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July 16, 2015

Andrew R. Davis
Chief of the Division of Interpretations and Standards
Office of Labor-Management Standards
U.S. Department of Labor
200 Constitution Avenue NW, Room N-5609
Washington, DC 20210

RE: RIN 1245-AA06

Dear Mr. Davis:

On behalf of the 1.6 million members of the American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO, we appreciate the opportunity to provide comments on the proposal to amend the Form LM-3 and LM-4 Labor Organization Annual Report instructions to require filers of such reports to submit the reports electronically. As one of the country's largest labor organizations, AFSCME represents hundreds of small unions that would be adversely affected by enactment of the Department of Labor proposal.

The DOL notice states that "Most labor unions have the information technology resources and capacity to file electronically. Indeed, although no specific data exists regarding the extent to which unions have already embraced the technology necessary to provide reports in electronic form, in 2014, approximately 40% of Form LM-3 unions and 37% of Form LM-4 unions filed their reports electronically." Because the Department of Labor has no evidence of widespread deployment of technology for the compilation and submission of reports, a requirement that reports be filed electronically is not justified.

The DOL notice also claims that the proposed changes will impose no cost burden. However, the DOL's cost analysis does not account for the real-world circumstances of small unions, which often have limited financial resources and rely on the work of volunteer officers that serve without pay to meet federal reporting requirements. The DOL notice claims that electronic filing will reduce the total hour burden to complete the Form LM-3 from 116 hours to 102.74 hours (the notice does not include an estimate for the reduction in the total hour burden to complete the Form LM-4). Even if this estimate is accurate, unions that rely on the efforts of volunteer officers will not benefit financially. On the other hand, small unions that lack the information technology resources necessary to file electronically will potentially incur significant expenses associated with purchasing (or leasing) computer equipment and internet access.

American Federation of State, County and Municipal Employees, AFL-CIO

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Furthermore, the “temporary hardship exemption” included in the proposal does not provide any meaningful benefit. According to the notice, the hardship exemption “will enable the filer to submit a paper report by the required due date, with an electronic report submitted within ten business days after their required due date.” The primary problem with the proposal stems from the potentially significant costs associated with the requirement to file electronically, not with the due date. Simply providing unions with an additional ten business days to file electronically does nothing to address this issue.

Although requiring electronic filing may provide some benefits, individuals who want to review the forms may already do so once DOL scans them and puts them into its “electronic disclosure room” on-line. We do not believe that the potential benefits outweigh the excessive financial burden that an electronic filing requirement would impose on many small unions. We strongly recommend that electronic filing remain optional for the very small unions filing Form LM-4 and the slightly larger unions filing Form LM-3. If you have any questions or wish to follow-up, please do not hesitate to contact Gary Gorski at ggorski@afscme.org or (202) 429-1238. Thank you for your attention.

Sincerely,



Steven Kreisberg
Director, Department of Research and
Collective Bargaining Services

SK/dd