DEPARTMENT OF LABOR

Office of Labor-Management Standards

29 CFR Part 403

[Docket #]

RIN 1245–AA15

Filing Thresholds for Forms LM–2, LM–3, and LM–4 Labor Organization Annual Reports

AGENCY: Office of Labor-Management Standards, Department of Labor.

ACTION: Proposed rule; request for comments.

SUMMARY: This proposed rule revises the filing thresholds in 29 CFR 403.4(a) for the Forms LM–2, LM–3, and LM–4 Labor Organization Annual Reports. This summary can be found at *www.regulations.gov* by searching by the RIN: 1245–AA15.

DATES: Comments must be received on or before July 31, 2025.

ADDRESSES: You may submit comments, identified by RIN #1245–AA15, by the following method:

Internet: Federal eRulemaking Portal. Electronic comments may be submitted through *www.regulations.gov.* To locate the proposed rule, use RIN #1245–AA15. Follow the instructions for submitting comments.

Only comments submitted through *www.regulations.gov* will be accepted. Comments will be available for public inspection at *www.regulations.gov.* The Department will post all comments received on *www.regulations.gov* without making any change to the comments, including any personal information provided. The *http://www.regulations.gov* website is the Federal e-rulemaking portal, and all comments posted there are available and accessible to the public. The Department cautions commenters not to include personal information such as Social Security numbers, personal addresses, telephone numbers, and email addresses in their comments as such submitted information will become viewable by the public via the *www.regulations.gov* website. It is the responsibility of the commenter to safeguard this information. Comments submitted through *www.regulations.gov* will not include the commenter's email address unless the commenter chooses to include that information as part of his or her comment.

Docket: Go to the Federal eRulemaking Portal at *https://www.regulations.gov* for access to the rulemaking docket, including any background documents and the plain-language summary of the proposed rule of not more than 100 words in length required by the Providing Accountability Through Transparency Act of 2023.

FOR FURTHER INFORMATION CONTACT: Andrew Davis, Director of the Office of Program Operations, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue NW, Room N–5609, Washington, DC 20210, by telephone at (202) 693–0123 (this is not a toll-free number), 771 (TTY/TDD), or by email at *olms-public@dol.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. 401 *et seq.,* mandates certain reporting and disclosure requirements for labor organizations, their officers and employees, employers, labor relations consultants, and surety companies. Under the LMRDA, every labor organization must file with the U.S. Department of Labor (Department), Office of Labor-Management Standards (OLMS) an annual financial report showing total annual receipts, disbursements, assets, and liabilities of the union. 29 U.S.C. 431. The Secretary of Labor has authority to prescribe the form of the financial disclosure reports required by the LMRDA. 29 U.S.C. 438. The Secretary has prescribed three forms for this purpose—Forms LM–2, LM–3, and LM–4—with the form required determined by total annual receipts. Under current regulations, labor organizations (not in a trusteeship) with $250,000 or more in annual receipts must file Form LM–2; those with less than $250,000 may choose to file Form LM–3; and those with less than $10,000 may choose to file Form LM–4. 29 CFR 403.4(a). Additionally, under certain circumstances, a local labor organization with no assets, liabilities, receipts, or disbursements that is not in a trusteeship can have a ''simplified annual report'' filed on their behalf by a parent union in lieu of an annual report. *Id.*

The Form LM–2 filing threshold was last revised in October 2003 when the Department raised it from $200,000 to $250,000. 68 FR 58374 (October 9, 2003). That 2003 adjustment was intended to approximate the effects of inflation on the earlier $200,000 level and reduce the recordkeeping and reporting burden for approximately 500 labor organizations. *Id.* The Form LM–2 threshold level has only increased three other times prior to 2003. *Id.* Shortly after the LMRDA was enacted in 1959, the threshold for filing the detailed Form LM–2 was set by the Secretary at $20,000. *Id.* The threshold was raised by the Secretary in 1962 to $30,000, in 1981 to $100,000, and in 1992 to $200,000. *Id.* Since 2003, the thresholds have remained unchanged for over twenty years, despite substantial inflation in the intervening period. *Id.* As a result, many unions with relatively modest receipts still meet the threshold for filing the most detailed form, the Form LM–2. *Id.*

