the labor organization. The report must also list on Schedule 14 (Disbursements to Employees) the name and position of the subsidiary organization's employees whose total gross salaries, allowances, and other disbursements from the subsidiary organization, the reporting labor organization, and any affiliates were more than \$10,000.

However, if method (2) is used, only the disbursements of the subsidiary organization for its employees must be reported.

XI. COMPLETING FORM LM-2 LONG FORM

INTRODUCTION

Most pages have a "Save & Calculate" button to total and transfer data to fields in various parts of the form. You may click on one or more of these buttons as you fill out the form at any time.

You may click on the "Validate Form" button at any time to check for errors. This action will generate an "Validation Summary Page" listing any errors that will need to be corrected before you will be able to sign the form. The signature field will be enabled once validation is passed.

INFORMATION ITEMS 1–9

Items 1, 2, and 4-8 are "pre-filled" items. These fields are filled in by the system based on information you entered when you accessed the form from our website. You cannot edit the information pre-filled in Items 1 and 2.

1. FILE NUMBER — The system will enter the labor organization's 6-digit file number here and at the top of each page of Form LM-2 Long Form. If the labor organization does not have the number on file and cannot obtain the number from prior reports filed with the Department, the number can be obtained from the OLMS website at www.unionreports.gov, or by contacting the nearest OLMS field office.

2. PERIOD COVERED — The system will enter the beginning and ending dates of the period covered by your fiscal year. The system will also permit you to change the end date, if needed. If you need further assistance, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

If the labor organization changed its fiscal year, the ending date in Item 2 should be the labor organization's new fiscal year ending date and the labor organization should indicate in Item 75 (Additional Information) that the report is for a period of less than 12 months because its fiscal year has changed. For example, if the labor organization's fiscal year ending date changes from June 30 to December 31, a report must be filed for the partial year from July 1 to December

31. Thereafter, the labor organization's annual report should cover a full 12-month period from January 1 to December 31.

3. AMENDED, HARDSHIP EXEMPTED, TERMINAL, OR TRUSTEESHIP REPORT —

Do not complete this item unless this report is an amended, hardship exempted, or terminal report or the labor organization is under trusteeship. Select Item 3(a) if the labor organization is filing an amended report correcting a previously filed report. Select Item 3(b) if the labor organization is filing under the hardship exemption procedures defined in Section IV. Select Item 3(c) if the labor organization has gone out of business by disbanding, merging into another labor organization, or being merged and consolidated with one or more labor organizations to form a new labor organization, and this is the labor organization's terminal report. Be sure the date the labor organization ceased to exist is entered in Item 2 (Period Covered) after the word "Through." See Section XII (Labor Organizations That Have Ceased to Exist) of these instructions for more information on filing a terminal report. Select Item 3(d) if the report is being filed by a labor organization for a subordinate labor organization that it has placed in trusteeship. Use Form LM-2 Long Form only for labor organizations in trusteeships with \$40,000,000 or more in annual receipts. Use Form LM-2 for labor organizations in trusteeship with less than \$40,000,000 in annual receipts.

4. AFFILIATION OR ORGANIZATION NAME

— The system accesses this information from the OLMS database and will enter the name of the national or international labor organization that granted the labor organization a charter. "Affiliates," within the meaning of these instructions, are labor organizations chartered by the same parent body, governed by the same constitution and bylaws, or having the relationship of parent and subordinate. For example, a parent body is an affiliate of all of its subordinate bodies, and all subordinate bodies of the same parent body are affiliates of each other.

If the labor organization has not reported such an affiliation, the system will enter the name of the labor organization as currently identified in the labor organization's constitution and bylaws or other organizational documents.

This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

5. DESIGNATION — The system will enter the specific designation that is used to identify the labor organization, such as Local, Lodge, Branch, Joint Board, Joint Council, District Council, etc. This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

6. DESIGNATION NUMBER — The system will enter the number or other identifier, if any, by which the labor organization is known. This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

7. UNIT NAME — The system will enter any additional or alternate name by which the labor organization is known, such as "Chicago Area Local." This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

8. MAILING ADDRESS — The system accesses the union's mailing address on record in the OLMS database and enters it in Item 8. The first and last name of the person, if any, to whom such mail should be sent and any building and room number should be included. These fields can be edited.

9. PLACE WHERE RECORDS ARE KEPT — If the records required to be kept by the labor organization to verify this report are kept at the address reported in Item 8 (Mailing Address), answer "Yes." If not, answer "No" and provide in Item 75 (Additional Information) the address where the labor organization's records are kept.

INFORMATION ITEMS 10–21

Answer Items 10 through 21 as instructed. Select the appropriate box for those questions requiring a "Yes" or "No" answer; do not leave both boxes blank. Enter a single "0" in the boxes for items requiring a number or dollar amount if there is nothing to report.

10. (a) TRUSTS OR FUNDS — Answer "Yes" to Item 10(a), if the labor organization has an interest in a trust or other fund as defined in 29 U.S.C. 402(l). A trust in which a labor

organization is interested is a trust or other fund as defined in Section 3(l) of the LMRDA (29 U.S.C. 402(l)) as

... a trust or other fund or organization (1) which was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body of which is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries.

The determination whether a particular entity is a trust in which a labor organization is interested will be based on the facts in each case.

Additionally, provide in Item 75 (Additional Information) the full name, address, and purpose of each trust or other fund. Indicate in Item 75 if a report has been filed for the trust or other fund under the Employee Retirement Income Security Act of 1974 (ERISA) and the file number (Employer Identification Number — EIN) and plan number, if any.

If financial information is already available as a result of the disclosure requirements of a Federal statute other than ERISA or LMRDA, list the name of any government agency, such as the Internal Revenue Service (IRS), with which the trust files a publicly available report, and the relevant file number of the trust, or otherwise indicate where the relevant report may be viewed.

10. (b) OTHER LABOR ORGANIZATION PAYMENTS TO OFFICERS AND EMPLOYEES

Answer "Yes" to Item 10(b), if an officer or employee was paid \$10,000 or more in salary, wages, and allowances by your organization and was paid \$10,000 or more in salary, wages, and allowances as an officer or employee of another labor organization. In calculating whether an officer or employee was paid \$10,000 or more include allowances paid on a daily, weekly, monthly, or other periodic basis. If the labor organization answered "Yes" to 10(b), provide in Item 75 (Additional Information) the name of each officer or employee, the name of the other labor organization(s), the officers' or employees' position in the other labor organization(s) and the file number of the labor organization(s).

11. POLITICAL ACTION COMMITTEE FUNDS AND SUBSIDIARY ORGANIZATIONS—

If the labor organization answered "Yes" to Item 11(a), in reference to a political action committee, provide in Item 75 (Additional Information) the full name of each separate political action committee (PAC) and list the name of any government agency, such as the Federal Election Commission or a state agency, with which the PAC has filed a publicly available report, and the relevant file number of the PAC. (PAC funds kept separate from the labor organization's treasury need not be included in the labor organization's Form LM-2 Long Form if publicly available reports on the PAC funds are filed with a Federal or state agency.)

If the labor organization answered "Yes" to Item 11(b), in reference to a subsidiary organization, provide in Item 75 (Additional Information) the name, address, and purpose of each subsidiary organization. Indicate whether the information concerning its financial condition and operations is included in this Form LM-2 Long Form or in a separate report. See Section X of these instructions for information on reporting subsidiary organizations.

12. AUDIT OR REVIEW OF BOOKS AND RECORDS —

If the labor organization answered "Yes" to Item 12, indicate in Item 75 (Additional Information) whether the audit or review was performed by an outside accountant or a parent body auditor/representative. If an outside accountant performed the audit or review, provide the name of the accountant or accounting firm. Report any audit or review by an outside accountant or a parent body auditor/representative in which the labor organization's books and records were examined to verify their accuracy and validity. The term "audit or review" does not include providing assistance in developing a bookkeeping system, providing routine bookkeeping services, or merely compiling information from the labor organization's books and records to prepare Form LM-2 Long Form or other financial reports. Also, do not answer "Yes" to Item 12 if an audit committee or trustees of the labor organization performed the audit or review.

13. LOSSES OR SHORTAGES — Answer "Yes" to Item 13 if the labor organization experienced and/or discovered a loss, shortage, or other discrepancy in its finances during the period covered. Describe the loss or shortage in detail in Item 75 (Additional Information), including such information as the amount of the loss or shortage of funds or a description of the property that was lost, how it was lost, and to what extent, if any,

there has been an agreement to make restitution or any recovery by means of repayment, fidelity bond, insurance, or other means.

14. FIDELITY BOND — Enter the maximum amount recoverable for a loss caused by any officer, employee, or agent of the labor organization who handled the labor organization's funds. Enter "0" if the labor organization was not covered by a fidelity bond during the reporting period.

NOTE: If a labor organization has property and annual financial receipts that exceeded \$5,000, each of the labor organization's officers, employees, and agents who handles funds or other property of the labor organization must be bonded. The amount of the bond must be at least 10% of the value of the funds handled by the individual during the last reporting period, up to a maximum bond of \$500,000. The bond must be obtained from a surety company approved by the Secretary of the Treasury. If you have any questions or need more information about bonding requirements, contact the nearest OLMS field office.

15. ACQUISITION OR DISPOSITION OF ASSETS — If the labor organization answered "Yes" to Item 15, describe in Item 75 (Additional Information) the manner in which the labor organization acquired or disposed of the asset(s), such as donating office furniture or equipment to charitable organizations, trading in assets, writing off a receivable, or giving away other tangible or intangible property of the labor organization. Include the type of asset, its value, and the identity of the recipient or donor, if any. Also report in Item 75 the cost or other basis at which any acquired assets were entered on the labor organization's books or the cost or other basis at which any assets disposed of were carried on the labor organization's books. For example, assets may be entered on the labor organization's books at cost and carried at that value; carried at cost less accumulated depreciation; or carried at scrap value or other nominal value because the assets were fully depreciated or were expensed when purchased (that is, the cost was charged to current expenses rather than entered on the books and periodically depreciated).

For assets that were traded in, enter in Item 75 the cost, book value, and trade-in allowance.

16. PLEDGED OR ENCUMBERED ASSETS — If the labor organization answered "Yes" to Item 16, identify in Item 75 (Additional Information) all of the labor organization's assets pledged or encumbered in any way (such as those pledged as collateral for a loan) at the end of the reporting period. Also report in Item 75 their fair market value and provide details of transactions related to the encumbrance.

17. CONTINGENT LIABILITIES — If the labor organization answered "Yes" to Item 17, describe in Item 75 (Additional Information) the transactions or events resulting in the contingent liabilities and include the identity of the claimant or creditor. Contingent liabilities are potential obligations that may or may not develop into actual liabilities in the future. Examples of a contingent liability are a loan co-signed by the labor organization, or a pending lawsuit that could result in the labor organization being ordered to pay damages or make other payments.

A pending administrative or judicial action is considered a contingent liability that must be reported in Item 17 if, in the opinion of legal counsel, it is reasonably possible that the labor organization will be required to make some payment. Such administrative or judicial actions must be reported as contingent liabilities regardless of whether or not the possible losses would have a materially adverse effect on the labor organization's financial condition. List in Item 75 each administrative or judicial action, including the case number, court, and caption.

18. CHANGES IN CONSTITUTION AND BYLAWS OR PRACTICES AND PROCEDURES

— If the labor organization answered "Yes" to Item 18(a) because the labor organization's constitution and bylaws were changed during the reporting period (other than rates of dues and fees), a dated copy of the new constitution and bylaws must be submitted to OLMS as an electronic attachment to the Form LM-2 Long Form.

If the labor organization is governed by a uniform or model constitution and bylaws prescribed by the labor organization's parent national or international body, the labor organization's parent body may file the constitution and bylaws on the labor organization's behalf. If the parent body files a constitution and bylaws on the labor organization's behalf, answer "Yes" to Item 18(a) and state that fact in Item 75 (Additional Information). If the labor organization has any supplemental governing documents or has modified a model constitution and bylaws, the labor organization must file these documents.

If the labor organization answered "Yes" to Item 18(a) because the labor organization changed any of the practices/procedures listed below during the reporting period and the practices/procedures are not described in the labor organization's constitution or bylaws, the labor organization must file an amended Form LM-1 (Labor Organization Information Report) to update information on file with the Department:

- qualifications for or restrictions on membership;
- levying assessments;
- participating in insurance or other benefit plans;
- authorizing disbursement of labor organization funds;
- auditing financial transactions of the labor organization;
- calling regular and special meetings;
- authorizing bargaining demands;
- ratifying contract terms;
- authorizing strikes;
- disciplining or removing officers or agents for breaches of their trust;
- imposing fines and suspending or expelling members including the grounds for such action and any provision made for notice, hearing, judgment on the evidence, and appeal procedures;
- selecting officers and stewards and any representatives to other bodies composed of labor organizations' representatives; invoking procedures by which a member may protest a defect in the election of officers (including not only all procedures for initiating an election protest but also all procedures for subsequently appealing an adverse decision, e.g., procedures for appeals to superior or parent bodies, if any); and
- issuing work permits.

Information on obtaining Form LM-1 may be obtained from the OLMS Web site at www.olms.dol.gov or from any OLMS field office.

NOTE: Federal employee labor organizations subject solely to the Civil Service Reform Act or Foreign Service Act are not required to submit an amended Form LM-1 to describe revised or changed practices/procedures.

Enter the month and year of the labor organization's current constitution and bylaws in Item 18(b). The format for the dates must be month and year (mm/yyyy).

19. NEXT REGULAR ELECTION — Enter the month and year of the labor organization's next regular election of general officers (president, vice president, treasurer, secretary, etc.). Do not report the date of any interim election to fill vacancies.

20. NUMBER OF MEMBERS — After Schedule 15 is completed and the "Save & Calculate" button is clicked, the system will enter the total number of members into Item 20.

21. DUES AND FEES — Enter the dues and fees established by the labor organization. If more than one rate applies, enter the minimum and maximum rates. Enter "0" where appropriate.

Line (a): Enter the regular dues, fees or other periodic payments that a member must pay to be in good standing in the labor organization, including the calendar basis for the payment (per month, per year, etc.). Include only the dues or fees of regular members and not dues or fees of members with special rates, such as apprentices, retirees, or unemployed members.

Line (b): If individuals covered by your organization's collective bargaining agreement(s) pay "working" dues in addition to their regular dues, enter the amount or percent of "working" dues, including the basis for the payment (per hour, per month, etc.).

Line (c): Enter the initiation fees required from new members.

Line (d): Enter the fees other than dues required from transferred members. Such fees are those charged to persons applying for a transfer of membership to the labor organization from another labor organization with the same affiliation. Do not report fees charged to members transferring from one class of membership to another within the labor organization.

Line (e): If the labor organization issues work permits, enter the fees required and enter the calendar basis for the payment (per month, per year, etc.). Work permit fees are fees charged to nonmembers of the labor organization who work within its jurisdiction. Do not report as work permit fees those fees charged to nonmember applicants for membership pending acceptance of their

membership application, or fees charged to persons applying for transfer of membership to the labor organization pending acceptance of their application for transfer.

FINANCIAL DETAILS

REPORT ONLY DOLLAR AMOUNTS

Report all amounts in dollars only. Round cents to the nearest dollar. Amounts ending in \$.01 through \$.49 should be rounded down. Amounts ending in \$.50 through \$.99 should be rounded up.

REPORTING CLASSIFICATIONS

Complete all items and lines on the form. Do not use different accounting classifications or change the wording of any item or line.

BEGINNING AND ENDING AMOUNTS

Entries in Schedules 2 and 11 and in Statement A must report amounts for both the start and the end of the reporting period. The amounts entered for the start of the reporting period on the labor organization's report should be identical to the amounts entered for the end of the reporting period on last year's report. If the amounts are not the same, fully explain the difference in Item 75 (Additional Information).

COMPLETE SCHEDULES FIRST

Complete Schedules 1 through 32 before completing Statements A and B. Be sure to complete all applicable lines in Schedules 1 through 32. As you complete the schedules, the system will transfer some of the totals to the appropriate items in Statements A and B. You must enter the remaining totals manually.

COMPLETE ALL ITEMS 22 THROUGH 74

Complete all remaining items in Statement A and Statement B. Enter "0" where appropriate.

SCHEDULES 1 THROUGH 15

SCHEDULE 1 – ACCOUNTS RECEIVABLE AGING SCHEDULE

The labor organization must report 1) all accounts with an entity or individual that aggregate to a value of \$7,500 or more and that are 90 days or more past due at the end of the reporting period or were liquidated, reduced or written off during the reporting period; and 2) the total aggregated value of all other accounts receivable.

If additional lines are needed, click the "Add Accounts Receivable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each entity or individual with which the labor organization has an account receivable of \$7,500 or more that is 90 days or more past due at the end of the reporting period or that was liquidated, reduced or written off during the reporting period without the receipt of cash sufficient to cover the total value of the account receivable.

Column (B): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period. Enter on the "Total from all other accounts receivable" line the total amount of money owed to the labor organization in all other accounts receivable not required to be itemized in Schedule 1.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line" in Column (B) and enters the total accounts receivable in Column (B) and in Item 23, Column (B) of Statement A.

Column (C): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period that is 90 to 180 days past due. Enter the total amount of money owed to the labor organization in all other accounts receivable (those of less than \$7,500) that are 90 to 180 days past due and are not required to be itemized in Schedule 1 on the "Total from all other accounts receivable" line.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line in Column (C) and enters the total accounts receivable that were 90 to 180 days past due in Column (C).

Column (D): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period that is more than 180 days past due. Enter the total amount of money owed to the labor organization in all other accounts receivable (those of less than \$7,500 and not require to be itemized in Schedule 1) that are more than 180 days past due on the "Total from all other accounts receivable" line.

Click the "Save & Calculate" button at the top of the schedule and the system completes the

“Total of all itemized accounts receivable” line in Column (D) and enters the total accounts receivable that were more than 180 days past due in Column (D).

Column (E): Enter the total amount of money owed to the labor organization by each entity or individual that was liquidated, reduced or written off during the reporting period by the reporting labor organization without the receipt of cash sufficient to cover the total value of the account receivable. Enter on the “Total from all other accounts receivable” line the total amount of money owed to the labor organization in all other accounts receivable (those of less than \$7,500 and not required to be itemized in Schedule 1) that was liquidated, reduced or written off during the reporting period by the reporting labor organization without the receipt of cash sufficient to cover the total value of the account receivable.

Click the “Save & Calculate” button at the top of the schedule and the system completes the “Total of all itemized accounts receivable” line in Column (E) and enters the total liquidated accounts receivable in Column (E).

Provide in Item 75 (Additional Information) all details and circumstances in connection with the liquidation, reduction or writing off of any account receivable, in accordance with the instructions for Item 15 (Acquisition or Disposition of Assets).

SCHEDULE 2 – LOANS RECEIVABLE

Report details of all direct and indirect loans (whether or not evidenced by promissory notes or secured by mortgages) owed to the labor organization at any time during the reporting period by individuals, business enterprises, benefit plans, and other entities including labor organizations. An example of an indirect loan is a disbursement by the labor organization to an educational institution for the tuition expense of an officer, employee, or member that must be repaid to the labor organization by that individual. Be sure to report all loans that were made and repaid in full during the reporting period. Do not include investments in corporate bonds or mortgages purchased on a block basis through a bank or similar institution that must be reported in Schedule 7 (Investments Other Than U.S. Treasury Securities).

NOTE: Advances, including salary advances, are considered loans and must be reported in Schedule 2 (Loans Receivable). However,

advances to officers and employees of the labor organization for travel expenses necessary for conducting official business are not considered loans if the following conditions are met:

- The amount of an advance for a specific trip does not exceed the amount of expenses reasonably expected to be incurred for official travel in the near future, and the amount of the advance is fully repaid or fully accounted for by vouchers or paid receipts within 30 days after the completion or cancellation of the travel.
- The amount of a standing advance to an officer or employee who must frequently travel on official business does not unreasonably exceed the average monthly travel expenses for which the individual is separately reimbursed after submission of vouchers or paid receipts, and the individual does not exceed 60 days without engaging in official travel.

See the instructions for Schedules 9 (Other Assets), 13 (All Officers and Disbursements to Officers) and 14 (Disbursements to Employees) for reporting travel advances that meet these criteria.

If additional lines are needed, click the “Add Loans Receivable” button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the following information:

- The name of each officer, employee, or member whose total loan indebtedness to the labor organization, including any subsidiary organization, at any time during the reporting period exceeded \$250, and the name of each business enterprise which had any loan indebtedness, regardless of amount, at any time during the reporting period;
- The purpose of each loan;
- The security given for each loan; and
- The terms of repayment for each loan.

For each officer or employee listed, indicate after each name either "O" (officer) or "E" (employee).

Column (B): Enter the loan amounts outstanding at the start of the reporting period from each listed individual and business enterprise. Enter the total of loans made to officers, employees, or members whose total individual loan indebtedness to the labor organization at any time during the reporting period did not exceed \$250, and all loans, regardless of amount, made to other individuals and entities on the “Total of loans not listed above” line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (B) on the "Total of all lines above" line in Schedule 2 and in Item 24 (Loans Receivable), Column (A) of Statement A.

Column (C): Enter the amount of loans made during the reporting period to each listed individual and business enterprise. Enter the total of all other loans made during the reporting period on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (C) on the "Total of all lines above" line in Schedule 2 and in Item 65 (Loans Made) of Statement B.

Columns (D)(1) and (D)(2): Enter the amount of loan repayments during the reporting period from each listed individual and business enterprise. Report in these columns only the portion of the payments applied toward principal; interest received must be reported in Item 40 (Interest). Use Column (D)(1) to report repayments received in cash. Use Column (D)(2) to report repayments made in a manner other than cash, such as repayments made by officers or employees by means of deductions from their salaries. Enter the amount of loan repayments from all other loans on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Columns (D)(1) and (D)(2) on the "Total of all lines above" line in Schedule 2 and the total from Column (D)(1) in Item 46 (Repayments of Loans Made) of Statement B. Explain in Item 75 (Additional Information) any non-cash amounts reported in Column (D)(2).

Column (E): Enter the loan amounts outstanding at the end of the reporting period for each listed individual and business enterprise. Enter the total amount outstanding at the end of the reporting period for all other loans on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (E) on the "Total of all lines above" line in Schedule 2 and in Item 24 (Loans Receivable), Column (B) of Statement A. If any loans receivable were liquidated, reduced or written off during the reporting

period, the reason and the amount must be reported in Item 75 (Additional Information).

NOTE: Section 503(a) of the LMRDA (29 U.S.C. 503) prohibits labor organizations from making direct or indirect loans to any officer or employee of the labor organization which results in a total indebtedness on the part of such officer or employee to the labor organization in excess of \$2,000 at any time.

SCHEDULE 3 – SALE OF INVESTMENTS

Report details of the sale or redemption by the labor organization of U.S. Treasury securities, marketable securities, and other investments, during the reporting period. Include receipts from sales of mortgages that were purchased on a block basis through a bank or similar institution. Do not include the receipts from repayments by individual mortgagors, which must be reported in Schedule 2 (Loans Receivable) as loan repayments. You are not required to itemize the purchase or sale of marketable securities when the end seller or purchaser, i.e., the party transacting with the labor organization, is not known (such as sales of stock over a registered exchange). Instead, report these sales as aggregates over the reporting period pursuant to the instructions below. Sales of investments with a selling price of less than \$5,000 or sales to a single party that aggregated to less than \$5,000 also need not be itemized.

If additional lines are required click the "Add Investments Sales" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the purchasers of investments from the labor organization. If reporting aggregated sales on a registered exchange, enter the name of the financial management firm.

Column (B): Enter a general description of the type of investment, such as U.S. Treasury securities, stocks, or bonds.

Column (C): Enter the date of the sale of each type of investment described in Column (B). If reporting aggregated sales on a registered exchange, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of investment (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the investments were shown on the labor organization's books.

Column (F): Enter the gross sales (or contract) price of the investments.

Column (G): Enter the net amount received from the sale of the investments. If the amount received during the reporting period is less than the amount due (gross sales price less any deductions for selling expenses and repayments of secured loans or mortgages), the additional amount due to the labor organization must be reported in Schedule 9 (Other Assets) with a description sufficient to identify the type of asset. However, if a mortgage or note is taken back, it must be reported as a new loan in Schedule 2 (Loans Receivable).

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for Columns (D) through (G) on the "Total from all itemized sales of investments (lines (D)-(G) above)" line.

Enter the total cost, book value, gross sales, and net amount received of all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total from all other sales of investments" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for columns (D) through (G) on the "total of all sales of investments" line.

Enter the total amount from the sale or redemption of U.S. Treasury securities, marketable securities, or other investments that was promptly reinvested (i.e., "rolled over") in U.S. Treasury securities, marketable securities, or other investments during the reporting period on the "Less Reinvestments" line. Calculate the total amount reinvested by adding, for each investment, the lower of each investment's original cost or the amount received from the sale or redemption that was actually reinvested. If only a portion of the amount received was reinvested, only the reinvested portion may be included on the Less Reinvestments line. Interest and dividends received during the reporting period must be reported in Items 40 (Interest) and 41 (Dividends). Click the "Save & Calculate"

button at the top of the schedule and the system will enter the total "Net Sales" in Column (G) and in Item 43 (Sale of Investments) of Statement B.

SCHEDULE 4 – SALE OF FIXED ASSETS

Report details of the sale or redemption by the labor organization of fixed assets including those fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), during the reporting period.

Sales of fixed assets with a selling price less than \$5,000 or sales to a single party that aggregated to less than \$5,000 need not be itemized. You may report sales of fixed assets (excluding land, buildings, and vehicles) to a single source as aggregates over the reporting period pursuant to the instructions below. For example, if a labor organization sold office equipment to the same party multiple times throughout the reporting period, the labor organization may report these sales as an aggregate amount as long as those individual sales were less than \$5,000.

Example: If a labor organization (Union A) sells a piece of furniture to another labor organization (Union B) for a sales price of \$6,000, Union A must itemize that transaction individually.

If Union A then sells four more pieces of furniture to Union B, each for a sales price of \$3,000, Union A must report these transactions as an aggregated amount on an individual line.

In this example, Union A must report two entries for the transactions with Union B: an itemized transaction detailing the \$6,000 sale, and an aggregated transaction of four sales totaling \$12,000.

Additionally, if Union A then sold a different type of fixed asset, such as a vehicle, Union B for \$2,000, Union A is not required to itemize this transaction but must include it in the "Total of all other sales of fixed assets" line as noted below. If the sales price was above \$5,000, Union A would have to report it on a separate line, as it is a vehicle.

If additional lines are required click the "Add Fixed Assets Sales" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the purchasers of fixed assets from the labor organization.

Column (B): Enter a general description of the type of fixed asset sold. If land or building were sold, enter the location of the property, including the street address. If an automobile was sold, individually identify the automobile by make, model, and year. If reporting aggregated sales to a single source (individual sales of less than \$5,000 and not required to be itemized), the description of each fixed asset sold to this source must be included. For example, if a labor organization is reporting the sale of chairs, tables, and desks to a single source throughout the reporting period, the labor organization must identify "office furniture" in the description column.

Column (C): Enter the date of the sale of each fixed asset described in Column (B). If reporting aggregated sales to a single source (other than land, buildings, or vehicles), identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of fixed asset described in Column (B).

Column (E): Enter the value of at which the fixed assets were shown on the labor organization's books.

Column (F): Enter the gross sales (or contract) price of the fixed assets.

Column (G): Enter the net amount received from the sale of the fixed assets. If the amount received during the reporting period is less than the amount due (gross sales price less any deductions for selling expenses and repayments of secured loans or mortgages), the additional amount due to the labor organization must be reported in Schedule 9 (Other Assets) with a description sufficient to identify the type of asset. However, if a mortgage or note is taken back, it must be reported as a new loan in Schedule 2 (Loans Receivable).

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for Columns (D) through (G) on the "Total of all lines above" line.

Enter the total cost, book value, gross sales, and net amount received relating to this schedule during the reporting period in the appropriate columns on the "Total of all other sales of fixed assets" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total "Net Sales" in Column (G) and in Item 43 (Sale of Investments) of Statement B.

