

NOTE TO REVIEWER
OMB No. 1245-0003

Revision to Include LMRDA Recordkeeping Requirements, Collective Bargaining Agreement File, and Mandatory Electronic Filing Changes

This submission is considered a revision of an existing Office of Labor-Management Collection (OLMS) collection, as the information requirements of the Labor-Management Reporting and Disclosure Act (LMRDA) are currently approved under OMB # 1245-0003, with an expiration date of September 30, 2021. The currently approved collection includes Forms LM-1, LM-2, LM-3, LM-4, LM-10, LM-15, LM-15A, LM-16, LM-20, LM-21, LM-30, T-1, and S-1.

This revision is necessary in order to incorporate the recordkeeping burden estimates associated with the union officer election requirements of LMRDA section 401(e), 29 U.S.C. § 481(e). Additionally, the revision is necessary in order to incorporate the reporting burden associated with the voluntary submission of collective bargaining agreements to OLMS pursuant to Labor Management Relations Act section 211(a) and Secretary's Order 4-2007.

Finally, the revision is necessary due to electronic filing changes associated with the Forms LM-1, LM-3, LM-4, LM-10, LM-20, and LM-21. The Department proposes to remove the continuing hardship exemption for Form LM-3 and LM-4 filers, as just 33 filers submitted requests for such exemptions in 2018, all rejected, and just 1 in 2019, also rejected. This change also brings the Forms LM-3 and LM-4 in conformity with the Form LM-2, which has just the temporary hardship exemption. The Department also revises the information collection requirements to mandate electronic filing for labor organizations that file the Form LM-1, employers that file the Form LM-10, and labor relations consultants that file the Form LM-20 and Form LM-21. Labor organizations have had success with mandatory e-filing, and the Department expects that employers and consultants will do so, as well.

PAPERWORK REDUCTION ACT SUPPORTING STATEMENT

A. JUSTIFICATION

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Congress enacted the Labor-Management Reporting and Disclosure Act (LMRDA), 29 U.S.C. 401 et. seq., to provide for the disclosure of information about the financial transactions and administrative practices of labor organizations. The statute also provides, under certain circumstances, for reporting by labor organization officers and employees, employers, labor relations consultants, and surety companies. In addition, the statute requires: (a) the maintenance and retention of supporting records for five years after the required reports are filed, and (b) the preservation for one year of records of elections of labor organization officers. Section 208 of the Act authorizes the Secretary of Labor to issue rules and regulations prescribing the form of the required reports and such other rules and regulations (including rules prescribing reports concerning trusts in which a labor organization is interested) as may be necessary to prevent circumvention or evasion of the reporting requirements.

The LMRDA reporting provisions were devised to protect the basic rights of labor organization members and to guarantee the democratic procedures and financial integrity of labor organizations. The 1959 Senate report on the version of the bill later enacted as the LMRDA stated clearly, "The members who are the real owners of the money and property of the organization are entitled to a full accounting of all transactions involving their property." S. Rep. No. 86-187, at 8 (1959), reprinted in 1 NLRB, Legislative History of the Labor-Management Reporting and Disclosure Act of 1959 at 397, 404 (1959). A full accounting was described as "full reporting and public disclosure of labor organization internal processes and financial operations."

The LMRDA applies to labor organizations with private sector employees working in interstate commerce within the meaning of sections 3(i) and (j) of the LMRDA, 29 U.S.C. 402(i) and (j), and labor organizations composed of U.S. Postal Service employees. Labor organizations that represent employees of the executive branch agencies of the Federal Government, the Library of Congress, the Government Printing Office, and certain employees of the U.S. Congress are subject to the standards of conduct requirements of the Civil Service Reform Act (CSRA), 5 U.S.C. 7120, the Foreign Service Act (FSA), 22 U.S.C. 4117, or the Congressional Accountability Act of 1995 (CAA), 2 U.S.C. 1301. These latter Acts and the implementing regulations at 29 CFR 457.10-.20 provide that, in administering the standards of conduct, the Department will be guided by the interpretations and policies followed by the Department of Labor in applying provisions of the LMRDA. In addition, the regulations specifically incorporate by reference the LMRDA reporting and record retention requirements of all LMRDA

reports, as well as the requirement for the preservation of election records. Instructions for the forms mention corresponding recordkeeping requirements.

The following is a list of the reporting forms, their regulatory and legislative citations, and a brief description of each form's usage.

LM-1, Labor Organization Information Report, 29 CFR 402, 29 U.S.C. 431(a). All labor organizations are required to file an initial Form LM-1 concerning the organization and its governing rules, including copies of its constitution and bylaws, within 90 days after it becomes subject to the LMRDA, CSRA, FSA, or CAA. Labor organizations are also required to file an amended Form LM-1 to report certain changes to this information when they file the annual financial report. This ICR revision would mandate electronic filing beginning immediately upon OIRA approval.