Similarly, the Form LM–4 was introduced in a 1992 final rule, which also established the Form LM–3 threshold and required Form LM–3 filing for unions with more than $10,000 in total receipts but less than the LM–2 threshold of $200,000 at that time. 57 FR 49356 (October 30, 1992). Since 1992, the $10,000 threshold for the Form LM–3 has never been raised, despite over 30 years of inflation.

In this proposed rule, the Department proposes to increase each filing threshold to higher values: labor organizations with $450,000 or more in annual receipts must file Form LM–2; those with less than $450,000 may choose to file Form LM–3; and those with less than $25,000 may choose to file Form LM–4. These increases are necessary to reflect economic changes and reduce unnecessary reporting burdens on labor organizations whose total receipts, prior to adjusting for inflation, should not necessitate greater filing requirements. The Department proposes to revise accordingly each reference to the filing thresholds in 29 CFR 403.4(a) and on the Forms LM–2, LM–3, and LM–4, as well as their instructions.

II. Discussion

OLMS' review of the current reporting thresholds confirms that inflation has eroded their real value. As evidenced in the 2003 rulemaking, raising the Form LM–2 threshold to $250,000 at that time was meant to ''approximate[ ] an inflation adjustment'' of the prior $200,000 standard from 1992. 68 FR at 58383. Since 2003, overall price levels have risen approximately 75%, meaning $250,000 in 2003 equates to over $430,000 today in real dollars.[1] The LM–3 threshold erosion has been even steeper, as overall price levels have risen approximately 125% since 1992, and $10,000 in 1992 equates to over

[1] OLMS utilized the Bureau of Labor Statistic's Consumer Price Index Calculator to estimate buying power from 2004 to 2025 *https://www.bls.gov/data/i-nflation_calculator.htm.*

$22,500 today in real dollars.[2] To realign the thresholds with current economic conditions, OLMS proposes raising the Form LM–2 and Form LM–3 thresholds to higher levels, with the Form LM–4 adjusting accordingly. These adjustments are consistent with the Department's practice of periodically assessing the appropriateness of the filing thresholds, and the Department proposes to round up to fairly account for future inflation. By increasing the thresholds, this proposed rule would relieve those unions that fall below the new threshold requirement from the burden to file the lengthy Form LM–2 report, without exempting any union from its duty to report all its receipts and disbursements. A majority of current LM–2 filers, including the largest and most complex unions, would continue to file Form LM–2 and provide detailed disclosures. As with the Form LM–2, the increased Form LM–3 filing threshold would excuse those unions that would fall under the new Form LM–3 threshold from the more burdensome filing requirements.

OLMS has estimated the effect of the proposed thresholds on FY2024 filers by looking at the number of labor organizations that filed LM Forms for FY2024 whose receipts fell between the current and proposed threshold amounts. Approximately 868 labor organizations that filed the Form LM–2 in FY2024 would fall below the revised Form LM–2 threshold and instead file the Form LM–3 in the next reporting cycle. Approximately 2,089 labor organizations that filed the Form LM–3 in FY2024 would fall below the revised Form LM–3 threshold and file the Form LM–4 in its next reporting cycle.

It is important to view this estimated effect from increasing the Form LM thresholds in context. For example, the 2003 increase to the Form LM–2 threshold was estimated to affect approximately 500 Form LM–2 filers. 68 FR 58374. Similarly, OLMS estimates 868 FY2024 filers will no longer be required to file the Form LM–2. The estimated 868 filers make up less than 18% of all current LM–2 filers and represent the organizations with the lowest total annual receipts reported by all Form LM–2 filers. Thus, the Department estimates that a substantial number of the largest unions, as measured by total annual receipts, will continue filing the more detailed report, providing transparency to union members and needed resources to the Department as it seeks to enforce the LMRDA's financial safeguard provisions.

