

Several commenters supported the Department's proposal. One commenter stated that an estimate of the amount of time spent by union employees and officers in performing their various duties will provide significant new evidence to union members about the priorities of their union leadership. Together with the proposed requirement that unions report receipts and disbursements by functional category, a commenter wrote, these requirements will provide information that will be very helpful to employees in making decisions about whether to support or join a union. Another commenter asserted that the estimates would enable union members to understand how their leaders are spending their time and help ensure that union leadership is acting in the interests of its membership.

A trade association stated that it strongly supports the Department's proposal, adding, however, that unions should be required to identify more specifically any time allegedly spent in the category of "other disbursements." One local union stated that the estimation requirement strikes the right balance between the need for information and the burden imposed on labor organizations. The same union, however, stated that it would object to any requirement for more detailed time keeping than proposed by the Department.

Another commenter asserted that the time reports would enable agency fee payers to quickly identify the percentage of time used for non-representational matters and, therefore, determine whether their agency fees have been properly calculated. In this commenter's view, the proposed changes would reduce the burden on unions to defend suits from agency fee payers attempting to determine the proper amount of their agency fees.

One labor consultant expressed the view that implementation of the proposed functional time reporting proposal would not result in significant and costly changes to most unions' accounting systems. He stated that many unions already have their officers and employees completing activity report forms or time sheets that categorize their time into major program areas and that the automated accounting systems used by these unions can be modified easily, if necessary, to conform to the Department's proposed categories. He added that unions that do not utilize time reporting systems could adopt the policies and procedures followed by unions with systems already in place. The same commenter asserted that officers should be required to report actual time, not estimated time.

A labor policy group expressed the view that the timekeeping requirement would be burdensome, especially for larger unions. It nonetheless supported the Department's proposal because the salaries and duties of a union's officers and employees are an important part of union expenditures and reflect the priorities established by union leadership.

Unions generally opposed the proposal, typically for the same reasons they objected to the Department's proposed requirement that they categorize their receipts and disbursements by functional category. See discussion at Section III(C)(1). One international union predicted that if the contemplated changes are adopted: (1) Union officers would be prevented from fulfilling their responsibilities; (2) unions would be forced to hire employees to track disbursements and allocate expenditures; (3) local unions would have to reconfigure their accounting systems; (4) union officers and employees would have to be trained on how to translate their daily activities to fit the categories; (5) unions would become the target of inappropriate government intervention; and (6) union officers would be subjected to criminal penalties for inadvertent discrepancies in completing the form.

The AFL-CIO stated that there is no way to "exactly calculate" how officers and employees spend their time. The AFL-CIO submitted a survey that, it contended, demonstrates that any attempt to require something more exact than good faith estimations would impose significant new costs on unions. According to its survey, only 4% of the unions that responded now have the capability to allocate officer and staff time by the functions proposed by the Department. The AFL-CIO stated that only 10%-20% of responding unions stated that they have any type of electronic systems to keep track of officer or employee time by category.

The AFL-CIO noted that any requirement that unions maintain contemporaneous timekeeping records would greatly increase the burden on the union without any corresponding gain in the value of the information obtained. The AFL-CIO also contended that the Department's authority does not extend to prescribing particular types of recordkeeping. Another union complained that the recordkeeping requirement would limit the services provided by the union. It estimated that even if recordkeeping requires only 20 minutes per day to perform, this translates into the loss of many hours that could be devoted to delivering services to the union's members.

One commenter expressed the view that the provision for reporting in 10% increments does not relieve any of the administrative burden imposed by the Department's timekeeping proposal. In its view, detailed records must be kept just to approximate the time expended by each officer or employee. The commenter stated that it is unfair to require union officers and staff to keep time records, when, in its view, this obligation is not required of top business executives or government officials.

One commenter stated that the Department's proposed schedules fail to reflect the wide variety of tasks performed by the union officers in order to serve their members' interests, *e.g.*, attending union meetings, preparing newsletters, providing union-sponsored health/safety services, and operating job training and enhancement programs. According to this commenter, the proposed categories are misleading in that they suggest that besides collective bargaining, union officers and employees only participate in political and lobbying activities. This commenter suggested that all of the other activities would be considered as "other" suggesting that the individuals spend the majority of their time on matters less significant to members.

The AFL-CIO contended that two of the categories proposed by this Department ("benefits" and "contributions, gifts, and grants") have no employee activity associated with them. These are pure expense categories, and the only employee activity associated with them will be the relatively minor activity connected to disbursement. Thus, in the AFL-CIO's opinion, it is highly misleading to include these as two of the eight categories in which officer and staff time is allocated. In its view, two other categories ("general overhead" and "other") are largely residual and do not relate directly to any major union programs. By narrowing the choice of program categories to only four categories—contract negotiation and administration, organizing, political and lobbying—it asserts that the form will inflate the amount of staff time reported as "other."

One individual commenter asked the Department to clarify whether an individual should record all the time he or she expends on union business (typically 60 hours or more per week in his estimate). This commenter questioned the proper reporting of attendance at a Labor Day parade on a legal holiday or a political rally that takes place during regular working hours. Another commenter questioned