LM-2, Labor Organization Annual Report, 29 CFR 402.5 and 403.3; 29 U.S.C. 431(b). Any labor organization whose total annual receipts are \$250,000 or more and any organization in trusteeship must file an annual financial report on Form LM-2 within 90 days after the end of its fiscal year, to disclose its financial condition and operations for the preceding fiscal year. This reporting form is also used by such labor organizations to file a terminal report if they cease to exist. This report must be filed electronically, with a temporary hardship exemption available.

LM-3, Labor Organization Annual Report, 29 CFR 402.5 and 403.4; 29 U.S.C. 431(b). Any labor organization that is not in trusteeship whose total annual receipts are less than \$250,000, but \$10,000 or more may elect to file the simplified Form LM-3 annual report. Labor organizations qualified to use this form may also use it to file the required terminal report if they cease to exist. This report must be filed electronically, with temporary and continuing hardship exemptions available. This ICR revision would eliminate the continuing hardship exemption.

LM-4, Labor Organization Annual Report, 29 CFR 402.5 and 403.4; 29 U.S.C. 431(b). Any labor organization that is not in trusteeship whose total annual receipts are less than \$10,000, may elect to file the abbreviated Form LM-4 annual report. Labor organizations qualified to use this form may also use it to file the required terminal report if they cease to exist. This report must be filed electronically, with temporary and continuing hardship exemptions available. This ICR revision would eliminate the continuing hardship exemption.

LM-10, Employer Report, 29 CFR Part 405, 29 U.S.C. 433(a). Any employer, who in any fiscal year has made certain payments to or other financial arrangements with a labor organization, its officers, its agents or its employees; payments to employees for the purpose of causing them to persuade other employees with respect to their bargaining and representation rights; payments for the purpose of interfering with employees in the exercise of their bargaining and representation rights or for obtaining information on employee or labor organization activities in connection with labor disputes involving their company; and arrangements (and payments made under these

arrangements) with a labor relations consultant for the purpose of persuading employees with respect to their bargaining and representation rights, or for obtaining information concerning employee activities in a labor dispute involving their company is required to file an annual report on Form LM-10 within 90 days after the end of its fiscal year. This ICR revision would mandate electronic filing beginning with reports due in 2021.

LM-15, Trusteeship Report, 29 CFR Part 408, 29 U.S.C. 461. Any labor organization that assumes a trusteeship over a subordinate labor organization is required to file an initial Form LM-15 within 30 days after imposition of the trusteeship. Any labor organization required to file the initial trusteeship report is required to file a semi-annual report on Form LM-15 during the continuance of the trusteeship.

LM-15A, Report on Selection of Delegates and Officers, 29 CFR Part 408, 29 U.S.C. 461. Any labor organization that assumed a trusteeship over a subordinate labor organization and filed a semiannual or terminal trusteeship report is also required to file a Report on Selection of Delegates and Officers on Form LM-15A if, during the period covered by the report, there was any: convention or other policy-determining body to which the subordinate labor organization sent delegates or would have sent delegates if not in trusteeship; or election of officers of the labor organization which imposed the trusteeship over the subordinate labor organization.

LM-16, Terminal Trusteeship Report, 29 CFR Part 408, 29 U.S.C. 461. Any labor organization that has assumed a trusteeship over a subordinate labor organization is required to file a terminal trusteeship report on Form LM-16 within 90 days after the termination of the trusteeship along with a terminal trusteeship financial report on Form LM-2.

LM-20, Agreement and Activities Report, 29 CFR Part 406, 29 U.S.C. 433(b). Any labor relations consultant or other person or organization that makes an agreement or arrangement with an employer to undertake activities with the an object to persuade employees how to exercise their right to organize and bargain collectively or to supply an employer with information concerning the activities of employees or a labor organization involved in a labor dispute with the employer is required to file a report on Form LM-20 on the nature of the agreement and specific details on the activity to be performed. Form LM-20 must be filed within 30 days after entering into the agreement. This ICR revision would mandate electronic filing beginning immediately upon OIRA approval.

LM-21, Receipts and Disbursements Report, 29 CFR Part 406, 29 U.S.C. 433(b). Any labor relations consultant or other person or organization required to file the preceding agreement and activities report (Form LM-20) must also file a Form LM-21 report of receipts from employer(s) and disbursements made by the filer in connection with labor relations advice or services provided to employer(s) for any fiscal year during which payments were made or received as a result of the reportable agreement or

arrangement. The Form LM-21 report is required to be filed within 90 days after the end of the fiscal year. This ICR revision would mandate electronic filing beginning in 2021.