The Department therefore proposes to revise the threshold in 29 CFR 403.4(a)(1) to read: ''gross annual receipts totaling less than $450,000'' for labor organizations not in trusteeship that may file Form LM–3. The Department also proposes to revise the threshold in 29 CFR 403.4(a)(2) to read: ''gross annual receipts totaling less than $25,000'' for labor organizations not in trusteeship that may file Form LM–4. Unless they meet one of these thresholds, or the criteria for unions with no assets, no liabilities, no receipts and no disbursements in 29 CFR 403.4(b), all other labor organizations would file Form LM–2. *See* 29 CFR 403.3.

The Department further proposes to revise the threshold on Form LM–2 to read: ''MUST BE USED BY LABOR ORGANIZATIONS WITH $450,000 OR MORE IN TOTAL ANNUAL RECEIPTS AND LABOR ORGANIZATIONS IN TRUSTEESHIP,'' and proposes to revise the thresholds in the Form LM–2 Instructions, Section II, What Form to File, to read: ''Every labor organization subject to the LMRDA, CSRA, or FSA with total annual receipts of $450,000 or more must file the Form LM–2. Labor organizations with total annual receipts of less than $450,000 may file the simplified Form LM–3, if not in trusteeship . . . . 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 Department additionally proposes to revise the threshold on page 1 of Form LM–3 to read: ''FOR USE ONLY BY LABOR ORGANIZATIONS WITH LESS THAN $450,000 IN TOTAL ANNUAL RECEIPTS,'' and the threshold on page 4 to read: ''If total receipts reported in Item 44 are $450,000 or more, your organization must file Form LM–2 instead of this form.'' The thresholds in the corresponding Form LM–3 Instructions, Section II, What Form to File, would read: ''Every labor organization subject to the LMRDA, CSRA, or FSA with total annual receipts of less than $450,000 may file the simplified annual report Form LM–3, if not in trusteeship . . . . Labor organizations with less than $25,000 in total annual receipts may file the abbreviated 2-page annual report Form LM–4, if not in trusteeship.'' Further, the threshold listed in the Form LM–3 Instructions, Section XII, Labor Organizations that Have Ceased to Exist, would read: ''The terminal financial report may be filed on Form LM–3 if your organization filed its previous annual report on Form LM–3 and your organization's total annual receipts, as defined in Section II of these instructions, were less than $450,000 for the part of the last fiscal year during which your organization existed.''

The Department additionally proposes to revise the threshold on page 1 of Form LM–4 to read: ''FOR USE ONLY BY LABOR ORGANIZATIONS WITH LESS THAN $25,000 IN TOTAL ANNUAL RECEIPTS,'' and the threshold in Item 16 on Form LM–4 to read: ''If $25,000 or more, your organization must file Form LM–2 or LM–3 instead of this form.'' The thresholds in the corresponding Form LM–4 Instructions, Section II, What Form to File, would read: ''Labor organizations with total annual receipts of less than $25,000 may file the abbreviated 2-page annual report Form LM–4, if not in trusteeship . . . . Labor organizations with $25,000 or more in total annual receipts cannot use Form LM–4.'' The threshold in the Form LM–4 Instructions, Item 16, would read: ''*Note:* If the labor organization's annual receipts were $25,000 or more, the labor organization is not eligible to file Form LM–4[,]'' and the threshold in the Form LM–4 Instructions, Section X, Labor Organizations that Ceased to Exist, would read: ''The terminal financial report may be filed on Form LM–4 if the labor organization filed its previous annual report on Form LM–4 and the labor organization's total annual receipts, as defined in Section II of these instructions, were less than $25,000 for the part of the last fiscal year during which the labor organization existed.'' It would also note, ''If total annual receipts were $25,000 or more the labor organization must use Form LM–2 or LM–3[.]''

