

Filing Revised Form LM-30



An Overview of Labor Organization Officer and Employee Reporting

The Labor-Management Reporting and Disclosure Act (LMRDA) requires public disclosure of certain financial transactions and financial interests of labor organization officers and employees (other than an employee performing clerical or custodial services exclusively) and their spouses and minor children. The purpose of disclosure is, among other things, to make public any actual or potential conflict between the personal financial interests of a labor organization officer or employee and his or her obligations to the labor organization and its members. This report must be filed on Labor Organization Officer and Employee Report, Form LM-30. The information in this fact sheet applies to the revised Form LM-30 which must be filed by a labor organization officer or employee for reports covering any of his or her fiscal years that begin on or after August 16, 2007. The current Form LM-30 may be filed for reports covering any fiscal year beginning before that date.

A. How do I know if I am required to file a Form LM-30?

Generally, labor organization officers or employees are required to file a Form LM-30 if they or their spouse or minor child hold an interest in, or receive a payment or gift from an “employer” or a “business” or engage in any transactions or arrangements of the types that are described in this fact sheet, if none of the reporting exemptions apply.

Examples of reportable transactions include gifts to a labor organization officer from the employer of the labor organization members. A labor organization employee who accepts a payment from a business seeking to sell goods or services to the labor organization is required to file the Form LM-30, as is an officer who accepts a payment from an employer that manages the assets of a trust in which a labor organization is interested (see Section F), such as a pension or welfare plan.

B. What is a “labor organization officer?”

A “labor organization officer” is any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, and any member of its executive board or similar governing body.

C. What is a “labor organization employee?”

A “labor organization employee” is any individual (other than an individual performing exclusively custodial or

clerical services) employed by a labor organization within the meaning of any law of the United States relating to the employment of employees. An individual who is paid by the employer to perform union work, either under a “union leave” or “no-docking” policy, is an employee of the labor organization for reporting purposes if the individual performs services for, and under the control of, the labor organization.

D. What is a “minor child?”

A “minor child” is a son, daughter, stepson, or stepdaughter less than 21 years of age.

E. What is a “labor organization?”

A “labor organization” is the local, intermediate, national, or international labor organization that employed the filer, or in which the filer held office, during the reporting period. In addition, in the case of a national or international labor organization officer or an intermediate labor organization officer, this definition also includes any subordinate labor organization of the officer’s labor organization. Item 6 of the Form LM-30 identifies the relationships between employers and the filer’s labor organization that trigger a reporting requirement. Item 7 of the Form LM-30 identifies the direct and indirect relationships between a business (such as a goods vendor or a service provider) and the filer’s labor organization that trigger a reporting requirement. A filer’s labor organization means:

- for officers and employees of a local labor organization, the local labor organization.
- for officers of an international or national labor organization, the national or international labor organization and all of its affiliated intermediate bodies and all of its affiliated local labor organizations (but note: a national or international union officer does not have to report payments from or interests in businesses that deal with employers represented by, or actively being organized by, any lower level of the officer’s labor organization. Such officers are also not required to report payments and other financial benefits received by their spouses or minor children as bona fide employees of a business or employer involved with a lower level of the officer’s labor organization).
- for employees of a national or international labor organization, the national or international labor organization.
- for officers of intermediate bodies, the intermediate body and all of its affiliated local labor organizations.

F. What is a “trust in which a labor organization is interested?”

A “trust in which a labor organization is interested” is a trust or other fund or organization (1) that was created or established by a labor organization, or one or more of the trustees or one or more members of the governing body is selected or appointed by a labor organization, and (2) a primary purpose of which is to provide benefits for the members of such labor organization or their beneficiaries. The term “section 3(1) trust” is a shorthand reference to such trusts.

G. What payments from or holdings in an employer whose employees my labor organization represents or is actively seeking to represent must I report on Form LM-30?

Unless an exception applies, officers and employees of labor organizations must file a Form LM-30 if they or their spouse or minor child had any of the following financial relationships with an employer whose employees their labor organization represents or is actively seeking to represent:

- held any stock, bond, security or other interest in such an employer;
- derived any income or any other benefit with monetary value (including reimbursed expenses) from such an employer (except for payments and benefits as a bona fide employee of the employer);
- received a loan from, or made a loan to, such an employer; or
- engaged in any business transaction or arrangement with such an employer that was not a purchase or sale of goods or services in the regular course of business at prices generally available to any employee of the employer.

