



OLMS Fact Sheet

Final Revision: Federal Contractor Identification Box for Form LM-10 Filers

Since the enactment of the Labor-Management Reporting and Disclosure Act (LMRDA) in 1959, employers have had to fill out a Form LM-10 with the Department's Office of Labor-Management Standards (OLMS) if they hire a consultant to persuade their workers about labor relations activities or to "surveil" employees or unions involved in a labor dispute. (The statutory term is "to obtain information concerning the activities of" workers or unions.)

On July 28, 2023, OLMS will publish a final revision amending the Form LM-10. The revision does not change who has to file LM-10 forms or when or how often they have to file them, but it does require employers to check a box disclosing if they're federal contractors or subcontractors -- and if so, provide their federal Unique Entity Identifier, if applicable, as well as the federal agency or agencies involved with the contract or subcontract.

OLMS seeks to enhance transparency and promote harmonious labor relations. Workers will now have access to information concerning the indirect source of the funding used to persuade or surveil them in connection with organizing, collective bargaining, and other concerted activities at the workplace. In addition, the public and policymakers will now know whether public funds indirectly lead to disruptions to harmonious labor relations and workers' rights, even if the underlying activities were not unlawful.

Executive Order 13494 prohibits the government from reimbursing contractors for the cost of persuader and surveillance activity. This disclosure makes it easier for federal agencies to identify the work that should not be reimbursed.

What does the revision do?

- Since 1959, employers have had to fill out an "LM-10" form if they hire a consultant to persuade their workers about labor relations activities, or to surveil employees or unions involved in a labor dispute.
- The revision does not change who has to file LM-10 forms or when or how often they must be filed. Rather, the revision requires employers to check a box disclosing if they're federal contractors -- and if so, provide their federal Unique Entity Identifier, if applicable, and the federal agencies involved with the contract or subcontract.

Why does the Department require LM-10 forms?

- The LM-10 forms are not a new requirement.
- Congress passed the LMRDA in 1959, which among other requirements, created reporting and disclosure requirements for labor unions, employers, and labor relations consultants.
- Employers must file reports covering, among other activities, agreements with consultants (and other payments and expenditures) made with an object to persuade employees concerning their organizing and collective bargaining rights or to surveil the activities of employees and unions involved in a labor dispute with such employers.

- OLMS makes these forms available on its website, as it does with all other forms: www.dol.gov/olms. See also: <https://www.dol.gov/agencies/olms/compliance-assistance/employer-consultant-reporting>.

What was on the LM-10 forms before this change?

- Filers provided their general contact information; the identity of the consultant hired; and “a full explanation of the circumstances” of all reportable payments and agreements, including the terms and conditions of the reportable agreement and activities undertaken pursuant to such agreement. None of this required information will change on the new LM-10 forms.
- These details included the identity of the unit of employees subject to the persuasion or surveillance activities.

Why did the Department require this new reporting?

- OLMS strives to enhance transparency and promote harmonious labor relations. Workers will now have access to information concerning the indirect source of the funding used to persuade or surveil them in connection with organizing, collective bargaining, or other concerted activities at their workplace. In addition, the public and policymakers will now know whether public funds have indirectly led to disruptions to harmonious labor relations and workers’ rights, even if the underlying activities were not unlawful.
- Federal agencies can also use these disclosures to ensure that they are not reimbursing government contractors for these unallowable costs.

What is a Unique Entity Identifier?

- The Unique Entity Identifier is the official identifier for doing business with the U.S. Government as of April 4, 2022.
- Entities registering in SAM.gov are assigned a Unique Entity Identifier as a part of the registration process.
- All Federal prime contractors and some subcontractors receive a Unique Entity Identifier, not just those that have to fill out LM-10 forms.

What’s the legal basis for this revision?

- Through the LMRDA, Congress identified persuader and surveillance activities as an area that needed transparency, and it provided the Secretary of Labor with rulemaking authority to prescribe a form that would provide “a full explanation of the circumstances” surrounding persuader and surveillance-related payments and agreements. The Department views federal contractor status as part of the “circumstances” that employers must explain for purposes of transparency.

What’s the policy basis for this rule?

- OLMS strives to enhance transparency and promote harmonious labor relations, which benefits employers, employees, and labor unions.
- Workers should have access to information concerning the indirect source of the funding used to persuade or surveil them in connection with organizing, collective bargaining, and other concerted activities at their workplace. In addition, the public and policymakers should know whether public

funds indirectly lead to disruptions to harmonious labor relations and workers' rights, even if the underlying activities were not unlawful.

- Federal contractors may not receive reimbursement for the costs of engaging in those activities under the contract. See E.O. 13494 (Economy in Government Contracting).

How will filers know which of their employees works under a federal contract?

- Under the E.O. 13496 implementing regulations, employers would already know which of their employees work under federal contracts, as they must provide them notices of their rights under the National Labor Relations Act (NLRA).
- While employers covered by the Railway Labor Act (RLA), instead of the NLRA, are not covered by E.O. 13496, and thus, arguably, may need more time to comply with the revision, this group is a small percentage of filers.

When will the revision take effect?

- The effective date for this revision is August 28, 2023.

Where do employers obtain LM-10 Forms?

- Employers must file the Form LM-10 electronically via the [OLMS Electronic Forms System](#).

How does the public access completed LM-10 Forms?

- The public can view submitted Form LM-10 reports via the [OLMS Online Public Disclosure Room](#).

OLMS

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