For the reasons described above, the Department believes that the benefits of the proposed changes, particularly the reduction in regulatory burden for filers, outweigh any loss of detail in annual reporting. By increasing the filing thresholds in a manner proportionate to inflation, this rulemaking ensures that only those unions whose total receipts have kept pace with inflation remain subject to the most detailed reporting requirements. The Department invites public comment on this proposed rule, including general and specific comment on any aspect of the rule.

III. Procedural Issues and Regulatory Review

A. Review Under Executive Orders 12866

Executive Order (E.O.) 12866, ''Regulatory Planning and Review,'' 58

[2] *Id.,* estimating buying power from 1992 to 2025.

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.

Section 6(a) of E.O. 12866 also requires agencies to submit ''significant regulatory actions'' to OIRA for review. OIRA has determined that this proposed rule constitutes a ''significant regulatory action'' under section 3(f) of E.O. 12866. Accordingly, this proposed rule was submitted to OIRA for review under E.O. 12866.

The Department expects that, if adopted, this proposal will decrease the number of Form LM–2 reports received by 868, based on FY2024 Form LM–2 filing data.[3] Similarly, the Department expects to see the number of Form LM–3 filers decrease by 2,089.[4] Given that the Form LM–2 requires approximately 530 hours per response compared to 103 hours per response for the Form LM–3, the decrease in Form LM–2 filers by 868 will result in an estimated reduction of 427 burden hours per response for those new Form LM–3 filers, totaling approximately 370,636 fewer reporting hours annually. Multiplying the approximately 370,636 reduced burden hours by the estimated average hourly rate [5] it takes to file the Form LM–3, $39.11,[6] the proposed total cost savings for new Form LM–3 filers is $14,495,573.96.

Additionally, given that the Form LM–3 requires approximately 103 hours per response compared to the 9 hours per response for the Form LM–4, the decrease in Form LM–3 filers by 2,089 will result in an estimated reduction of 94 burden hours per response for those new Form LM–4 filers, totaling approximately 196,366 fewer reporting hours annually. Multiplying the approximately 196,366 reduced burden hours by the estimated average hourly rate it takes to file the Form LM–4, $37.38,[7] the proposed total cost savings for new Form LM–4 filers is $7,340,161.08.

The Department estimates that increasing the Form LM–2 and Form LM–3 thresholds will result in an overall combined reduction of 567,002 burden hours annually and a total estimated cost savings of $21,835,735.04. The Department also expects its proposal to increase benefits to the public and to American workers by reducing compliance burdens, thereby enabling the regulated community to allocate more resources and time to core activities and services.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis (IRFA) and 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 is publishing this IRFA in connection with its proposed rule to revise the filing thresholds for labor organization financial reports required by section 201(b) of the Labor-Management Reporting and Disclosure Act (LMRDA), 29 U.S.C. 431(b), and 29 CFR 403.4. This rule is considered because inflation has substantially eroded the real value of existing reporting thresholds, requiring many labor organizations with relatively modest annual receipts to file the most detailed Form LM–2. The objective of the rule is to realign the reporting thresholds with current economic conditions and reduce unnecessary regulatory burdens on smaller labor organizations whose inflation-adjusted total annual receipts do not justify the current filing burdens.

The Department estimates that the proposed increase in reporting thresholds will affect approximately 868 labor organizations that currently file Form LM–2, and 2,089 that file 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. These labor organizations would 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.

This proposed 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. The rule does not duplicate, overlap, or conflict with other federal rules.

The Department considered alternatives but determined that maintaining the outdated thresholds would perpetuate an unnecessary regulatory burden. Other alternatives—such as a smaller threshold increase—would not sufficiently reflect inflation over the past 20 to 30 years and would fail to relieve unnecessary burdens. Because the rule is deregulatory and imposes no new requirements, the Department does not believe other regulatory alternatives would be appropriate or effective.