LM-30, Labor Organization Officer and Employee Report, 29 CFR Part 404, 29 U.S.C. 432. Any labor organization officer and employee (other than an employee performing exclusively clerical or custodial services) is required to file a Form LM-30 within 90 days after the end of his/her fiscal year if during that year the officer or employee received certain payments from, or had certain interests in:

- (1) an employer whose employees the official's labor organization represents or actively seeks to represent; or
- (2) an employer or a labor relations consultant to an employer that (a) is in competition with an employer whose employees the official's labor organization represents or is actively seeking to represent, (b) is a trust in which the official's labor organization is interested, (c) is a not-for-profit organization that receives or is actively and directly soliciting money, donations, or contributions from the official's labor organization, (d) is a labor organization that: (i) has employees the official's labor organization represents or is actively seeking to represent, (ii) has employees in the same occupation as those represented by the official's labor organization; (iii) claims jurisdiction over work that is also claimed by the official's labor organization; (iv) is a party to or will be affected by any proceeding in which the official has voting or policy-influencing authority; or (v) has made a payment to the official for the purpose of influencing the outcome of an internal labor organization election; or (e) has interests in actual or potential conflict with the interests of the official's labor organization or the official's duties to the labor organization; or
- (3) any employer for the purpose of (a) not organizing employees; (b) influencing employees in any way with respect to their right to organize; (c) taking any action with respect to the status of employees or others as members of a labor organization; (d) taking any action with respect to bargaining or dealing with employers whose employees the official's labor organization represents or is actively seeking to represent; or (e) influencing the outcome of an internal labor organization election; or
- (4) a business (for example, a vendor or a service provider) that meets any of the following conditions: (a) 10% or more of its business consists of buying or selling or otherwise dealing with an employer whose employees the official's labor organization represents or is actively seeking to represent, (b) any part of its business consists of buying or selling or otherwise dealing with the official's labor organization, or (c) any part of its business consists of buying or selling or otherwise dealing with a trust in which the official's labor organization is interested.

The Form LM-30 can be filed in paper or electronic format.

S-1, Surety Company Annual Report, 29 CFR Part 409, 29 U.S.C. 441. Each surety company that issues a bond required by Section 502 of the LMRDA or Section 412 of the Employee Retirement Income Security Act (ERISA) is required to file a report within 150 days after the end of its fiscal year describing its bonding experience under the Acts. The report provides for detailed information on premiums, loss data, and specific items of losses occurring during the report year.

Form T-1, Trust Annual Report, 29 U.S.C. 438. Any labor organization whose total annual receipts are \$250,000 or more and any organization in trusteeship must file a Form T-1 within 90 days after the end of the labor organization's fiscal year, disclosing the financial conditions of certain trusts in which the labor organization is interested. This report must be filed electronically.

Simplified Annual Report Format (SAFR), 29 CFR Part 403, 29 U.S.C. 431(b). Extremely small labor organizations (those with no assets, liabilities, receipts or disbursements during the fiscal year) are permitted to have their parent national or international labor organization file the annual financial report on their behalf in a simplified format.

Union Officer Elections, 29 U.S.C. § 481. In addition to the LMRDA's reporting and disclosure requirements, the Act requires covered labor organizations to hold periodic elections for their officers. See LMRDA section 401, 29 U.S.C. § 481. Under 29 U.S.C. § 481(e), election officials designated in the constitution and bylaws or the secretary, if no other official is designated, shall preserve for one year the ballots and all other records pertaining to the election. This provision advances Congress' goal of promoting union democracy by protecting employees' rights to choose their own representatives. The enactment of this Act was necessary to eliminate or prevent improper practices on the part of labor organizations, employers, labor relations consultants, and their officers and representatives which distorted and defeated the policies of the Labor Management Relations Act, 1947, as amended, and the Railway Labor Act, as amended.

Collective Bargaining Agreements File, Section 211(a) of the Labor Management Relations Act (LMRA) and Secretary's Order 4–2007, issued in May 2007. The authority for maintaining the Department of Labor's collective bargaining agreements (CBA) file was transferred to the Office of Labor-Management Standards (OLMS) from the Bureau of Labor Statistics (BLS), pursuant to Secretary's Order 4–2007. The CBA file has been maintained by the Department since 1947, pursuant to Section 211(a) of the LMRA, which directs the Department of Labor to collect these agreements "for the guidance and information of interested representatives of employers, employees, and the general public."

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Pursuant to §205 of the LMRDA, the purpose of the reporting requirements is the public disclosure of administrative information and financial reports for covered labor organizations, labor organization employees and officers, employers, labor relations consultants, and other entities. The information supplied on the reports is used primarily by 1) labor organization members to participate in the governance of their labor organizations; 2) workers in making determinations regarding the exercise of their protected rights to organize and bargain collectively; 3) the Department of Labor and other government agencies to detect improper practices on the part of labor organizations, their officers, and/or representatives and other filers; and 4) the Congress in oversight and legislative functions. The general public, the media, and researchers may also use the information for their own purposes.

Violations of Title II and Title III LMRDA reporting requirements may be subject to civil action by the Secretary of Labor or may be referred to the Department of Justice for appropriate criminal action. Certain receipts or transactions reported may also involve violations of other Federal laws and may be referred to the Department of Justice for appropriate criminal action.