SCHEDULE 5 – PURCHASE OF INVESTMENTS

Report details of the purchase by the labor organization of U.S. Treasury securities, marketable securities, and other investments during the reporting period. Include disbursements for mortgages purchased on a block basis through a bank or similar institution. You are not required to itemize the purchase or sale of marketable securities when the end seller or purchaser, i.e., the party transacting with the labor organization, is not known (such as sales of stock over a registered exchange). Instead, report these purchases as aggregates over the reporting period pursuant to the instructions below. Purchases of investments with a purchase price less than \$5,000 or with a party from whom the labor organizations made purchases that aggregated to less than \$5,000 also need not be itemized.

If additional lines are needed, click the "Add Investments Purchases" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the sellers of investments to the labor organization. If reporting aggregated purchases on a registered exchange, enter the name of the financial management firm.

Column (B): Enter a general description of the type of investment, such as U.S. Treasury securities, stocks, bonds, etc.

Column (C): Enter the date of the purchase of each investment described in Column (B). If reporting an aggregated purchase price of securities when the end seller is not known, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of investment (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the investments were entered on the labor organization's books. If assets were traded in on assets purchased, answer Item 15 (Acquisition or Disposition of Assets) "Yes," and provide in Item

75 (Additional Information) the cost, book value, and trade-in allowance in accordance with the instructions for Item 15.

Column (F): Enter the total amount disbursed for each type of investment purchased during the reporting period.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all lines above" line.

Enter the total cost, book value, and total amount disbursed for all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total of all other purchases of investments" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all purchases of investments" line.

Enter the total amount from the sale or redemption of U.S. Treasury securities, marketable securities, or other investments that was promptly reinvested (i.e., "rolled over") in U.S. Treasury securities, marketable securities, or other investments during the reporting period on the "Less Reinvestments" line. Calculate the total amount reinvested by adding, for each investment, the lower of each investment's original cost or the amount received from the sale or redemption that was actually reinvested. If only a portion of the amount received was reinvested, only the reinvested portion may be included on the Less Reinvestments line. Interest and dividends received during the reporting period must be reported in Items 40 (Interest) and 41 (Dividends). The total on the Less Reinvestments line must agree with the amount reported as Reinvestments on Schedule 3 (Sale of Investments).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the "Net Purchases" in Column (F) and in Item 63 (Purchase of Investments) of Statement B.

SCHEDULE 6 – PURCHASE OF FIXED ASSETS

Report details of the purchase by the labor organization of fixed assets, including those fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), during the reporting period. Purchases of fixed assets with a purchase price less than \$5,000 or with a party from whom the labor organization made purchases that aggregated to less than \$5,000 need not be itemized. You may report purchases of fixed assets (excluding land, buildings, and vehicles) from a single source as aggregates over the reporting period pursuant to the instructions below. For example, if a labor organization purchased office equipment from the same party multiple times throughout the year, the labor organization may report these purchases as an aggregate amount as long as those individual purchases were less than \$5,000.

Example: if a labor organization (Union A) purchases a piece of furniture from a different labor organization (Union B) for a purchase price of \$6,000, Union A must itemize the transaction individually.

If Union A then purchases four additional pieces of furniture from Union B, each for a purchase price of \$3,000, Union A must report these transactions as aggregated amounts on an individual line.

In this example, Union A must report two entries detailing the transactions with Union B: an itemized transaction detailing the \$6,000 purchase, and an aggregated transaction for the four purchases totaling \$12,000.

Additionally, if Union A then purchased a different type of fixed asset, such as a vehicle, from Union B for \$2,000, Union A is not required to itemize this transaction but must include it in the "Total of all other purchases of fixed assets" line as noted below. If the sales price was above \$5,000, Union A must report it on a separate line, as it is a vehicle.

If additional lines are needed, click the "Add Fixed Assets Purchases" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the sellers of fixed assets to the labor organization.

Column (B): Enter a general description of the type of fixed asset purchased, such as land, automobile, etc. If land or building were purchased, enter the location of the property, including the street address. If an automobile

was sold, individually identify the automobile by make, model, and year. If an automobile was purchased, individually identify the automobile by make, model, and year. If reporting aggregated purchases from a single source (individual purchases of less than \$5,000 and not required to be itemized), the description of each fixed asset purchased from this source. For example, if a labor organization is reporting the purchases of chairs, tables, and desks from a single source, the labor organization must identify furniture in the description column.

Column (C): Enter the date of the purchase of each fixed asset described in Column (B). If reporting aggregated purchases of fixed assets (other than land, buildings, or vehicles) from a single source, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of fixed asset (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the fixed assets were entered on the labor organization's books. If assets were traded in on assets purchased, answer Item 15 (Acquisition or Disposition of Assets) "Yes," and provide in Item 75 (Additional Information) the cost, book value, and trade-in allowance in accordance with the instructions for Item 15.

Column (F): Enter the total amount disbursed for each type of fixed asset purchased during the reporting period. Do not include any unpaid balance that must be reported in Schedule 11 (Loans Payable) or Item 32 (Mortgages Payable) of Statement A.

Click the "Save & Calculate" button at the top of the schedule and the system will automatically enter the totals for Columns (D) through (F) on the "Total of lines (D)-(F) above" line.

Enter the total cost, book value, and total amount disbursed of all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total of all other purchases of fixed assets" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions related to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all purchases of fixed assets" line. The

system will automatically enter the total of Column (F), Cash Paid, in Item 64.

SCHEDULE 7 – INVESTMENTS OTHER THAN U.S. TREASURY SECURITIES

Report details of all the labor organization's investments at the end of the reporting period, other than U.S. Treasury securities. Include mortgages purchased on a block basis and investments in any subsidiary organization not reported on a consolidated basis in accordance with method (1) explained in Section X of these instructions. Do not include savings accounts, certificates of deposit, or money market accounts, which must be reported in Item 22 (Cash) of Statement A.

Line A: Enter in Column (B) the total cost of all the labor organization's marketable securities including transaction costs such as brokerage commissions. Marketable securities are those for which current market values can be obtained from published reports of transactions in listed securities or in securities traded "over the counter," such as corporate stocks and bonds, stock and bond mutual funds, state and municipal bonds, and foreign government securities.

Line B: Enter in Column (B) the total book value of all the labor organization's marketable securities. Book value is the lower of cost or market value.

Line C: List in Column (A) each Marketable Security that has a book value over \$5,000 and exceeds 5% of the total book value entered in Line B, Column (B) above and enter its book value in Column (B).

If additional lines are needed to complete Line C, click the "Add Marketable Securities" button in the schedule. The system will add lines to the schedule in increments of ten.

Line D: Enter in Column (B) the total cost, including any transaction costs, of all the labor organization's other investments (that is, those that are not U.S. Treasury securities or marketable securities). Include mortgages purchased on a block basis.

Line E: Enter in Column (B) the total book value of such other investments. Book value is the lower of cost or market value.

Line F: List in Line F, Column (A) each Other Investment that has a book value over \$5,000 and exceeds 5% of the total book value entered on in Column (B) above and enter its book value in Column (B).

If additional lines are needed to complete Line F, click the "Add Marketable Securities" button in the schedule. The system adds lines to the schedule in increments of ten.

NOTE: If your organization has a subsidiary organization for which a separate report is being submitted in accordance with Section X of these instructions, the subsidiary organization must be reported in Schedule 7 if it is an investment. Enter in Line F the name of each subsidiary organization in Column (A) and its book value in Column (B).

If additional lines are required, click the Add Other Investments button on the top of the schedule. The system adds lines to the schedule in increments of ten.

Line G: Click the "Save & Calculate" button at the top of the schedule and the system will enter the total of Lines B and E on Line G and in Item 26 (Investments), Column (B) of Statement A.

SCHEDULE 8 – FIXED ASSETS

Report details of all fixed assets, such as land, buildings, automobiles and other vehicles, and office furniture and equipment owned by the labor organization at the end of the reporting period. Land and buildings must be itemized, whereas automobiles and other vehicles, and office furniture and equipment must be aggregated. Include fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), fully depreciated, or carried on the labor organization's books at scrap value or other nominal value.

Column (A): Enter under "Line A. Land (give location)" the location of any land and under "Line B. Buildings (give location)" the location of any buildings owned by the labor organization.

If additional lines are needed, click the "Add Land" button on Line A or the "Add Building" button on Line B, as applicable. The system will add lines to the schedule in increments of ten.

Column (B): Enter the cost or other basis of the fixed assets listed in Column (A).

Column (C): Enter the accumulated depreciation, if any, of the fixed assets (except land) listed in Column (A) whose cost or other basis is reported in Column (B). If the labor organization "expenses" fixed assets, also include in Column (C) the amount that the labor organization charged to expenses when the assets were purchased.

Column (D): Enter the amount at which the fixed assets listed in Column (A) are carried on the labor organization's books. Include the nominal amount, if any, at which fully depreciated assets are carried on the labor organization's books. The amount reported in Column (D) should be the difference between Columns (B) and (C).

Column (E): Enter the fair market value of land and of all assets listed in Column (A) that were expensed, fully depreciated, or depreciated to scrap value or nominal value. It is not necessary to secure a formal appraisal of the assets; a good faith estimate is sufficient. The value used for insurance purposes or for tax appraisals, for example, will normally be acceptable as representing the fair market value.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals of Columns (B) through (E) on Line F, and the total on Line F, Column (D) in Item 27 (Fixed Assets), Column (B) of Statement A.

SCHEDULE 9 – OTHER ASSETS

Report details of all the labor organization's assets at the end of the reporting period other than Item 22 (Cash), Item 23 (Accounts Receivable), Item 24 (Loans Receivable), Item 25 (U.S. Treasury Securities), Item 26 (Investments), and Item 27 (Fixed Assets).

The labor organization's other assets must be described in Column (A) and may be classified by general groupings or bookkeeping categories, such as utility deposits, inventory of supplies for resale, or travel advances that are not required to be reported as loans as explained in the instructions for Schedule 2 (Loans Receivable), if the description is sufficient to identify the type of assets. Enter in Column (B) the value as shown on the labor organization's books of each asset or group of assets described in Column (A).

NOTE: If your organization has a subsidiary organization for which a separate report is being submitted in accordance with Section X of these instructions, the value of the subsidiary organization as shown on your organization's books must be reported in Schedule 9 if it is of a non-investment nature. Enter in Column (A) the name of any such subsidiary organization. Enter in Column (B) the value as shown on your organization's books of the net assets of any such subsidiary organization.

If additional lines are needed, click the "Add Other Assets" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the Total Other Assets in Column (B) of Schedule 9 and in Item 28 (Other Assets), Column (B) of Statement A.

SCHEDULE 10 – ACCOUNTS PAYABLE AGING SCHEDULE

The labor organization must report 1) individual accounts that are valued at \$7,500 or more and that are 90 days or more past due at the end of the reporting period or were liquidated, reduced or written off during the reporting period; and 2) the total aggregated value of all other accounts.

If additional lines are needed, click the "Add Accounts Payable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each entity or individual with which the labor organization has an account payable of \$7,500 or more that is 90 days or more past due at the end of the reporting period or that was liquidated, reduced or written off during the reporting period without the disbursement of cash sufficient to cover the total value of the account payable.

Column (B): Enter the total amount of money owed by the labor organization to each listed entity or individual at the end of the reporting period. Enter the total amount of money owed by the labor organization in all other accounts payable not required to be itemized in Schedule 10 on the "Totals from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in

Column (B) and enter the total accounts payable in Column (B) and in Item 30, Column (D) of Statement A.

Column (C): Enter the total amount of money owed by the labor organization to the listed entity or individual at the end of the reporting period that is 90 to 180 days past due. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500) that are 90 to 180 days past due on the "Totals from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (C) and enter the total accounts payable that were 90 to 180 days past due in Column (C).

Column (D): Enter the total amount of money owed by the labor organization to each entity or individual at the end of the reporting period that is more than 180 days past due. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500 and not required to be itemized in Schedule 10) that are more than 180 days past due and on the "Total from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (D) and enter the total accounts payable that were more than 180 days past due in Column (D).

Column (E): Enter the total amount of money owed by the labor organization to each entity or individual that was written off during the reporting period by the reporting labor organization without the disbursement of cash sufficient to cover the total value of the account payable. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500 and not required to be itemized in Schedule 10) that was written off during the reporting period by the reporting labor organization without the disbursement of cash sufficient to cover the total value of the account payable on the "Total from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (E) and enter the total liquidated accounts payable in Column (E).

Provide in Item 75 (Additional Information) all details and circumstances in connection with the writing off of the account payable, including the reason and amount.

SCHEDULE 11 – LOANS PAYABLE

Report details of all loans payable on which the labor organization owed money at any time during the reporting period except those secured by mortgages or similar liens on real property (land or buildings) that must be reported in Item 32 (Mortgages Payable) of Statement A.

If additional lines are needed, click the "Add Loans Payable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each business enterprise to which a loan was payable. Also list the source of all other loans by general categories, such as labor organizations, individuals, etc.

Column (B): For each loan source listed in Column (A), enter the amount, if any, owed by the labor organization at the start of the reporting period.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (B) on the "Total of all above lines" line in Schedule 11 and in Item 31 (Loans Payable), Column (C) of Statement A.

Column (C): For each loan source listed in Column (A), enter the amount, if any, obtained by the labor organization during the reporting period. If, due to discounting by a bank or for any other reason, the amount received from a loan was less than the face value of the note or the amount repayable, enter the amount actually received and explain in Item 75 (Additional Information).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (C) on the "Total of all above lines" line in Schedule 11 and in Item 45 (Loans Obtained) of Statement B.

Columns (D)(1) and (D)(2): For each loan source listed in Column (A), enter the amount, if any, that the labor organization repaid to the lender during the reporting period. Report only repayments of principal; interest paid must be reported in Schedule 29 (General Overhead). Use Column (D)(1) to report repayments made in cash. Use Column (D)(2) to report repayments made in a manner other than by

cash, such as repayments made to a creditor by offsetting an amount owed by the creditor to the labor organization.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Columns (D)(1) and (D)(2) on the "Total of all above lines" line in Schedule 11 and the total for Column (D)(1) in Item 66 (Repayment of Loans Obtained) of Statement

B. Explain in Item 75 (Additional Information) any non-cash amounts reported in Column (D)(2).

Column (E): For each loan source listed in Column (A), enter the balance, if any, that the labor organization owed the listed lender at the end of the reporting period. If any loans payable were written off during the reporting period, the reason and amount must be reported in Item 75 (Additional Information).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (E) on the "Total of all above lines" line in Schedule 11 and in Item 31 (Loans Payable), Column (D) of Statement A.

SCHEDULE 12 – OTHER LIABILITIES

Report details of all the labor organization's liabilities at the end of the reporting period other than Item 30 (Accounts Payable), Item 31 (Loans Payable), and Item 32 (Mortgages Payable) of Statement A.

Any portion of withheld taxes or any other payroll or other deductions, which have not been transmitted at the end of the reporting period, are liabilities of the labor organization and must be reported in Schedule 12. Payroll or other deductions that are retained by the labor organization (such as repayments of loans to officers or employees) must be fully explained in Item 75 (Additional Information).

The labor organization's other liabilities must be described in Column (A) and may be classified by general groupings or bookkeeping categories if the description is sufficient to identify the type of liability. List separately any payroll taxes withheld but not yet paid, other unpaid payroll taxes of the labor organization, such as FICA taxes, and any funds collected on behalf of affiliates or members and not disbursed by the end of the reporting period. Do not include reserves for special purposes (for example, "Reserve for Building Fund") that are actually an allocation of certain assets for specific purposes rather than a liability.

If additional lines are needed, click the "Add Other Liabilities" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Enter in Column (B) the amount of each liability described in Column (A). Click the "Save & Calculate" button at the top of the schedule and the system will enter the total in Column (B) of Schedule 12 and in Item 33 (Other Liabilities), Column (D) of Statement A.

SCHEDULE 13 – ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

List all the labor organization's officers and report all salaries and other direct and indirect disbursements to officers during the reporting period.

If additional lines are required, click the "Add Disbursements to Officers" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

NOTE: A "direct disbursement" to an officer is a payment made by the labor organization to the officer in the form of cash, property, goods, services, or other things of value.

An "indirect disbursement" to an officer is a payment made by the labor organization to another party for cash, property, goods, services, or other things of value received by or on behalf of the officer. "On behalf of the officer" refers to a payment received by a party other than the officer or the labor organization for the personal interest or benefit of the officer. Such payments include those made through a credit arrangement under which charges are made to the account of the labor organization and are paid by the labor organization. For example, when a union, through its credit arrangements, is billed directly and pays the hotel bills of an officer who, during his workweek, resides at a hotel in the city where the union headquarters is located away from his legal residence in another city, the payments must be reported as disbursements to the officer.

Column (A): Enter in (A) the last name, first name, and middle initial of each person who held office in the labor organization at any time during the reporting period. Include all the labor organization's officers whether or not any salary or other disbursements were made to them or on their behalf by the labor organization. "Officer" is defined in section 3(n) of the LMRDA (29 U.S.C. 402) as "any constitutional officer, any person authorized to perform the

functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body."

Column (B): Enter in (B) the title of the position each officer listed held during the reporting period. If an officer held more than one position during the reporting period, list each additional position and the dates on which the officer held the position in Item 75 (Additional Information).

Column (C): Use the drop-down menu to select the status of each officer: "N" for a new officer who took office during the reporting period; "P" for a past officer who was not in office at the end of the reporting period; or "C" for a continuing officer who was in office before the reporting period and was still in office at the end of the reporting period. If any officer was not elected at a regular election in accordance with the labor organization's constitution and bylaws or other governing documents on file with OLMS, explain the manner in which the officer was chosen in Item 75 (Additional Information).

Column (D): Enter the gross salary of each officer (before tax withholdings and other payroll deductions). Include disbursements for "lost time" or time devoted to union activities.

Column (E): Enter the total allowances made by direct and indirect disbursements to each officer on a daily, weekly, monthly, or other periodic basis. Do not include allowances paid on the basis of mileage or meals which must be reported in Column (G) or (H), as applicable.

Column (F): Enter the total disbursements made by the labor organization on behalf of each officer for benefits during the reporting period. Benefits to be reported in Column (F) include, for example, disbursements for life insurance, health insurance, and pensions made on behalf of the officer. Do not include salary bonuses, severance payments, or payments for accrued vacation, which should be reported in Column (D). Benefits reported here should reflect only those disbursements made on behalf of officers individually; aggregate benefits disbursements (such as bulk payments to a pension plan) should be reported in Schedule 31 (Benefits).

Column (G): Enter all direct and indirect disbursements to each officer that were necessary for conducting official business of the labor organization, except salaries or allowances which must be reported in Columns (D) and (E), respectively.

Examples of disbursements to be reported in Column (G) include all expenses that were reimbursed directly to an officer, meal allowances, mileage allowances, expenses for officers' meals and entertainment, and various goods and services furnished to officers but charged to the labor organization. Such disbursements should be included in Column (G) only if they were necessary for conducting official business; otherwise, report them in Column (H). Also include in Column (G) travel advances that are not considered loans as explained in the instructions for Schedule 2 (Loans Receivable).

Do not report the following disbursements in Schedule 13:

- Reimbursements to an officer for the purchase of investments or fixed assets, such as reimbursing an officer for a file cabinet purchased for office use, which must be reported in Schedule 6 (Purchase of Fixed Assets) and explained in Item 75 (Additional Information);
- Disbursements made by the labor organization to someone other than an officer as a result of transactions arranged by an officer in which property, goods, services, or other things of value were received by or on behalf of the labor organization rather than the officer, such as rental of offices and meeting rooms, purchase of office supplies, refreshments and other expenses of membership banquets or meetings, and food and refreshments for the entertainment of groups other than the officers and membership on official business;
- Office supplies, equipment, and facilities furnished to officers and paid by the labor organization for use in conducting official business; and
- Maintenance and operating costs of the labor organization's assets, including buildings, office furniture, and office equipment; however, see "Special Rules for Automobiles" below.

Column (H): Enter all other direct and indirect disbursements to each officer. Include all disbursements for which cash, property, goods, services, or other things of value were received by or on behalf of each officer and were essentially for the personal benefit of the officer and not necessary for conducting official business of the labor organization.

Include in Column (H) all disbursements for transportation by public carrier between the officer's home and place of employment or for other transportation not involving the conduct of official business. Also, include the operating and maintenance costs of all the labor organization's assets (automobiles, etc.) furnished to officers essentially for the officers' personal use rather than for use in conducting official business.

Do not include in Column (H) loans to officers, which must be reported in Schedule 2 (Loans Receivable).

Column (I): Click the "Save & Calculate" button at the top of the schedule and the system will add the amounts in Columns (D) through (H) on each line and enter the individual totals in Column (I).

The system will also enter the totals for all officers listed in Columns (D) through (H) on the "Total Officers Disbursements" line.

Enter the total amount of withheld taxes, payroll deductions, and all other deductions on the "Less Deductions" line.

Click the "Save & Calculate" button at the top of the schedule and the system will subtract the "Less Deductions" line from the "Total Officers Disbursements" line and enter the difference on the "Net Disbursements" line.

The system enters the amount on the "Total Officers Disbursements" line in Item 70 (Officers) of Statement B.

SPECIAL RULES FOR AUTOMOBILES

Include in Column (H) of Schedule 13 that portion of the operating and maintenance costs of any automobile owned or leased by the labor organization to the extent that the use was for the personal benefit of the officer to whom it was assigned. This portion may be computed on the basis of the mileage driven on official business compared with the mileage for personal use. The portion not included in Column (H) must be reported in Column (G).

Alternatively, rather than allocating these operating and maintenance costs between Columns (G) and (H), if 50% or more of the officer's use of the vehicle was for official business, the labor organization may enter in Column (G) all disbursements relative to that vehicle with an explanation in Item 75 (Additional Information) indicating that the vehicle was also used part of the time for personal business. Likewise, if less than 50% of

the officer's use of the vehicle was for official business, the labor organization may report all disbursements relative to the vehicle in Column (H) with an explanation in Item 75 indicating that the vehicle was also used part of the time on official business.

The amount of decrease in the market value of an automobile used over 50% for the personal benefit of an officer must also be reported in Item 75.

SCHEDULE 14 – DISBURSEMENTS TO EMPLOYEES

Report all direct and indirect disbursements to employees of the labor organization during the reporting period. If additional lines are required, click the "Add Disbursements to Employees" button on the top of the schedule. The system adds lines to the schedule in increments of ten.

Include disbursements to individuals other than officers who receive lost time payments even if the labor organization does not otherwise consider them to be employees or does not make any other direct or indirect disbursements to them. The definitions of "direct disbursements" and "indirect disbursements" are the same as the definitions stated above in Schedule 13.

Column (A): Enter the last name, first name, and middle initial of each employee who during the reporting period received \$10,000 or more in gross salaries, allowances, benefits, and other direct and indirect disbursements from the labor organization (including any subsidiary organizations) or from any affiliates of the labor organization. ("Affiliates" means labor organizations chartered by the same parent body, governed by the same constitution and bylaws, or having the relation of parent and subordinate.) The labor organization's report, however, should not include disbursements made by affiliates but should include only the disbursements made by the labor organization.

Column (B): Enter the position each listed employee held in the labor organization (including any subsidiary organizations).

Column (C): Enter the name of any affiliate that paid any salaries, allowances, benefits, or expenses on behalf of a listed employee. If a subsidiary of the labor organization paid any salaries, allowances, benefits, or expenses on behalf of a listed employee, see Section X of

these Instructions for information about reporting these disbursements.

Columns (D) through (H): To complete Columns (D) through (H), follow the instructions for Columns (D) through (H) of Schedule 13.

Column (I): Click the "Save & Calculate" button at the top of the schedule and the system will add the amounts in Columns (D) through (H) on each line and enter the individual totals in Column (I). Enter in Columns (D) through (H) on the "Total Received By All Other Employees Making \$10,000 Or Less," the totals of all gross salaries, allowances, and other disbursements for all employees of the labor organization not required to be listed above.

Click the "Save & Calculate" button at the top of the schedule and the system will add the amounts in Columns (D) through (H) on the "Total Received By All Other Employees Making \$10,000 or Less" line and enter the total in Column (I). The system will also enter the total of all amounts listed in Columns (D) through (I) on the "Total Employees Disbursements" line.

Enter the total amount of withheld taxes, payroll deductions, and all other deductions on the "Less Deductions" line.

Click the "Save & Calculate" button on the page the system will subtract the "Less Deductions" line from the "Total Employees Disbursements" line and enter the difference on the "Net Disbursements" line.

The system enters the amount on the "Total Employee Disbursements" line in Item 71 (Employees) of Statement B.

SCHEDULE 15 – MEMBERSHIP STATUS

Enter in Column (A) the categories of membership tracked by the reporting labor organization. Define each category of membership in Item 75 (Additional Information). The definition should include a description of the members covered by the category and indicate whether the members pay full dues.

In addition to other membership categories, labor organizations must report the number of retiree members in Schedule 15, regardless of whether the labor organization tracks this category in its internal records. This category has been pre-filled in Column (A).

In Column (B) enter the number of members for each of the membership categories listed in Column (A). If the labor organization does not

have retiree members, enter a zero in the appropriate Column (B) line.

If additional lines are required, click the "Add Membership Statuses" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Members (Total of all lines above) – Click the "Save & Calculate" button at the top of the schedule and the system will enter on this line the total number of all members reported in Column (B). The system will also enter the total number of members in your organization in Item 20 (Number of Members).

Agency Fee Payers Line – Enter the total number of agency fee payers in your organization. Agency fee paying nonmembers are those who make payments in lieu of dues to the reporting labor organization as a condition of employment under a union security provision in a collective bargaining agreement.

Total Members/Fee Payers Line – Click the "Save & Calculate" button at the top of the schedule and the system will enter the total of all members of the labor organization and agency fee payers reported in Column (B) This total in Column (B) is not the total number of members of the labor organization reportable in Item 20.

Check the "Yes" box in Column (C) if the category of membership listed in Column (A) is generally eligible to vote in all union elections held by the labor organization. Describe in Item 75 (Additional Information) any voting restrictions that apply to a category in Column (A).

SCHEDULES 16 THROUGH 30

Schedules 16 through 30 provide detailed information on the financial operations of the labor organization in categories that reflect the services provided to union members. Receipts and disbursements are allocated to Schedules 16 through 30 and are either listed as individual entries or as aggregated entries.

NOTE: Before completing the Detailed Summary Pages for Schedules 16 through 30, you must complete the itemization pages as described below.

Allocating Receipts

Each receipt of the labor organization must be allocated to one of the receipt items in Statement B. Some of these items have backup

schedules that require more detailed information. Schedules 16 through 23 reflect various receipt types received by labor unions in which all "major" receipts during the reporting period in the various categories must be separately identified. A "major" receipt includes: 1) any individual receipt of \$5,000 or more; or 2) total receipts from any single entity or individual that aggregate to \$5,000 or more during the reporting period. All other receipts in this schedule are aggregated. This process is discussed further below.

All receipts, other than those reported elsewhere in Statement B, must be allocated to Schedules 16 through 23, as appropriate.

Allocating Disbursements

Each disbursement of the labor organization must be allocated to one of the disbursement items in Statement B. Some of these items have backup schedules that require more detailed information. Schedules 24 through 30 reflect various services provided to union members by the union in which all "major" disbursements during the reporting period in the various categories must be separately identified. A "major" disbursement includes: 1) any individual disbursement of \$5,000 or more; or 2) total disbursements to any single entity or individual that aggregate to \$5,000 or more during the reporting period. All other disbursements in these schedules are aggregated.

All disbursements, other than those reported elsewhere in Statement B, must be allocated to Schedules 24 through 30, as appropriate.

Example 1: If the labor organization received a settlement of \$4,999 in a small claims lawsuit, the receipt would not be individually identified, as long as the settlement was the only receipt from the entity or individual during the reporting period. The receipt would be aggregated with other small receipts in Line 3 of Schedule 23 (Other Receipts) on the Detailed Summary Page as discussed below.

Example 2: If the labor organization made three payments of \$1,800 each to an office supplies vendor for office supplies used by employees engaged in contract negotiations during the reporting period, a single disbursement to the vendor of \$5,400 would be listed in Line 1 on an itemization page for that vendor for Schedule 24 (Contract Negotiation and Administration) as discussed below.

