



MEDIA RELEASE

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Re: Lubbock Chamber Cheers U.S. Department of Labor Roll Back of Persuader Rule

LUBBOCK, Texas – Lubbock Chamber of Commerce officials touted another victory against regulatory overreach today as the U.S. Department of Labor (USDOL) repealed the previous Administration's changes to Persuader Rule regulations.

This is yet another blow to a rule the Lubbock Chamber sued to block on Constitutional grounds in Lubbock Federal Court. In March 2016 the Lubbock Chamber joined the National Federation of Independent Business (NFIB), Texas Association of Business (TAB), National Association of Home Builders (NAHB), and Texas Association of Builders (Texas Builders) in filing a lawsuit challenging the constitutionality of the regulations.

Senior United States District Judge Sam R. Cummings initially in 2016 issued a permanent nationwide injunction against USDOL's rule stating: "The chilling of speech protected by the First Amendment is in and of itself an irreparable injury... DOL's New Rule is not merely fuzzy around the edges. Rather, the New Rule is defective to its core."

"This is great news for business owners," said Eddie McBride, Lubbock Chamber of Commerce President and CEO. "By rescinding the rule it keeps a balanced playing field for all businesses and attorney client privilege is no longer being jeopardized."

The lawsuit filed by the Lubbock Chamber and other plaintiffs was mentioned and quoted many times as a basis for repeal of the challenged rule. According to the USDOL the proposed rule relied on an inappropriate reading of Section 203(c) that required reporting based on recommendations that constitute "advice" under any reasonable understanding of the term and the USDOL determined that fact alone required rescission.

"We thank our legal counsel on this case, Lubbock attorney Fernando Bustos of Bustos Law Firm, PC, who represented the Lubbock Chamber. We also thank our joint plaintiffs NFIB, TAB, NAHB, and Texas Builders in the joint effort," said Eddie McBride. "We are also grateful to the Ogletree Deakins and Kemp Smith law firms who have done such an effective job representing us and the job creators we serve."

More information about the Lubbock Chamber and its full court press against regulatory overreach is available at www.LubbockBusinessVotes.com.







The Lubbock Chamber of Commerce represents more than 1,900 businesses and over 79,000 employees on the South Plains which accounts for over \$2 billion in annual household earnings in Lubbock and West Texas. Since 1913 the Chamber, as a catalyst for business growth; a convener of leaders and influencers; and a champion for a stronger community, has served as a unified voice of business by actively advocating for a projobs, pro-growth, pro-business climate.

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