Since June 2002, the Department's Office of Labor-Management Standards (OLMS), on its Internet Web site (www.unionreports.gov), makes it possible for anyone to view labor organization annual financial reports, conduct data searches, and display the results in a number of user-definable reports, free of charge. Individuals can view and print facsimiles of reports for year 2000 and later, and the reports are searchable by a variety of criteria, including labor organization name, file number, affiliation, designation name and number, and location. The Department's Office of Labor-Management Standards (OLMS) Web site (www.olms.dol.gov) also features a powerful search system where users can search for specific labor organizations. Users can obtain information about labor organization officers and employees and payers and payees, define the scope of the search to be conducted, and generate a number of reports using the search results. Users can also download archive files that contain raw data in pipe delimited format of labor organization financial information as reported for public disclosure.

Reports filed by employers, labor relations consultants, and labor organization officers and employees for year 2000 and later can also be viewed at the Web site and earlier reports can be ordered there.

Copies of every report submitted are also maintained for public inspection and copying, upon request, at the U.S. Department of Labor, Room N-1519, 200 Constitution Avenue, NW, Washington, D.C. 20210. OLMS receives approximately 281 requests per month for public disclosure of reports.

Election records collected and used for this collection request will be collected by election officials or the secretary of the labor organization holding elections. This information will be available for members of labor organizations in order to verify election results. This information will not be submitted to the Department of Labor unless there is an investigation by the Department of possible election irregularity.

Collective bargaining agreements submitted to OLMS are also available on unionreports.gov. Documents are submitted by signatories on a voluntary basis. Therefore, some materials may not be current or available for all major bargaining units. In addition, OLMS posts CBAs received from either the employer or the labor union, singly or jointly. However, if either of these parties objects, OLMS will not post the CBA. CBAs must be submitted by the labor union or the employer (or their employees or agents) in order to be posted. This requirement is meant to ensure that the CBAs are being submitted voluntarily. Further, OLMS does not collect CBAs from the railroad and airline industries. The National Mediation Board is responsible for copies of CBAs covering railroads and airlines.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burdens.

The Department has developed an Electronic Labor Organization Reporting System (e.LORS) that utilizes electronic technology to receive, maintain, and disclose the information collected under the LMRDA. The objectives of the e.LORS system include permitting the electronic filing of Form LM-2, LM-3, LM-4, LM-10, LM-20, LM-21, and LM-30; disclosure of reports via a searchable Internet database; improving the accuracy, completeness and timeliness of reports; and creating efficiency gains in the reporting system. Effective use of the system reduces the burden on reporting organizations, provides increased as well as more accessible and more timely information to labor organization members, and enhances LMRDA enforcement by the Department.

The Government Paperwork Elimination Act, 44 U.S.C. 3504 (codified in note), requires public agencies to provide the public with the option of maintaining, submitting, or disclosing required information collections electronically when practicable. The Department has developed the Electronic Forms System (EFS), which is a web-based system that permits filers to complete and submit Form LM-2, LM-3, LM-4, LM-20, LM-21, and LM-30 electronically. The Department intends to update its reporting system to enable filers to submit the Form LM-1 and Form LM-10 electronically via EFS, beginning in 2020, and all forms to be submitted electronically in the coming years.

Election recordkeeping requirements do not require automated, electronic, mechanical, or other technological collection techniques. However, labor organizations may voluntarily use information technology for the purposes of recordkeeping.

Collective bargaining agreements may be submitted electronically to OLMS through email or through regular mail.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.

Other than certain financial data received by the Internal Revenue Service (IRS), there is no duplication of existing labor organization reporting requirements, nor is similar information required by any other federal agency or statute.

To prevent duplication with the forms, a labor organization is not required to report a Political Action Committee (PAC) fund, if publicly available reports on the PAC's funds are filed with federal or state agencies.

The Form LM-30 requires labor organization officers and employees to report certain payments from employers. Form LM-10 requires employers to report, among other matters, certain payments to labor organization officers and employees and certain agreements and activities involving labor relations consultants. Forms LM-20 and LM-21 require labor relations consultants to report certain agreements with employers and payments pursuant to such agreements. This results in some duplicate reporting, a result mandated by Congress in designing parallel reporting schemes to facilitate compliance and public disclosure. See 29 U.S.C. §§ 432, 433.

Regarding the CBA file, OLMS does not collect CBAs submitted by unions or employers in the railroad or airline industries, since the National Mediation Board collects such CBAs.

As for the election records required by LMRDA Title IV, the Department does not require labor organizations to submit such records, absent an investigation. Rather, the union must maintain such records.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

OLMS reduces burden where practicable and where transparency goals would not be sacrificed. For example, the Forms LM-3 and LM-4 are less detailed than the Form LM-2 (the latter filed by the largest labor organizations) and the SAFR allows a parent national or international labor organization to file a simplified annual financial report on behalf of certain extremely small affiliated labor organizations.

6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Section 207 of the LMRDA sets frequencies for filings of reports. If the information were collected less frequently, the obligations of the statute would not be met and the Department would not have current information available to make the essential public disclosure and to conduct enforcement and oversight activities.