Example 3: If a union pays a total of \$5,500 to a printing company during the reporting year and determines that \$5,050 should be allocated to

organizing costs, that amount must be identified in an itemization page for the printing company for Schedule 25 (Organizing). If the remaining \$450 paid to the same printer over the course of the year was attributable to charitable expenses, that amount will be reported in Line 3 of Schedule 28 (Contributions, Gifts, and Grants) on the Detailed Summary Page but the printer need not be identified as a recipient of any funds expended for Contributions, Gifts, and Grants, since the total paid to the printer during the reporting year for services related to Contributions, Gifts, and Grants did not exceed \$5,000.

Example 4: The labor organization has an ongoing contract with a law firm that provides a wide range of legal services. The labor organization makes a single payment of \$10,000 each month to the law firm. In a particular month the law firm spent 50% of its time on contract negotiation litigation and 50% advising the labor organization regarding, and working for the enactment of, a new Federal law. The labor organization must allocate the payment for that month as two distinct disbursements of \$5,000 each to Schedule 24 (Contract Negotiation and Administration), and Schedule 27 (Lobbying).

Procedures for Completing Schedules 16 Through 30

Before completing the Detailed Summary Pages for Schedules 16 through 30, complete an itemization page for each payer/payee for whom there is (1) an individual receipt/disbursement of \$5,000 or more or (2) total receipts/disbursements that aggregate to \$5,000 or more during the reporting period.

Enter in Column (A) the full name and business address of the entity or individual from which the receipt was received or to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably attain the full address, the city and state are sufficient. Enter in Column (B) the type of business or job classification of the entity or individual, such as printing company, office supplies vendor, lobbyist, think tank, marketing firm, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) of the itemization page, click the "Add Receipts For This Payer" button for Schedules 16 through 23 or the "Add Disbursements for This Payee" button for

Schedules 24 through 30 in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt/disbursement for that payee/payer of \$5,000 or more, which means a brief statement or description of the reason the receipt/disbursement was made. Examples of adequate descriptions include the following: preparing organizing campaign pamphlets, staffing a help desk, opposition research, litigation regarding representation issues, litigation regarding a refusal to bargain charge, grievance arbitration, get-out-the-vote, voter education, advocating or opposing legislation, job retraining, etc.

Enter in Column (D) the date that the receipt/disbursement was made. The format for the date must be mm/dd/yyyy. The date of receipt/disbursement for reporting purposes is the date the labor organization actually received or disbursed the money.

Enter in Column (E) the amount of the receipt/disbursement.

Click the "Save & Calculate" button at the top of the itemization page and the system will enter total of all itemized transactions for this payee/payer on the "Total Itemized Transaction with this Payee/Payer" line.

Enter the total of all non-itemized transactions for the payee/payer (that is, all individual transactions of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

Click the "Save & Calculate" button at the top of the itemization page again and the system will enter the total of all transactions for this payee/payer, both itemized and non-itemized, on the "Total Transactions with this Payee/Payer for this Schedule" line.

Special Instructions for Reporting Credit Card Disbursements

Disbursements to credit card companies may not be reported as a single disbursement to the credit card company as the vendor. Instead, charges appearing on credit card bills paid during the reporting period must be allocated to the recipient of the payment by the credit card company according to the same process as described above.

The Department recognizes that filers will not always have the same access to information regarding credit card payments as with other

transactions. Filers should report all of the information required in the itemization schedules that is available to the union.

For instance, in the case of a credit card transaction for which the receipt(s) and monthly statement(s) do not provide the full legal name of a payee and the union does not have access to any other documents that would contain the information, the union should report the name as it appears on the receipt(s) and statement(s).

Similarly, if the receipt(s) and statement(s) do not include a full street address, the union should report as much information as is available and no less than the city and state.

Once these transactions have been incorporated into the union's recordkeeping system they can be treated like any other transaction for purposes of assigning a description and purpose.

In instances when a credit card transaction is canceled and the charge is refunded in whole or part by entry of a credit on the credit card statement, the charge should be treated as a disbursement, and the credit should be treated as a receipt. In reporting a credit of \$5,000 or more as a receipt, Column (C) must indicate that the receipt was in refund of a disbursement, and must identify the disbursement by date and amount.

Special Procedures for Reporting Confidential Information

Filers may use the procedure described below to report the following types of information:

- Information that would identify individuals paid by the union to work in a non-union bargaining unit in order to assist the union in organizing employees, provided that such individuals are not employees of the union who receive more than \$10,000 in the aggregate in the reporting year from the union. Employees receiving more than \$10,000 must be reported on Schedule 14 – Disbursements to Employees;
- Information that would expose the reporting union's prospective organizing strategy. The union must be prepared to demonstrate that disclosure of the information would harm an organizing drive. Absent unusual circumstances, information about past organizing drives should not be treated as confidential;

- Information that would provide a tactical advantage to parties with whom the reporting union or an affiliated union is engaged or will be engaged in contract negotiations. The union must be prepared to demonstrate that disclosure of the information would harm a contract negotiation. Absent unusual circumstances information about past contract negotiations should not be treated as confidential;
- Information pursuant to a settlement that is subject to a confidentiality agreement, or that the union is otherwise prohibited by law from disclosing; and,
- Information in those situations where disclosure would endanger the health or safety of an individual.

With respect to these specific types of information, if the reporting union can demonstrate that itemized disclosure of a specific major receipt or disbursement, or aggregated receipt or disbursement would be adverse to the union's legitimate interests, the union may include the receipt or disbursement in Line 3 of Summary Schedules 23 (Other Receipts), 24 (Contract Negotiation and Administration), 25 (Organizing) or 30 (Union Administration). In Item 75 (Additional Information) the union must identify each schedule from which any itemized receipts or disbursements were excluded because of an asserted legitimate interest in confidentiality based on one of the first three reasons listed above. No notation need be made for exclusion of information disclosure of which is prohibited by law or that would endanger the health or safety of an individual. The notation must describe the general types of information that were omitted from the schedule, but the name of the payer/payee, date, and amount of the transaction(s) is not required. This procedure may not be used for Schedules 26 through 29.

A union member, however, has the statutory right "to examine any books, records, and accounts necessary to verify" the union's financial report if the member can establish "just cause" for access to the information. 29 U.S.C. 431(c); 29 U.S.C. CFR 403.8 (2002). Any exclusion of itemized receipts or disbursements from Schedules 25, 26, 27 or 32 for one of the first three reasons listed above would constitute a *per se* demonstration of "just cause" for purposes of this Act. Consequently, any union member (and the Department), upon request, has the right to review the undisclosed information that otherwise

would have appeared in the applicable schedule if the union withholds the information in order to protect confidentiality interests. Exclusion of information disclosure of which is prohibited by law or that would endanger the health or safety of an individual creates no per se demonstration of "just cause."

Procedures for Completing the Detailed Summary Pages

The Detailed Summary Pages are used to summarize Schedules 16 through 30.

For Summary Schedules 16-23 the system enters on Line 1 of each summary schedule the total of all itemized receipts during the reporting period from named payers. This is the sum of the amounts entered on the "Total Itemized Transactions with this Payee/Payer" line on all itemization pages for the schedule.

The system enters on Line 2 the total of all non-itemized receipts from named payers. This is the sum of the amounts entered on the "Total of All Non-Itemized Transactions with this Payee/Payer" line in all itemization pages for Schedule 23.

Enter on Line 3 the total of all other receipts during the reporting period relating to the schedule. This is the total from your organization's books of all receipts during the reporting period relating to this schedule for payers who did not have a single receipt of \$5,000 or more or receipts that aggregated to \$5,000 or more.

The system enters on Line 4 the total of Lines 1 through 3 and forwards this total to Item 49 of Statement B.

For Summary Schedules 24–30, the system enters on Line 1 of each summary schedule the total of all itemized disbursements during the reporting period to named vendors. This is the sum of the amounts entered on the "Total of All Itemized Transactions with this Payee/Payer" line in all itemization pages for the schedule. The system enters on Line 2 of each summary schedule the total of all non-itemized disbursements to named vendors. This is the sum of the amounts entered on the "Total of All Non-Itemized Transactions with this Payee/Payer" line in all itemization pages for the schedule.

Enter on Line 3 the total of all other disbursements during the reporting period relating to the schedule. This is the total from your organization's books of all disbursements during the reporting period relating to this schedule for payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated to \$5,000 or more.

The system enters on Line 4 the total of Lines 1 through 3 and forwards this total to the appropriate line item of Statement B.

Example: If in Schedule 24 (Contract Negotiation and Administration) a labor organization has \$200,000 in itemized disbursements of \$5,000 or more to vendors, \$35,000 in non-itemized disbursements of less than \$5,000 each to those vendors, and \$7,000 in disbursements to vendors who did not receive a major disbursement for contract negotiations and administration, then the system will enter \$200,000 in Line 1, and \$35,000 in Line 2, and the filer will enter \$7,000 in Line 3 of Schedule 24 on the Detailed Summary Page. The total of Lines 1 through 3 is \$242,000, which the system will enter in Line 4 of the summary schedule and Item 51 (Contract Negotiation and Administration) of Statement B.

SCHEDULE 16 – DUES AND AGENCY FEES

Report the labor organization's dues and agency fees from all sources during the reporting period. Enter the total dues including regular dues, working dues, etc. received by the labor organization. Include dues received directly by the organization from members, dues received from employers through a checkoff arrangement, and dues transmitted to the organization by a parent body or other affiliate. Report the full dues received, including any portion that will later be transmitted to an intermediate or parent body as per capita tax. Also report in Schedule 16 payments in lieu of dues received from any nonmember employees as a condition of employment under a union security provision in a collective bargaining agreement.

If an intermediate or parent body receives dues checkoff directly from an employer on behalf of the reporting organization, do not report the portion retained by that organization for per capita tax or other purposes, such as a special assessment. Any amounts retained by the intermediate body or parent body other than per capita tax must be explained in Item 75 (Additional Information). For example, if the

intermediate body or parent body retained \$500 of the reporting organization's dues checkoff as payment for supplies purchased from that body by the reporting organization, this should be explained in Item 75, but the \$500 should not be reported as a receipt or disbursement on either organization's Form LM-2 Long Form. If, however, the intermediate body or parent body disbursed part of the reporting organization's dues checkoff on that organization's behalf, this amount should be included in the appropriate disbursement item on the reporting organization's Form LM-2 Long Form. For example, if the intermediate body or parent body disbursed \$500 of the reporting organization's dues checkoff to an attorney who had provided lobbying services to the reporting organization, this amount should be reported in Item 54 and as a disbursement in Schedule 27 (Lobbying) of the reporting organization's Form LM-2 Long Form.

Do not report in Schedule 16 dues that the reporting organization collected on behalf of other organizations for transmittal to them. For example, if the reporting organization received dues from a member of an affiliate who worked in the reporting organization's jurisdiction, the dues collected on the affiliate's behalf must be reported in Item 47 and on Schedule 21 (On Behalf of Affiliates for Transmittal to Them).

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Dues and Agency Fees during the reporting period. Do not abbreviate the name of the entity or individual. Do not include personal addresses of individual union members. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Dues and Agency Fees during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts of Dues and Agency Fees for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts of Dues and Agency Fees from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Dues and Agency Fees itemization page for a new payer, click the "Add Dues and Agency Fees" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional Dues and Agency Fees itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 16 itemization page, you can select and view all of the Dues and Agency Fees itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 16 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 16 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's

books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 16 and in Item 36 (Dues and Agency Fees) of Statement B.

SCHEDULE 17 – PER CAPITA TAX

Report the total per capita tax received by your organization if your organization is an intermediate or parent body during the reporting period. Include the per capita tax portion of dues received directly by your organization from members of affiliates, per capita tax received from subordinates, either directly or through intermediaries, and the per capita tax portion of dues received through a checkoff arrangement whereby local dues are remitted directly to an intermediate or parent body by employers. Do not include dues collected on behalf of subordinate organizations for transmittal to them. For example, if a parent body received dues checkoff directly from an employer and returned the local's portion of the dues, the parent body must report its portion of the dues checkoff (per capita tax) in Schedule 17 and report the dues received on behalf of the local in Schedule 21 (On Behalf of Affiliates for Transmittal to Them).

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Per Capita Tax during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Per Capita Tax during the reporting period. If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts of Per Capita Tax for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the

payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts for Per Capita Tax from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Per Capita Tax itemization page for a new payer, click the "Add Per Capita Tax" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Per Capita Tax itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 17 itemization page, you can select and view all of the Per Capita Tax itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 17 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 17 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 17 and in Item 37 (Per Capita Tax) of Statement B.

SCHEDULE 18 – FEES, FINES, ASSESSMENTS, WORK PERMITS

Report the labor organization's receipts from fees, fines, assessments, work permits from all sources during the reporting period.

Receipts by the labor organization on behalf of affiliates for transmittal to them must be reported in Schedule 21/Item 47 (On Behalf of Affiliates for Transmittal to Them). For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Fees, Fines, Assessments, Work Permits during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Fees, Fines, Assessments, Work Permits during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts of Fees, Fines, Assessments, Work Permits for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts of Fees, Fines, Assessments, Work Permits from this payer (that is, all individual receipts of less

than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Fees, Fines, Assessments, Work Permits Tax itemization page for a new payer, click the "Add Fees, Fines, Assessments, Work Permits" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional Fees, Fines, Assessments, Work Permits itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 18 itemization page, you can select and view all of the Fees, Fines, Assessments, Work Permits itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 18 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 18 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 18 and in Item 38 (Fees, Fines, Assessments, Work Permits) of Statement B.

SCHEDULE 19 – SALE OF SUPPLIES

Report the labor organization's sale of supplies from all sources during the reporting period, such as union logo clothing, lapel pins, bumper stickers, etc.

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Sale of Supplies during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Sale of Supplies during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts from Sale of Supplies for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts of Sale of Supplies from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Sale of Supplies itemization page for a new payer, click the "Add Sale of Supplies" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional Sale of Supplies itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 19 itemization page, you can select and view all of the Sale of Supplies itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 19 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 19 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated to \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 19 and in Item 39 (Sale of Supplies) of Statement B.

SCHEDULE 20 – RENTS

Report the labor organization's rents from all sources during the reporting period.

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Rents during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Rents during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts of Rent for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts of Rent from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Rents itemization page for a new payer, click the "Add Rents" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Rents itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 22 itemization page, you can select and view all of the Rents itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 20 on the Detailed Summary Page, and the total non-

itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 20 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 20 and in Item 42 (Rents) of Statement B.

SCHEDULE 21 – ON BEHALF OF AFFILIATES FOR TRANSMITTAL TO THEM

Report the labor organization's receipts on behalf of affiliates for transmittal to them from all sources during the reporting period. Enter the total amount of dues, fees, fines, assessments, and work permit fees received by the labor organization, through a checkoff arrangement or otherwise, on behalf of affiliates for transmittal to them. Do not include the amount withheld by the labor organization for per capita taxes or other purposes, such as loan repayments, which must be reported elsewhere in Statement B. When the receipts reported in Schedule 21/Item 47 are transmitted to affiliates, the disbursement must be reported in related Item 67 (To Affiliates of Funds Collected on Their Behalf).

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in receipts On Behalf of Affiliates for Transmittal to Them during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more receipts in On Behalf of Affiliates for Transmittal to Them during the reporting period. If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts On Behalf of Affiliates for Transmittal to Them for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts On Behalf of Affiliates for Transmittal to Them from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new On Behalf of Affiliates for Transmittal to Them itemization page for a new payer, click the "Add On Behalf of Affiliates for Transmittal to Them" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional On Behalf of Affiliates for Transmittal to Them itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 21 itemization page, you can select and view all of the On Behalf of Affiliates for Transmittal to Them itemization pages you have completed. As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 21 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 21 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 21 and in Item 47 (On Behalf of Affiliates for Transmittal to Them) of Statement B.

SCHEDULE 22 – FROM MEMBERS FOR DISBURSEMENT ON THEIR BEHALF

Report the labor organization's receipts from members for disbursement on their behalf from all sources during the reporting period. Enter the total receipts from members that are specifically designated by them for disbursement on their behalf; for example, contributions from members for transmittal by the labor organization to charities.

When receipts that are reported in Schedule 22/Item 48 are transmitted, the disbursement must be reported in related Item 68 (On Behalf of Individual Members).

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in receipts From Members for Disbursement on their Behalf during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in receipts From Members for Disbursement on their Behalf during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts From Members for Disbursement on their Behalf for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts From Members for Disbursement on their Behalf from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new From Members for Disbursement on their Behalf itemization page for a new payer, click the "Add From Members for Disbursement on their Behalf" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional From Members for Disbursement on their Behalf itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 22 itemization page, you can select and view all of the From Members for Disbursement on their Behalf itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 22 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 22 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to

this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 22 and in Item 48 (From Members for Disbursement on their Behalf) of Statement B.

SCHEDULE 23 – OTHER RECEIPTS

Report the labor organization's receipts from all sources during the reporting period, other than those that must be reported elsewhere in Statement B, such as reimbursements from officers and employees for excess expense payments or travel advances not reported as loans in Schedule 2 (Loans Receivable); receipts from fundraising activities such as raffles, bingo games, and dances; funds received from a parent body, other unions, or the public for strike fund assistance; funds received from surety companies; and receipts from another labor organization that merged into the labor organization.

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Other Receipts during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Other Receipts during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date

the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Other Receipts itemization page for a new payer, click the "Add Other Receipts" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Other Receipts itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 25 itemization page, you can select and view all of the Other Receipts itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 23 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 23 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 23 and in Item 49 (Other Receipts) of Statement B.

SCHEDULE 24 – CONTRACT NEGOTIATION AND ADMINISTRATION

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with preparation for, and participation in, the negotiation of collective bargaining agreements and the administration and enforcement of the agreements made by the labor organization. Do not include strike benefits that must be reported in Item 60 (Strike Benefits) of Statement B.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Contract Negotiation and Administration during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are required to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system adds lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made. Examples of adequate descriptions include the following: contract negotiation, grievance arbitration, litigation regarding the interpretation of a collective bargaining agreement, staffing a help desk, litigation regarding a refusal to bargain, etc. Neither the name of the employer nor the specific bargaining unit that is the subject of the organizing activity need be identified.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will enter the totals in Column (E) on the "Total Itemized Transactions with this Payee/Payer" line and on the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new Contract Negotiation and Administration itemization page for a new payee, click the "Add Contract Negotiation and Administration" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Contract Negotiation and Administration itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 24 page, you can select and view all of the Contract Negotiation and Administration Itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 24 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other disbursements relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 24. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 24 and in Item 51 (Contract Negotiation and Administration) of Statement B.

SCHEDULE 25 – ORGANIZING

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with efforts to become the exclusive bargaining representative for any unit of employees, or to prevent losing a unit in a decertification election or to another labor organization, or to recruit new members.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Organizing during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are required to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system adds lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made. Examples of adequate descriptions include the following: preparing organizing campaign pamphlets, opposition research, recruiting new members, etc. Neither the name of the employer nor the specific bargaining unit that is the subject of the organizing activity need be identified.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements for organizing to this payee (that is, all individual disbursements of less than

\$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will enter the totals in Column (E) on the "Total Itemized Transactions with this Payee/Payer" line and on the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new Organizing itemization page for a new payee, click the "Add Organizing" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Organizing itemization pages. By clicking the "Show Payee" drop down arrow at the top of the Schedule 25 page, you can select and view all of the Organizing itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 25 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other disbursements relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 25. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 25 and in Item 52 (Organizing) of Statement B.

SCHEDULE 26 – POLITICAL ACTIVITIES

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with political disbursements or contributions in money.

A political disbursement or contribution is one that is intended to influence the selection,

nomination, election, or appointment of anyone to a Federal, state, or local executive, legislative or judicial public office, or office in a political organization, or the election of Presidential or Vice Presidential electors, and support for or opposition to ballot referenda. It does not matter whether the attempt succeeds. Include disbursements for communications with members (or agency fee paying nonmembers) and their families for registration, get-out-the-vote and voter education campaigns, the expenses of establishing, administering and soliciting contributions to union segregated political funds (or PACs), disbursements to political organizations as defined by the IRS in 26 U.S.C. 527, and other political disbursements.

For all major disbursements in this category: Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Political Activities during the reporting period, such as campaign advisor, marketing firm, fund raiser, printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made.

Examples of adequate descriptions include the following: a registration drive, get-out-the-vote campaign, voter education campaign, fund raising, etc. The specific campaign should be identified whenever possible. Distinguish between activities in the United States and activities in foreign countries.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for

reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E), and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line and complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Political Activities" itemization page for a new payee, click the "Add Political Activities" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional Political Activities itemization pages.

By clicking the Show Payee drop down arrow at the top of the Schedule 26 page, you can select and view all of the "Political Activities" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 26 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 26. This is the total from your organization's books of all transactions relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or transactions that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 26

and in Item 53 (Political Activities) of Statement B.

SCHEDULE 27 – LOBBYING

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with dealing with the executive and legislative branches of the Federal, state, and local governments and with independent agencies and staffs to advance the passage or defeat of existing or potential laws or the promulgation or any other action with respect to rules or regulations (including litigation expenses). It does not matter whether the lobbying attempt succeeds.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Lobbying during the reporting period, such as lobbyist, marketing firm, think tank, issue advocacy group, printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made.

Examples of adequate descriptions include the following: voter education campaign, fund raising, advocating or opposing legislation (including litigation challenging such legislation) advocating or opposing regulations (including litigation challenging such regulations), etc. The specific legislation, regulation, referendum, etc. should be identified whenever possible. Distinguish between activities in the United States and activities in foreign countries.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was

made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E), and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line and complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Lobbying" itemization page for a new payee, click the "Add Lobbying Activities" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional Lobbying itemization pages.

By clicking the Show Payee drop down arrow at the top of the Schedule 27 page, you can select and view all of the "Lobbying" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 27 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 27. This is the total from your organization's books of all transactions relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or transactions that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 27 and in Item 54 (Lobbying) of Statement B.

SCHEDULE 28 – CONTRIBUTIONS, GIFTS, AND GRANTS

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with contributions, gifts, and grants, other than those listed on Schedules 24 through 27 and 31. Include, for example, charitable contributions, contributions to scholarship funds, etc.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Contributions, Gifts, and Grants during the reporting period, such as charity, scholarship fund, state or local affiliate, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made.

Examples of adequate descriptions include the following: medical research, community development, job retraining, education, disaster and relief assistance, athletic and youth sponsorships, etc.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E) and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line, and it will complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Contributions, Gifts & Grants" itemization page for a new payee, click the "Add Contributions, Gifts & Grants" button on the top of the page and a new page opens. Follow the instructions above to complete any additional "Contributions, Gifts & Grants" itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 28 page, you can select and view all of the "Contributions, Gifts and Grants" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 28 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 5 of Summary Schedule 28. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated to \$5,000 or more.

The system totals Lines 1 through 3 and enters that amount on Line 4 of Summary Schedule 28 and in Item 55 (Contributions, Gifts and Grants) of Statement B.

SCHEDULE 29 – GENERAL OVERHEAD

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with general overhead that cannot be allocated to any of the other disbursement categories in Statement B.

Some disbursements for overhead do not support a specific function, so these disbursements should be reported in this schedule. Include support personnel at the labor organization's headquarters, such as building maintenance personnel and security guards, and other overhead costs.

For all major disbursements in this category:

Enter in Column (A) of an Initial Itemization Page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual.

If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in General Overhead during the reporting period, such as office supplies vendor, landlord, mortgage lender, cleaning firm, security firm, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of the disbursement of \$5,000 or more, in sufficient detail to determine why the disbursement cannot be allocated to another schedule.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E) and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line, and it will complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "General Overhead" itemization page for a new payee, click the "Add Overhead" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional "General Overhead" itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 29 page, you can select and view all of the General Overhead itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 29 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 29. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system totals Lines 1 through 3 and enters that amount on Line 4 of Summary Schedule 29 and in Item 56 (General Overhead) of Statement B.

SCHEDULE 30 – UNION ADMINISTRATION

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with union administration. Union administration includes disbursements

relating to the nomination and election of union officers, the union's regular membership meetings, intermediate, national and international meetings, union disciplinary proceedings, the administration of trusteeships, and the administration of apprenticeship and member education programs (not including political education which should be reported in Schedule 26 or 27).

For all major disbursements in this category:

Enter in Column (A) of an Itemization Page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Union Administration during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of the disbursement of \$5,000 or more in sufficient detail to determine why the disbursement cannot be allocated to another schedule. For example, printing of election ballots, rental of meeting facilities for a union convention, printing of transcripts of trusteeship hearing, etc.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money. Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization

page and the system will add the amounts
in Column (E), and enter the sum on the

Statement B and associated schedules in a single location for member transparency.

For all itemized transactions in this schedule:

Column (A): Enter the full name and address of the foreign entity or individual. At minimum, include the city and country of the entity or individual. A full street address should be provided where available.

Column (B): Enter the type of business or job classification of the foreign entity or individual, such as foreign labor organization, foreign law firm, foreign consultant, etc., and indicate whether the type of transaction is classified as a receipt or disbursement.

Column (C): Enter the purpose of each individual transaction of \$5,000 or more in sufficient detail to identify the nature of the transaction.

Column (D): Enter the date the transaction was made or received. The format for the date must be mm/dd/yyyy.

Column (E): Enter the amount of each individual transaction of \$5,000 or more.

Enter the total of all non-itemized transactions with this foreign entity or individual (that is, all individual transactions of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all information for this foreign entity or individual, click the "Save & Calculate" button and the system will enter the totals on the "Total Itemized Transactions with this Payee/Payer" and "Total of All Transactions with this Payee/Payer for This Schedule" lines. An itemization page must be completed for each foreign entity or individual. Only one foreign entity or individual should be reported per page.

To create a new Foreign Transactions itemization page for a new foreign entity or individual, click the "Add Foreign Transactions" button at the top of the itemization page.

NOTE: International labor organizations that maintain Canadian locals or other locals based in a foreign nation must report transactions with those locals in Schedule 32. Transactions that are denominated in a foreign currency must be converted to U.S. dollars at the exchange rate in effect on the date of the transaction.

STATEMENT A ASSETS AND LIABILITIES

ASSETS

The system pre-fills Columns (A) and (C) (Start of Reporting Period) from your organization's report for the previous fiscal year. If the data is inaccurate, however, it can be edited manually. Be sure to explain any changes in Item 75 (Additional Information).

22. CASH — Enter the total of all the labor organization's cash on hand and on deposit at the start and end of the reporting period in Columns (A) and (B), respectively. Include all cash on hand, such as undeposited cash, checks, and money orders; petty cash; and cash in safe deposit boxes. Cash on deposit includes funds in banks, credit unions, and other financial institutions, such as checking accounts, savings accounts, certificates of deposit, and money market accounts. Also, include any interest credited to the labor organization's account during the reporting period.

NOTE: The checking account balances reported should be obtained from the labor organization's books as reconciled with the balances shown on bank statements.

23. ACCOUNTS RECEIVABLE — Ordinarily, accounts receivable are moneys due for goods sold or services rendered evidenced by notes, statements, invoices, or other written evidence of a present obligation. Enter in Column (A) the total of all gross accounts receivable at the start of the reporting period. The software will enter in Column (B) the total of all gross accounts receivable at the end of the reporting period from Column (B) of Schedule 1 (Accounts Receivable Aging Schedule). If accounts receivable are carried on the labor organization's books at net (gross accounts receivable less the allowance for doubtful accounts), the labor organization may report the allowance for doubtful accounts in Item 75 (Additional Information).

24. LOANS RECEIVABLE — Enter in Column (A) the total of all gross loans receivable at the start of the reporting period, which is also reported in Column (B) of Schedule 2 (Loans Receivable). The system will enter the total of all gross loans receivable at the end of the reporting period in Column (B) from Column (E) of Schedule 2.

25. U.S. TREASURY SECURITIES — Enter the

total value of all U.S. Treasury securities as shown on the labor organization's books at the start and end of the reporting period in Columns (C) and (B), respectively. If the value reported is different from the original cost, the original cost must be reported in Item 75 (Additional Information). Other U.S. Government obligations, state and municipal bonds, and foreign government securities must be reported in Schedule 7 (Investments Other Than U.S. Treasury Securities) under "Marketable Securities" and in Item 26 (Investments).

