

## NEWS RELEASE

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### **Lubbock Chamber Welcomes State of Texas, Other Recent Support in USDOL Lawsuit**

**LUBBOCK, Texas** – Lubbock Chamber of Commerce officials today thanked Texas Attorney General Ken Paxton for a request to have the State of Texas and nine other states intervene in support of the Chamber’s joint lawsuit challenging changes to a U.S. Department of Labor (DOL) regulation known as the “Persuader Rule”. The motion to intervene was filed by the State of Texas and the other states in the U.S. District Court for the Northern District of Texas in Lubbock today (Tues., May 10). As well, the Lubbock Chamber thanked the U.S. Chamber of Commerce (USCC) for filing a friend-of-the-court brief supporting the lawsuit on Thurs., May 5.

The Chamber late last month 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 in Lubbock Federal Court against the DOL challenging the constitutionality of the new regulations. These changes to the Persuader Rule potentially expose every employer to reporting requirements and disclosures.

“These regulations have significant implications for all employers, not just those faced with union organizing. We are grateful that the State of Texas and the U.S. Chamber are getting behind this legal effort,” said Lubbock Chamber of Commerce Chairwoman Beth Bridges. “As the voice of business in Lubbock, we take a firm stand on legislation and regulations that affect business, but took this issue to the next level based on the constitutional rights we believe are being violated in this regulatory change.”

Lubbock attorney Fernando Bustos of Bustos Law Firm, PC, is representing the Lubbock Chamber, NFIB, TAB, NAHB, and Texas Builders in the joint effort. Also representing the Lubbock Chamber, NFIB, TAB, NAHB, and Texas Builders are the Ogletree Deakins and Kemp Smith law firms.

Under changes to the Persuader Rule, a law firm, consultant, or even an industry association or chamber that has been deemed a “persuader” will trigger disclosure of fees paid by all clients for broadly defined “labor relations advice or services” throughout the year. Under this scenario, a single attorney, by performing any newly-defined “Persuader” work for one client, could trigger



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a required reporting of information on all of the clients for which that attorney's entire firm performed even non-union-related labor and employment work.

"These filed reports are posted by the DOL and publicly available, making it possible for anyone to review how much an employer has paid over the course of a year for any human resources or labor related services." said Bustos.

Joining the State of Texas in the motion to intervene are Arkansas, Alabama, Indiana, Michigan, Oklahoma, South Carolina, Utah, West Virginia and Wisconsin. Two other lawsuits have been filed challenging the DOL's changes to the regulation in Minnesota and Arkansas.

The Lubbock Chamber of Commerce represents over 2,000 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. The Chamber has twice earned the distinguished 5-Star Accreditation from the U.S. Chamber of Commerce and is a two-time Chamber of the Year recognized by the Association of Chamber of Commerce Executives.

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