Additionally, without the election recordkeeping requirements, members would not be able to exercise their statutory right to contest union officer elections. See LMRDA section 402, 29 U.S.C. § 481. The records necessary to investigate such allegations would not exist.

Also, without the CBA requirements, many covered employees would not be able to locate key documents affecting their rights in the workplace.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

Records necessary to verify the LM required reports must be maintained for at least five years after the report is filed, which is the only special circumstance that requires this collection to be conducted in a manner inconsistent with the general guidelines in 5

CFR 1320.6. The five-year retention period is established by the LMRDA (LMRDA Sec. 206, 29 U.S.C. 436).

Records collected for the purposes of election recordkeeping requirements must be preserved for at least one year per 29 U.S.C. § 481.

- 8. If applicable, provide a copy and identify the data and page number of publication in the *Federal Register* of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The Department did not receive any comments from interested parties in response to the proposed burden estimates. See 84 FR 70567. The Department thus adopted the estimates, as proposed.

- 9. Explain any decision to provide any payment or gift to respondents, other than re-numeration of contractors or grantees.**

The Department does not provide any payment or gift to respondents.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. (Note: If the submission will serve as Joint ICR and Privacy Impact Assessment per OMB Memorandum 03-22, Section II.D, the relevant justification shall be included as part of the agency's response to this Item)**

The contents of the reports filed pursuant to the LMRDA reporting requirements are, by law, public information. Therefore, no assurances of confidentiality are provided.

Election records are not public information by law and do not require disclosure to any outside party with the exception of OLMS investigations.

OLMS posts collective bargaining agreements received from either the employer or the labor union, singly or jointly. However, if either of these parties objects, OLMS will not post the CBA.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

No sensitive information is collected on the form.

- 12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The impetus for the proposed revision of this information collection is the statutory requirement that labor organizations preserve records related to elections for a period of at least one year, see 29 U.S.C. § 481, as well as the voluntary collection of collective bargaining agreements (CBAs) done by OLMS and the changes to mandatory filing for the Forms LM-3, LM-4, LM-10, LM-20, and LM-21. Tables 1-2 below display estimates of the burden associated with these reporting and recordkeeping requirements.

Table 1 displays total number of hours calculated for the purposes of election recordkeeping. The Department's estimate for election recordkeeping burden hours derives from the previously approved estimate for recordkeeping burden hours

associated with the Form LM-2, LM-3, and LM-4 labor organization annual reports, as well as those submitted via the Simplified Annual Report Format (SARF). Although the recordkeeping tasks differ, they form a basis for the new estimate, as each union required to file LM reports (and thus gather and retain certain records) pursuant to the LMRDA's reporting requirements must also comply with the Act's election requirements.

More specifically, unions conducting elections must review and retain any materials used in prior elections, including their constitution and bylaws (which also must be maintained pursuant to the Form LM-1 requirements). They must also typically create (and in some cases mail): a notice of nomination; any other documents associated with the nomination process notice of elections; election-related correspondence; membership lists; voter eligibility lists; marked, challenged, and unused ballots, as well as unused returned envelopes; campaign literature; tally sheets; the vote summary sheet; and the ballot tally certification. Unions must also keep records of all decisions and actions taken throughout the nomination and election process. They must also keep a timetable that lists all the important election-related dates and deadlines. They may also record a written set of rules setting forth both significant dates in the nomination and election process as well as the guidelines to be followed by all parties during the election period. See:

<https://www.dol.gov/olms/regs/compliance/complpubs.htm#electpub>.

In comparison, these same unions must also gather or create, and retain, the types of records associated with the LM reporting requirements, which, generally, include all types of records used in the normal course of doing business. Examples of records a union should retain include receipts and disbursement journals, cancelled checks and check stubs, bank statements, dues collection receipts, employer checkoff statements, per capita tax reports, vendor invoices, payroll records, etc. Additionally, here are some examples of other records unions should keep: credit card statements and itemized receipts for each credit card charge; member ledger cards for former members; union copies of bank deposit slips; bank debit and credit memos; vouchers for union expenditures; internal union financial reports and statements; minutes of all membership and executive board meetings; accountants' working papers used to prepare financial statements and reports filed with the Department; and fixed assets inventory. See the OLMS Fact Sheet on LMRDA Recordkeeping Requirements for Unions:

https://www.dol.gov/olms/regs/compliance/comp_pubs/RecordkeepingFactSheet%202014.pdf.

The Department assumes that the recordkeeping burden for LM reports and the recordkeeping burden for elections are analogous. In both LM reporting and conducting elections, unions must retain information related to the number of members they have. In both cases unions must retain individual pieces of information, such as receipts, ballots, and tally sheets. Larger unions will have a greater recordkeeping burden in both election and LM report recordkeeping because of their larger numbers of members. For example, a union with a greater number of members will have a greater number of election-related materials such as campaign literature, correspondence, nomination materials, membership lists, tally sheets to retain, and will also have a

greater number of LM recordkeeping materials such as receipts and disbursements, bank debit and credit memos, vouchers, and accounts payable.