26. INVESTMENTS — Enter in Column (A) the total book value at the start of the reporting period of all investments other than U.S. Treasury securities, which are reported in Item 25 (U.S. Treasury Securities).

The system will enter in Column (B) the total reported in Column (D) of Schedule 7 (Investments Other Than U.S. Treasury Securities).

27. FIXED ASSETS — Enter in Column (A) the total value as shown on the labor organization's books at the start of the reporting period of all fixed assets, such as land, buildings, automobiles, and office furniture and equipment. The system will enter in Column (B) the total reported in Column (D) of Schedule 8 (Fixed Assets).

28. OTHER ASSETS — Enter in Column (A) the total value as shown on the labor organization's books at the start of the reporting period of all assets not reported in Items 22 through 27. The system will enter in Column (B) the total reported in Column (B) of Schedule 9 (Other Assets).

29. TOTAL ASSETS — Click the "Save & Calculate" button at the top of Statement A and the system will total Items 22 through 28, Columns (A) and (B), and enter the respective totals in Item 29.

LIABILITIES

30. ACCOUNTS PAYABLE — Ordinarily, accounts payable are those obligations incurred on an open account for goods and services rendered. Enter in Column (C) the total of all gross accounts payable at the start of the reporting period. The system will enter the total of all gross accounts payable at the end of the reporting period in Column (D) from Column (B) of Schedule 10 (Accounts Payable Aging Schedule).

31. LOANS PAYABLE — Enter in Column (C) the total of all gross loans payable at the start of the reporting period, which is also reported in Column (B) of Schedule 11 (Loans Payable). The system will enter the total of all gross loans payable at the end of the reporting period in Column (D) from Column (E) of Schedule 11 (Loans Payable).

32. MORTGAGES PAYABLE — Enter the total amount of the labor organization's obligations that were secured by mortgages or similar liens on real property (land or buildings) at the start and end of the reporting period in Columns (C) and (D), respectively.

33. OTHER LIABILITIES — Enter in Column (C) the total amount as shown on the labor organization's books at the start of the reporting period of all liabilities not reported in Items 30 through 32. The system will enter in Column (D) the total reported in Column (B) of Schedule 12 (Other Liabilities).

34. TOTAL LIABILITIES — Click the "Save & Calculate" button at the top of Statement A and the system will add the amounts in Items 30 through 33, Columns (C) and (D), and enter the respective amounts in Item 34. The system will also complete Item 35 (Net Assets) as explained in the next instruction.

35. NET ASSETS — As indicated in the previous instruction, when Item 34 is completed and the "Save & Calculate" button at the top of Statement A is clicked, the system subtracts Item 34 (Total Liabilities), Column (C) from Item 29 (Total Assets), Column (A) and enters the difference in Item 35, Column (C). The system also subtracts Item 34, Column (D) from Item 29, Column (B) and enters the difference in Item 35, Column (D).

STATEMENT B RECEIPTS AND DISBURSEMENTS

Under Statement B, receipts must be recorded when money is actually received by the labor organization and disbursements must be recorded when money is actually paid out by the labor organization.

The purpose of Statement B is to report the flow of cash in and out of the labor organization during the reporting period. Transfers between separate bank accounts or between special funds of the labor organization, such as vacation

or strike funds, do not represent the flow of cash in and out of the labor organization. Therefore, these transfers should not be reported as receipts and disbursements of the labor organization. For example, do not report a transfer of cash from the labor organization's savings account to its checking account.

Likewise, the use of funds reported in Item 22 (Cash) of Statement A to purchase certificates of deposit and the redemption of certificates of deposit should not be reported in Statement B.

Since Statement B reports all cash flowing in and out of the labor organization, "netting" is not permitted. "Netting" is the offsetting of receipts against disbursements and reporting only the balance (net) as either a receipt or disbursement. For example, if an officer received \$1,000 from the labor organization for convention expenses, used only \$800 and returned the remaining \$200, the \$1,000 disbursement must be reported in Schedule 13 (All Officers and Disbursements to Officers) and the appropriate disbursement Schedule 24 through 30, and the \$200 receipt must be reported in Schedule 23 (Other Receipts). It would be incorrect to report only an \$800 net disbursement to the officer.

Receipts and disbursements by an agent on behalf of the labor organization are considered receipts and disbursements of the labor organization and must be reported in the same detail as other receipts and disbursements. For example, if the labor organization owns a building managed by a rental agent, the agent's rental receipts and disbursements for expenses must be reported on the labor organization's Form LM-2. Also, if the labor organization's parent body or an intermediate body functions as an agent receiving and disbursing funds of the labor organization to third parties, these receipts and disbursements must be reported on the labor organization's Form LM-2 Long Form. For example, if a parent body receives the labor organization's dues and makes disbursements from that money to pay the labor organization's bills (such as payments to an attorney for legal services), those receipts and disbursements must be reported on the labor organization's Form LM-2 Long Form.

CASH RECEIPTS

36. DUES AND AGENCY FEES — The system will enter the total reported on Summary Schedule 16, Line 4.

37. PER CAPITA TAX — The system will enter the total reported on Summary Schedule 17, Line 4.

38. FEES, FINES, ASSESSMENTS, WORK PERMITS — The system will enter the total reported on Summary Schedule 18, Line 4.

39. SALE OF SUPPLIES — The system will enter the total reported on Summary Schedule 19, Line 4.

40. INTEREST — Enter your organization's total amount of interest.

41. DIVIDENDS — Enter your organization's total amount of dividends.

42. RENTS — The system will enter the total reported on Summary Schedule 20, Line 4.

43. SALE OF INVESTMENTS — The system will enter the total "Net Sales" reported in Column (G) of Schedule 3 (Sale of Investments).

44. SALE OF FIXED ASSETS — The system will enter the total "Net Sales" reported in Column (G) of Schedule 4 (Sale of Fixed Assets).

45. LOANS OBTAINED — The system will enter the total reported in Column (C) of Schedule 11 (Loans Payable).

46. REPAYMENTS OF LOANS MADE — The system will enter the total reported in Column (D)(1) of Schedule 2 (Loans Receivable).

47. ON BEHALF OF AFFILIATES FOR TRANSMITTAL TO THEM — The system will enter the total reported on Summary Schedule 21, Line 4.

48. FROM MEMBERS FOR DISBURSEMENT ON THEIR BEHALF — The system will enter the total reported on Summary Schedule 22, Line 4.

49. OTHER RECEIPTS — The system will enter the total reported on Summary Schedule 23, Line 4.

50. TOTAL RECEIPTS — Click the "Save & Calculate" button at the top of Statement B and the system will add the amounts in Items 36 through 49 and enter the total in Item 50.

CASH DISBURSEMENTS**51. CONTRACT NEGOTIATION AND ADMINISTRATION**

— The system will enter the total from Summary Schedule 24, Line 4.

52. ORGANIZING — The system will enter the total from Summary Schedule 25, line 4.

53. POLITICAL ACTIVITIES — The system will enter the total from Summary Schedule 26, Line 4.

54. LOBBYING — The system will enter the total from Summary Schedule 27, Line 4.

55. CONTRIBUTIONS, GIFTS, AND GRANTS — The system will enter the total from Summary Schedule 28, Line 4.

56. GENERAL OVERHEAD — The system will enter the total from Summary Schedule 29, Line 4.

57. UNION ADMINISTRATION — The system will enter the total from Summary Schedule 30, Line 4.

58. BENEFITS — The system will enter the total reported in Column (C) of Schedule 31 (Benefits).

59. PER CAPITA TAX — Enter your organization's total amount of per capita tax paid as a condition or requirement of affiliation with your parent national or international union, state and local central bodies, a conference, joint or system board, joint council, federation, or other labor organization.

60. STRIKE BENEFITS — Enter the total amount of all disbursements made to, or on behalf of the members (or agency fee paying nonmembers) of the labor organization, and others, associated with strikes (including recognitional strikes), work stoppages and lockouts during the reporting period.

61. FEES, FINES, ASSESSMENTS, ETC. — Enter the total amount of fees, fines, assessments, and similar disbursements made by the labor organization to a parent body or other labor organization.

62. SUPPLIES FOR RESALE — Enter the labor organization's total disbursements for purchases of supplies such as union logo clothing, lapel pins, bumper stickers, etc. for

resale.

63. PURCHASE OF INVESTMENTS — The system will enter the total reported in Column (F) of Schedule 5 (Purchase of Investments).

64. PURCHASE OF FIXED ASSETS — The system will enter the total reported in Column (F) of Schedule 6 (Purchase of Fixed Assets).

65. LOANS MADE — The system will enter the total reported in Column (C) of Schedule 2 (Loans Receivable).

66. REPAYMENT OF LOANS OBTAINED — The system will enter the total reported in Column (D)(1) of Schedule 11 (Loans Payable).

67. TO AFFILIATES OF FUNDS COLLECTED ON THEIR BEHALF — Enter the total disbursements of funds collected on behalf of affiliates by the labor organization. This amount usually is the same as the amount reported in related Item 47 (On Behalf of Affiliates for Transmittal to Them). Any such funds not disbursed by the end of the reporting period are liabilities of the labor organization and must be reported in Schedule 12 (Other Liabilities).

68. ON BEHALF OF INDIVIDUAL MEMBERS — Enter the total disbursements of funds collected from members by the labor organization that were specifically designated by them for disbursement on their behalf. This amount usually is the same as the amount reported in related Item 48 (From Members for Disbursement on Their Behalf). Any such funds not disbursed by the end of the reporting period are liabilities of the labor organization and must be reported in Schedule 12 (Other Liabilities).

69. DIRECT TAXES — Enter all taxes assessed against and paid by your organization, including your organization's FICA taxes as an employer. Do not include disbursements for the transmittal of taxes withheld from the salaries of officers and employees which must be reported in Item 73 (Withholding Taxes and Other Payroll Deductions). Also, do not include indirect taxes, such as sales and excise taxes, for purchases reported in other disbursement items.

70. OFFICERS — The system will enter the total officer disbursements reported in Schedule 13 (All Officers and Disbursements to Officers).

71. EMPLOYEES — The system will enter the total employee disbursements reported in

Schedule 14 (Disbursements to Employees).

\$ _____

72. SUBTOTAL — Click the “Save & Calculate” button at the top of Statement B and the system will add the amounts in Items 51 through 71 and enter the subtotal in Item 72.

E. Cash at End of Period
\$ _____

If Line E does not equal the amount reported in Item 22, Column (B), there is an error in the labor organization’s report, which should be corrected.

73. WITHHOLDING TAXES AND OTHER PAYROLL DEDUCTIONS –

ADDITIONAL INFORMATION AND SIGNATURES

a. Total Withheld - Enter the total amount of withholding taxes and all other payroll deductions during the reporting period.

75. ADDITIONAL INFORMATION — Use Item 75 to provide additional information as indicated on Form LM-2-Long Form and in these instructions. Enter the number of the item to which the information relates in the Item Number column if the system has not entered the number.

b. Total Disbursed - Enter the total amount of withholding taxes and all other payroll deductions that were disbursed by your organization during the reporting period. This includes your organization’s total disbursements to Federal, state, county, and municipal government agencies for the transmittal of taxes withheld from the salaries of officers and employees, including officers’ and employees’ portion of FICA taxes and all disbursements for the transmittal of other payroll deductions.

76-77. SIGNATURES — The completed Form LM-2 Long Form that is filed with OLMS must be signed by both the president and treasurer, or corresponding principal officers, of the labor organization. If an officer other than the president or treasurer performs the duties of the principal executive or principal financial officer, the other officer may sign the report. If an officer other than the president or treasurer signs the report, enter the correct title in the title field next to the signature and explain in Item 75 (Additional Information) why the president or treasurer did not sign the report.

c. Total Withheld But Not Disbursed – Click the “Save & Calculate” button at the top of Statement B and the system will subtract Item 73b from Item 73a and enter the difference in Item 73c. The system will also complete Item 74 (Total Disbursements) as explained in the next instruction.

Before signing the form, enter the telephone number at which the signatories conduct official business and the date. Click the Validation button at the top of the form to ensure that the report passes validation.

74. TOTAL DISBURSEMENTS – As indicated in the previous instruction, when Item 73c is completed and the “Save & Calculate” button at the top of Statement B is clicked the system subtracts Item 73c from Item 72 and enters the difference in Item 74.

NOTE: Upon registering with OLMS, the signatories and preparers must enter the email addresses they use to conduct union business, in order to file the form via the OLMS Electronic Forms System. While the email addresses will not appear on the report, OLMS may use the email address of the signatories and any preparers to contact the union concerning LMRDA compliance.

NOTE: The following worktable may be used to determine that the figures for receipts, disbursements, and cash are correctly reported on the labor organization’s Form LM-2 Long Form:

A. Cash at Start of Reporting Period — Item 22, Column (A)
\$ _____

To sign the form, click the signature spaces provided. Fill in the requested information in the screen that pops up.

B. Add: Total Receipts — Item 50
\$ _____

C. Total of Lines A and B
\$ _____

XII. LABOR ORGANIZATIONS THAT HAVE CEASED TO EXIST

D. Subtract: Total Disbursements — Item 74

If a labor organization has gone out of existence as a reporting labor organization, the last

president and treasurer or the officials responsible for winding up the affairs of the labor organization must file a terminal financial report for the period from the beginning of the fiscal year to the date of termination. A terminal financial report must be filed if the labor organization has gone out of business by disbanding, merging into another organization, or being merged and consolidated with one or more labor organizations to form a new labor organization. A terminal financial report is not required if the labor organization changed its affiliation but continues to function as a separate reporting labor organization.

The terminal financial report must be filed on Form LM-2 Long Form if the labor organization filed its previous annual report on Form LM-2 Long Form and must be submitted within 30 days after the date of termination. To complete a terminal report on Form LM-2 Long Form, follow the instructions in Section XI and, in addition:

- Enter the date the labor organization ceased to exist in Item 2 after the word "Through." The format for the date must be mm/dd/yyyy.
- Select Item 3(c) indicating that the labor organization ceased to exist during the reporting period and that this is the labor organization's terminal Form LM-2 Long Form.
- Provide in Item 75 (Additional Information) a detailed statement of the reason the labor organization ceased to exist. Also report in Item 75 plans for the disposition of the labor organization's cash and other assets, if any (for example, transfer of cash and assets to the parent body). Provide the name and address of the person or organization that will retain the records of the terminated organization. If the labor organization merged with another labor organization, report that organization's name, address, and 6-digit file number.

Contact the nearest OLMS field office if you have questions about filing a terminal report.

If You Need Assistance

The Office of Labor-Management Standards has field offices located in the following cities to assist you if you have any questions concerning LMRDA and CSRA reporting requirements.

Atlanta-Nashville

Boston-Buffalo
Chicago
Cincinnati-Cleveland
Dallas-New Orleans
Denver-St. Louis
Detroit-Milwaukee
Los Angeles
Philadelphia-Pittsburgh
New York
San Francisco-Seattle
Washington

Consult the OLMS website at www.dol.gov/olms for the address and telephone number of the nearest field office. You may also contact OLMS via email at OLMS-Public@dol.gov or call (202) 693-0123.

Copies of labor organization annual financial reports, employer reports, and labor relations consultant reports filed for the year 2000 and after can be viewed and printed at www.unionreports.gov.

Information about OLMS, including key personnel and telephone numbers, compliance assistance materials, the text of the LMRDA, and related Federal Register and Code of Federal Regulations documents, is also available on the OLMS website at www.dol.gov/olms.

OMB Control Number 1245-0003
Expiration Date: 01/31/2028
Revised 06/2026

Office of Labor-Management Standards
Washington, DC 20210

FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

Office of Labor-Management Standards
Washington, DC 20210

Form Approved
Office of Management and Budget
No. 1245-0003
Expires 01-31-2028

MUST BE USED BY LABOR ORGANIZATIONS WITH \$350,000 TO \$39,999,999 IN TOTAL ANNUAL RECEIPTS AND LABOR ORGANIZATIONS IN TRUSTEESHIP

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only		1. FILE NUMBER		2. PERIOD COVERED		3. (a) AMENDED — If this is an amended report, check here: <input type="checkbox"/> (b) HARDSHIP — If filing under hardship procedures check here: <input type="checkbox"/> (c) TERMINAL — If this is a terminal report, check here: <input type="checkbox"/> (d) TRUSTEESHIP—If the Labor Organization is under trusteeship, check here: <input type="checkbox"/>	
		MO	DAY	YEAR			
		From	Through				
4. AFFILIATION OR ORGANIZATION NAME				8. MAILING ADDRESS (Type or print in capital letters.)			
				First Name		Last Name	
5. DESIGNATION (Local, Lodge, etc.)		6. DESIGNATION NUMBER		P.O. Box - Building and Room Number			
				Number and Street			
7. UNIT NAME (if any)				City			
9. Are your organization's records kept at its mailing address? (If "No," provide address in Item 75.)		Yes <input type="checkbox"/> No <input type="checkbox"/>		State		ZIP Code + 4	
75. ADDITIONAL INFORMATION (Text entered will appear on last page of form. To enter comments, press the "General Additional Information" button.)							
Each of the undersigned, duly authorized officers of the above labor organization, declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.)							
76. SIGNED: _____		PRESIDENT (If other title, see instructions.)		77. SIGNED: _____		TREASURER (If other title, see instructions.)	
/ / () () Telephone Number		/ / () () Telephone Number		/ / () () Telephone Number		/ / () () Telephone Number	
Date		Date		Date		Date	

COMPLETE ITEMS 10 THROUGH 21

- 10 (a) During the reporting period did the labor organization create or participate in the administration of a trust or other fund or organization, as defined in the instructions, which provides benefits for members or their beneficiaries? Yes No
- 10 (b). During the reporting period did an officer or employee paid \$10,000 or more by the labor organization also receive \$10,000 or more as an officer or employee of another labor organization in gross salaries, allowances, and other direct and indirect disbursements? Yes No
- 11(a). During the reporting period did the labor organization have a political action committee (PAC) fund? Yes No
- 11(b). During the reporting period did the labor organization have a subsidiary organization as defined in Section X of these instructions? Yes No
12. During the reporting period did the labor organization have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? Yes No
13. During the reporting period did the labor organization experience and/or discover any loss or shortage of funds or other assets? (Answer "Yes" even if there has been repayment or recovery.) Yes No
14. What is the maximum amount recoverable under the labor organization's fidelity bond for a loss caused by any officer, employee or agent of the labor organization who handled union funds? Yes No
15. During the reporting period did the labor organization acquire or dispose of any assets in any manner other than by purchase or sale? Yes No
16. Were any of the labor organization's assets pledged as security or encumbered in any other way at the end of the reporting period? Yes No
17. Did the labor organization have any contingent liabilities at the end of the reporting period? Yes No

FILE NUMBER:

- 18 (a) During the reporting period did the labor organization have any changes in its constitution and bylaws, other than rates of dues and fees, or in practices/procedures listed in the instructions? Yes No
- 18 (b) Enter the date of the labor organization's current Constitution and Bylaws
21. What is the date of the labor organization's next regular election of officers?
- 20 How many members did the labor organization have at the end of the reporting period? (Total from the Members Line of Schedule 15)
21. What are the labor organization's rates of dues and fees? (Enter a minimum and maximum if more than one rate applies for any line.)

Rates of Dues and Fees					
Dues/Fees	Amount	Unit		Minimum	Maximum
(a) Regular Dues/Fees		per			
(b) Working Dues/Fees		per			
(c) Initiation Fees		per			
(d) Transfer Fees		per			
(e) Work Permits		per			

If the answer to any of the above questions is "Yes," provide details in Item 75 (Additional Information) as explained in the instructions for each item.

FILE NUMBER:

STATEMENT A – ASSETS AND LIABILITIES
 Complete Schedules 1 Through 24 Before Completing Statement A

ASSETS

ASSETS	Schedule Number	Start of Reporting Period (A)	End of Reporting Period (B)
22. Cash			
23. Accounts Receivable	1		
24. Loans Receivable	2		
25. U.S. Treasury Securities			
26. Investments	7		
27. Fixed Assets	8		
28. Other Assets	9		
29. TOTAL ASSETS			

LIABILITIES

LIABILITIES	Schedule Number	Start of Reporting Period (C)	End of Reporting Period (D)
30. Accounts Payable	10		
31. Loans Payable	11		
32. Mortgages Payable			
33. Other Liabilities	12		
34. TOTAL LIABILITIES			
35. NET ASSETS (Item 29 Less Item 34)			

FILE NUMBER:

STATEMENT B – RECEIPTS AND DISBURSEMENTS
Complete Schedules 1 Through 24 Before Completing Statement B

Item	CASH DISBURSEMENTS	SCH #	AMOUNT
51.	Contract Negotiation and Administration	17	
52.	Organizing	18	
53.	Political Activities	19	
54.	Lobbying	20	
55.	Contributions, Gifts, and Grants	21	
56.	General Overhead	22	
57.	Union Administration	23	
58.	Benefits	24	
59.	Per Capita Tax		
60.	Strike Benefits		
61.	Fees, Fines, Assessments, etc.		
62.	Supplies for Resale		
63.	Purchase of Investments	5	
64.	Purchase of Fixed Assets	6	
65.	Loans Made	2	
66.	Repayment of Loans Obtained	11	
67.	To Affiliates of Funds Collected on Their Behalf		
68.	On Behalf of Individual Members		
69.	Direct Taxes		
70.	Officers	13	
71.	Employees	14	
72.	Subtotal		
73.	Withholding Tax and Payroll Deductions		
73a.	Total Withheld		
73b.	Less Total Disbursed		
73c.	Total Withheld But Not Disbursed		
74.	TOTAL DISBURSEMENTS (Line 72 – 73c)		

Item	CASH RECEIPTS	SCH #	AMOUNT
36.	Dues and Agency Fees		
37.	Per Capita Tax		
38.	Fees, Fines, Assessments, Work Permits		
39.	Sale of Supplies		
40.	Interest		
41.	Dividends		
42.	Rents		
43.	Sale of Investments	3	
44.	Sale of Fixed Assets	4	
45.	Loans Obtained	11	
46.	Repayments of Loans Made	2	
47.	On Behalf of Affiliates for Transmittal to Them		
48.	From Members for Disbursement on Their Behalf		
49.	Other Receipts	16	
50.	TOTAL RECEIPTS		

SCHEDULE 1 – ACCOUNTS RECEIVABLE AGING SCHEDULE FILE NUMBER:

Entity or Individual Name (A)	Total Account Receivable (B)	90 - 180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Receivable (E)
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				
25.				
Total of all itemized accounts receivable				
Total from all other accounts receivable				
Totals (Total of Column (B) will be automatically entered in Item 23, Column (B))				

SCHEDULE 2 – LOANS RECEIVABLE

FILE NUMBER:

List below loans to officers, employees, or members which at any time during the reporting period exceeded \$250 and list all loans to business enterprises regardless of amount. (A)	Loans Outstanding at Start of Period (B)	Loans Made During Period (C)	Repayments Received During Period		Loans Outstanding at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
2. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
3. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
4. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
Total of loans not listed above					
Total of all lines above					
Totals will be automatically entered in	.....Item 24..... Column (A)	.....Item 65.....	.....Item 46.....	.....Item 75..... with Explanation	.....Item 24 Column (B)

SCHEDULE 3 – SALE OF INVESTMENTS

FILE NUMBER:

Name and Address of Purchaser or Financial Management Firm (A)	Description (B)	Date of Sale (C)	Cost (D)	Book Value (E)	Gross Sales Price (F)	Amount Received (G)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
Total from all itemized sales of investments (lines (D)-(G) above)						
Total from all other sales of investments						
Total of all sales of investments						
			Less Reinvestments			
			Net Sales			

(The total from Net Sales Line will be automatically entered in Item 43.)

SCHEDULE 4 – SALE OF FIXED ASSETS

FILE NUMBER:

Name and Address of Purchaser (A)	Description (B)	Date of Sale (C)	Cost (D)	Book Value (E)	Gross Sales Price (F)	Amount Received (G)
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
Total of all lines above						
Total of all other sales of fixed assets						
Total of all sales of fixed assets						
(The total from Amount Received (G) Line will be automatically entered in Item 44.)						

SCHEDULE 6-- PURCHASE OF FIXED ASSETS

FILE NUMBER:

Name and Address of Seller (A)	Description (E)	Date of Purchase (C)	Cost (D)	Book Value (E)	Cash Paid (F)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Total of lines (D)-(F) above					
Total of all other purchases of fixed assets					
Total of all purchases of fixed assets					
		(The total from Cash Paid Column (F) Line will be automatically entered in Item 64)			

SCHEDULE 7 – INVESTMENTS

FILE NUMBER:

Description (A)	Amount (B)
Marketable Securities	
A. Total Cost	
B. Total Book Value	
C. List each marketable security which has a book value over \$5,000 and exceeds 5% of Line B.	
(1)	
(2)	
(3)	
(4)	
Other Investments	
D. Total Cost	
E. Total Book Value	
F. List each other investment which has a book value over \$5,000 and exceeds 5% of Line E. Also, list each subsidiary for which separate reports are attached.	
(1)	
(2)	
(3)	
(4)	
(5)	
G. Total of Lines B and E (Total from Line G will be automatically entered in Item 26, Column (B))	

SCHEDULE 8 –FIXED ASSETS

FILE NUMBER:

Description (A)	Cost or Other Basis (B)	Total Depreciation or Amount Expensed (C)	Book Value (D)	Value (E)
A. Land (give location)				
1.				
2.				
3.				
B. Buildings (give location)				
1.				
2.				
3.				
C. Automobiles and Other Vehicles				
D. Office Furniture and Equipment				
E. Other Fixed Assets				
F. Totals of Lines A through E (Column (D) Total will be automatically entered in Item 27, Column (B))				

SCHEDULE 9 – OTHER ASSETS

FILE NUMBER:

	Description (A)	Book Value (B)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
Total (Total will be automatically entered in Item 28, Column (B))		

SCHEDULE 10 – ACCOUNTS PAYABLE AGING SCHEDULE

FILE NUMBER:

	Entity or Individual Name (A)	Total Account Payable (B)	90 - 180 Days Past Due (C)	180+ Days Past Due (D)	Liquidated Account Payable (E)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
	Total of all Itemized Accounts Payable				
	Total from all other accounts payable				
	Totals (Total for Column (B) will be automatically entered in Item 30, Column (D))				

FILE NUMBER:

SCHEDULE 11 – LOANS PAYABLE

Source of Loans Payable at Any Time During the Reporting Period (A)	Loans Owed at Start of Period (B)	Loans Obtained During Period (C)	Repayment Made During Period		Loans Owed at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
Total Loans Payable					
Totals will be automatically entered in					
Column (C)	.....Item 31.....	.....Item 45.....	.....Item 66.....	.....Item 75.....	.....Item 31 Column (D)
				with Explanation	

FILE NUMBER:

SCHEDULE 12 -- OTHER LIABILITIES

Description (A)	Amount at End of Period (B)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
Total Other Liabilities (Total will be automatically entered in Item 33, Column (D))	

SCHEDULE 14 – DISBURSEMENTS TO EMPLOYEES

FILE NUMBER:

(A) Name Last, First, MI	(B) Title	(C) Other Payer	(D) Gross Salary Disbursements (before any deductions)	(E) Allowances Disbursed	(F) Disbursements for Official Business	(G) Other Disbursements not reported in (D) through (F).	(H) Total
1 A							
B							
C							
2 A							
B							
C							
3 A							
B							
C							
4 A							
B							
C							

TOTAL RECEIVED BY ALL OTHER EMPLOYEES MAKING \$10,000 OR LESS							
---	--	--	--	--	--	--	--

TOTAL EMPLOYEE DISBURSEMENTS							
LESS DEDUCTIONS							
NET DISBURSEMENTS							

FILE NUMBER:

SCHEDULE 15 – MEMBERSHIP STATUS

Category of Membership (A)	Number (B)	Voter Eligibility (C)
1. Retiree Members		Yes
2.		Yes
3.		Yes
4.		Yes
5.		Yes
6.		Yes
7.		Yes
Members (Total of all lines above)		
Agency Fee Payers*		
Total Members/Fee Payers (Total of Members and Fee Payers Lines)		
*Agency Fee Payers are not considered members of the labor organization		

FILE NUMBER:

DETAILED SUMMARY PAGE - SCHEDULES 16 THROUGH 23
Complete Itemization Pages BEFORE the Detailed Summary Page

SCHEDULE 20 LOBBYING	1. Named Payee Itemized Disbursements		Item 54
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		
SCHEDULE 21 CONTRIBUTIONS, GIFTS, AND GRANTS	1. Named Payee Itemized Disbursements		Item 55
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		
SCHEDULE 22 GENERAL OVERHEAD	1. Named Payee Itemized Disbursements		Item 56
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		
SCHEDULE 23 UNION ADMINISTRATION	1. Named Payee Itemized Disbursements		Item 57
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		

SCHEDULE 16 OTHER RECEIPTS	1. Named Payer Itemized Receipts		Item 49
	2. Named Payer Non-Itemized Receipts		
	3. All Other Receipts		
	4. Total Receipts (add Lines 1 through 3)		
SCHEDULE 17 CONTRACT NEGOTIATION AND ADMINISTRATION	1. Named Payee Itemized Disbursements		Item 51
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		
SCHEDULE 18 ORGANIZING	1. Named Payee Itemized Disbursements		Item 52
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		
SCHEDULE 19 POLITICAL ACTIVITIES	1. Named Payee Itemized Disbursements		Item 53
	2. Named Payee Non-Itemized Disbursements		
	3. All Other Disbursements		
	4. Total Disbursements (add Lines 1 through 3)		

FILE NUMBER:

SCHEDULE 16 – OTHER RECEIPTS

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)

FILE NUMBER:

SCHEDULE 18 – ORGANIZING

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
(B) Type or Classification			
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			

FILE NUMBER:

SCHEDULE 20 – LOBBYING

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)

FILE NUMBER:

SCHEDULE 22 – GENERAL OVERHEAD

Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
(B) Type or Classification			
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			

FILE NUMBER:

SCHEDULE 23 – UNION ADMINISTRATION
Complete Itemization Pages BEFORE the Detailed Summary Page

Name and Address (A)	Purpose (C)	Date (D)	Amount (E)
(B) Type or Classification			
Total Itemized Transactions with this Payee/Payer			
Total Non-Itemized Transactions with this Payee/Payer			
Total of All Transactions with this Payee/Payer for This Schedule			

SCHEDULE 24 – BENEFITS

FILE NUMBER:

	Description (A)	To Whom Paid (B)	Amount (C)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
Total of all lines above (Total will be automatically entered in Item 58.)			