C. Review Under the Paperwork Reduction Act

This proposed rule imposes no new information or recordkeeping requirements. The Department reviewed the proposed rule under the Paperwork Reduction Act. (44 U.S.C. 3501 *et seq.*). While the proposed rule would not increase the number of filers overall, it would reduce the burden on many of those filers and change which forms they may submit, thus requiring a revision to an existing information collection. Thus, the Department will submit a separate notice later addressing the modification to OMB Control Number 1245–0003.

D. Review Under Executive Order 13132

E.O. 13132, ''Federalism,'' 64 FR 43255 (August 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 Executive order also requires agencies to have an accountable process to ensure

[3] *See https://www.dol.gov/agencies/olms/data.*

[4] *Id.*

[5] 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 Occupational Employment and Wages Surveys.

[6] For OLMS' most recent ICR containing Form LM recordkeeping burden, it can be found at *https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202407-1245-001.*

[7] *Id.*

meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications.

The Department has examined this proposed rule and has 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. Review Under 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 proposed rule meets the relevant standards of E.O. 12988.

F. Review Under the 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 proposed rule according to UMRA and its statement of policy and determined that the proposed rule does not contain a Federal intergovernmental mandate, nor is it expected to require 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. Review Under the 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 proposed 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. Review Under Executive Order 12630

Pursuant to E.O. 12630, ''Governmental Actions and Interference with Constitutionally Protected Property Rights,'' 53 FR 8859 (March 18, 1988), the Department has determined that this proposed rule would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

I. Review Under the 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 proposed rule under the OMB guidance and has concluded that it is consistent with applicable policies in those guidelines.

J. Review Under Additional Executive Orders and Presidential Memoranda

The Department has examined this proposed rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154, ''Unleashing American Energy,'' 90 FR 8353 (Jan. 29, 2025); E.O. 14192, ''Unleashing Prosperity Through Deregulation,'' 90 FR 9065 (Feb. 6, 2025); and Presidential Memorandum, ''Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis,'' 90 FR 8245 (Jan. 28, 2025). This proposed rule is expected to be an Executive Order 14192 deregulatory action.

List of Subjects in 29 CFR Part 403

Labor organizations, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Department proposes to amend part 403 of chapter 4 of title 29 of the Code of Federal Regulations, as set forth below:

PART 403—LABOR ORGANIZATION ANNUAL FINANCIAL REPORTS

■ 1. The authority citation for part 403 continues to read as follows:

Authority: Labor-Management Reporting and Disclosure Act of 1959, as amended, Public Law 86–257, 73 Stat. 519–546, codified at 29 U.S.C. 401–531.

■ 2. 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 $450,000 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.

* * * * *

K. Signature

Signed in Washington, DC.

Elisabeth Messenger,

Director, OLMS.

[FR Doc. 2025–12273 Filed 6–30–25; 8:45 am]

BILLING CODE P

DEPARTMENT OF LABOR

Office of Labor-Management Standards

29 CFR Part 404

[Docket #]

RIN #1245–AA16

Minor Child Definition for Form LM–30 Labor Organization Officer and Employee Report

AGENCY: Office of Labor-Management Standards, Department of Labor.

ACTION: Proposed rule; request for comments.

SUMMARY: This proposed rule is soliciting public comments regarding revisions to the definition of ''minor child'' as that term appears in 29 CFR 404.1(h) and on the Form LM–30 Labor Organization Officer and Employee Report.

DATES: Comments must be received on or before July 31, 2025.

ADDRESSES: You may submit comments, identified by RIN 1245–AA16, by the following method:

Internet: Federal eRulemaking Portal. Electronic comments may be submitted through *www.regulations.gov*. To locate the proposed rule, use RIN 1245–AA16. Follow the instructions for submitting comments.

Only comments submitted through *www.regulations.gov* will be accepted. Comments will be available for public inspection at *www.regulations.gov*.