To determine the number of respondents associated with the LMRDA election requirements, the Department took the average (23,715) of Form LM-2, LM-3, and LM-4 reports, as well as the SARF reports, submitted over the period from 2014-2018 (see: https://www.dol.gov/olms/regs/compliance/filing_data.htm), since, as explained, this universe of filers also constitutes the universe of LMRDA-covered union subject to the Act's election requirements. Then, the Department divided by three (23,715/3), since most labor unions are local unions that, by statute, must hold elections at least every three years. See LMRDA section 401(b), 29 U.S.C. 481(b). National and intermediate unions must hold elections, at least, every four or five years, respectively, but overwhelmingly most unions are locals. This results in an estimate of 7,905 labor organizations that, in a single year, must comply with the election recordkeeping requirements.

To establish the estimate of election recordkeeping burden hours per union, using the LM recordkeeping estimates, the Department looked at the recordkeeping burden hours estimates for each of the three annual union LM forms: 390 (Form LM-2), 64 (Form LM-3), and 2 (Form LM-4). See Table 3. The Department acknowledges that unions vary greatly in size, and that, correspondingly, such unions file different LM reports depending on total annual receipts. However, for election purposes, all unions must comply with Act's requirements, with most unions constituting locals and thus employing the same election methods (i.e., secret ballot elections in which all members vote). See LMRDA section 401(b), 29 U.S.C. 481(b).

To develop a single election recordkeeping burden estimate for all LMRDA-covered unions, the Department determined the proportion of Form LM-2, LM-3, and LM-4 reporting unions by taking a five-year average (2014-18) of the total number of each type of union, and dividing it by the average total number of unions reporting to OLMS during that same period. See: https://www.dol.gov/olms/regs/compliance/filing_data.htm. Thus, the average number of Form LM-2 unions over a five-year period was approximately 4,811, which was then divided by the total number of unions over a five year period, 23,715, see above, for a proportion of approximately 0.20. The proportion of Form LM-3 unions was determined by dividing the number of LM-3 unions, 10,837, and dividing by 23,715, for a proportion of approximately 0.46. The proportion of Form LM-4 filing unions (including SARFs) was established by dividing 8,067, by 23,715 for a proportion of approximately 0.34. Then, the Department combined the three totals into one average recordkeeping burden figure, by multiplying each of the individual burden hours per LM form by each form's proportion of the total number of annual LM forms filed, and using the sum of the three totals as the average number of burden hours per labor union response: 78.0, 29.44, and 0.68: approximately 108.12.

More specifically, the Department then multiplied the proportion of each form by the corresponding recordkeeping burden: 78.0 hours for the Form LM-2 (390 * 0.20); 29.44

hours for the Form LM-3 (64 * 0.46), and approximately 0.68 hours for the Form LM-4/SARFs (2 * 0.34). The total per labor organization is thus approximately 108.12 hours. Further, the Department estimates an annual total estimated recordkeeping burden of approximately 854,689 hours ((7,905)*108.12).

Table 2 displays total number of hours calculated for the purposes of voluntary submission of CBAs to OLMS. The Department estimates a burden of 0.5 hours for each respondent to voluntarily submit a CBA to OLMS. This estimate takes into account the time it takes to read the letter or email from OLMS requesting such CBA, locate the PDF of the CBA, and, generally, email it to OLMS. Further, the Department determined the average number of responses, approximately 132, by reviewing the total number of submitted CBAs over the past five years (2014-18), as recorded in OLMS records. The Respondent burden hours was calculated by multiplying the average annual number of responses over a five-year period, 132, by the respondent burden hours, which was estimated to be 0.5 hours, to 66 total burden hours.

Additionally, Table 3 details the annualized reporting and recordkeeping burden for all LMRDA public disclosure forms, as well as the CBAs and election recordkeeping requirements, and Table 4 details the annualized respondent cost estimates for such forms, CBAs, and requirements. The estimates for the total number of responses reflect filing figures based on recent five-year averages for submitted forms (see: https://www.dol.gov/olms/regs/compliance/filing_data.htm), as well as the CBA and election estimates detailed in this Supporting Statement. The burden hour estimates for the LM reports are indicated on the instructions for such forms, with the same reporting and recordkeeping breakdown as past ICRs. The Department did not change the hourly burden estimates for Forms LM-1, LM-3, LM-4, LM-10, LM-20, and LM-21, due to the mandatory e-filing changes, since the changes will have little if any impact on filers. Form LM-3 and LM-4 filers submitted very few continuing hardship requests (just 33), with all of them rejected by the Department. Further, electronic filing is already available for Form LM-20 and LM-21 filers, with some filers already using EFS, and the Department expects such filers to adapt quickly to EFS, due to the ease of the system and convenience of e-filing. Additionally, the Department will soon make EFS available for Form LM-1 and LM-10 filers, and the Department also expects such filers to adapt quickly to EFS.