75. ADDITIONAL INFORMATION SUMMARY

FILE NUMBER:

Public reporting burden for this collection of information is estimated to average 343.1 hours per response. For filers who have subsidiary organizations, as defined in Section X of these instructions, an additional public reporting burden is estimated to average 88 hours per response. These estimates include the time for reviewing instructions, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the collection of information. Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. Reporting of this information is mandatory and is required by the Labor-Management Reporting and Disclosure Act of 1959, as amended, for the purpose of public disclosure. As this is public information, there are no assurances of confidentiality. If you have any comments regarding this estimate or any other aspect of this information collection, including suggestions for reducing this burden, please send them to the U.S. Department of Labor, Office of Labor-Management Standards, Room N-5609, 200 Constitution Avenue, NW, Washington, DC 20210.

INSTRUCTIONS FOR FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

GENERAL INSTRUCTIONS

I. WHO MUST FILE

Every labor organization subject to the Labor-Management Reporting and Disclosure Act, as amended (LMRDA), the Civil Service Reform Act (CSRA), or the Foreign Service Act (FSA) must file a financial report, Form LM-2 Long Form, Form LM-2, Form LM-3, or Form LM-4, each year with the Office of Labor-Management Standards (OLMS) of the U.S. Department of Labor. These laws cover labor organizations that represent employees who work in private industry, employees of the U.S. Postal Service, and most Federal government employees. Labor organizations that include or represent only state, county, or municipal government employees are not covered by these laws and, therefore, are not required to file. If you have a question about whether the labor organization is required to file, contact the nearest OLMS field office listed at the end of these instructions.

II. WHAT FORM TO FILE

Every labor organization subject to the LMRDA, CSRA, or FSA with total annual receipts of \$40,000,000 or more must file the Form LM-2 Long Form. Labor organizations with total annual receipts between \$350,000 and \$39,999,999 must file Form LM-2.

Labor organizations with total annual receipts of less than \$350,000 may file the simplified Form LM-3, if not in trusteeship as defined in Section IX (Labor Organization In Trusteeship) of these instructions. Labor organizations with total annual receipts of less than \$25,000 may file the abbreviated annual report Form LM-4, if not in trusteeship.

The term "total annual receipts" means all financial receipts of the labor organization during its fiscal year, regardless of the source, including receipts of any special funds as described in Section VIII (Funds To Be Reported) or as described in Section X (Labor Organizations With Subsidiary Organizations). Receipts of an LMRDA section 3(l) trust in which the labor organization is interested (as described in Information Item 10(a)) should not be included in the total annual receipts of the labor organization when determining which form to file, unless the 3(l) trust is a subsidiary organization of the union.

III. WHEN TO FILE

Form LM-2 must be filed within 90 days after the end of the labor organization's fiscal year (12-month reporting period). The law does not authorize the Department to grant an extension of time for filing reports. The penalties for delinquency are described in Section VI (Officer Responsibilities and Penalties) of these instructions.

If the labor organization went out of existence during its fiscal year, a terminal financial report must be filed within 30 days after the date it ceased to exist. See Section XII (Labor Organizations That Have Ceased to Exist) of these instructions for information on filing a terminal financial report.

IV. HOW TO FILE

Form LM-2 must be submitted electronically to the Department via the OLMS [Electronic Forms System](#) (EFS) linked from the OLMS website (www.dol.gov/olms). Form LM-2 filers will be able to file reports in paper format only if they assert a temporary hardship exemption.

NOTE: Upon registering with OLMS, the signatories and preparers must enter the email addresses they use to conduct union business, in order to file the form via the OLMS Electronic Forms System. While the email addresses will not appear on the report, OLMS may use the email address of the signatories and any preparers to contact the union concerning LMRDA compliance.

If you have difficulty navigating the system, or have questions about its functions and features, call the OLMS Help Desk at: (866) 401-1109. For questions concerning the reporting requirements, please send an email to OLMS-Public@dol.gov or call (202) 693-0123.

TEMPORARY HARDSHIP EXEMPTION:

If a labor organization experiences unanticipated technical difficulties that prevent the timely preparation and submission of an electronic filing, the organization may assert a temporary hardship exemption to prepare and submit Form LM-2 in paper format by the required due date. An electronic format copy of the filed paper format document shall be submitted to the Department within ten business days after the required due date. Indicate in Item 3 (Amended, Hardship, Terminal or Trusteeship Report) that the labor organization is filing under the hardship exemption procedures. Unanticipated technical difficulties that may result in additional delays should be brought to the attention of OLMS by email at OLMS-Public@dol.gov, by phone at 202-693-0123.

NOTE: If either the paper filing or the electronic filing is not received in the timeframe specified above, the report will be considered delinquent.

V. PUBLIC DISCLOSURE

The LMRDA requires that the Department make labor organization financial reports available for inspection by the public. Reports may be viewed and downloaded from the OLMS website at www.unionreports.gov. For assistance, please email OLMS-Public@dol.gov or call (202) 693-0123.

VI. OFFICER RESPONSIBILITIES AND PENALTIES

The president and treasurer or the corresponding principal officers of the labor organization required to sign Form LM-2 are personally responsible for its filing and accuracy. Under the LMRDA, officers are subject to criminal penalties for willful failure to file a required report and for false reporting. False reporting includes making any false statement or misrepresentation of a material fact while knowing

it to be false, or for knowingly failing to disclose a material fact in a required report or in the information required to be contained in it or in any information required to be submitted with it.

The reporting labor organization and the officers required to sign Form LM-2 are also subject to civil prosecution for violations of the filing requirements. Section 210 of the LMRDA (29 U.S.C. 440) provides that "whenever it shall appear that any person has violated or is about to violate any of the provisions of this title, the Secretary may bring a civil action for such relief (including injunctions) as may be appropriate."

Under the CSRA and FSA and implementing regulations, false reporting and failure to report may result in administrative enforcement action and litigation. The officers responsible for signing Form LM-2 are also subject to criminal penalties for false reporting and perjury under Sections 1001 of Title 18 and 1746 of Title 28 of the United States Code.

VII. RECORDKEEPING

The officers required to file Form LM-2 are responsible for maintaining records that will provide in sufficient detail the information and data necessary to verify the accuracy and completeness of the report. The records must be kept for at least 5 years after the date the report is filed. Any record necessary to verify, explain or clarify the report must be retained, including, but not limited to, vouchers, worksheets, receipts, applicable resolutions, and any electronic documents, including recordkeeping software, used to complete, read, and file the report.

VIII. FUNDS TO BE REPORTED

The labor organization must report financial information on Form LM-2 for all funds of the labor organization. Include any special purpose funds or accounts, such as strike funds, vacation funds, and scholarship funds even if they are not part of the labor organization's general treasury.

All labor organization political action committee (PAC) funds are considered to be labor organization funds. However, to avoid duplicate reporting, PAC funds that are kept separate from your labor organization's treasury are not required to be included in your organization's Form LM-2 if publicly available reports on the PAC funds are filed with a Federal or state agency.

Your organization is required to report financial information about any "subsidiary organizations." Financial information about your organization and its subsidiary organizations may be combined on a single Form LM-2 or you may attach to your Form LM-2 report the regular annual report of the

financial condition and operations of the subsidiary organization with a signed certification by an independent public accountant, as described in Section X (Labor Organizations With Subsidiary Organizations).

If combining the information concerning subsidiary organizations, be sure to include the requested information and amounts for the subsidiary organizations as well as for all other assets of your union in all items.

SPECIAL INSTRUCTIONS FOR CERTAIN ORGANIZATIONS

IX. LABOR ORGANIZATIONS IN TRUSTEESHIP

Any labor organization that has placed a subordinate labor organization in trusteeship is responsible for filing the subordinate's annual financial report. A trusteeship is defined in section 3(h) of the LMRDA (29 U.S.C. 402) as "any receivership, trusteeship, or other method of supervision or control whereby a labor organization suspends the autonomy otherwise available to a subordinate body under its constitution or bylaws."

Annual financial reports filed for any labor organization in trusteeship that has less than \$40,000,000 in annual receipts may be filed on Form LM-2 or the Form LM-2 Long Form. The report must be signed by the president and treasurer or corresponding principal officers of the labor organization that imposed the trusteeship. The trustees of the subordinate labor organization must also sign and date Form LM-2. To add signature blocks, click on the "Add Signature Block" button on the bottom of page 1.

X. LABOR ORGANIZATIONS WITH SUBSIDIARY ORGANIZATIONS

The labor organization must disclose assets, liabilities, receipts, and disbursements of a subsidiary organization.

Within the meaning of these instructions, a subsidiary organization is defined as any separate organization of which the ownership is wholly vested in the reporting labor organization or its officers or its membership, which is governed or controlled by the officers, employees, or members of the reporting labor organization, and which is wholly financed by the reporting labor organization. A subsidiary organization is considered to be wholly financed if the initial financing was provided

by the reporting labor organization even if the subsidiary organization is currently wholly or partially self-sustaining. An example of a subsidiary organization is a building corporation which holds title to a building; the labor organization owns the building corporation, selects the officers, and finances the operation of the building corporation.

A labor organization is required to report financial information for each of its subsidiary organizations using one of the following methods:

Method (1) — Consolidate the financial information for the subsidiary organization and the labor organization on a single Form LM-2.

Method (2) — File, with the labor organization's Form LM-2, the regular annual report of the financial condition and operations of the subsidiary organization, accompanied by a statement signed by an independent public accountant certifying that the financial report presents fairly the financial condition and operations of the subsidiary organization and was prepared in accordance with generally accepted accounting principles.

Financial information reported separately for subsidiary organizations under method (2) must include the name of the subsidiary organization and the name and file number of the labor organization as shown on its Form LM-2. The financial report of the subsidiary organization must cover the same reporting period as that used by the reporting labor organization.

When method (2) is used and the subsidiary organization is an investment, the financial interest of the reporting labor organization in the subsidiary organization must be reported in Item 26 (Investments) and in Schedule 7 (Investments) of the labor organization's Form LM-2.

When method (2) is used and the subsidiary organization is of a non-investment nature, the financial interest of the reporting labor organization in the subsidiary organization must be reported in Item 28 (Other Assets) and in Schedule 9 (Other Assets) of the labor organization's Form LM-2.

The same type of information required on Form LM-2 regarding disbursements to officers and employees and loans made by labor organizations must also be reported with respect to the subsidiary organization. In method (1) the information relating to the subsidiary organization must be combined with that of the labor organization and reported on the labor organization's Form LM-2 on Schedule 13 (All Officers and Disbursements to Officers) and Schedule 14 (Disbursements to Employees) and Statement A, Item 24 (Loans Receivable) and

Schedule 2 (Loans Receivable) in the detail required by the instructions. If method (2) is used, an attachment must be submitted containing the information required by the instructions for Schedules 2, 13, and 14.

The information regarding loans made by the subsidiary organization must include in Schedule 2 (Loans Receivable) a listing of the names of each officer, employee, or member of the labor organization and each officer or employee of the subsidiary organization whose total loan indebtedness to the subsidiary organization, to the labor organization, or to both at any time during the reporting period exceeded \$250. However, if method (2) is used, the amount reported by the subsidiary organization should be only the amount owed to the subsidiary organization.

The annual financial report must also include on Schedule 13 (All Officers and Disbursements to Officers) all disbursements made by the subsidiary organization to or on behalf of its officers and officers of the labor organization. The report must also list on Schedule 14 (Disbursements to Employees) the name and position of the subsidiary organization's employees whose total gross salaries, allowances, and other disbursements from the subsidiary organization, the reporting labor organization, and any affiliates were more than \$10,000. However, if method (2) is used, only the disbursements of the subsidiary organization for its employees must be reported.

XI. COMPLETING FORM LM-2

INTRODUCTION

Most pages have a "Save & Calculate" button to total and transfer data to fields in various parts of the form. You may click on one or more of these buttons as you fill out the form at any time.

You may click on the "Validate Form" button at any time to check for errors. This action will generate a "Validation Summary Page" listing any errors that will need to be corrected before you will be able to sign the form. The signature field will be enabled once validation is passed.

INFORMATION ITEMS 1-9

Items 1, 2, and 4-8 are "pre-filled" items. These fields are filled in by the system based on information you entered when you accessed the form from our website. You cannot edit the information pre-filled in Items 1, and 2.

1. FILE NUMBER — The system will enter the labor organization's 6-digit file number here and at the top of each page of Form LM-2. If the labor organization does not have the number on file and cannot obtain the number from prior reports filed with the Department, the number can be obtained from the OLMS website at www.unionreports.gov, or by contacting the nearest OLMS field office.

2. PERIOD COVERED — The system will enter the beginning and ending dates of the period covered by your fiscal year. The system will also permit you to change the end date, if needed. If you need further assistance, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

If the labor organization changed its fiscal year, the ending date in Item 2 should be the labor organization's new fiscal year ending date and the labor organization should indicate in Item 75 (Additional Information) that the report is for a period of less than 12 months because its fiscal year has changed. For example, if the labor organization's fiscal year ending date changes from June 30 to December 31, a report must be filed for the partial year from July 1 to December 31. Thereafter, the labor organization's annual report should cover a full 12-month period from January 1 to December 31.

3. AMENDED, HARDSHIP EXEMPTED, TERMINAL, OR TRUSTEESHIP REPORT — Do not complete this item unless this report is an amended, hardship exempted, or terminal report or the labor organization is under trusteeship. Select Item 3(a) if the labor organization is filing an amended report correcting a previously filed report. Select Item 3(b) if the labor organization is filing under the hardship exemption procedures defined in Section IV. Select Item 3(c) if the labor organization has gone out of business by disbanding, merging into another labor organization, or being merged and consolidated with one or more labor organizations to form a new labor organization, and this is the labor organization's terminal report. Be sure the date the labor organization ceased to exist is entered in Item 2 (Period Covered) after the word "Through." See Section XII (Labor Organizations That Have Ceased to Exist) of these instructions for more information on filing a terminal report. Select Item 3(d) if the report is being filed by a labor organization for a subordinate labor organization that it has placed in trusteeship. Use Form LM-2 Long Form only for labor organizations in trusteeships with \$40,000,000 or more in annual receipts. Use Form LM-2 for labor organizations in trusteeship with less than \$40,000,000 in annual

receipts.

4. AFFILIATION OR ORGANIZATION NAME

— The system accesses this information from the OLMS database and will enter the name of the national or international labor organization that granted the labor organization a charter. "Affiliates," within the meaning of these instructions, are labor organizations chartered by the same parent body, governed by the same constitution and bylaws, or having the relationship of parent and subordinate. For example, a parent body is an affiliate of all of its subordinate bodies, and all subordinate bodies of the same parent body are affiliates of each other.

If the labor organization has not reported such an affiliation, the system will enter the name of the labor organization as currently identified in the labor organization's constitution and bylaws or other organizational documents.

This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

5. DESIGNATION — The system will enter the specific designation that is used to identify the labor organization, such as Local, Lodge, Branch, Joint Board, Joint Council, District Council, etc. This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

6. DESIGNATION NUMBER — The system will enter the number or other identifier, if any, by which the labor organization is known. This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

7. UNIT NAME — The system will enter any additional or alternate name by which the labor organization is known, such as "Chicago Area Local." This field cannot be edited. If the labor organization needs to change this information, contact OLMS by email at OLMS-Public@dol.gov or by phone at (202) 693-0123.

8. MAILING ADDRESS — The system accesses the union's mailing address on record in the OLMS database and enters it in Item 8. The first and last name of the person, if any, to whom such mail should be sent and any building and room number should be

included. These fields can be edited.

9. PLACE WHERE RECORDS ARE KEPT — If the records required to be kept by the labor organization to verify this report are kept at the address reported in Item 8 (Mailing Address), answer "Yes." If not, answer "No" and provide in Item 75 (Additional Information) the address where the labor organization's records are kept.

INFORMATION ITEMS 10–21

Answer Items 10 through 21 as instructed. Select the appropriate box for those questions requiring a "Yes" or "No" answer; do not leave both boxes blank. Enter a single "0" in the boxes for items requiring a number or dollar amount if there is nothing to report.

10. (a) TRUSTS OR FUNDS— Answer "Yes" to Item 10(a), if the labor organization has an interest in a trust or other fund as defined in 29 U.S.C. 402(l). A trust in which a labor organization is interested is a trust or other fund as defined in Section 3(l) of the LMRDA (29 U.S.C. 402(l)) as

... a trust or other fund or organization (1) which was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body of which is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries.

The determination whether a particular entity is a trust in which a labor organization is interested will be based on the facts in each case.

Additionally, provide in Item 75 (Additional Information) the full name, address, and purpose of each trust or other fund. Indicate in Item 75 if a report has been filed for the trust or other fund under the Employee Retirement Income Security Act of 1974 (ERISA) and the ERISA file number (Employer Identification Number — EIN) and plan number, if any.

If financial information is already available as a result of the disclosure requirements of a Federal statute other than ERISA or LMRDA, list the name of any government agency, such as the Internal Revenue Service (IRS), with which the trust files a publicly available report, and the relevant file number of the trust, or otherwise indicate where the relevant report may be viewed.

10.(b) OTHER LABOR ORGANIZATION PAYMENTS TO OFFICERS AND

EMPLOYEES—Answer "Yes" to Item 10(b), if an officer or employee was paid \$10,000 or more in salary, wages, and allowances by your organization and was paid \$10,000 or more in salary, wages, and allowances as an officer or employee of another labor organization. In calculating whether an officer or employee was paid \$10,000 or more include allowances paid on a daily, weekly, monthly, or other periodic basis. If the labor organization answered "Yes" to 10(b), provide in Item 75 (Additional Information) the name of each officer or employee, the name of the other labor organization(s), the officers' or employees' position in the other labor organization(s) and the file number of the labor organization(s).

11. POLITICAL ACTION COMMITTEE FUNDS AND SUBSIDIARY ORGANIZATIONS — If the labor organization answered "Yes" to Item 11(a), in reference to a political action committee, provide in Item 75 (Additional Information) the full name of each separate political action committee (PAC) and list the name of any government agency, such as the Federal Election Commission or a state agency, with which the PAC has filed a publicly available report, and the relevant file number of the PAC. (PAC funds kept separate from the labor organization's treasury need not be included in the labor organization's Form LM-2 if publicly available reports on the PAC funds are filed with a Federal or state agency.)

If the labor organization answered "Yes" to Item 11(b), in reference to a subsidiary organization, provide in Item 75 (Additional Information) the name, address, and purpose of each subsidiary organization. Indicate whether the information concerning its financial condition and operations is included in this Form LM-2 or in a separate report. See Section X of these instructions for information on reporting subsidiary organizations.

12. AUDIT OR REVIEW OF BOOKS AND RECORDS — If the labor organization answered "Yes" to Item 12, indicate in Item 75 (Additional Information) whether the audit or review was performed by an outside accountant or a parent body auditor/representative. If an outside accountant performed the audit or review, provide the name of the accountant or accounting firm. Report any audit or review by an outside accountant or a parent body auditor/representative in which the labor organization's books and records were examined to verify their accuracy and validity. The term "audit or review" does not include providing assistance in developing a

bookkeeping system, providing routine bookkeeping services, or merely compiling information from the labor organization's books and records to prepare Form LM-2 or other financial reports. Also, do not answer "Yes" to Item 12 if an audit committee or trustees of the labor organization performed the audit or review.

13. LOSSES OR SHORTAGES — Answer "Yes" to Item 13 if the labor organization experienced and/or discovered a loss, shortage, or other discrepancy in its finances during the period covered. Describe the loss or shortage in detail in Item 75 (Additional Information), including such information as the amount of the loss or shortage of funds or a description of the property that was lost, how it was lost, and to what extent, if any, there has been an agreement to make restitution or any recovery by means of repayment, fidelity bond, insurance, or other means.

14. FIDELITY BOND — Enter the maximum amount recoverable for a loss caused by any officer, employee, or agent of the labor organization who handled the labor organization's funds. Enter "0" if the labor organization was not covered by a fidelity bond during the reporting period.

NOTE: If a labor organization has property and annual financial receipts that exceeded \$5,000, each of the labor organization's officers, employees, and agents who handles funds or other property of the labor organization must be bonded. The amount of the bond must be at least 10% of the value of the funds handled by the individual during the last reporting period, up to a maximum bond of \$500,000. The bond must be obtained from a surety company approved by the Secretary of the Treasury. If you have any questions or need more information about bonding requirements, contact the nearest OLMS field office.

15. ACQUISITION OR DISPOSITION OF ASSETS — If the labor organization answered "Yes" to Item 15, describe in Item 75 (Additional Information) the manner in which the labor organization acquired or disposed of the asset(s), such as donating office furniture or equipment to charitable organizations, trading in assets, writing off a receivable, or giving away other tangible or intangible property of the labor organization. Include the type of asset, its value, and the identity of the recipient or donor, if any. Also report in Item 75 the cost or other basis at which any acquired assets were entered on the labor organization's books or the cost or other basis at which any assets disposed of were carried on the labor organization's books. For example, assets may be entered on the labor organization's books at cost and carried at that

value; carried at cost less accumulated depreciation; or carried at scrap value or other nominal value because the assets were fully depreciated or were expensed when purchased (that is, the cost was charged to current expenses rather than entered on the books and periodically depreciated).

For assets that were traded in, enter in Item 75 the cost, book value, and trade-in allowance.

16. PLEDGED OR ENCUMBERED ASSETS

— If the labor organization answered "Yes" to Item 16, identify in Item 75 (Additional Information) all of the labor organization's assets pledged or encumbered in any way (such as those pledged as collateral for a loan) at the end of the reporting period. Also report in Item 75 their fair market value and provide details of transactions related to the encumbrance.

17. CONTINGENT LIABILITIES — If the labor organization answered "Yes" to Item 17, describe in Item 75 (Additional Information) the transactions or events resulting in the contingent liabilities and include the identity of the claimant or creditor. Contingent liabilities are potential obligations that may or may not develop into actual liabilities in the future. Examples of a contingent liability are a loan co-signed by the labor organization, or a pending lawsuit that could result in the labor organization being ordered to pay damages or make other payments.

A pending administrative or judicial action is considered a contingent liability that must be reported in Item 17 if, in the opinion of legal counsel, it is reasonably possible that the labor organization will be required to make some payment. Such administrative or judicial actions must be reported as contingent liabilities regardless of whether or not the possible losses would have a materially adverse effect on the labor organization's financial condition. List in Item 75 each administrative or judicial action, including the case number, court, and caption.

18. CHANGES IN CONSTITUTION AND BYLAWS OR PRACTICES AND PROCEDURES

— If the labor organization answered "Yes" to Item 18(a) because the labor organization's constitution and bylaws were changed during the reporting period (other than rates of dues and fees), a dated copy of the new constitution and bylaws must be submitted to OLMS as an electronic attachment to the Form LM-2.

If the labor organization is governed by a uniform or model constitution and bylaws prescribed by the labor organization's parent national or international body, the labor organization's parent body may file the constitution and bylaws on the labor organization's behalf. If the parent body files a constitution and bylaws on the labor organization's behalf, answer "Yes" to Item 18(a) and state that fact in Item 75 (Additional Information). If the labor organization has any supplemental governing documents or has modified a model constitution and bylaws, the labor organization must file these documents.

If the labor organization answered "Yes" to Item 18(a) because the labor organization changed any of the practices/procedures listed below during the reporting period and the practices/procedures are not described in the labor organization's constitution or bylaws, the labor organization must file an amended Form LM-1 (Labor Organization Information Report) to update information on file with the Department:

- qualifications for or restrictions on membership;
- levying assessments;
- participating in insurance or other benefit plans;
- authorizing disbursement of labor organization funds;
- auditing financial transactions of the labor organization;
- calling regular and special meetings;
- authorizing bargaining demands;
- ratifying contract terms;
- authorizing strikes;
- disciplining or removing officers or agents for breaches of their trust;
- imposing fines and suspending or expelling members including the grounds for such action and any provision made for notice, hearing, judgment on the evidence, and appeal procedures;
- selecting officers and stewards and any representatives to other bodies composed of labor organizations' representatives;
- invoking procedures by which a member may protest a defect in the election of officers (including not only all procedures for initiating an election protest but also all procedures for subsequently appealing an adverse decision, e.g., procedures for appeals to superior or parent bodies, if any); and
- issuing work permits.

Information on obtaining Form LM-1 may be obtained from the OLMS website at www.olms.dol.gov or from any OLMS field office.

NOTE: Federal employee labor organizations subject solely to the Civil Service Reform Act or Foreign Service Act are not required to submit an amended Form LM-1 to describe revised or changed practices/procedures.

Enter the month and year of the labor organization's current constitution and bylaws in Item 18(b). The format for the dates must be month and year (mm/yyyy).

19. NEXT REGULAR ELECTION — Enter the month and year of the labor organization's next regular election of general officers (president, vice president, treasurer, secretary, etc.). Do not report the date of any interim election to fill vacancies.

20. NUMBER OF MEMBERS — After Schedule 15 is completed and the "Save & Calculate" button is clicked, the system will enter the total number of members into Item 20.

21. DUES AND FEES — Enter the dues and fees established by the labor organization. If more than one rate applies, enter the minimum and maximum rates. Enter "0" where appropriate.

Line (a): Enter the regular dues, fees or other periodic payments that a member must pay to be in good standing in the labor organization, including the calendar basis for the payment (per month, per year, etc.). Include only the dues or fees of regular members and not dues or fees of members with special rates, such as apprentices, retirees, or unemployed members.

Line (b) If individuals covered by your organization's collective bargaining agreement(s) pay "working" dues in addition to their regular dues, enter the amount or percent of "working" dues, including the basis for the payment (per hour, per month, etc.).

Line (c): Enter the initiation fees required from new members.

Line (d): Enter the fees other than dues required from transferred members. Such fees are those charged to persons applying for a transfer of membership to the labor organization from another labor organization with the same affiliation. Do not report fees charged to members transferring from one class of membership to another within the labor organization.