H. Must I report all financial relationships with an employer whose employees my labor organization represents or is actively seeking to represent?

No. A labor organization officer or employee does not have to report:

- payments and benefits received as a bona fide employee of the employer, such as his or her regular salary.
- payments or gifts totaling \$250 or less from any one source (payments or gifts valued at \$20 or less do not need to be included in determining whether the \$250 threshold has been met).
- holdings of, transactions in, or income from, bona fide investments in (1) securities traded on a securities exchange registered as a national securities exchange

under the Securities Exchange Act of 1934 (the New York Stock Exchange, NASDAQ, etc.), (2) shares in an investment company registered under the Investment Company Act of 1940, or (3) securities of a public utility holding company registered under the Public Utility Holding Company Act of 1935.

- holdings of, transactions in, or income from, bona fide investments in other securities that are of insubstantial value or amount and occur under terms unrelated to the official’s status in a labor organization (holdings or transactions involving \$1,000 or less and receipt of income of \$100 or less in any one security are considered insubstantial)

I. What financial relationships with employers other than one whose employees my labor organization represents or is actively seeking to represent must I report?

Labor organization officers and employees must file a Form LM-30 if they or their spouse or minor child received any payment of money or other thing of value from an employer or a labor relations consultant for an employer that:

- is in competition with an employer whose employees their labor organization represents or is actively seeking to represent;
- is a trust in which their labor organization is interested (see Section F);
- is a not-for-profit organization that receives or is actively and directly soliciting (other than by mass mail, telephone bank, or mass media) money, donations, or contributions from their labor organization;
- is a labor organization that:
 - (1) has employees their labor organization represents or is actively seeking to represent,
 - (2) has employees in the same occupation as those represented by their labor organization,
 - (3) claims jurisdiction over work that is also claimed by their labor organization,
 - (4) is a party to or will be affected by any proceeding in which they have voting authority or other ability to influence the outcome of the proceeding, or
 - (5) has made a payment to them for the purpose of influencing the outcome of an internal union election; or
- has interests in actual or potential conflict with the interests of their labor organization or their duties to their labor organization.

J. Must I report all financial relationships with the employers described in Section I?

No. A labor organization officer or employee does not have to report:

- bona fide loans, interest or dividends from banks, credit unions, etc., if they are based upon the financial institution's own criteria and made on terms unrelated to the official's status in a labor organization. This exception does not apply to financial institutions that constitute a "trust in which [the official's] labor organization is interested."
- pension, health, or other benefit payments to the labor organization official or the official's spouse or minor child from a trust that are provided pursuant to a written specific agreement covering such payments.
- payments from the official's labor organization or another labor organization affiliated with it.
- payments to the official's spouse or minor child received as compensation for, or by reason of, their service to their employer.
- payments of the kinds referred to in Labor Management Relations Act ("LMRA") section 302(c). These include the following types of payments by an employer:
 - payments to an employee acting openly for the employer in matters of labor relations or personnel administration;
 - payments to a labor organization official who also is an employee or former employee of the employer, as compensation for, or by reason of, his service as an employee of the employer;
 - any money or other thing of value payable in satisfaction of a judgment, arbitral award, settlement or release of any claim in the absence of fraud or duress;
 - the sale or purchase of an item at the prevailing market price in the regular course of business;
 - deductions of union dues from wages with the written approval of the employee;
 - payments to trust funds that meet certain conditions specified in section 302(c);
 - payments or gifts totaling \$250 or less from any one source (payments or gifts valued at \$20 or less do not need to be included in determining whether the \$250 threshold has been met).

K. Payments from any employer for certain purposes must always be reported by a labor organization officer or employee. What are these purposes?

A labor organization officer or employee must report any payments, the purpose of which was:

- not to organize employees;
- to influence employees with respect to their right to organize;
- to take any action with respect to the status of employees or others as members of a labor organization;
- to take 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
- to influence the outcome of an internal union election.