The Department will post all comments received on *www.regulations.gov* without making any change to the comments, including any personal information provided. The *http://www.regulations.gov* website is the Federal e-rulemaking portal and all comments posted there are available and accessible to the public. The Department cautions commenters not to include personal information such as Social Security numbers, personal addresses, telephone numbers, and email addresses in their comments as such submitted information will become viewable by the public via the *www.regulations.gov* website. It is the responsibility of the commenter to safeguard this information. Comments submitted through *www.regulations.gov* will not include the commenter's email address unless the commenter chooses to include that information as part of his or her comment.

FOR FURTHER INFORMATION CONTACT: Andrew Davis, Director of the Office of Program Operations, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue NW, Room N–5609, Washington, DC 20210, by telephone at (202) 693–0123 (this is not a toll-free number), 711 (TTY/TDD), or by email at *olms-public@dol.gov*.

SUPPLEMENTARY INFORMATION:

I. Background

The Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. 401 *et seq.,* mandates certain reporting and disclosure requirements for labor organizations, their officers and employees, employers, labor relations consultants, and surety companies. Every officer or employee of a labor organization who, or whose spouse or their ''minor child,'' directly or indirectly holds any interest or derives any income or benefit from an employer whose employees the labor organization represents, or from a business that deals with the labor organization or a business that deals in substantial part with a represented employer of the union, or has received certain payments from a labor relations consultant, is required to file an annual financial disclosure report with the Secretary of Labor. 29 U.S.C. 432. The Secretary of Labor has authority to prescribe the form of the financial disclosure reports required by the LMRDA. 29 U.S.C. 438.

The U.S. Department of Labor (Department), Office of Labor-Management Standards (OLMS) proposes to amend its regulations under the LMRDA, 29 CFR part 404, to revise the definition of ''minor child'' on the Form LM–30 Labor Organization Officer and Employee Report, which requires labor union officers and employees to report actual or potential conflicts of interest involving their own personal financial interests, as well as that of their spouse or ''minor child,'' and that of their labor organization. In 2007, OLMS issued a final rule defining ''minor child'' as a ''son, daughter, stepson, or stepdaughter under 21 years of age.'' 72 FR 36106 (July 2, 2007). OLMS reasoned that because the LMRDA is silent about the age at which a child reaches their majority, there needed to be a uniform, nationwide definition that Form LM–30 filers, union members, and the public can easily ascertain and 21 was sensible as the age of majority in most states at the time of the LMRDA passage. *See generally* 72 FR 36106. In light of the statutory silence on the age at which a child reaches majority, OLMS reasoned that age 21 was sensible because there needed to be a uniform, nationwide definition that Form LM–30 filers, union members, and the public could easily ascertain, and that 21 was already the age of majority in most states at the time of LMRDA passage. *See* Labor Organization Office and Employee Report, Form LM–30, 72 FR 36145 (July 2, 2007).

II. Discussion

The Department is proposing to amend its regulations to redefine ''minor child'' as a son, daughter, stepson, or stepdaughter under the age of 18. This change aligns with the age of majority now recognized in almost all United States jurisdictions, where individuals are generally considered legal adults at 18. A total of 47 states and Washington, DC, have set the law of majority at 18, leaving only Alabama and Nebraska at age 19, and Mississippi at age 21.[1] By adopting this widely accepted standard, OLMS seeks to reduce the reporting burden on filers, while preserving the integrity and purpose of the LMRDA's disclosure requirements.

The proposed amendment reflects the understanding that individuals aged 18 and older are considered capable of managing their own financial affairs and are legally responsible for their actions. In most areas of law, including voting, contracts, and military service, adulthood begins at age 18. Requiring disclosure of financial interests or transactions involving children or stepchildren aged 18 to 20 may impose unnecessary administrative burdens on filers without meaningfully advancing transparency or detection of conflicts of interest, as union officials do not have legal control over their children who reach the age of majority. The Department believes that limiting the definition of ''minor child'' to those under 18 maintains the effective requirement without unduly burdening

[1] *See age of majority | Wex | US Law | LII/Legal Information Institute.*