Line (e): If the labor organization issues work permits, enter the fees required and enter the calendar basis for the payment (per month, per

year, etc.). Work permit fees are fees charged to nonmembers of the labor organization who work within its jurisdiction. Do not report as work permit fees those fees charged to nonmember applicants for membership pending acceptance of their membership application, or fees charged to persons applying for transfer of membership to the labor organization pending acceptance of their application for transfer.

FINANCIAL DETAILS

REPORT ONLY DOLLAR AMOUNTS

Report all amounts in dollars only. Round cents to the nearest dollar. Amounts ending in \$.01 through \$.49 should be rounded down. Amounts ending in \$.50 through \$.99 should be rounded up.

REPORTING CLASSIFICATIONS

Complete all items and lines on the form. Do not use different accounting classifications or change the wording of any item or line.

BEGINNING AND ENDING AMOUNTS

Entries in Schedules 2 and 11 and in Statement A must report amounts for both the start and the end of the reporting period. The amounts entered for the start of the reporting period on the labor organization's report should be identical to the amounts entered for the end of the reporting period on last year's report. If the amounts are not the same, fully explain the difference in Item 75 (Additional Information).

COMPLETE SCHEDULES FIRST

Complete Schedules 1 through 24 before completing Statements A and B. Be sure to complete all applicable lines in Schedules 1 through 24. As you complete the schedules, the system will transfer some of the totals to the appropriate items in Statements A and B. You must enter the remaining totals manually.

COMPLETE ALL ITEMS 22 THROUGH 72

Complete all remaining items in Statement A and Statement B. Enter "0" where appropriate.

SCHEDULES 1 THROUGH 14

SCHEDULE 1 – ACCOUNTS RECEIVABLE AGING SCHEDULE

The labor organization must report 1) all accounts with an entity or individual that aggregate to a

value of \$7,500 or more and that are 90 days or more past due at the end of the reporting period or were liquidated, reduced or written off during the reporting period; and 2) the total aggregated value of all other accounts receivable.

If additional lines are needed, click the "Add Accounts Receivable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each entity or individual with which the labor organization has an account receivable of \$7,500 or more that is 90 days or more past due at the end of the reporting period or that was liquidated, reduced or written off during the reporting period without the receipt of cash sufficient to cover the total value of the account receivable.

Column (B): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period. Enter on the "Totals from all other accounts receivable" line the total amount of money owed to the labor organization in all other accounts receivable not required to be itemized in Schedule 1.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line in Column (B) and enters the total accounts receivable in Column (B) and in Item 23, Column (B) of Statement A.

Column (C): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period that is 90 to 180 days past due. Enter the total amount of money owed to the labor organization in all other accounts receivable (those of less than \$7,500) that are 90 to 180 days past due and are not required to be itemized in Schedule 1 on the "Total from all other accounts receivable" line.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line in Column (C) and enters the total accounts receivable that were 90 to 180 days past due in Column (C).

Column (D): Enter the total amount of money owed to the labor organization by each listed entity or individual at the end of the reporting period that is more than 180 days past due.

Enter the total amount of money owed to the labor organization in all other accounts

receivable (those of less than \$7,500 and not required to be itemized in Schedule 1) that are more than 180 days past due on the "Totals from all other accounts receivable" line.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line in Column (D) and enters the total accounts receivable that were more than 180 days past due in Column (D).

Column (E): Enter the total amount of money owed to the labor organization by each entity or individual that was liquidated, reduced or written off during the reporting period by the reporting labor organization without the receipt of cash sufficient to cover the total value of the account receivable. Enter on the "Totals from all other accounts receivable" line the total amount of money owed to the labor organization in all other accounts receivable (those of less than \$7,500 and not required to be itemized in Schedule 1) that was liquidated, reduced or written off during the reporting period by the reporting labor organization without the receipt of cash sufficient to cover the total value of the account receivable.

Click the "Save & Calculate" button at the top of the schedule and the system completes the "Total of all itemized accounts receivable" line in Column (E) and enters the total liquidated accounts receivable in Column (E).

Provide in Item 75 (Additional Information) all details and circumstances in connection with the liquidation, reduction or writing off of any account receivable, in accordance with the instructions for Item 15 (Acquisition or Disposition of Assets).

SCHEDULE 2 – LOANS RECEIVABLE

Report details of all direct and indirect loans (whether or not evidenced by promissory notes or secured by mortgages) owed to the labor organization at any time during the reporting period by individuals, business enterprises, benefit plans, and other entities including labor organizations. An example of an indirect loan is a disbursement by the labor organization to an educational institution for the tuition expense of an officer, employee, or member that must be repaid to the labor organization by that individual. Be sure to report all loans that were made and repaid in full during the reporting period. Do not include investments in corporate bonds or mortgages purchased on a block basis through a bank or similar institution that must be reported in Schedule 7 (Investments).

NOTE: Advances, including salary advances, are considered loans and must be reported in Schedule 2 (Loans Receivable). However, advances to officers and employees of the labor organization for travel expenses necessary for conducting official business are not considered loans if the following conditions are met:

- The amount of an advance for a specific trip does not exceed the amount of expenses reasonably expected to be incurred for official travel in the near future, and the amount of the advance is fully repaid or fully accounted for by vouchers or paid receipts within 30 days after the completion or cancellation of the trip.
- The amount of a standing advance to an officer or employee who must frequently travel on official business does not unreasonably exceed the average monthly travel expenses for which the individual is separately reimbursed after submission of vouchers or paid receipts, and the individual does not exceed 60 days without engaging in official travel.

See the instructions for Schedules 9 (Other Assets), 13 (All Officers and Disbursements to Officers) and 14 (Disbursements to Employees) for reporting travel advances that meet these criteria.

If additional lines are needed, click the "Add Loans Receivable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the following information:

- The name of each officer, employee, or member whose total loan indebtedness to the labor organization, including any subsidiary organization, at any time during the reporting period exceeded \$250, and the name of each business enterprise which had any loan indebtedness, regardless of amount, at any time during the reporting period;
- The purpose of each loan;
- The security given for each loan; and
- The terms of repayment for each loan.

For each officer or employee listed, indicate after each name either "O" (officer) or "E" (employee).

Column (B): Enter the loan amounts outstanding at the start of the reporting period from each listed individual and business enterprise. Enter the total of loans made to officers, employees, or members whose total individual loan indebtedness to the labor organization at any time during the reporting period did not exceed \$250, and all loans, regardless of amount, made to other individuals

and entities on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (B) on the "Totals of all lines above" line in Schedule 2 and in Item 24 (Loans Receivable), Column (A) of Statement A.

Column (C): Enter the amount of loans made during the reporting period to each listed individual and business enterprise. Enter the total of all other loans made during the reporting period on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (C) on the "Totals of all lines above" line in Schedule 2 and in Item 65 (Loans Made) of Statement B.

Columns (D)(1) and (D)(2): Enter the amount of loan repayments during the reporting period from each listed individual and business enterprise. Report in these columns only the portion of the payments applied toward principal; interest received must be reported in Item 40 (Interest). Use Column (D)(1) to report repayments received in cash. Use Column (D)(2) to report repayments made in a manner other than cash, such as repayments made by officers or employees by means of deductions from their salaries. Enter the amount of loan repayments from all other loans on the "Total of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Columns (D)(1) and (D)(2) on the "Totals of all lines above" line in Schedule 2 and the total from Column (D)(1) in Item 46 (Repayments of Loans Made) of Statement B. Explain in Item 75 (Additional Information) any non-cash amounts reported in Column (D)(2).

Column (E): Enter the loan amounts outstanding at the end of the reporting period for each listed individual and business enterprise. Enter the total amount outstanding at the end of the reporting period for all other loans on the "Totals of loans not listed above" line.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (E) on the "Total of all lines above" line in Schedule 2 and in Item 24 (Loans Receivable), Column (B) of Statement A. If any loans receivable were liquidated, reduced or written off during the reporting period, the reason and the amount must be reported in Item 75 (Additional Information).

NOTE: Section 503(a) of the LMRDA (29 U.S.C. 503) prohibits labor organizations from making direct or indirect loans to any officer or employee of the labor organization which results in a total indebtedness on the part of such officer or employee to the labor organization in excess of \$2,000 at any time.

SCHEDULE 3 – SALE OF INVESTMENTS

Report details of the sale or redemption by the labor organization of U.S. Treasury securities, marketable securities, and other investments, during the reporting period. Include receipts from sales of mortgages that were purchased on a block basis through a bank or similar institution. Do not include the receipts from repayments by individual mortgagors, which must be reported in Schedule 2 (Loans Receivable) as loan repayments. You are not required to itemize the sale of marketable securities when the end purchaser, i.e., the party transacting with the labor organization, is not known (such as sales of stock over a registered exchange). Instead, report these sales as aggregates over the reporting period pursuant to the instructions below. Sales of investments with a selling price of less than \$5,000 or sales to a single party that aggregated to less than \$5,000 also need not be itemized.

If additional lines are required, click the "Add Investments Sales" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the purchasers of investments from the labor organization. If reporting aggregated sales on a registered exchange, enter the name of the financial management firm.

Column (B): Enter a general description of the type of investment sold, such as U.S. Treasury securities, stocks, or bonds.

Column (C): Enter the date of the sale of each type of investment described in Column (B). If reporting aggregated sales on a registered exchange, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of investment (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the investments were shown on the labor organization's books.

Column (F): Enter the gross sales (or contract) price of the investments.

Column (G): Enter the net amount received from the sale of the investments. If the amount received during the reporting period is less than the amount due (gross sales price less any deductions for selling expenses and repayments of secured loans or mortgages), the additional amount due to the labor organization must be reported in Schedule 9 (Other Assets) with a description sufficient to identify the type of asset. However, if a mortgage or note is taken back, it must be reported as a new loan in Schedule 2 (Loans Receivable).

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for Columns (D) through (G) on the "Total from all itemized sales of investments (lines (D)-(G) above)" line.

Enter the total cost, book value, gross sales, and net amount received of all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total from all other sales of investments" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for columns (D) through (G) on the "Total of all sales of investments" line.

Enter the total amount from the sale or redemption of U.S. Treasury securities, marketable securities, or other investments that was promptly reinvested (i.e., "rolled over") in U.S. Treasury securities, marketable securities, or other investments during the reporting period on the "Less Reinvestments" line. Calculate the total amount reinvested by adding, for each investment, the lower of each investment's original cost or the amount received from the sale or redemption that was actually reinvested. If only a portion of the amount received was reinvested, only the reinvested portion may be included on the "Less Reinvestments" line. Interest and dividends received during the reporting period must be reported in Items 40 (Interest) and 41 (Dividends).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total "Net Sales" in Column (G) and in Item 43 (Sale of Investments) of Statement B.

SCHEDULE 4 – SALE OF FIXED ASSETS

Report details of the sale or redemption by the labor organization of fixed assets, including those fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), during the reporting period.

Sales of fixed assets with a selling price less than \$5,000 or sales to a single party that aggregated to less than \$5,000 need not be itemized. You may report sales of fixed assets (excluding land, buildings, and vehicles) to a single source as aggregates over the reporting period pursuant to the instructions below. For example, if a labor organization sold office equipment to the same party multiple times throughout the reporting period, the labor organization may report these sales as an aggregate amount as long as those individual sales were less than \$5,000.

Example: If a labor organization (Union A) sells a piece of furniture to another labor organization (Union B) for a sales price of \$6,000, Union A must itemize that transaction individually.

If Union A then sells four more pieces of furniture to Union B, each for a sales price of \$3,000, Union A must report these transactions as an aggregated amount on an individual line.

In this example, Union A must report two entries for the transactions with Union B: an itemized transaction detailing the \$6,000 sale and an aggregated transaction of four sales totaling \$12,000.

Additionally, If Union A then sold a separate type of fixed asset, for example a vehicle, to Union B for \$2,000, Union A is not required to itemize this transaction but must include it in the "Total of all other sales of fixed assets" line as noted below. If the sales price was above \$5,000, Union A would have to report the transaction on a separate line, as it is a vehicle.

If additional lines are required, click the "Add Fixed Assets Sales" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the purchasers of fixed assets from the labor organization.

Column (B): Enter a general description of the type of fixed asset sold. If land or building were sold, enter the location of the property, including the street address. If an automobile was sold, individually identify the automobile by make,

model, and year. If reporting aggregated sales to a single source (individual sales of less than \$5,000 and not required to be itemized), the description of each fixed asset sold to this source must be included. For example, if a labor organization is reporting the sale of chairs, tables, and desks to a single source throughout the reporting period, the labor organization must identify "office furniture" in the description column.

Column (C): Enter the date of the sale of each fixed asset described in Column (B). If reporting aggregated sales to a single source (other than land, buildings, or vehicles), identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of fixed asset described in Column (B).

Column (E): Enter the value at which the fixed assets were shown on the labor organization's books.

Column (F): Enter the gross sales (or contract) price of the fixed assets.

Column (G): Enter the net amount received from the sale of the fixed assets. If the amount received during the reporting period is less than the amount due (gross sales price less any deductions for selling expenses and repayments of secured loans or mortgages), the additional amount due to the labor organization must be reported in Schedule 9 (Other Assets) with a description sufficient to identify the type of asset. However, if a mortgage or note is taken back, it must be reported as a new loan in Schedule 2 (Loans Receivable).

Click the "Save & Calculate" button at the top of the schedule and the system enters the totals for Columns (D) through (G) on the "Total of all lines above" line.

Enter the total cost, book value, gross sales, and net amount received relating to this schedule during the reporting period in the appropriate columns on the "Total of all other sales of fixed assets" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total "Net Sales" in Column (G) and in Item 44 (Sale of Fixed Assets) of Statement B.

SCHEDULE 5 – PURCHASE OF INVESTMENTS

Report details of the purchase by the labor organization of U.S. Treasury securities, marketable securities, and other investments during the reporting period. Include disbursements for mortgages purchased on a block basis through a bank or similar institution. You are not required to itemize the purchase or sale of marketable securities when the end seller or purchaser, i.e., the party transacting with the labor organization, is not known (such as sales of stock over a registered exchange). Instead, report these purchases as aggregates over the reporting period pursuant to the instructions below. Purchases of investments with a purchase price less than \$5,000 or with a party from whom the labor organizations made purchases that aggregated to less than \$5,000 also need not be itemized.

If additional lines are needed, click the "Add Investments Purchases" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the sellers of investments to the labor organization. If reporting aggregated purchases on a registered exchange, enter the name of the financial management firm.

Column (B): Enter a general description of the type of investment, such as U.S. Treasury securities, stocks, bonds, etc.,

Column (C): Enter the date of the purchase of each investment described in Column (B). If reporting aggregated purchases on a registered exchange, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of investment (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the investments were entered on the labor organization's books. If assets were traded in on assets purchased, answer Item 15 (Acquisition or Disposition of Assets) "Yes," and provide in Item 75 (Additional Information) the cost, book value, and trade-in allowance in accordance with the instructions for Item 15.

Column (F): Enter the total amount disbursed for each type of investment purchased during the reporting period.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all lines above" line.

Enter the total cost, book value, and total amount disbursed for all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total of all other purchases of investments" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions relating to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all purchases of investments" line.

Enter the total amount from the sale or redemption of U.S. Treasury securities, marketable securities, or other investments that was promptly reinvested (i.e., "rolled over") in U.S. Treasury securities, marketable securities, or other investments during the reporting period on the "Less Reinvestments" line. Calculate the total amount reinvested by adding, for each investment, the lower of each investment's original cost or the amount received from the sale or redemption that was actually reinvested. If only a portion of the amount received was reinvested, only the reinvested portion may be included on the "Less Reinvestments" line. Interest and dividends received during the reporting period must be reported in Items 40 (Interest) and 41 (Dividends). The total on the "Less Reinvestments" line must agree with the amount reported as Reinvestments on Schedule 3 (Sale of Investments).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the "Net Purchases" in Column (F) and in Item 63 (Purchase of Investments) of Statement B.

SCHEDULE 6 – PURCHASE OF FIXED ASSETS

Report details of the purchase by the labor organization of fixed assets, including those fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), during the reporting period. Purchases of fixed assets with a purchase price less than \$5,000 or with a party from whom the labor organization made purchases that aggregated to less than \$5,000 need not be itemized. You may report purchases of fixed assets (excluding land, buildings, and vehicles) from a single source as aggregates over the reporting period pursuant to the instructions below. For example, if a labor organization purchased office equipment from the same party multiple

times throughout the year, the labor organization may report these purchases as an aggregate amount as long as those individual purchases were less than \$5,000.

Example: If a labor organization (Union A) purchases a piece of furniture from a different labor organization (Union B) for a purchase price of \$6,000, Union A must itemize the transaction individually.

If Union A then purchases four additional pieces of furniture from Union B, each for a purchase price of \$3,000, Union A must report these transactions as aggregated amounts on an individual line.

In this example, Union A must report two entries detailing the transactions with Union B; an itemized transaction detailing the \$6,000 purchase, and an aggregated transaction for the four purchases totaling \$12,000.

Additionally, if Union A then purchased a different type of fixed asset, such as a vehicle, from Union B for \$2,000, Union A is not required to itemize this transaction but must include it in the "Total of all other purchases of fixed assets" line as noted below. If the sales price was above \$5,000, Union A must report it on a separate line, as it is a vehicle.

If additional lines are needed, click the "Add Fixed Assets Purchases" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name and address of the sellers of fixed assets to the labor organization.

Column (B): Enter a general description of the type of fixed asset, such as land, automobile, etc. If land or building were purchased, enter the location of the property, including the street address. If an automobile was purchased, individually identify the automobile by make, model, and year. If reporting aggregated purchases from a single source (individual purchases of less than \$5,000 and not required to be itemized), the description of each fixed asset purchased from this source. For example, if a labor organization is reporting the purchases of chairs, tables, and desks from a single source, the labor organization must identify furniture in the description column.

Column (C): Enter the date of the purchase of each fixed asset described in Column (B). If reporting aggregated purchases of fixed assets (other than land, buildings, or vehicles) from a single source, identify the date range in which the transactions occurred.

Column (D): Enter the total cost of each type of fixed asset (including any transaction costs) described in Column (B).

Column (E): Enter the value at which the fixed assets were entered on the labor organization's books. If assets were traded in on assets purchased, answer Item 15 (Acquisition or Disposition of Assets) "Yes," and provide in Item 75 (Additional Information) the cost, book value, and trade-in allowance in accordance with the instructions for Item 15.

Column (F): Enter the total amount disbursed for each type of fixed asset purchased during the reporting period. Do not include any unpaid balance that must be reported in Schedule 11 (Loans Payable) or Item 32 (Mortgages Payable) of Statement A.

Click the "Save & Calculate" button at the top of the schedule and the system will automatically enter the totals for Columns (D) through (F) on the "Total of lines (D)-(F) above" line.

Enter the total cost, book value, and total amount disbursed of all non-itemized transactions relating to this schedule during the reporting period in the appropriate columns on the "Total of all other purchases of fixed assets" line. This is the total from your organization's books of all transactions relating to this schedule of less than \$5,000 and transactions related to this schedule with a single party that aggregated to less than \$5,000.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals for Columns (D) through (F) on the "Total of all purchases of fixed assets" line. The system will automatically enter the total of Column (F), Cash Paid, in Item 64.

SCHEDULE 7 – INVESTMENTS OTHER THAN U.S. TREASURY SECURITIES

Report details of all the labor organization's investments at the end of the reporting period, other than U.S. Treasury securities. Include mortgages purchased on a block basis and investments in any subsidiary organization not reported on a consolidated basis in accordance with method (1) explained in Section X of these instructions. Do not include savings accounts, certificates of deposit, or money market accounts, which must be reported in Item 22 (Cash) of Statement A.

Line A: Enter in Column (B) the total cost of all the labor organization's marketable securities including

transaction costs such as brokerage commissions. Marketable securities are those for which current market values can be obtained from published reports of transactions in listed securities or in securities traded "over the counter," such as corporate stocks and bonds, stock and bond mutual funds, state and municipal bonds, and foreign government securities.

Line B: Enter in Column (B) the total book value of all the labor organization's marketable securities. Book value is the lower of cost or market value.

Line C: List in Column (A) each Marketable Security that has a book value over \$5,000 and exceeds 5% of the total book value entered in Line B, Column (B) above and enter its book value in Column (B).

If additional lines are needed to complete Line C, click the "Add Marketable Securities" button in the schedule. The system will add lines to the schedule in increments of ten.

Line D: Enter in Column (B) the total cost, including any transaction costs, of all the labor organization's other investments (that is, those that are not U.S. Treasury securities or marketable securities). Include mortgages purchased on a block basis.

Line E: Enter in Column (B) the total book value of such other investments. Book value is the lower of cost or market value.

Line F: List in Line F, Column (A) each Other Investment that has a book value over \$5,000 and exceeds 5% of the total book value entered on in Column (B) above and enter its book value in Column (B).

If additional lines are needed to complete Line F, click the "Add Marketable Securities" button in the schedule. The system adds lines to the schedule in increments of ten.

NOTE: If your organization has a subsidiary organization for which a separate report is being submitted in accordance with Section X of these instructions, the subsidiary organization must be reported in Schedule 7 if it is an investment. Enter in Line F the name of each subsidiary organization in Column (A) and its book value in Column (B).

If additional lines are required, click the "Add Other Investments" button on the top of the schedule. The system adds lines to the schedule in increments of ten.

Line G: Click the "Save & Calculate" button at the top of the schedule and the system will enter the total of Lines B and E on Line G and in Item 26 (Investments), Column (B) of Statement A.

SCHEDULE 8 – FIXED ASSETS

Report details of all fixed assets, such as land, buildings, automobiles and other vehicles, and office furniture and equipment owned by the labor organization at the end of the reporting period. Land and buildings must be itemized, whereas automobiles and other vehicles, and office furniture and equipment must be aggregated. Include fixed assets that were expensed (that is, the cost of the asset was charged to current expenses, rather than entered on the books and periodically depreciated), fully depreciated, or carried on the labor organization's books at scrap value or other nominal value.

Column (A): Enter under "Line A. Land (give location)" the location of any land and under "Line B. Buildings (give location)" the location of any buildings owned by the labor organization.

If additional lines are needed, click the "Add Land" button on Line A or the "Add Building" button on Line B, as applicable. The system will add lines to the schedule in increments of ten.

Column (B): Enter the cost or other basis of the fixed assets listed in Column (A).

Column (C): Enter the accumulated depreciation, if any, of the fixed assets (except land) listed in Column (A) whose cost or other basis is reported in Column (B). If the labor organization "expenses" fixed assets, also include in Column (C) the amount that the labor organization charged to expenses when the assets were purchased.

Column (D): Enter the amount at which the fixed assets listed in Column (A) are carried on the labor organization's books. Include the nominal amount, if any, at which fully depreciated assets are carried on the labor organization's books. The amount reported in Column (D) should be the difference between Columns (B) and (C).

Column (E): Enter the fair market value of land and of all assets listed in Column (A) that were expensed, fully depreciated, or depreciated to scrap value or nominal value. It is not necessary to secure a formal appraisal of the assets; a good faith estimate is sufficient. The value used for insurance purposes or for tax appraisals, for example, will normally be acceptable as representing the fair market value.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the totals of Columns (B) through (E) on Line F, and the total on Line F, Column (D) in Item 27 (Fixed Assets), Column (B) of Statement A.

SCHEDULE 9 – OTHER ASSETS

Report details of all the labor organization's assets at the end of the reporting period other than Item 22 (Cash), Item 23 (Accounts Receivable), Item 24 (Loans Receivable), Item 25 (U.S. Treasury Securities), Item 26 (Investments), and Item 27 (Fixed Assets).

The labor organization's other assets must be described in Column (A) and may be classified by general groupings or bookkeeping categories, such as utility deposits, inventory of supplies for resale, or travel advances that are not required to be reported as loans as explained in the instructions for Schedule 2 (Loans Receivable), if the description is sufficient to identify the type of assets. Enter in Column (B) the value as shown on the labor organization's books of each asset or group of assets described in Column (A).

NOTE: If your organization has a subsidiary organization for which a separate report is being submitted in accordance with Section X of these instructions, the value of the subsidiary organization as shown on your organization's books must be reported in Schedule 9 if it is of a non-investment nature. Enter in Column (A) the name of any such subsidiary organization. Enter in Column (B) the value as shown on your organization's books of the net assets of any such subsidiary organization.

If additional lines are needed, click the "Add Other Assets" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the Total Other Assets in Column (B) of Schedule 9 and in Item 28 (Other Assets), Column (B) of Statement A.

SCHEDULE 10 – ACCOUNTS PAYABLE AGING SCHEDULE

The labor organization must report 1) individual accounts that are valued at \$7,500 or more and that are 90 days or more past due at the end of the reporting period or were liquidated, reduced or written off during the reporting period; and 2) the total aggregated value of all other accounts.

If additional lines are needed, click the "Add Accounts Payable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each entity or individual with which the labor organization has an account payable of \$7,500 or more that is 90 days or more past due at the end of the reporting period or that was liquidated, reduced or written off during the reporting period without the disbursement of cash sufficient to cover the total value of the account payable.

Column (B): Enter the total amount of money owed by the labor organization to each listed entity or individual at the end of the reporting period. Enter the total amount of money owed by the labor organization in all other accounts payable not required to be itemized in Schedule 10 on the "Totals from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (B) and enter the total accounts payable in Column (B) and in Item 30, Column (D) of Statement A.

Column (C): Enter the total amount of money owed by the labor organization to the listed entity or individual at the end of the reporting period that is 90 to 180 days past due. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500) that are 90 to 180 days past due on the "Totals from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (C) and enter the total accounts payable that were 90 to 180 days past due in Column (C).

Column (D): Enter the total amount of money owed by the labor organization to each entity or individual at the end of the reporting period that is more than 180 days past due. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500 and not required to be itemized in Schedule 10) that are more than 180 days past due and on the "Total from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (D) and enter the total accounts payable that were more than 180 days past due in Column (D).

Column (E): Enter the total amount of money owed by the labor organization to each entity or individual that was written off during the reporting period by the reporting labor organization without the disbursement of cash sufficient to cover the total value of the account payable. Enter the total amount of money owed by the labor organization in all other accounts payable (those of less than \$7,500 and not required to be itemized in Schedule 10) that was written off during the reporting period by the reporting labor organization without the disbursement of cash sufficient to cover the total value of the account payable on the "Total from all other accounts payable" line.

Click the "Save & Calculate" button at the top of the schedule and the system will complete the "Total of all itemized accounts payable" line in Column (E) and enter the total liquidated accounts payable in Column (E).

Provide in Item 75 (Additional Information) all details and circumstances in connection with the writing off of the account payable, including the reason and amount.

SCHEDULE 11 – LOANS PAYABLE

Report details of all loans payable on which the labor organization owed money at any time during the reporting period except those secured by mortgages or similar liens on real property (land or buildings) that must be reported in Item 32 (Mortgages Payable) of Statement A.

If additional lines are needed, click the "Add Loans Payable" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Column (A): Enter the name of each business enterprise to which a loan was payable. Also list the source of all other loans by general categories, such as labor organizations, individuals, etc.

Column (B): For each loan source listed in Column (A), enter the amount, if any, owed by the labor organization at the start of the reporting period.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (B) on the "Total of all above lines" line in Schedule 11 and in Item 31 (Loans Payable), Column (C) of Statement A.

Column (C): For each loan source listed in Column (A), enter the amount, if any, obtained by the labor organization during the reporting period.

If, due to discounting by a bank or for any other reason, the amount received from a loan was less than the face value of the note or the amount repayable, enter the amount actually received and explain in Item 75 (Additional Information).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (C) on the "Total of all above lines" line in Schedule 11 and in Item 45 (Loans Obtained) of Statement B.

Columns (D)(1) and (D)(2): For each loan source listed in Column (A), enter the amount, if any, that the labor organization repaid to the lender during the reporting period. Report only repayments of principal; interest paid must be reported in Schedule 22 (General Overhead). Use Column (D)(1) to report repayments made in cash. Use Column (D)(2) to report repayments made in a manner other than by cash, such as repayments made to a creditor by offsetting an amount owed by the creditor to the labor organization.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Columns (D)(1) and (D)(2) on the "Total of all above lines" line in Schedule 11 and the total for Column (D)(1) in Item 66 (Repayment of Loans Obtained) of Statement B. Explain in Item 75 (Additional Information) any non-cash amounts reported in Column (D)(2).

