

Table 1 - Summary of Regulatory Flexibility Analysis

For Unions that Meet the SBA Small Entity Standard	Total Burden Hours per Respondent	Total Cost per Respondent
Average Cost of Current Form LM-2	292.0	\$8,381
Average First Year Cost of Revised Form LM-2 & New Form T-1	781.7	\$26,257
Percent of Average Annual Receipts	n.a.	2.3%
Average Second Year Cost	573.3	\$18,322
Percent of Average Annual Receipts	n.a.	1.6%
Average Increase or Cost of Final Rule, First Year	489.7	\$17,876
Percent of Average Annual Receipts	n.a.	1.6%
Average Increase or Cost of Final Rule, Second Year	281.3	\$9,941
Percent of Average Annual Receipts	n.a.	0.9%
Maximum First Year Cost of Revised Form LM-2 and New Form T-1 for Unions with \$250,000 to \$499,999 in Annual Receipts (1)	812.9	\$28,977
Maximum Second Year Cost (1)	585.2	\$19,587
Maximum Increase or Cost of Final Rule, First Year (2)	520.9	\$20,596
Percent of Annual Receipts for \$250,000 Union	n.a.	8.2%
Percent of Annual Receipts for \$500,000 Union	n.a.	4.1%
Maximum Increase or Cost of Final Rule, Second Year (2)	293.2	\$11,206
Percent of Annual Receipts for \$250,000 Union	n.a.	4.5%
Percent of Annual Receipts for \$500,000 Union	n.a.	2.2%

Impact on Small Unions From Raising the Form LM-2 Reporting Threshold to \$250,000

Burden Hour Savings for 501 Small Unions for Being Able to Use Current Form LM-3 Instead of Current Form LM-2	176.0	\$5,104
Burden Hour Savings for 501 Small Unions for Not Being Required to File Revised Form LM-2	595.2	\$19,640
Burden Hour Savings for 501 Small Unions for Not Being Required to File New Form T-1	45.3	\$1,253

Note: (1) Assumed to be the average burden hours for unions with annual receipts of \$500,000 to \$49.9 million.
It is highly unlikely that the smallest Form LM-2 filers with annual receipts of \$250,000 to \$499,999 would incur these costs.

(2) For comparison the AFL-CIO submitted data that estimates unions with annual receipts of less than \$500,000 would incur an average cost of just \$3,750 for the more burdensome proposed Form LM-2.
It is highly unlikely that the smallest Form LM-2 filers with annual receipts of \$250,000 to \$499,999 would incur these costs for the less burdensome final rule.

Source: U.S. Department of Labor, Employment Standards Administration, Office of Labor Management Standards.

The Department believes that it is very unlikely that small unions with about \$250,000 in annual receipts

would incur many of the costs incurred by the typical Form LM-2 filer. (For example, unions near this amount of

receipts are likely to have far less complicated accounts covering far fewer transactions than the typical Form LM-