L. What financial relationships with businesses must be reported?

In addition to financial relationships with the employers described above, a labor organization officer or employee must report financial relationships with a "business" of the type described here. Such businesses are ordinarily vendors of goods or services to the labor organization, to trusts in which the labor organization is interested such as pension plans (see Section F), and to employers whose employees the official's labor organization represents or is actively seeking to represent.

Specifically, union officers and employees must file a Form LM-30 if they or their spouse or minor child held an interest in or received any income or other benefit from a business that meets any of the following conditions:

- 10% or more of its business consists of buying or selling or otherwise dealing with an employer whose employees the filer's labor organization represents or is actively seeking to represent; or
- any part of its business consists of buying, selling, or otherwise dealing with the filer's labor organization or a trust in which it is interested.

M. Must all financial relationships with a business described in Section L be reported?

No. A labor organization officer or employee does not have to report:

- payments or gifts totaling \$250 or less from any one source (payments or gifts valued at \$20 or less do not need to be included in determining whether the \$250 threshold has been met)

- holdings of, transactions in, or income from, bona fide investments in
 - (1) securities traded on a securities exchange registered as a national securities exchange under the Securities Exchange Act of 1934 (the New York Stock Exchange, NASDAQ, etc.),
 - (2) shares in an investment company registered under the Investment Company Act of 1940, or
 - (3) securities of a public utility holding company registered under the Public Utility Holding Company Act of 1935
- holdings of, transactions in, or income from, bona fide investments in other securities that are of insubstantial value or amount and occur under terms unrelated to the official's status in a labor organization (holdings or transactions involving \$1,000 or less and receipt of income of \$100 or less in any one security are considered insubstantial)

N. If a report must be filed, does that mean a crime has been committed?

No. The reporting requirements do not control whether a financial relationship is lawful or unlawful, and the legality of any financial relationship does not affect whether it must be reported. Although some payments from employers to labor organizations and labor organization officers or employees may constitute a crime, not all such payments do. Willful violations of section 302(a) and (b) of the LMRA are subject to criminal prosecution only by the Department of Justice, not the Department of Labor.

This guidance at times discusses section 302(c) of the LMRA because "payments of the kind referred to in section 302(c)" need not, in certain circumstances, be reported on the Form LM-30. When determining whether a payment is reportable, the guidance does not interpret the provisions of section 302(c), and conclusions reached by the Department of Labor regarding payments of the kind referred to in section 302(c) would not bind the Department of Justice in carrying out its criminal enforcement responsibilities.

O. How do I get a blank Form LM-30?

A blank Form LM-30 can be downloaded from the OLMS Web site at www.olms.dol.gov. The revised Form LM-30 must be filed by a labor organization officer or employee for reports covering any of his or her fiscal years that begin on or after August 16, 2007. The current Form LM-30 may be filed for reports covering any fiscal year beginning before that date.

P. Who must sign Form LM-30?

Form LM-30 must be signed by the labor organization officer or employee required to file it.

Q. When is the filing deadline?

Labor organization officers and employees who are required to file Form LM-30 must do so within 90 days after the end of their fiscal year, which for most individuals is the calendar year.

R. Where are Form LM-30s filed?

The completed Form LM-30 must be sent to:

U.S. Department of Labor
 ESA/OLMS, Room N-5616
 200 Constitution Avenue, NW
 Washington, DC 20210-0001

S. Are Form LM-30 reports available to the public?

Yes, all reports filed under the LMRDA are public information. Reports for the year 2000 and later can be viewed and printed at www.unionreports.dol.gov. Earlier reports can also be ordered at this Web site. In addition, Form LM-30 reports may be examined, and copies purchased, at the OLMS Public Disclosure Room in Room N-1519 at the above address.

T. How can I get more information?

Additional information about Form LM-30 is available on the OLMS Web site at www.olms.dol.gov, by sending a message to olms-public@dol.gov, by calling the DOL Help Line at **1-866-487-2365**, or by contacting the nearest OLMS field office, which can located by viewing our online organizational listing at <http://www.dol.gov/esa/contacts/olms/lmskeyp.htm>.