Column (E): For each loan source listed in Column (A), enter the balance, if any, that the labor organization owed the listed lender at the end of the reporting period. If any loans payable were written off during the reporting period, the reason and amount must be reported in Item 75 (Additional Information).

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (E) on the "Total of all above lines" line in Schedule 11 and in Item 31 (Loans Payable), Column (D) of Statement A.

SCHEDULE 12 – OTHER LIABILITIES

Report details of all the labor organization's liabilities at the end of the reporting period other than Item 30 (Accounts Payable), Item 31 (Loans Payable), and Item 32 (Mortgages Payable) of Statement A.

Any portion of withheld taxes or any other payroll or other deductions, which have not been transmitted at the end of the reporting period, are liabilities of the labor organization and must be reported in Schedule 12. Payroll or other deductions that are retained by the labor organization (such as repayments of loans to

officers or employees) must be fully explained in Item 75 (Additional Information).

The labor organization's other liabilities must be described in Column (A) and may be classified by general groupings or bookkeeping categories if the description is sufficient to identify the type of liability. List separately any payroll taxes withheld but not yet paid, other unpaid payroll taxes of the labor organization, such as FICA taxes, and any funds collected on behalf of affiliates or members and not disbursed by the end of the reporting period. Do not include reserves for special purposes (for example, "Reserve for Building Fund") that are actually an allocation of certain assets for specific purposes rather than a liability.

If additional lines are needed, click the "Add Other Liabilities" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Enter in Column (B) the amount of each liability described in Column (A). Click the "Save & Calculate" button at the top of the schedule and the system will enter the total in Column (B) of Schedule 12 and in Item 33 (Other Liabilities), Column (D) of Statement A.

SCHEDULE 13 – ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

List all the labor organization's officers and report all salaries and other direct and indirect disbursements to officers during the reporting period.

If additional lines are required, click the "Add Disbursements to Officers" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

NOTE: A "direct disbursement" to an officer is a payment made by the labor organization to the officer in the form of cash, property, goods, services, or other things of value.

An "indirect disbursement" to an officer is a payment made by the labor organization to another party for cash, property, goods, services, or other things of value received by or on behalf of the officer. "On behalf of the officer" refers to a payment received by a party other than the officer or the labor organization for the personal interest or benefit of the officer. Such payments include those made through a credit arrangement under which charges are made to the account of the labor organization and are paid by the labor organization. For example, when a union, through its credit arrangements, is billed directly

and pays the hotel bills of an officer who, during his workweek, resides at a hotel in the city where the union headquarters is located away from his legal residence in another city, the payments must be reported as disbursements to the officer.

Column (A): Enter in (A) the last name, first name, and middle initial of each person who held office in the labor organization at any time during the reporting period. Include all the labor organization's officers whether or not any salary or other disbursements were made to them or on their behalf by the labor organization. "Officer" is defined in section 3(n) of the LMRDA (29 U.S.C. 402) as "any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body."

Column (B): Enter in (B) the title of the position each officer listed held during the reporting period. If an officer held more than one position during the reporting period, list each additional position and the dates on which the officer held the position in Item 75 (Additional Information).

Column (C): Use the drop-down menu to select the status of each officer: "N" for a new officer who took office during the reporting period; "P" for a past officer who was not in office at the end of the reporting period; or "C" for a continuing officer who was in office before the reporting period and was still in office at the end of the reporting period. If any officer was not elected at a regular election in accordance with the labor organization's constitution and bylaws or other governing documents on file with OLMS, explain the manner in which the officer was chosen in Item 75 (Additional Information).

Column (D): Enter the gross salary of each officer (before tax withholdings and other payroll deductions). Include disbursements for "lost time" or time devoted to union activities.

Column (E): Enter the total allowances made by direct and indirect disbursements to each officer on a daily, weekly, monthly, or other periodic basis. Do not include allowances paid on the basis of mileage or meals which must be reported in Column (F) or (G), as applicable.

Column (F): Enter all direct and indirect disbursements to each officer that were necessary for conducting official business of the labor organization, except salaries or allowances which must be reported in Columns (D) and (E), respectively.

Examples of disbursements to be reported in Column (F) include all expenses that were reimbursed directly to an officer, meal allowances, mileage allowances, expenses for officers' meals and entertainment, and various goods and services furnished to officers but charged to the labor organization. Such disbursements should be included in Column (F) only if they were necessary for conducting official business; otherwise, report them in Column (G). Also include in Column (F) travel advances that are not considered loans as explained in the instructions for Schedule 2 (Loans Receivable).

Do not report the following disbursements in Schedule 13:

- Reimbursements to an officer for the purchase of investments or fixed assets, such as reimbursing an officer for a file cabinet purchased for office use, which must be reported in Schedule 5 (Purchase of Investments) and Schedule 6 (Purchase of Fixed Assets) and explained in Item 75 (Additional Information);
- Disbursements made by the labor organization to someone other than an officer as a result of transactions arranged by an officer in which property, goods, services, or other things of value were received by or on behalf of the labor organization rather than the officer, such as rental of offices and meeting rooms, purchase of office supplies, refreshments and other expenses of membership banquets or meetings, and food and refreshments for the entertainment of groups other than the officers and membership on official business;
- Office supplies, equipment, and facilities furnished to officers and paid by the labor organization for use in conducting official business; and
- Maintenance and operating costs of the labor organization's assets, including buildings, office furniture, and office equipment; however, see "Special Rules for Automobiles" below.

Column (G): Enter all other direct and indirect disbursements to each officer. Include all disbursements for which cash, property, goods, services, or other things of value were received by or on behalf of each officer and were essentially for the personal benefit of the officer and not necessary for conducting official business of the labor organization.

Include in Column (G) all disbursements for transportation by public carrier between the officer's home and place of employment or for

other transportation not involving the conduct of official business. Also, include the operating and maintenance costs of all the labor organization's assets (automobiles, etc.) furnished to officers essentially for the officers' personal use rather than for use in conducting official business.

Do not include in Column (G) loans to officers, which must be reported in Schedule 2 (Loans Receivable) or disbursements for benefits to officers, which must be reported in disbursement Schedule 24 (Benefits).

Column (H): Click the "Save & Calculate" button at the top of the schedule and the system will add the amounts in Columns (D) through (G) on each line and enter the individual totals in Column (H).

The system will also enter the totals for all officers listed in Columns (D) through (H) on the "Total Officer Disbursements" line.

Enter the total amount of withheld taxes, payroll deductions, and all other deductions on the "Less Deductions" line.

Click the "Save & Calculate" button at the top of the schedule and the system will subtract the "Less Deductions" line from the "Total Officers Disbursements" line and enter the difference on the "Net Disbursements" line.

The system enters the amount on the "Total Officer Disbursements" line in Item 70 (Officers) of Statement B.

SPECIAL RULES FOR AUTOMOBILES

Include in Column (G) of Schedule 13 that portion of the operating and maintenance costs of any automobile owned or leased by the labor organization to the extent that the use was for the personal benefit of the officer to whom it was assigned. This portion may be computed on the basis of the mileage driven on official business compared with the mileage for personal use. The portion not included in Column (G) must be reported in Column (F).

Alternatively, rather than allocating these operating and maintenance costs between Columns (F) and (G), if 50% or more of the officer's use of the vehicle was for official business, the labor organization may enter in Column (F) all disbursements relative to that vehicle with an explanation in Item 75 (Additional Information) indicating that the vehicle was also used part of the time for personal business. Likewise, if less than 50% of the officer's use of the vehicle was for official business, the labor organization may report all disbursements relative to the vehicle in Column

(G) with an explanation in Item 75 indicating that the vehicle was also used part of the time on official business.

The amount of decrease in the market value of an automobile used over 50% for the personal benefit of an officer must also be reported in Item 75.

SCHEDULE 14 – DISBURSEMENTS TO EMPLOYEES

Report all direct and indirect disbursements to employees of the labor organization during the reporting period. If additional lines are required, click the “Add Disbursements to Employees button” on the top of the schedule. The system adds lines to the schedule in increments of ten.

Include disbursements to individuals other than officers who receive lost time payments even if the labor organization does not otherwise consider them to be employees or does not make any other direct or indirect disbursements to them. The definitions of “direct disbursements” and “indirect disbursements” are the same as the definitions stated above in Schedule 13.

Column (A): Enter the last name, first name, and middle initial of each employee who during the reporting period received \$10,000 or more in gross salaries, allowances, and other direct and indirect disbursements from the labor organization (including any subsidiary organizations) or from any affiliates of the labor organization. (“Affiliates” means labor organizations chartered by the same parent body, governed by the same constitution and bylaws, or having the relation of parent and subordinate.) The labor organization’s report, however, should not include disbursements made by affiliates but should include only the disbursements made by the labor organization.

Column (B): Enter the position each listed employee held in the labor organization (including any subsidiary organizations).

Column (C): Enter the name of any affiliate that paid any salaries, allowances, or expenses on behalf of a listed employee. If a subsidiary of the labor organization paid any salaries, allowances, benefits, or expenses on behalf of a listed employee, see Section X of these Instructions for information about reporting these disbursements.

Columns (D) through (G): To complete Columns (D) through (G), follow the instructions for Columns (D) through (G) of Schedule 13.

Column (H): Click the “Save & Calculate” button at the top of the schedule and the system will add the amounts in Columns (D) through (G) on each line and enter the individual totals in Column (H).

Enter in Columns (D) through (G) on the “Totals Received By All Other Employees Making \$10,000 Or Less,” the totals of all gross salaries, allowances, and other disbursements for all employees of the labor organization not required to be listed above.

Click the “Save & Calculate” button at the top of the schedule and the system will add the amounts in Columns (D) through (G) on the “Total Received By All Other Employees Making \$10,000 Or Less” line and enter the total in Column (H). The system will also enter the total of all amounts listed in Columns (D) through (H) on the “Total Employees Disbursements” line.

Enter the total amount of withheld taxes, payroll deductions, and all other deductions on the “Less Deductions” line.

Click the “Save & Calculate” button on the page and the system will subtract the “Less Deductions” line from the “Total Employee Disbursements” line and enter the difference on the “Net Disbursements” line.

The system enters the amount on the “Total Employee Disbursements” line in Item 71 (Employees) of Statement B.

SCHEDULE 15 – MEMBERSHIP STATUS

Enter in Column (A) the categories of membership tracked by the reporting labor organization. Define each category of membership in Item 75 (Additional Information). The definition should include a description of the members covered by the category and indicate whether the members pay full dues.

In addition to other membership categories, labor organizations must report the number of retiree members in Schedule 15, regardless of whether the labor organization tracks this category in its internal records. This category has been pre-filled in Column (A),

In Column (B) enter the number of members for each of the membership categories listed in Column (A). If the labor organization does not have retiree members, enter a zero in the appropriate Column (B) line.

If additional lines are required, click the “Add Membership Statuses” button at the top of the

schedule. The system will add lines to the schedule in increments of ten.

Members (Total of all lines above) – Click the “Save & Calculate” button at the top of the schedule and the system will enter on this line the total number of all members reported in Column (B). The system will also enter the total number of members in your organization in Item 20 (Number of Members).

Agency Fee Payers Line – Enter the total number of agency fee payers in your organization. Agency fee paying nonmembers are those who make payments in lieu of dues to the reporting labor organization as a condition of employment under a union security provision in a collective bargaining agreement.

Total Members/Fee Payers Line – Click the “Save & Calculate” button at the top of the schedule and the system will enter the total of all members of the labor organization and agency fee payers reported in Column (B) This total in Column (B) is not the total number of members of the labor organization reportable in Item 20.

Check the “Yes” box in Column (C) if the category of membership listed in Column (A) is generally eligible to vote in all union elections held by the labor organization. Describe in Item 75 (Additional Information) any voting restrictions that apply to a category in Column (A).

SCHEDULES 16 THROUGH 23

Schedules 16 through 23 provide detailed information on the financial operations of the labor organization in categories that reflect the services provided to union members. Receipts and disbursements are allocated to Schedules 16 through 23 and are either listed as individual entries or as aggregated entries.

NOTE: Before completing the Detailed Summary Page for Schedules 16 through 23, you must complete the itemization pages as described below.

Allocating Receipts

Each receipt of the labor organization must be allocated to one of the receipt items in Statement B. Some of these items have backup schedules that require more detailed information. Schedules 16 through 23 reflect various receipt types received by labor unions in which all “major” receipts during the reporting period in the various categories must be separately identified. A “major” receipt includes: 1) any individual receipt

of \$5,000 or more; or 2) total receipts from any single entity or individual that aggregate to \$5,000 or more during the reporting period. All other receipts in this schedule are aggregated. This process is discussed further below.

Allocating Disbursements

Each disbursement of the labor organization must be allocated to one of the disbursement items in Statement B. Some of these items have backup schedules that require more detailed information. Schedules 17 through 23 reflect various services provided to union members by the union in which all “major” disbursements during the reporting period in the various categories must be separately identified. A “major” disbursement includes: 1) any individual disbursement of \$5,000 or more; or 2) total disbursements to any single entity or individual that aggregate to \$5,000 or more during the reporting period. All other disbursements in these schedules are aggregated.

All disbursements, other than those reported elsewhere in Statement B, must be allocated to Schedules 17 through 23, as appropriate.

Example 1: If the labor organization received a settlement of \$4,999 in a small claims lawsuit, the receipt would not be individually identified, as long as the settlement was the only receipt from the entity or individual during the reporting period. The receipt would be aggregated with other small receipts in Line 3 of Schedule 16 (Other Receipts) on the Detailed Summary Page as discussed below.

Example 2: If the labor organization made three payments of \$1,800 each to an office supplies vendor for office supplies used by employees engaged in contract negotiations during the reporting period, a single disbursement to the vendor of \$5,400 would be listed in Line 1 on an itemization page for that vendor for Schedule 17 (Contract Negotiation and Administration) as discussed below.

Example 3: If a union pays a total of \$5,500 to a printing company during the reporting year and determines that \$5,050 should be allocated to organizing costs, that amount must be identified in an itemization page for the printing company for Schedule 18 (Organizing). If the remaining \$450 paid to the same printer over the course of the year was attributable to charitable expenses, that amount will be reported in Line 3 of Schedule 21 (Contributions, Gifts, and Grants) on the Detailed Summary Page but the printer need not be identified as a recipient of any funds expended for Contributions, Gifts, and Grants, since the total paid to the printer during the reporting year for

services related to Contributions, Gifts, and Grants did not exceed \$5,000.

Example 4: The labor organization has an ongoing contract with a law firm that provides a wide range of legal services. The labor organization makes a single payment of \$10,000 each month to the law firm. In a particular month the law firm spent 50% of its time on contract negotiation litigation and 50% advising the labor organization regarding, and working for the enactment of, a new Federal law. The labor organization must allocate the payment for that month as two distinct disbursements of \$5,000 each to Schedule 17 (Contract Negotiation and Administration), and Schedule 20 (Lobbying).

Procedures for Completing Schedules 16 Through 23

Before completing the Detailed Summary Page for Schedules 16 through 23, complete an itemization page for each payer/payee for whom there is (1) an individual receipt/disbursement of \$5,000 or more or (2) total receipts/disbursements that aggregate to \$5,000 or more during the reporting period.

Enter in Column (A) the full name and business address of the entity or individual from which the receipt was received or to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably attain the full address, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual, such as printing company, office supplies vendor, lobbyist, think tank, marketing firm, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) of the itemization page, click the "More Receipts For This Payer" for Schedule 16 or the "Add Disbursements for This Payee" for Schedules 17 through 23 button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt/disbursement for that payee/payer of \$5,000 or more, which means a brief statement or description of the reason the receipt/disbursement was made. Examples of adequate descriptions include the following: preparing organizing campaign pamphlets, staffing a help desk, opposition research, litigation regarding representation issues,

litigation regarding a refusal to bargain charge, grievance arbitration, get-out-the-vote, voter education, advocating or opposing legislation, job retraining, etc.

Enter in Column (D) the date that the receipt/disbursement was made. The format for the date must be mm/dd/yyyy. The date of receipt/disbursement for reporting purposes is the date the labor organization actually received or disbursed the money.

Enter in Column (E) the amount of the receipt/disbursement.

Click the "Save & Calculate" button at the top of the itemization page and the system will enter total of all itemized transactions for this payee/payer on the "Total Itemized Transaction with this Payee/Payer" line.

Enter the total of all non-itemized transactions for the payee/payer (that is, all individual transactions of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

Click the "Save & Calculate" button at the top of the itemization page again and the system will enter the total of all transactions for this payee/payer, both itemized and non-itemized, on the "Total of All Transactions with this Payee/Payer for this Schedule" line.

Special Instructions for Reporting Credit Card Disbursements

Disbursements to credit card companies may not be reported as a single disbursement to the credit card company as the vendor. Instead, charges appearing on credit card bills paid during the reporting period must be allocated to the recipient of the payment by the credit card company according to the same process as described above.

The Department recognizes that filers will not always have the same access to information regarding credit card payments as with other transactions. Filers should report all of the information required in the itemization schedules that is available to the union.

For instance, in the case of a credit card transaction for which the receipt(s) and monthly statement(s) do not provide the full legal name of a payee and the union does not have access to any other documents that would contain the information, the union should report the name as it appears on the receipt(s) and statement(s).

Similarly, if the receipt(s) and statement(s) do not include a full street address, the union should report as much information as is available and no less than the city and state.

Once these transactions have been incorporated into the union's recordkeeping system they can be treated like any other transaction for purposes of assigning a description and purpose.

In instances when a credit card transaction is canceled and the charge is refunded in whole or part by entry of a credit on the credit card statement, the charge should be treated as a disbursement, and the credit should be treated as a receipt. In reporting a credit of \$5,000 or more as a receipt, Column (C) must indicate that the receipt was in refund of a disbursement and must identify the disbursement by date and amount.

Special Procedures for Reporting Confidential Information

Filers may use the procedure described below to report the following types of information:

- Information that would identify individuals paid by the union to work in a non-union bargaining unit in order to assist the union in organizing employees, provided that such individuals are not employees of the union who receive more than \$10,000 in the aggregate in the reporting year from the union. Employees receiving more than \$10,000 must be reported on Schedule 14 – Disbursements to Employees;
- Information that would expose the reporting union's prospective organizing strategy. The union must be prepared to demonstrate that disclosure of the information would harm an organizing drive. Absent unusual circumstances, information about past organizing drives should not be treated as confidential;
- Information that would provide a tactical advantage to parties with whom the reporting union or an affiliated union is engaged or will be engaged in contract negotiations. The union must be prepared to demonstrate that disclosure of the information would harm a contract negotiation. Absent unusual circumstances information about past contract negotiations should not be treated as confidential;
- Information pursuant to a settlement that is subject to a confidentiality agreement, or that the union is otherwise prohibited by law from disclosing; and
- Information in those situations where disclosure would endanger the health or safety of an individual.

With respect to these specific types of information, if the reporting union can demonstrate that itemized disclosure of a specific major receipt or disbursement, or aggregated receipt or disbursement would be adverse to the union's legitimate interests, the union may include the receipt or disbursement in Line 3 of Summary Schedules 16 (Other Receipts), 17 (Contract Negotiation and Administration), 18 (Organizing) or 23 (Union Administration). In Item 75 (Additional Information) the union must identify each schedule from which any itemized receipts or disbursements were excluded because of an asserted legitimate interest in confidentiality based on one of the first three reasons listed above. No notation need be made for exclusion of information disclosure of which is prohibited by law or that would endanger the health or safety of an individual. The notation must describe the general types of information that were omitted from the schedule, but the name of the payer/payee, date, and amount of the transaction(s) is not required. This procedure may not be used for Schedules 19 through 22.

A union member, however, has the statutory right "to examine any books, records, and accounts necessary to verify" the union's financial report if the member can establish "just cause" for access to the information. 29 U.S.C. 431(c); 29 U.S.C. CFR 403.8 (2002).

Any exclusion of itemized receipts or disbursements from Schedules 16, 17, 18 or 23 for one of the first three reasons listed above would constitute a *per se* demonstration of "just cause" for purposes of this Act. Consequently, any union member (and the Department), upon request, has the right to review the undisclosed information that otherwise would have appeared in the applicable schedule if the union withholds the information in order to protect confidentiality interests. Exclusion of information disclosure of which is prohibited by law or that would endanger the health or safety of an individual creates no *per se* demonstration of "just cause."

Procedures for Completing the Detailed Summary Page

The Detailed Summary Page is used to summarize Schedules 16 through 23.

For Summary Schedule 16 (Other Receipts) the system enters on Line 1 the total of all itemized receipts during the reporting period from named payers. This is the sum of the amounts entered on the "Total Itemized Transactions with this Payee/Payer" line on all itemization pages for Schedule 16.

The system enters on Line 2 the total of all non-itemized receipts from named payers. This is the

sum of the amounts entered on the "Total Non-Itemized Transactions with this Payee/Payer" line in all itemization pages for Schedule 16.

Enter on Line 3 the total of all other receipts during the reporting period relating to the schedule. This is the total from your organization's books of all receipts during the reporting period relating to this schedule for payers who did not have a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system enters on Line 4 the total of Lines 1 through 3 and forwards this total to Item 49 of Statement B.

For Summary Schedules 17 – 23, the system enters on Line 1 of each summary schedule the total of all itemized disbursements during the reporting period to named vendors. This is the sum of the amounts entered on the "Total Itemized Transactions with this Payee/Payer" line in all itemization pages for the schedule.

The system enters on Line 2 of each summary schedule the total of all non-itemized disbursements to named vendors. This is the sum of the amounts entered on the "Total Non-Itemized Transactions with this Payee/Payer" line in all itemization pages for the schedule.

Enter on Line 3 the total of all other disbursements during the reporting period relating to the schedule. This is the total from your organization's books of all disbursements during the reporting period relating to this schedule for payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system enters on Line 4 the total of Lines 1 through 3 and forwards this total to the appropriate line item of Statement B.

Example: If in Schedule 17 (Contract Negotiation and Administration) a labor organization has \$200,000 in itemized disbursements of \$5,000 or more to vendors, \$35,000 in non-itemized disbursements of less than \$5,000 each to those vendors, and \$7,000 in disbursements to vendors who did not receive a major disbursement for contract negotiations and administration, then the system will enter \$200,000 in Line 1, \$35,000 in Line 2, and the filer will enter \$7,000 in Line 3 of Schedule 17 on the Detailed Summary Page. The total of Lines 1 through 3 is \$242,000, which the system will enter in Line 4 of the summary schedule and Item 51 (Contract Negotiation and Administration) of Statement B.

SCHEDULE 16 – OTHER RECEIPTS

Report the labor organization's receipts from all sources during the reporting period, other than those that must be reported elsewhere in Statement B, such as reimbursements from officers and employees for excess expense payments or travel advances not reported as loans in Schedule 2 (Loans Receivable); receipts from fundraising activities such as raffles, bingo games, and dances; funds received from a parent body, other unions, or the public for strike fund assistance; funds received from surety companies; and receipts from another labor organization that merged into the labor organization.

For all itemized receipts in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual from which the union received \$5,000 or more in Other Receipts during the reporting period. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual from which the union received \$5,000 or more in Other Receipts during the reporting period.

If additional lines are needed to complete Columns (C) through (E) for this Payer, click the "Add Receipts for This Payer" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual receipt of \$5,000 or more from the payer in sufficient detail to determine why the receipt cannot be allocated to another schedule.

Enter in Column (D) the date that each individual receipt of \$5,000 or more was received. The format for the date must be mm/dd/yyyy. The date of receipt for reporting purposes is the date the labor organization actually received the money.

Enter in Column (E) the amount of each individual receipt of \$5,000 or more.

Enter the total of all non-itemized receipts from this payer (that is, all individual receipts of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payer, click the "Save & Calculate" button at the top of the itemization page

and the system will enter the total in Column (E) on the "Total Itemized Transactions with this Payee/Payer" and the "Total of All Transactions with this Payee/Payer for This Schedule" lines.

An itemization page must be completed for each payer. Only one payer should be reported per page.

To create a new Other Receipts itemization page for a new payer, click the "Add Other Receipts" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional Other Receipts itemization pages.

By clicking the "Show Payer" drop down arrow at the top of a Schedule 16 itemization page, you can select and view all of the Other Receipts itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 16 on the Detailed Summary Page, and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter on Line 3 of Summary Schedule 16 the total amount of all other receipts relating to this schedule from other payers during the reporting period. This is the total from your organization's books of all receipts relating to this schedule from payers who did not provide a single receipt of \$5,000 or more or receipts that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 16 and in Item 49 (Other Receipts) of Statement B.

SCHEDULE 17 – CONTRACT NEGOTIATION AND ADMINISTRATION

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with preparation for, and participation in, the negotiation of collective bargaining agreements and the administration and enforcement of the agreements made by the labor organization. Do not include strike benefits that must be reported in Item 60 (Strike Benefits) of Statement B.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or

individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Contract Negotiation and Administration during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are required to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system adds lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made.

Examples of adequate descriptions include the following: contract negotiation, grievance arbitration, litigation regarding the interpretation of a collective bargaining agreement, staffing a help desk, litigation regarding a refusal to bargain, etc. Neither the name of the employer nor the specific bargaining unit that is the subject of the contract administration activity need be identified.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will enter the totals in Column (E) on the "Total Itemized Transactions with this Payee/Payer" line and on the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new Contract Negotiation and Administration itemization page for a new payee, click the "Add Contract Negotiation and Administration" button at the top of the itemization page and a new itemization page will open. Follow the instructions above to complete any additional Contract Negotiation and Administration itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 17 page, you can select and view all of the Contract Negotiation and Administration Itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 17 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other disbursements relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 17. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 17 and in Item 51 (Contract Negotiation and Administration) of Statement B.

SCHEDULE 18 – ORGANIZING

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with efforts to become the exclusive bargaining representative for any unit of employees, or to prevent losing a unit in a decertification election or to another labor organization, or to recruit new members.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the city and state are sufficient.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Organizing during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are required to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system adds lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made.

Examples of adequate descriptions include the following: preparing organizing campaign pamphlets, opposition research, recruiting new members, etc. Neither the name of the employer nor the specific bargaining unit that is the subject of the organizing activity need be identified.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee for organizing (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will enter the totals in Column (E) on the "Total Itemized Transactions with this Payee/Payer" line and on the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new Organizing itemization page for a new payee, click the "Add Organizing" button at the top of the itemization page and a new itemization page will open.

Follow the instructions above to complete any additional Organizing itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 18 page, you can select and view all of the Organizing Itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 18 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other disbursements relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 18. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 18 and in Item 52 (Organizing) of Statement B.

SCHEDULE 19 – POLITICAL ACTIVITIES

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with political disbursements or contributions in money.

A political disbursement or contribution is one that is intended to influence the selection, nomination, election, or appointment of anyone to a Federal, state, or local executive, legislative or judicial public office, or office in a political organization, or the election of Presidential or Vice Presidential electors, and support for or opposition to ballot referenda. It does not matter whether the attempt succeeds. Include disbursements for communications with members (or agency fee paying nonmembers) and their families for registration, get-out-the-vote and voter education campaigns, the expenses of establishing, administering and soliciting contributions to union segregated political funds (or PACs), disbursements to political organizations as defined by the IRS in 26 U.S.C. 527, and other political disbursements.

For all major disbursements in this category: Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot

reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Political Activities during the reporting period, such as campaign advisor, marketing firm, fund raiser, printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made. Examples of adequate descriptions include the following: a registration drive, get-out-the-vote campaign, voter education campaign, fund raising, etc. The specific campaign should be identified whenever possible. Distinguish between activities in the United States and activities in foreign countries.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E), and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line and complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Political Activities" itemization page for a new payee, click the "Add Political Activities" button at the top of the page and a new itemization page opens. Follow the instructions

above to complete any additional Political Activities itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 19 page, you can select and view all of the "Political Activities" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 19 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 19. This is the total from your organization's books of all transactions relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or transactions that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 19 and in Item 53 (Political Activities) of Statement B.

SCHEDULE 20 – LOBBYING

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated or dealing with the executive and legislative branches of the Federal, state, and local governments and with independent agencies and staffs to advance the passage or defeat of existing or potential laws or the promulgation or any other action with respect to rules or regulations (including litigation expenses). It does not matter whether the lobbying attempt succeeds.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Lobbying during the reporting period, such as lobbyist, marketing firm, think tank, issue advocacy group, printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page.