TABLE 1
RECORDKEEPING BURDEN FOR THE LMRDA ELECTION REQUIREMENTS

| | |
|---------------------------------------|---------------|
| Annual Recordkeeping Burden Per Union | 108.12 |
| Total Annual Recordkeeping Burden | 854,689 hours |

TABLE 2
REPORTING AND RECORDKEEPING BURDEN HOURS AND COSTS FOR COLLECTIVE BARGAINING AGREEMENT SUBMISSIONS

| Number of Collective Bargaining Agreements | Reporting Hours per CBA | Total Reporting Hours | Average Cost per CBA Submission | Total Cost |
|--------------------------------------------|-------------------------|-----------------------|---------------------------------|------------|
| 132 | 0.5 | 66 | \$17.17 | \$2,266 |

**TABLE 3
ANNUALIZED REPORTING AND RECORDKEEPING BURDEN**

| Form | Responses | Hours Per Response for Reporting | Reporting Burden Hours | Hours per Response for Recordkeeping | Recordkeeping Burden Hours | Total Hours |
|----------------------------------|-----------|----------------------------------|------------------------|--------------------------------------|----------------------------|-------------|
| LM-1 | 173 | 0.83 | 143.4 | 0.09 | 15.6 | 159.0 |
| LM-2 | 4,811 | 140.20 | 674,558.3 | 390.00 | 1,876,446.0 | 2,551,004.3 |
| LM-2 Subsidiary Reporting* | 684 | 18.00 | 12,312.0 | 69.71 | 47,681.6 | 59,993.6 |
| LM-3 | 10,837 | 38.74 | 419,809.9 | 64.00 | 693,542.4 | 1,113,352.3 |
| LM-4 | 6,835 | 7.18 | 49,076.7 | 2.00 | 13,670.4 | 62,747.1 |
| LM-10 | 877 | 0.50 | 438.6 | 0.08 | 73.1 | 511.7 |
| LM-15 | 283 | 1.50 | 424.5 | 0.33 | 93.4 | 517.9 |
| LM-15A | 53 | 0.33 | 17.5 | 0.03 | 1.6 | 19.1 |
| LM-16 | 58 | 0.33 | 19.0 | 0.02 | 1.2 | 20.2 |
| LM-20 | 651 | 0.33 | 217.0 | 0.03 | 21.7 | 238.7 |
| LM-21 | 97 | 0.50 | 48.5 | 0.08 | 7.8 | 56.3 |
| LM-30 | 591 | 1.67 | 987.0 | 0.33 | 195.0 | 1,182.0 |
| S-1 | 79 | 0.50 | 39.5 | 0.08 | 6.3 | 45.8 |
| SARF** | 1231 | 0.17 | 209.3 | 0.03 | 36.9 | 246.2 |

| | | | | | | |
|------------------|--------|-------|-------------|--------|-----------|-------------|
| T-1 | 2,070 | 14.42 | 29,849.4 | 69.70 | 144,279 | 174,128.4 |
| Election records | 7,905 | -- | -- | 108.12 | 854,689 | 854,689 |
| CBA | 132 | 0.5 | 66 | | | 66 |
| Total Annualized | 37,367 | -- | 1,188,216.6 | -- | 3,630,761 | 4,818,977.4 |

Note: Some numbers may not add due to rounding.

* The burden described here is for those Form LM-2 filers that also have subsidiary organizations. The burden for Form LM-3 subsidiary reporting is included in the Form LM-3 burden numbers.

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Table 4 shows estimates of the annualized cost to respondents for the hour burdens for the information collection. Source information for non-labor organization salaries, derives from the Occupational Employment and Wages Survey, May 2018 survey (released in March 2019), Table 1, from the Bureau of Labor Statistics (BLS), Occupational Employment Statistics (OES) Program. See: <http://www.bls.gov/news.release/pdf/ocwage.pdf>. Labor organization salaries derive from e.LORS data, in FY 13 (as used in the ICR revisions since the three-year renewal in FY 13, adjusted for inflation to March 2019 dollars. See: the BLS CPI inflation calculator at https://www.bls.gov/data/inflation_calculator.htm). Further, the Department determined the total compensation (salary plus fringe benefits) for each position by increasing each of the hourly wage rates by approximately 45.8%, which is the percentage total of the average hourly benefits compensation figure (\$11.41 in December 2018) over the average hourly wage figure (\$24.91 in December 2018). See Employer Costs for Employee Compensation Summary, December 2018 (released in March 2019), from the BLS at <http://www.bls.gov/news.release/ecec.nr0.htm>. The “responses” and “burden hours” in Table 4 reflect totals described in Table 3.

