

Transparency and Risk Management Focus

As an employer with a vested interest in labor relations and compliance, I oppose the Department of Labor's proposal to raise the LM-2/3/4 reporting thresholds. These reports are essential tools for ensuring transparency in union operations and help businesses manage labor-related risks.

The idea that financial reporting is burdensome no longer reflects reality. Electronic filing systems, accounting software, and OLMS tools have made LM compliance relatively easy, especially for organizations handling hundreds of thousands in dues.

Downgrading nearly 900 unions from LM-2 to LM-3 removes itemized spending, charitable contributions, loans, and fixed asset disclosures. This reduces our ability to understand how unions manage finances and limits accountability to the very members whose dues fund these unions. We urge OLMS to maintain current thresholds and prioritize transparency over convenience.

Data-Driven Business Concerns

I strongly urge the Department of Labor to reconsider its proposal to raise the financial thresholds for LM-2, LM-3, and LM-4 reporting. Employers rely on these disclosures to make informed decisions, especially when working with or negotiating against unions. The current proposal would reduce transparency for over 1,200,000 union members and downgrade over 2,000 organizations to the virtually content-free LM-4 form.

Transparency should not be scaled back at a time when smaller, unaffiliated unions are gaining traction. The LM-3 and LM-4 forms provide minimal information, insufficient to assess financial health or identify potential red flags. That's a liability for both businesses and union members. We support stronger, not weaker, financial reporting standards for labor organizations.

Compliance, Predictability, and Employer Interests

On behalf of my organization, I oppose the proposed changes to LM-2/3/4 filing thresholds. Labor organizations are key stakeholders in our business, and understanding their financial position directly affects our risk exposure and strategic planning.

The shift would allow many unions to obscure critical details, such as representation spending, borrowing, and charitable giving, among others. Businesses have the right to assess their labor partners using complete, itemized information.

It is especially concerning that nearly 40,000 union members affiliated with unaffiliated locals would lose any meaningful visibility into how their dues are spent. Employers and

union members alike benefit from strong oversight. The Department should maintain or improve reporting thresholds, not weaken them.