The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which means a brief statement or description of the reason the disbursement was made. Examples of adequate descriptions include the following: voter education campaign, fund raising, advocating or opposing legislation (including litigation challenging such legislation) advocating or opposing regulations (including litigation challenging such regulations), etc. The specific legislation, regulation, referendum, etc. should be identified whenever possible. Distinguish between activities in the United States and activities in foreign countries.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E), and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line and complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Lobbying" itemization page for a new payee, click the "Add Lobbying Activities" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional Lobbying itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 20 page, you can select and view all of the "Lobbying" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 20 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 20. This is the total from your organization's books of all transactions relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or transactions that aggregated \$5,000 or more.

The system adds Lines 1 through 3 and enters the total on Line 4 of Summary Schedule 20 and in Item 54 (Lobbying) of Statement B.

SCHEDULE 21 – CONTRIBUTIONS, GIFTS, AND GRANTS

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with contributions, gifts, and grants, other than those listed on Schedules 17, 18, 19, 20 and 24. Include, for example, charitable contributions, contributions to scholarship funds, etc.

For all major disbursements in this category:

Enter in Column (A) of an itemization page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in Contributions, Gifts, and Grants during the reporting period, such as charity, scholarship fund, state or local affiliate, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "More Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of each individual disbursement of \$5,000 or more, which

means a brief statement or description of the reason the disbursement was made. Examples of adequate descriptions include the following: medical research, community development, job retraining, education, disaster and relief assistance, athletic and youth sponsorships, etc.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E) and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line, and it will complete the "Total of All Transactions with this Payee/Payer for This Schedule" line. An initial itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Contributions, Gifts & Grants" itemization page for a new payee, click the "Add Contributions, Gifts & Grants" button on the top of the page and a new page opens. Follow the instructions above to complete any additional "Contributions, Gifts & Grants" itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 21 page, you can select and view all of the "Contributions, Gifts and Grants" itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 21 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 21. This is the total from your

organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated to \$5,000 or more.

The system totals Lines 1 through 3 and enters that amount on Line 4 of Summary Schedule 21 and in Item 55 (Contributions, Gifts and Grants) of Statement B.

SCHEDULE 22 – GENERAL OVERHEAD

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with general overhead that cannot be allocated to the other disbursement categories in Statement B.

Some disbursements for overhead do not support a specific function, so these disbursements should be reported in this schedule. Include support personnel at the labor organization's headquarters, such as building maintenance personnel and security guards, and other overhead costs.

For all major disbursements in this category:

Enter in Column (A) of an Initial Itemization Page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more in General Overhead during the reporting period, such as office supplies vendor, landlord, mortgage lender, cleaning firm, security firm, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten.

Enter in Column (C) the purpose of the disbursement of \$5,000 or more, in sufficient detail to determine why the disbursement cannot be allocated to another schedule.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The

date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual disbursements of less than \$5,000 each) on the "Total Non-Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E) and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line, and it will complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "General Overhead" itemization page for a new payee, click the "Add Overheads" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional "General Overhead" itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 22 page, you can select and view all of the General Overhead itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to line 1 of Summary Schedule 22 on the Detailed Summary Page and the total non-itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 31. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system totals Lines 1 through 3 and enters that amount on Line 4 of Summary Schedule 22 and in Item 56 (General Overhead) of Statement B.

SCHEDULE 23 – UNION ADMINISTRATION

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with union administration. Union administration includes disbursements relating to the nomination and election of union officers, the union's regular membership meetings, intermediate, national and international meetings, union disciplinary proceedings, the administration of trusteeships, and the administration of apprenticeship and member education programs (not including political education which should be reported in Schedule 19 or 20).

For all major disbursements in this category:

Enter in Column (A) of an Itemization Page the full name and business address of the entity or individual to which the disbursement was made. Do not abbreviate the name of the entity or individual. If you do not know and cannot reasonably obtain the full address of the entity or individual, the union may report only the city and state.

Enter in Column (B) the type of business or job classification of the entity or individual to which the union disbursed \$5,000 or more for Union Administration during the reporting period, such as printing company, office supplies vendor, legal counsel, etc.

If additional lines are needed to complete Columns (C) through (E) for this Payee, click the "Add Disbursements for This Payee" button in Column (A) of the itemization page. The system will add lines to the itemization page in increments of ten

Enter in Column (C) the purpose of the disbursement of \$5,000 or more in sufficient detail to determine why the disbursement cannot be allocated to another schedule. For example, printing of election ballots, rental of meeting facilities for a union convention, printing of transcripts of trusteeship hearing, etc.

Enter in Column (D) the date that each individual disbursement of \$5,000 or more was made. The format for the date must be mm/dd/yyyy. The date of disbursement for reporting purposes is the date the labor organization actually disbursed the money.

Enter in Column (E) the amount of each individual disbursement of \$5,000 or more.

Enter the total of all non-itemized disbursements to this payee (that is, all individual receipts of less

than \$5,000 each) on the "Total Non- Itemized Transactions with this Payee/Payer" line.

When you have completed entering all of the information for this payee, click the "Save & Calculate" button at the top of the itemization page and the system will add the amounts in Column (E), and enter the sum on the "Total Itemized Transactions with this Payee/Payer" line, and it will complete the "Total of All Transactions with this Payee/Payer for This Schedule" line.

An itemization page must be completed for each payee who met the itemization threshold during the reporting period. Only one payee should be reported per page.

To create a new "Union Administration" itemization page for a new payee, click the "Add Administration" button at the top of the page and a new itemization page opens. Follow the instructions above to complete any additional "Union Administration" itemization pages.

By clicking the "Show Payee" drop down arrow at the top of the Schedule 23 page, you can select and view all of the Union Administration Itemization pages you have completed.

As you complete each itemization page, click the "Save & Calculate" button at the top of the page and the total itemized transactions will be added to Line 1 of Summary Schedule 23 on the Detailed Summary Page and the total non- itemized transactions will be added to Line 2 of the Summary Schedule.

Enter the total amount of all other transactions relating to this schedule made to other payees during the reporting period on Line 3 of Summary Schedule 23. This is the total from your organization's books of all disbursements relating to this schedule made to payees who did not have a single disbursement of \$5,000 or more or disbursements that aggregated \$5,000 or more.

The system totals Lines 1 through 3 and enters that amount on Line 4 of Summary Schedule 23 and in Item 57 (Union Administration) of Statement B.

SCHEDULE 24 – BENEFITS

[NOTE: Do not use the Itemization Pages for Schedule 24. Instead, use the separate Schedule 24.]

Report the labor organization's direct and indirect disbursements to all entities and individuals during the reporting period associated with direct and indirect benefits for officers, employees, members,

and their beneficiaries. Benefit disbursements to be reported in Schedule 24 include, for example, disbursements for life insurance, health insurance, and pensions. Do not include salary bonuses, severance payments, or payments for accrued vacation, which should be reported in Column (D) of Schedule 13 or 14.

Direct benefit disbursements are those made to officers, employees, members, and their beneficiaries from the labor organization's funds. Indirect benefit disbursements are those made from the labor organization's funds to a separate and independent entity, such as a trust or insurance company, which in turn and under certain conditions will pay benefits to the covered individuals. An example of an indirect benefit disbursement is the premium on group life insurance.

If additional lines are required, click the "Add Benefits" button at the top of the schedule. The system will add lines to the schedule in increments of ten.

Enter in Column (A) the type of benefit, such as pension, welfare, etc.

Enter in Column (B) to whom payment was made; for example, union members, insurance company, etc. Individual union members and their beneficiaries are not required to be listed by name.

Enter in Column (C) the amount disbursed for each type of benefit.

Click the "Save & Calculate" button at the top of the schedule and the system will enter the total for Column (C) on the "Total of all lines above" line and in Item 58 (Benefits) of Statement B.

STATEMENT A ASSETS AND LIABILITIES

ASSETS

The system pre-fills Columns (A) and (C) (Start of Reporting Period) from your organization's report for the previous fiscal year. If the data is inaccurate, however, it can be edited manually. Be sure to explain any changes in Item 75 (Additional Information).

22. CASH — Enter the total of all the labor organization's cash on hand and on deposit at the start and end of the reporting period in Columns (A) and (B), respectively. Include all cash on hand, such as undeposited cash, checks, and money orders; petty cash; and cash

in safe deposit boxes. Cash on deposit includes funds in banks, credit unions, and other financial institutions, such as checking accounts, savings accounts, certificates of deposit, and money market accounts. Also, include any interest credited to the labor organization's account during the reporting period.

NOTE: The checking account balances reported should be obtained from the labor organization's books as reconciled with the balances shown on bank statements.

23. ACCOUNTS RECEIVABLE — Ordinarily, accounts receivable are moneys due for goods sold or services rendered evidenced by notes, statements, invoices, or other written evidence of a present obligation. Enter in Column (A) the total of all gross accounts receivable at the start of the reporting period. The system will enter in Column (B) the total of all gross accounts receivable at the end of the reporting period from Column (B) of Schedule 1 (Accounts Receivable Aging Schedule). If accounts receivable are carried on the labor organization's books at net (gross accounts receivable less the allowance for doubtful accounts), the labor organization may report the allowance for doubtful accounts in Item 75 (Additional Information).

24. LOANS RECEIVABLE — Enter in Column (A) the total of all gross loans receivable at the start of the reporting period, which is also reported in Column (B) of Schedule 2 (Loans Receivable). The system will enter the total of all gross loans receivable at the end of the reporting period in Column (B) from Column (E) of Schedule 2.

25. U.S. TREASURY SECURITIES — Enter the total value of all U.S. Treasury securities as shown on the labor organization's books at the start and end of the reporting period in Columns (A) and (B), respectively. If the value reported is different from the original cost, the original cost must be reported in Item 75 (Additional Information). Other U.S. Government obligations, state and municipal bonds, and foreign government securities must be reported in Schedule 7 (Investments Other Than U.S. Treasury Securities) under "Marketable Securities" and in Item 26 (Investments).

26. INVESTMENTS — Enter in Column (A) the total book value at the start of the reporting period of all investments other than U.S. Treasury securities, which are reported in Item 25 (U.S. Treasury Securities). The system will enter in Column (B) the total reported in Column (D) of Schedule 7 (Investments Other Than U.S. Treasury Securities).

27. FIXED ASSETS — Enter in Column (A) the total value as shown on the labor organization's books at the start of the reporting period of all fixed assets, such as land, buildings, automobiles, and office furniture and equipment. The system will enter in Column (B) the total reported in Column (D) of Schedule 8 (Fixed Assets).

28. OTHER ASSETS — Enter in Column (A) the total value as shown on the labor organization's books at the start of the reporting period of all assets not reported in Items 22 through 27. The system will enter in Column (B) the total reported in Column (B) of Schedule 9 (Other Assets).

29. TOTAL ASSETS — Click the "Save & Calculate" button at the top of Statement A and the system will total Items 22 through 28, Columns (A) and (B), and enter the respective totals in Item 29.

LIABILITIES

30. ACCOUNTS PAYABLE — Ordinarily, accounts payable are those obligations incurred on an open account for goods and services rendered. Enter in Column (C) the total of all gross accounts payable at the start of the reporting period. The system will enter the total of all gross accounts payable at the end of the reporting period in Column (D) from Column (B) of Schedule 10 (Accounts Payable Aging Schedule).

31. LOANS PAYABLE — Enter in Column (C) the total of all gross loans payable at the start of the reporting period, which is also reported in Column (B) of Schedule 11 (Loans Payable). The system will enter the total of all gross loans payable at the end of the reporting period in Column (D) from Column (E) of Schedule 11 (Loans Payable).

32. MORTGAGES PAYABLE — Enter the total amount of the labor organization's obligations that were secured by mortgages or similar liens on real property (land or buildings) at the start and end of the reporting period in Columns (C) and (D), respectively.

33. OTHER LIABILITIES — Enter in Column (C) the total amount as shown on the labor organization's books at the start of the reporting period of all liabilities not reported in Items 30 through 32. The system will enter in Column (D) the total reported in Column (B) of Schedule 12 (Other Liabilities).

34. TOTAL LIABILITIES — Click the "Save &

Calculate" button at the top of Statement A and the system will add the amounts in Items 30 through 33, Columns (C) and (D), and enter the respective amounts in Item 34. The system will also complete Item 35 (Net Assets) as explained in the next instruction.

35. NET ASSETS — As indicated in the previous instruction, when Item 34 is completed and the "Save & Calculate" button at the top of Statement A is clicked, the system subtracts Item 34 (Total Liabilities), Column (C) from Item 29 (Total Assets), Column (A) and enters the difference in Item 35, Column (C). The system also subtracts Item 34, Column (D) from Item 29, Column (B) and enters the difference in Item 35, Column (D).

STATEMENT B RECEIPTS AND DISBURSEMENTS

Under Statement B, receipts must be recorded when money is actually received by the labor organization and disbursements must be recorded when money is actually paid out by the labor organization.

The purpose of Statement B is to report the flow of cash in and out of the labor organization during the reporting period. Transfers between separate bank accounts or between special funds of the labor organization, such as vacation or strike funds, do not represent the flow of cash in and out of the labor organization. Therefore, these transfers should not be reported as receipts and disbursements of the labor organization. For example, do not report a transfer of cash from the labor organization's savings account to its checking account.

Likewise, the use of funds reported in Item 22 (Cash) of Statement A to purchase certificates of deposit and the redemption of certificates of deposit should not be reported in Statement B.

Since Statement B reports all cash flowing in and out of the labor organization, "netting" is not permitted. "Netting" is the offsetting of receipts against disbursements and reporting only the balance (net) as either a receipt or disbursement. For example, if an officer received \$1,000 from the labor organization for convention expenses, used only \$800 and returned the remaining \$200, the \$1,000 disbursement must be reported in Schedule 13 (All Officers and Disbursements to Officers) and the appropriate disbursement Schedule 16 through 23, and the \$200 receipt must be reported in Schedule 16 (Other Receipts).

It would be incorrect to report only an \$800 net disbursement to the officer. Receipts and disbursements by an agent on behalf of the labor organization are considered receipts and disbursements of the labor organization and must be reported in the same detail as other receipts and disbursements. For example, if the labor organization owns a building managed by a rental agent, the agent's rental receipts and disbursements for expenses must be reported on the labor organization's Form LM-2. Also, if the labor organization's parent body or an intermediate body functions as an agent receiving and disbursing funds of the labor organization to third parties, these receipts and disbursements must be reported on the labor organization's Form LM-2. For example, if a parent body receives the labor organization's dues and makes disbursements from that money to pay the labor organization's bills (such as payments to an attorney for legal services), those receipts and disbursements must be reported on the labor organization's Form LM-2.

CASH RECEIPTS

36. DUES AND AGENCY FEES – Enter the total dues including regular dues, working dues, etc. received by the labor organization. Include dues received directly by the organization from members, dues received from employers through a checkoff arrangement, and dues transmitted to the organization by a parent body or other affiliate. Report the full dues received, including any portion that will later be transmitted to an intermediate or parent body as per capita tax. Also report in Item 36 payments in lieu of dues received from any nonmember employees as a condition of employment under a union security provision in a collective bargaining agreement.

If an intermediate or parent body receives dues checkoff directly from an employer on behalf of the reporting organization, do not report in Item 36 the portion retained by that organization for per capita tax or other purposes, such as a special assessment. Any amounts retained by the intermediate body or parent body other than per capita tax must be explained in Item 75 (Additional Information). For example, if the intermediate body or parent body retained \$500 of the reporting organization's dues checkoff as payment for supplies purchased from that body by the reporting organization, this should be explained in Item 75, but the \$500 should not be reported as a receipt or disbursement on either organization's Form LM-2. If, however, the intermediate body or parent body disbursed part of the reporting organization's dues checkoff on that organization's behalf, this amount should be included in Item 36 and in the appropriate

disbursement item on the reporting organization's Form LM-2. For example, if the intermediate body or parent body disbursed \$500 of the reporting organization's dues checkoff to an attorney who had provided lobbying services to the reporting organization, this amount should be reported in Item 54 and as a disbursement in Schedule 20 (Lobbying) of the reporting organization's Form LM-2.

Do not report in Item 36 dues that the reporting organization collected on behalf of other organizations for transmittal to them. For example, if the reporting organization received dues from a member of an affiliate who worked in the reporting organization's jurisdiction, the dues collected on the affiliate's behalf must be reported in Item 47.

37. PER CAPITA TAX — Enter the total per capita tax received by your organization if your organization is an intermediate or parent body; otherwise, enter "0" in Item 37. Include the per capita tax portion of dues received directly by your organization from members of affiliates, per capita tax received from subordinates, either directly or through intermediaries, and the per capita tax portion of dues received through a checkoff arrangement whereby local dues are remitted directly to an intermediate or parent body by employers. Do not include dues collected on behalf of subordinate organizations for transmittal to them. For example, if a parent body received dues checkoff directly from an employer and returned the local's portion of the dues, the parent body must report the dues received on behalf of the local in Item 47 (On Behalf of Affiliates for Transmittal to Them).

38. FEES, FINES, ASSESSMENTS, WORK PERMITS — Enter the labor organization's receipts from fees, fines, assessments, and work permits. Receipts by the labor organization on behalf of affiliates for transmittal to them must be reported in Item 47 (On Behalf of Affiliates for Transmittal to Them).

39. SALE OF SUPPLIES — Enter the total amount received by the labor organization from the sale of supplies such as union logo clothing, lapel pins, bumper stickers, etc.

40. INTEREST — Enter the total amount of interest received by the labor organization from savings accounts, bonds, mortgages, loans, and all other sources.

41. DIVIDENDS — Enter the total amount of dividends from stocks and other investments received by the labor organization. Do not include "dividends" from credit unions, savings and loan

associations, etc., which must be reported in Item 40 (Interest).

42. RENTS — Enter the total amount of rents received by the labor organization.

43. SALE OF INVESTMENTS — The system will enter the total "Net Sales" reported in Column (G) of Schedule 3 (Sale of Investments).

44. SALE OF FIXED ASSETS — The system will enter the total "Net Sales" reported in Column (G) of Schedule 4 (Sale of Fixed Assets).

45. LOANS OBTAINED — The system will enter the total reported in Column (C) of Schedule 11 (Loans Payable).

46. REPAYMENTS OF LOANS MADE — The system will enter the total reported in Column (D)(1) of Schedule 2 (Loans Receivable).

47. ON BEHALF OF AFFILIATES FOR TRANSMITTAL TO THEM — Enter the total amount of dues, fees, fines, assessments, and work permit fees received by the labor organization, through a checkoff arrangement or otherwise, on behalf of affiliates for transmittal to them. Do not include the amount withheld by the labor organization for per capita taxes or other purposes, such as loan repayments, which must be reported elsewhere in Statement B. When the receipts reported in Item 47 are transmitted, the disbursement must be reported in related Item 63 (To Affiliates of Funds Collected on Their Behalf).

48. FROM MEMBERS FOR DISBURSEMENT ON THEIR BEHALF — Enter the total receipts from members that are specifically designated by them for disbursement on their behalf; for example, contributions from members for transmittal by the labor organization to charities. When receipts that are reported in Item 48 are transmitted, the disbursement must be reported in related Item 68 (On Behalf of Individual Members).

49. OTHER RECEIPTS — The system will enter the total reported on Summary Schedule 16, Line 4.

50. TOTAL RECEIPTS — Click the "Save & Calculate" button at the top of Statement B and the system will add the amounts in Items 36 through 49 and enter the total in Item 50.

CASH DISBURSEMENTS

51. CONTRACT NEGOTIATION AND ADMINISTRATION — The system will enter the total from Summary Schedule 17, Line 4.

52. ORGANIZING — The system will enter the total from Summary Schedule 18, line 4.

53. POLITICAL ACTIVITIES — The system will enter the total from Summary Schedule 19, Line 4.

54. LOBBYING — The system will enter the total from Summary Schedule 20, Line 4.

55. CONTRIBUTIONS, GIFTS, AND GRANTS — The system will enter the total from Summary Schedule 21, Line 4.

56. GENERAL OVERHEAD — The system will enter the total from Summary Schedule 22, Line 4.

57. UNION ADMINISTRATION — The system will enter the total from Summary Schedule 23, Line 4.

58. BENEFITS — The system will enter the total reported in Column (C.) of Schedule 24 (Benefits).

59. PER CAPITA TAX — Enter your organization's total amount of per capita tax paid as a condition or requirement of affiliation with your parent national or international union, state and local central bodies, a conference, joint or system board, joint council, federation, or other labor organization.

60. STRIKE BENEFITS — Enter the total amount of all disbursements made to, or on behalf of the members (or agency fee paying nonmembers) of the labor organization, and others, associated with strikes (including recognitional strikes), work stoppages and lockouts during the reporting period.

61. FEES, FINES, ASSESSMENTS, ETC. — Enter the total amount of fees, fines, assessments, and similar disbursements made by the labor organization to a parent body or other labor organization.

62. SUPPLIES FOR RESALE — Enter the labor organization's total disbursements for purchases of supplies such as union logo clothing, lapel pins, bumper stickers, etc. for resale.

63. PURCHASE OF INVESTMENTS — The system will enter the total reported in Column (F) of Schedule 5 (Purchase of Investments).

64. PURCHASE OF FIXED ASSETS — The system will enter the total reported in Column (F) of Schedule 6 (Purchase of Fixed Assets).

65. LOANS MADE — The system will enter the total reported in Column (C) of Schedule 2 (Loans Receivable).

66. REPAYMENT OF LOANS OBTAINED —

The system will enter the total reported in Column (D)(1) of Schedule 11 (Loans Payable).

67. TO AFFILIATES OF FUNDS COLLECTED ON THEIR BEHALF —

Enter the total disbursements of funds collected on behalf of affiliates by the labor organization. This amount usually is the same as the amount reported in related Item 47 (On Behalf of Affiliates for Transmittal to Them). Any such funds not disbursed by the end of the reporting period are liabilities of the labor organization and must be reported in Schedule 12 (Other Liabilities).

68. ON BEHALF OF INDIVIDUAL MEMBERS

— Enter the total disbursements of funds collected from members by the labor organization that were specifically designated by them for disbursement on their behalf. This amount usually is the same as the amount reported in related Item 48 (From Members for Disbursement on Their Behalf). Any such funds not disbursed by the end of the reporting period are liabilities of the labor organization and must be reported in Schedule 12 (Other Liabilities).

69. DIRECT TAXES — Enter all taxes assessed against and paid by your organization, including your organization's FICA taxes as an employer. Do not include disbursements for the transmittal of taxes withheld from the salaries of officers and employees which must be reported in Item 73 (Withholding Taxes and Other Payroll Deductions). Also, do not include indirect taxes, such as sales and excise taxes, for purchases reported in other disbursement items.

70. OFFICERS — The system will enter the total officer disbursements reported in Schedule 13 (All Officers and Disbursements to Officers).

71. EMPLOYEES — The system will enter the total employee disbursements reported in Schedule 14 (Disbursements to Employees).

72. SUBTOTAL — Click the "Save & Calculate" button at the top of Statement B and the system will add the amounts in Items 51 through 71 and enter the subtotal in Item 72.

73. WITHHOLDING TAXES AND OTHER PAYROLL DEDUCTIONS — a. Total Withheld - Enter the total amount of withholding taxes and all other payroll deductions during the reporting period.

b. Total Disbursed - Enter the total amount of withholding taxes and all other payroll deductions

that were disbursed by your organization during the reporting period. This includes your organization's total disbursements to Federal, state, county, and municipal government agencies for the transmittal of taxes withheld from the salaries of officers and employees, including officers' and employees' portion of FICA taxes and all disbursements for the transmittal of other payroll deductions.

c. Total Withheld But Not Disbursed – Click the "Save & Calculate" button at the top of Statement B and the system will subtract Item 73b from Item 73a and enter the difference in Item 73c. The system will also complete Item 74 (Total Disbursements) as explained in the next instruction.

74. TOTAL DISBURSEMENTS — As indicated in the previous instruction, when Item 73c is completed and the "Save & Calculate" button at the top of Statement B is clicked the system subtracts Item 73c from Item 72 and enters the difference in Item 74.

NOTE: The following worktable may be used to determine that the figures for receipts, disbursements, and cash are correctly reported on the labor organization's Form LM-2:

A. Cash at Start of Reporting Period — Item 22, Column (A)
\$ _____

B. Add: Total Receipts — Item 50
\$ _____

C. Total of Lines A and B
\$ _____

D. Subtract: Total Disbursements — Item 74
\$ _____

E. Cash at End of Period \$
\$ _____

If Line E does not equal the amount reported in Item 22, Column (B), there is an error in the labor organization's report, which should be corrected.

ADDITIONAL INFORMATION AND SIGNATURES

75. ADDITIONAL INFORMATION — Use Item 75 to provide additional information as indicated on Form LM-2 and in these instructions. Enter the number of the item to which the information relates in the Item Number column if the system has not entered the number.

76-77. SIGNATURES — The completed Form LM-2 that is filed with OLMS must be signed by both the president and treasurer, or corresponding principal officers, of the labor organization. If an officer other than the president or treasurer performs the duties of the principal executive or principal financial officer, the other officer may sign the report. If an officer other than the president or treasurer signs the report, enter the correct title in the title field next to the signature and explain in Item 75 (Additional Information) why the president or treasurer did not sign the report.

Before signing the form, enter the telephone number at which the signatories conduct official business and the date. Click the Validate button at the top of the form to ensure that the report passes validation.

NOTE: Upon registering with OLMS, the signatories and preparers must enter the email addresses they use to conduct union business, in order to file the form via the OLMS Electronic Forms System. While the email addresses will not appear on the report, OLMS may use the email address of the signatories and any preparers to contact the union concerning LMRDA Compliance.

To sign the form, click the signature spaces provided. Fill in the requested information in the screen that pops up.

XII. LABOR ORGANIZATIONS THAT HAVE CEASED TO EXIST

If a labor organization has gone out of existence as a reporting labor organization, the last president and treasurer or the officials responsible for winding up the affairs of the labor organization must file a terminal financial report for the period from the beginning of the fiscal year to the date of termination. A terminal financial report must be filed if the labor organization has gone out of business by disbanding, merging into another organization, or being merged and consolidated with one or more labor organizations to form a new labor organization. A terminal financial report is not required if the labor organization changed its affiliation but continues to function as a separate reporting labor organization.

The terminal financial report must be filed on Form LM-2 if the labor organization filed its previous annual report on Form LM-2 and must be submitted within 30 days after the date of termination.

To complete a terminal report on Form LM-2, follow the instructions in Section XI and, in addition:

- Enter the date the labor organization ceased to exist in Item 2 after the word "Through." The format for the date must be mm/dd/yyyy.
- Select Item 3(c) indicating that the labor organization ceased to exist during the reporting period and that this is the labor organization's terminal Form LM-2.
- Provide in Item 75 (Additional Information) a detailed statement of the reason the labor organization ceased to exist. Also report in Item 75 plans for the disposition of the labor organization's cash and other assets, if any (for example, transfer of cash and assets to the parent body). Provide the name and address of the person or organization that will retain the records of the terminated organization. If the labor organization merged with another labor organization, report that organization's name, address, and 6-digit file number.

Contact the nearest OLMS field office if you have questions about filing a terminal report.

If You Need Assistance

The Office of Labor-Management Standards has field offices located in the following cities to assist you if you have any questions concerning LMRDA and CSRA reporting requirements.

Atlanta-Nashville
Boston-Buffalo
Chicago
Cincinnati-Cleveland
Dallas-New Orleans
Denver-St. Louis
Detroit-Milwaukee
Los Angeles
Philadelphia-Pittsburgh
New York
San Francisco-Seattle
Washington

Consult the OLMS website at www.dol.gov/olms for the address and telephone number of the nearest field office. You may also contact OLMS via email at OLMS-Public@dol.gov or call (202) 693-0123.

Copies of labor organization annual financial reports, employer reports, and labor relations consultant reports filed for the year 2000 and after can be viewed and printed at www.unionreports.gov.

Information about OLMS, including key personnel and telephone numbers, compliance assistance

materials, the text of the LMRDA, and Federal Register and Code of Federal Regulations documents, is also available on the OLMS website at www.dol.gov/olms.

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