For the costs associated with the election recordkeeping requirements, the Department assumes that the union’s secretary will handle such responsibilities. In this ICR, deriving from estimates in the 2013 ICR three-year renewal, the Department estimated an average hourly wage, with total compensation, of \$31.41 for a Form LM-2 filing-union’s secretary. Adjusted for inflation, this figure corresponds to \$34.34 in March 2019 dollars. See the BLS CPI inflation calculator: https://www.bls.gov/data/inflation_calculator.htm. Thus, the Department multiplied the total burden of 895,794.6 by \$34.34 for a total annual cost of approximately \$30,761,587 (or about \$3,891.41 per union). For the CBA program, the Department also assumes that union secretaries, generally, will submit such CBAs. Thus, at \$34.34 per hour, the average union submitting a submitting a CBA to the Department will incur \$17.17 in burden, for a total burden of approximately \$2,266 (\$34.34 * 66).

**TABLE 4
ANNUALIZED RESPONDENT COST ESTIMATES**

| Form | Responses | Burden Hours | Monetized Burden Hour Cost |
|----------------------------------|------------------|---------------------|-----------------------------------|
| LM-1 | 173 | 159 | \$5,943 |
| LM-2 | 4,811 | 2,551,004.3 | \$135,161,347 |
| LM-2 Subsidiary Reporting* | 684 | 55,993.6 | \$1,970,282 |
| LM-3 | 10,837 | 1,113,352.3 | \$43,543,716 |
| LM-4 | 6,835 | 62,747.1 | \$2,345,488 |
| LM-10 | 877 | 511.7 | \$51,731 |
| LM-15 | 283 | 517.9 | \$34,487 |
| LM-15A | 53 | 19.1 | \$1,487 |
| LM-16 | 58 | 20.2 | \$1,571 |
| LM-20 | 651 | 238.7 | \$24,130 |
| LM-21 | 97 | 56.3 | \$5,688 |
| LM-30 | 591 | 1,182.0 | \$60,111 |
| S-1 | 79 | 45.8 | \$2,531 |
| SARF** | 1,231 | 246.2 | \$7,475 |
| T-1 | 2,070 | 174,128.4 | \$9,120,825 |
| Election recordkeeping | 7,905 | 854,689 | \$30,761,587 |
| Collective Bargaining agreements | 132 | 66 | \$2,266 |
| Annualized | 37,367 | 4,818,977.4 | \$223,100,665 |

Note: Some numbers may not add due to rounding.

* The burden described here is for those Form LM-2 filers that also have subsidiary organizations. The burden for Form LM-3 subsidiary reporting is included in the Form LM-3 burden numbers.

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- 13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items A.12 and A.14).**
- **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
 - **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
 - **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

There are no operation and maintenance costs to respondents or recordkeepers resulting from the collection of information beyond the cost of the burden hours addressed in Item 12. Any capital investments including computers and software that are usual and customary expenses incurred by persons in the normal course of their business are excluded from the regulatory definition of burden as capital investments.

- 14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies**

also may aggregate cost estimates from Items A.12, A.13, and A.14 in a single table.

Table 5 provides a summary of federal costs associated with the information collections included in OMB # 1245-0003, as most recently approved. Federal estimated costs include costs for contractors and operational expenses such as equipment, overhead, and printing as well as salaries and benefits for the OLMS staff in the National Office and field offices who are involved with reporting and disclosure activities. These estimates include time devoted to: (a) receipt and processing of reports and CBAs; (b) disclosing reports to the public; (c) obtaining delinquent reports; (d) reviewing reports, (e) obtaining amended reports if reports are determined to be deficient; and (f) providing compliance assistance training on recordkeeping and reporting requirements.

The OLMS national and field staff costs were derived from the GS scale. OLMS derived the other costs, associated with contractors, office space, and overhead and supplies, from its operating budget.

TABLE 5

ANNUALIZED FEDERAL COST ESTIMATES

| | |
|-----------------|--------------------|
| National Office | \$4,326,488 |
| Field Offices | <u>\$3,429,140</u> |
| Total | \$7,755,627 |

15. Explain the reasons for any program changes or adjustments.

In comparison to the previous submission (33,571 responses and 4,754,242 burden hours), an increase of 3,796 in responses and 64,735.4 additional annualized burden hours attributable as a program change is noted. These differences derive from the addition of estimated burden for election recordkeeping and CBA submissions to the agency, as well as updated estimates for the remaining reports, as derived from more recent reporting data.

16. For collections of information whose results will be published, outline plans for tabulation, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

OLMS publishes the information collected pursuant to the LMRDA as reported. The submitted reports are made public via the OLMS website or upon request. While the public may download data from the published reports, OLMS does not post analyses of the data on its website.

OLMS does not publish information collected pursuant to the recordkeeping requirements of 29 U.S.C. § 481.

Collective bargaining agreements are made public via the OLMS website or upon request. Collective bargaining agreements submitted to OLMS are also available on unionreports.gov. While the public may download individual CBAs, OLMS does not calculate data related to collective bargaining agreements.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The Department is not seeking an exemption from the display of the expiration date of the OMB approval of the information collection.

18. Explain each exception to the certification statement in ROCIS.

The Department is not requesting any exceptions to the certification statement required by the Paperwork Reduction Act. The Department is able to certify compliance with all provisions.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.